

**THACHANG GREEN ENERGY PUBLIC COMPANY LIMITED**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

**31 DECEMBER 2023**

## **Independent auditor's report**

To the Shareholders of Thachang Green Energy Public Company Limited

### **My opinion**

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Thachang Green Energy Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### **What I have audited**

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

### **Basis for opinion**

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

### **Key audit matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determined one key audit matter: Service concession arrangements. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p><b>Service concession arrangements</b></p> <p>Refer to note 4.13 Service concession arrangements</p> <p>The Group entered into a construction and waste management services agreement with Municipality in respect of Build-Own-Operate-Transfer (BOOT). The Group accounted for this service agreement as a service concession arrangement and recognised as intangible assets under the consideration criteria of TFRIC 12 "Service concession arrangements".</p> <p>As at 31 December 2023, the balance of service concession arrangement of the Group was Baht 76.79 million, representing 2.28% of total assets of the Group.</p> <p>I focussed on the service concession arrangement because it can materially affect the total assets of the Group. The service concession arrangement's recognition as intangible assets is subject to management's judgement and experience.</p>	<p>I performed the following procedures to obtain evidence of how the management recognised the service concession arrangement as intangible assets:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the construction and waste management services agreement with Municipality to evaluate the management's method of identifying that the agreement falls under the scope of TFRIC12 "Service concession arrangements".</li> <li>• Obtained an understanding and evaluated the accounting policies that the management used to recognise the service concession agreement as intangible assets.</li> <li>• Tested the additional intangible assets during the year with supporting evidence.</li> <li>• Assessed the completeness of intangible assets recognition.</li> </ul> <p>Based on the procedures above, I found that recognition of the service concession arrangement as intangible assets was appropriated, and that the management's method of identifying the agreement was in accordance with TFRIC12 and reasonable based on the available evidence.</p>

### Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

### **Responsibilities of the directors for the consolidated and separate financial statements**

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

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated and separate financial statements**

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

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

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

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

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

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

PricewaterhouseCoopers ABAS Ltd.

**Wanvimol Preechawat**

Certified Public Accountant (Thailand) No. 9548

Bangkok

16 February 2024

**Thachang Green Energy Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2023**

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Notes</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	9	476,611,624	596,428,785	327,515,303	581,942,393
Trade and other receivables	11	160,233,615	181,968,362	38,410,842	47,908,718
Trade and other receivables from related parties	30.4	5,835,172	15,679,242	16,812,250	21,665,211
Short-term loans to subsidiaries	30.5	-	-	246,302,000	-
Current portion of long-term loans to subsidiaries	30.6	-	-	12,000,000	24,000,000
Fuel and spare parts	13	108,346,644	106,155,729	88,444,565	93,035,061
Other current assets		25,630,077	14,877,819	11,445,364	8,882,429
<b>Total current assets</b>		<b>776,657,132</b>	<b>915,109,937</b>	<b>740,930,324</b>	<b>777,433,812</b>
<b>Non-current assets</b>					
Deposits at financial institutions used as collateral	10	191,479,090	109,053,276	18,900,000	-
Assets recognised from contract costs, net	12	232,858,146	157,692,871	2,682,400	-
Long-term loans to subsidiaries	30.6	-	-	389,441,790	537,570,735
Investments in subsidiaries	14	-	-	638,026,631	474,580,371
Advance for purchases of land		-	102,000,000	-	-
Property, plant and equipment, net	15	2,000,913,977	1,871,156,004	570,141,867	579,699,110
Right-of-use assets, net	16	64,983,618	70,667,942	28,435,685	31,815,736
Intangible assets, net	17.1	28,219,715	30,146,890	2,778,431	3,196,153
Right from service concession arrangements	17.2	76,789,834	71,472,278	-	-
Deferred tax assets, net		2,199,415	2,952,874	1,222,543	1,840,464
Other non-current assets		575,576	31,513,897	422,871	31,461,193
<b>Total non-current assets</b>		<b>2,598,019,371</b>	<b>2,446,656,032</b>	<b>1,652,052,218</b>	<b>1,660,163,762</b>
<b>Total assets</b>		<b>3,374,676,503</b>	<b>3,361,765,969</b>	<b>2,392,982,542</b>	<b>2,437,597,574</b>

Director .....

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

**Thachang Green Energy Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2023**

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Notes</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade payables		14,316,606	17,264,624	7,888,015	8,517,052
Trade and other payables to related parties	30.4	17,786,708	10,643,528	5,294,522	4,078,663
Construction payables and payables for purchase of assets		33,276,276	31,332,539	1,204,140	56,618
Retention for constructions		992,100	1,069,986	-	-
Current portion of long-term loans from financial institutions, net	18.1	223,283,748	223,090,948	74,900,578	74,873,976
Short-term loans from a subsidiary	30.7	-	-	-	6,000,000
Current portion of lease liabilities, net	30.4	4,308,691	4,020,221	3,036,874	2,881,436
Other current liabilities		23,240,175	28,418,061	10,999,113	13,722,869
<b>Total current liabilities</b>		<b>317,204,304</b>	<b>315,839,907</b>	<b>103,323,242</b>	<b>110,130,614</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions, net	18.1	595,858,055	819,146,823	224,869,949	299,771,219
Lease liabilities, net	30.4	72,690,458	76,999,149	29,511,541	32,548,414
Employee benefit obligations		7,622,317	6,055,863	6,568,766	5,293,899
Provision for decommissioning costs	19	50,064,785	47,290,721	18,287,102	17,649,593
Deferred tax liabilities, net		1,574,525	1,242,047	-	-
<b>Total non-current liabilities</b>		<b>727,810,140</b>	<b>950,734,603</b>	<b>279,237,358</b>	<b>355,263,125</b>
<b>Total liabilities</b>		<b>1,045,014,444</b>	<b>1,266,574,510</b>	<b>382,560,600</b>	<b>465,393,739</b>

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

**Thachang Green Energy Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2023**

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Liabilities and equity (continued)					
Equity					
Share capital	21				
Authorised share capital					
- 2,330,000,000 ordinary shares					
at par value of Baht 0.50 per share					
(2022: 2,200,000,000 ordinary shares					
at par value of Baht 0.50 per share)		1,165,000,000	1,100,000,000	1,165,000,000	1,100,000,000
Issued and paid-up share capital					
- 2,200,000,000 ordinary shares					
paid-up at Baht 0.50 per share		1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000
Premium on share capital	21	863,339,091	863,339,091	863,339,091	863,339,091
Premium on business combination					
under common control		(37,460,866)	(37,460,866)	(37,460,866)	(37,460,866)
Non-controlling arising on acquisition					
of a subsidiary		(32,713,953)	(32,713,953)	-	-
Retained earnings					
Appropriated - Legal reserve	22	30,182,409	27,996,409	30,182,409	27,996,409
Unappropriated		405,990,967	173,710,928	54,212,155	18,180,048
Other components of equity		262,905	262,905	149,153	149,153
Total equity attributable to owners					
of the parent		2,329,600,553	2,095,134,514	2,010,421,942	1,972,203,835
Non-controlling interests		61,506	56,945	-	-
Total equity					
		2,329,662,059	2,095,191,459	2,010,421,942	1,972,203,835
Total liabilities and equity					
		3,374,676,503	3,361,765,969	2,392,982,542	2,437,597,574

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



**Thachang Green Energy Public Company Limited**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2023**

		Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
Notes					
Revenue from sales and services	23	905,842,045	924,944,696	320,352,723	359,977,589
Revenue from construction under concession arrangements		5,317,556	13,144,260	-	-
Cost of sales and services		(598,833,243)	(617,341,526)	(262,729,091)	(292,958,828)
Cost of construction under concession arrangements		(5,317,556)	(13,144,260)	-	-
<b>Gross profit</b>		<b>307,008,802</b>	<b>307,603,170</b>	<b>57,623,632</b>	<b>67,018,761</b>
Other income	24	37,233,352	17,456,866	64,669,351	50,479,501
Dividend income	14	-	-	-	114,999,604
Currency exchange losses, net		(55,510)	(565,496)	(205,388)	-
Administrative expenses		(53,383,276)	(56,740,085)	(58,701,453)	(61,724,401)
Finance costs		(47,497,115)	(50,583,907)	(16,796,659)	(21,602,350)
<b>Profit before income taxes</b>		<b>243,306,253</b>	<b>217,170,548</b>	<b>46,589,483</b>	<b>149,171,115</b>
Income taxes	26	(3,339,424)	(742,477)	(2,871,407)	(361,888)
<b>Profit for the year</b>		<b>239,966,829</b>	<b>216,428,071</b>	<b>43,718,076</b>	<b>148,809,227</b>
<b>Total comprehensive income for the year</b>		<b>239,966,829</b>	<b>216,428,071</b>	<b>43,718,076</b>	<b>148,809,227</b>

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

Thachang Green Energy Public Company Limited  
Statement of Comprehensive Income  
For the year ended 31 December 2023

		Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
Note					
	<b>Profit (loss) attributable to:</b>				
	Owners of the parent	239,966,008	216,428,077	43,718,076	148,809,227
	Non-controlling interests	821	(6)	-	-
	<b>Profit for the year</b>	<u>239,966,829</u>	<u>216,428,071</u>	<u>43,718,076</u>	<u>148,809,227</u>
	<b>Total comprehensive income (expense) attributable to:</b>				
	Owners of the parent	239,966,008	216,428,077	43,718,076	148,809,227
	Non-controlling interests	821	(6)	-	-
	<b>Total comprehensive income for the year</b>	<u>239,966,829</u>	<u>216,428,071</u>	<u>43,718,076</u>	<u>148,809,227</u>
	<b>Earnings per share</b>				
	Basic earnings per share	27 0.11	0.12	0.02	0.08

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

Thachang Green Energy Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2023

Consolidated financial statements										
Attributable to owners of the parent										
Notes	Issued and paid-up share capital Baht	Premium on share capital Baht	Premium on business combination under common control Baht	Non-controlling arising on acquisition of a subsidiary Baht	Retained earnings		Other components of equity Other comprehensive income Remeasurements of post-employment benefit obligations Baht	Total owners of the parent Baht	Non-controlling interests Baht	Total equity Baht
					Legal reserve Baht	Unappropriated Baht				
Opening balance as at 1 January 2022	800,000,000	-	(37,460,866)	(32,713,953)	20,555,409	332,523,851	262,905	1,083,167,346	7,747	1,083,175,093
Changes in equity for the year										
Increase in share capital of subsidiaries	-	-	-	-	-	-	-	-	49,000	49,000
Additional paid-up capital	300,000,000	863,339,091	-	-	-	-	-	1,163,339,091	600	1,163,339,691
Dividend paid	-	-	-	-	-	(367,800,000)	-	(367,800,000)	(396)	(367,800,396)
Legal reserve	22	-	-	-	7,441,000	(7,441,000)	-	-	-	-
Total comprehensive income (expense) for the year	-	-	-	-	-	216,428,077	-	216,428,077	(6)	216,428,071
Closing balance as at 31 December 2022	1,100,000,000	863,339,091	(37,460,866)	(32,713,953)	27,996,409	173,710,928	262,905	2,095,134,514	56,945	2,095,191,459
Opening balance as at 1 January 2023	1,100,000,000	863,339,091	(37,460,866)	(32,713,953)	27,996,409	173,710,928	262,905	2,095,134,514	56,945	2,095,191,459
Changes in equity for the year										
Additional paid-up capital of subsidiaries	14.1	-	-	-	-	-	-	-	3,740	3,740
Dividend paid	28	-	-	-	-	(5,499,969)	-	(5,499,969)	-	(5,499,969)
Legal reserve	22	-	-	-	2,186,000	(2,186,000)	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	239,966,008	-	239,966,008	821	239,966,829
Closing balance as at 31 December 2023	1,100,000,000	863,339,091	(37,460,866)	(32,713,953)	30,182,409	405,990,967	262,905	2,329,600,553	61,506	2,329,662,059

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

Thachang Green Energy Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2023

Separate financial statements							
	Other components of equity						
	Other comprehensive income						
	Remeasurements of post-employment benefit obligations						
	Issued and paid-up share capital	Premium on share capital	Premium on business combination under common control	Retained earnings			Total equity
Notes	Baht	Baht	Baht	Legal reserve	Unappropriated	Baht	Baht
				Baht	Baht		
Opening balance as at 1 January 2022	800,000,000	-	(37,460,866)	20,555,409	244,611,821	149,153	1,027,855,517
Changes in equity for the year							
Additional paid-up capital	300,000,000	863,339,091	-	-	-	-	1,163,339,091
Dividend paid	-	-	-	-	(367,800,000)	-	(367,800,000)
Legal reserve	22	-	-	7,441,000	(7,441,000)	-	-
Total comprehensive income for the year	-	-	-	-	148,809,227	-	148,809,227
Closing balance as at 31 December 2022	1,100,000,000	863,339,091	(37,460,866)	27,996,409	18,180,048	149,153	1,972,203,835
Opening balance as at 1 January 2023	1,100,000,000	863,339,091	(37,460,866)	27,996,409	18,180,048	149,153	1,972,203,835
Changes in equity for the year							
Dividend paid	28	-	-	-	(5,499,969)	-	(5,499,969)
Legal reserve	22	-	-	2,186,000	(2,186,000)	-	-
Total comprehensive income for the year	-	-	-	-	43,718,076	-	43,718,076
Closing balance as at 31 December 2023	1,100,000,000	863,339,091	(37,460,866)	30,182,409	54,212,155	149,153	2,010,421,942

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

**Thachang Green Energy Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2023**

	Note	Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Cash flows from operating activities</b>					
Profit before income taxes		243,306,253	217,170,548	46,589,483	149,171,115
Adjustments to reconcile profit before income taxes to net cash provided by operations:					
- Depreciation and amortisation		147,795,695	141,721,702	61,872,658	55,091,515
- Unrealised foreign exchange losses (gains)		(149,878)	480,254	-	-
- Losses on write-off and disposal of equipment		7,137,309	2,800,419	7,132,935	2,106,839
- Losses on impairment of assets		44,084	-	1,466	-
- Interest income	24	(4,461,472)	(1,205,624)	(9,757,002)	(11,964,616)
- Finance costs		47,497,115	50,583,907	16,796,659	21,602,350
- Dividend income		-	-	-	(114,999,604)
- Retirement benefit expenses		1,566,454	1,647,108	1,274,867	1,409,218
Cash flows before changes in operating assets and liabilities		442,735,560	413,198,314	123,911,066	102,416,817
Changes in operating assets and liabilities:					
- Trade and other receivables		21,734,746	25,505,594	9,497,876	23,131,008
- Trade and other receivables from related parties		9,844,070	(1,158,116)	1,187,746	13,592,961
- Assets recognised from contract costs		(75,473,081)	(51,993,760)	(2,682,400)	-
- Fuel and spare parts		(2,190,916)	7,973,515	4,590,495	14,220,572
- Other current assets		(10,752,260)	(6,320,310)	(2,562,932)	(6,066,161)
- Other non-current assets		(95,000)	(798,913)	5,000	(798,913)
- Trade payables		(2,948,018)	4,881,524	(629,037)	4,422,913
- Trade and other payables to related parties		7,143,180	1,973,263	1,227,197	1,501,702
- Other current liabilities		(5,435,239)	4,495,413	(2,891,714)	1,015,023
Cash generated from operations		384,563,042	397,756,524	131,653,297	153,435,922
- Income tax paid		(2,253,486)	-	(2,253,486)	-
<b>Net cash generated from operating activities</b>		<b>382,309,556</b>	<b>397,756,524</b>	<b>129,399,811</b>	<b>153,435,922</b>

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

**Thachang Green Energy Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2023**

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
<b>Cash flows from investing activities</b>					
Deposits at financial institutions used as collateral		(82,425,814)	(35,288,660)	(18,900,000)	-
Cash receipts from long-term loans to subsidiaries	30.6	-	-	288,305,010	121,631,200
Cash payments in long-term loans to subsidiaries	30.6	-	-	(128,176,065)	(267,613,200)
Cash payments in short-term loans to subsidiaries, net	30.5	-	-	(246,302,000)	-
Dividends received from subsidiaries	14	-	-	-	114,999,604
Cash payment for additional paid-up shares capital and increase in shares capital of the subsidiaries	14	-	-	(163,446,260)	(48,700,400)
Interest received		4,461,472	1,205,624	13,422,216	11,173,100
Cash payments for purchase of property, plant, equipment and assets under construction		(140,795,564)	(43,542,845)	(23,346,640)	(10,435,843)
Cash receipts from the disposal of equipment		308,411	164	308,411	164
Cash payments for purchase of intangible assets		(218,300)	(348,000)	(212,700)	(348,000)
Cash payments for purchase of rights to service under concession arrangements		(4,808,898)	(9,647,517)	-	-
Advance payments for purchase of assets		(60,751)	(10,180,486)	(60,751)	(10,180,486)
Advance payments for purchase of land		-	(102,000,000)	-	-
<b>Net cash used in investing activities</b>		<b>(223,539,444)</b>	<b>(199,801,720)</b>	<b>(278,408,779)</b>	<b>(89,473,861)</b>
<b>Cash flows from financing activities</b>					
Interests paid		(45,273,544)	(48,039,047)	(16,039,438)	(20,582,336)
Proceeds from long-term loans from financial institutions	20	-	43,979,000	-	-
Payments for long-term loans from financial institutions	20	(223,800,001)	(223,800,000)	(75,000,000)	(75,000,000)
Proceeds from long-term loans from related parties	20	-	144,000,000	-	199,500,000
Payments for long-term loans from related parties	20	-	(363,400,000)	-	(412,900,000)
Payments for short-term loans from a subsidiary	20	-	-	(6,000,000)	-
Payments for deferred financing fee		-	(1,100,000)	-	(1,100,000)
Payments for principal elements of lease liabilities		(4,020,220)	(3,227,894)	(2,881,436)	(2,219,021)
Dividends paid	28	(5,497,248)	(367,800,396)	(5,497,248)	(367,800,000)
Proceeds from additional paid-up capital, net		-	1,163,339,691	-	1,163,339,091
Proceeds from additional paid-up shares capital and increase in shares capital of the subsidiaries		3,740	49,000	-	-
<b>Net cash generated from (used in) financing activities</b>		<b>(278,587,273)</b>	<b>344,000,354</b>	<b>(105,418,122)</b>	<b>483,237,734</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(119,817,161)</b>	<b>541,955,158</b>	<b>(254,427,090)</b>	<b>547,199,795</b>
Beginning balance		596,428,785	54,473,627	581,942,393	34,742,598
<b>Ending balance</b>	9	<b>476,611,624</b>	<b>596,428,785</b>	<b>327,515,303</b>	<b>581,942,393</b>

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

**Thachang Green Energy Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2023**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Cash and cash equivalents are comprised of as follows:</b>				
- Cash on hand	27,000	20,000	15,000	15,000
- Deposits at financial institutions-maturities within three months	476,584,624	596,408,785	327,500,303	581,927,393
	<u>476,611,624</u>	<u>596,428,785</u>	<u>327,515,303</u>	<u>581,942,393</u>
<b>Non-cash transactions:</b>				
- Purchases of building and equipment by payables (including retention)	3,436,371	70,421	1,204,140	56,618
- Decommissioning costs	(1,324,288)	4,054,276	(159,520)	785,262
- Acquisition of right-of-use assets under lease agreements	-	13,870,512	-	13,870,512

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

## **1 General information**

Thachang Green Energy Public Company Limited (the Company) is a public limited company which listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The address of its registered offices is as follows:

Head office: Located at No. 159, Moo 3, Thachang, Surat Thani 84150

Branch 1): Located at No. 52/3 Moo 7, Sawiat, Thachang, Surat Thani 84150

Branch 2): Located at No. 555 Rasa Tower (Tower A), 14<sup>th</sup> Floor, Unit no. 1401, Phahonyothin Road, Chatuchak, Bangkok 10900

The Company is listed on the Stock Exchange of Thailand on 19 August 2022.

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

The principal business operations of the Group are to generate and supply electricity and steam from biomass.

These consolidated and separate financial statements were authorised by the Board of Directors on 16 February 2024.

## **2 Basis of preparation**

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

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

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

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



### 3 Amended financial reporting standards

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

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

Since 1 January 2023, the Group has applied these financial reporting standards and do not have significant impacts to the Group.

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

- a) **Amendment to TAS 1 - Presentation of financial statements** revised the disclosure from 'significant accounting policies' to 'material accounting policies'. The amendment also provides guidelines on identifying **when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.**
- b) **Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors** revised to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.

### **c) Amendments to TAS 12 - Income taxes**

Companies must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised at the beginning of retained earnings or any other component of equity, as appropriate.

The management is in the process of assessment on the effect of adoption of such financial reporting standards.

## **4 Accounting policies**

### **4.1 Principles of consolidation**

#### **4.1.1 Subsidiaries**

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

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

#### **4.1.2 Associates**

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

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

#### **4.1.3 Joint arrangements**

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

##### *Joint operations*

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

### *Joint ventures*

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

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

#### **4.1.4 Equity method**

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

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

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

#### **4.1.5 Changes in ownership interests**

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

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

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

#### **4.1.6 Intercompany transactions on consolidation**

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

## **4.2 Business combination**

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

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

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

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

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

### *Acquisition-related cost*

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

### *Step-up acquisition*

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

### *Changes in fair value of contingent consideration paid/received*

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

### *Business combination under common control*

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

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

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

#### **4.3 Foreign currency translation**

##### **4.3.1 Functional and presentation currency**

The financial statements are presented in Thai Baht, which is the Company's functional currency and the Group's and the Company's presentation currency

##### **4.3.2 Transactions and balances**

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

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

#### **4.4 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less from acquisition date. In statement of financial position, bank overdrafts are presented in current liabilities.

#### **4.5 Trade receivables**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 - 60 days and therefore are all classified as current items.

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

The impairment of trade receivables is disclosed in Note 4.7

#### **4.6 Fuel and spare parts**

Fuel and spare parts which are not met conditions of property, plant and equipment are stated at cost less allowance for obsolescence and defective.

Cost of fuel and spare parts are determined by the weighted average method. Fuel consists of raw material palm, chopped palm, fiber and chopped wood.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition, such as import duties and transportation charges, less all attributable discounts and allowances. The Group recognises allowance for obsolete, slow-moving and defective spare parts are reviewed on a specific case.

## **4.7 Financial assets**

### **4.7.1 Classification**

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

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

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

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

### **4.7.2 Recognition and derecognition**

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

### **4.7.3 Measurement**

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

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

### **4.7.4 Debt instruments**

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

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains (losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the profit or loss.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets are derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains (losses). Interest income is included in interest income. Impairment losses are presented as a separate line item in the profit or loss.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within net gains (losses) from changes in fair value of financial instruments in the period in which it arises.

#### 4.7.5 Equity instruments

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

Changes in the fair value of financial assets at FVPL are recognised in net gains (losses) from changes in fair value of financial instruments in the statement of comprehensive income.

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

#### 4.7.6 Impairment

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

To measure the expected credit losses using simplified approach, trade account receivables and other receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

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

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

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall).

The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

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

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as at the reporting date about experience, current conditions and forecasts of future situations.

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

#### **4.8 Assets recognised from contract costs**

##### **4.8.1 Incremental costs of obtaining a contract**

The Group recognised the incremental costs of obtaining a contract with third parties and the asset is amortised consistent with the pattern of related revenue recognition.

##### **4.8.2 Costs to fulfil a contract**

The Group recognised the costs to fulfil a contract with third parties and the asset is amortised consistent with the pattern of related revenue recognition.

#### **4.9 Property, plant and equipment**

Property, plant and equipment are initially stated at historical cost. All plant and equipment are subsequently stated at historical cost less accumulated depreciation and allowance for impairment (if any). The cost of an item property, plant and equipment comprises its purchase price, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. These can include the initial estimate of costs of dismantling and removing the item, and restoring the site on which it is located, the obligation for which the Group incurs either when the item is acquired or as a consequence of having used the item during a particular period.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated on the straight-line method to allocate their costs to their residual values over their estimated useful lives, except land which is considered to have an indefinite useful life, as follows:

	<b>Years</b>
Building and building improvements	5 - 20
Equipments and tools	5 - 20
Machinery and electrical equipment	5 - 20
Office equipment, furniture and office supplies	3 - 10
Motor vehicles	5 and 10

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

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the profit or loss.



#### **4.10 Intangible assets**

##### **4.10.1 Right to use the transmission facilities**

The right to use transmission facilities is an expenditure paid to acquire a right to use the transmission facilities which are amortised by using straight-line method over the useful lives of 15 to 20 years, which is in accordance with the periods of the PPA.

##### **4.10.2 Right in Power Purchase Agreements**

The right in Power Purchase Agreements (PPA) arising on the acquisitions of businesses, are amortised by using straight-line method over the periods of the PPA which are between 15 to 20 years.

##### **4.10.3 Computer software**

Acquired software licenses are capitalised based on the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis, not exceeding 10 years. Cost associated with maintaining computer software are recognised as an expense as incurred.

##### **4.10.4 Other intangible assets**

Other intangible assets such as right to use meter of transmission line and right to use power system are amortised by using straight-line method over the periods of the PPA which are not exceed 20 years.

##### **4.10.5 Right from service concession arrangements**

Rights to service under concession arrangements is the rights obtained from the concession arrangement to provide waste management service and to convert solid waste into electrical energy. According to accounting policy no. 4.13, rights to service under concession arrangements is amortised as expense in statement of comprehensive income using straight-line method throughout the period of 20 years specified in the contract.

#### **4.11 Impairment of assets**

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's fair value less costs to sell and value in use.

Where the reason for previously recognised impairments no longer exists, the impairment losses on the assets concerned other than goodwill is reserved.

#### **4.12 Leases**

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

The Group's leases comprises of lands, office buildings and equipments, which the lease periods are 3 - 25 years. Each lease agreements have right to renew the agreement period.

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

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

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

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

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

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

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

#### **4.13 Service concession arrangements**

Service concession arrangements are arrangements between government (the grantor) and a private sector entity (an operator) which involve the operator constructing the infrastructure used to provide the public service or upgrading it, operating and maintaining that infrastructure for a specified period. The operator is paid for its services over the period of the arrangement. The grantor controls or regulates that services that the operator must provide with the infrastructure, to whom it must provide them, and service fee and the grantor control-through ownership, beneficial entitlement or otherwise - any significant residual interest in the infrastructure at the end of the term of the arrangement.

If the Group as the operator provides construction or upgrade services, revenue and costs relating to construction or upgrade services shall be accounted for based on the stage of completion on the construction contract. The consideration received or receivable by the operator shall be recognised at its fair value of a financial asset or an intangible asset.

The Group shall recognise financial assets to extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services and recognise an intangible asset to the extent that it receives a right (a license) to charge users of the public service. A right to charge users of the public service is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service. If the operator is paid for the construction services partly by a financial asset and partly by an intangible asset it is necessary to account separately for each component of the operator's consideration. Revenue and costs relating to operation services shall be recognised when service is provided by reference to the contract term.

Contractual obligations to maintain or restore infrastructure, except for any upgrade element shall be recognised and measured at the best estimate of expenditure that would be required to settle the present obligation at the end of the reporting period.

Currently, the Group has recognised service concession arrangements as intangible assets which separately presented.

#### **4.14 Financial liabilities**

##### **4.14.1 Classification**

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

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

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

##### **4.14.2 Measurement**

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

##### **4.14.3 Derecognition and modification**

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

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

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

#### **4.15 Borrowing costs**

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

Other borrowing costs are expensed in the period in which they are incurred.

#### **4.16 Current and deferred income taxes**

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

##### *Current tax*

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

##### *Deferred income tax*

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

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### **4.17 Employee benefits**

##### **4.17.1 Defined contribution plan**

The Group operates a provident fund that is funded by payments from employees and by the relevant Group companies which are managed by trustee. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to the provident fund are charged to the profit or loss in the year in which they are due.

#### **4.17.2 Retirement benefits**

Employees are entitled to receive benefits reaching normal retirement age under the labour law applicable in Thailand and those countries in which the Group operates, or such other dates of entitlement as may be agreed between the Group and employees. Retirement benefits depend on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates of government securities that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement of gains and losses arising from experienced adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are presented as a separate line item in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

#### **4.18 Provisions**

##### **4.18.1 General provisions**

Provisions are recognised when the Group has a present legal or constructive obligation because of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation.

The increase in the provision due to passage of time is recognised as interest expense.

##### **4.18.2 Provisions for decommissioning cost**

The Group recognises provision for decommissioning costs, which are provided at the onset of completion of the project, for the estimate of the eventual costs that relate to the removal of the power plants. The recognised provision for decommissioning costs is based on future removal cost estimates and incorporate many assumptions such as abandonment times and future inflation rate and discounted to present value at the discount rate estimated by the management. Those costs are included as part of the power plants.

#### **4.19 Share capital**

Ordinary shares with discretionary dividends are classified as equity.

Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

#### **4.20 Revenue recognition**

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

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

##### *Sales from Power Purchase Agreement*

Sales of electricity from Power Purchase Agreement comprises revenue from electricity, which is calculated upon actual transmission of electricity and recognized point-in-time when the control is transferred to the customers at delivery points stipulated in the Purchase Agreement. Revenue is recognised with realisable value net of output tax, rebates and discount.

##### *Service income*

- Revenue from management services is recognised when the services are rendered. The Group has completed its obligations to perform which recognised over time.
- Revenue from waste management services is recognised when the services are rendered. The Group has completed its obligations to perform which recognised at a point in time.

##### *Revenue from construction*

Revenue from construction includes contracts to provide construction services. Revenue is recognised over time and used the output method to measure progress referencing the physical proportion of contract work completed as per the conditions agreed with customers. The Group satisfies a performance obligation by transferring such services and control of those services to customers over time.

Construction service revenue for changes in the scope of work e.g. additional work and contract modification price changes, is recognised as if it were a part of the existing contract. The effect that the contract modification and measurement of progress toward satisfactory completion of the performance obligation, is recognised as an increase in or a reduction of revenue at the date of the contract modification.

Claims, variations and liquidated damages are accounted for as variable consideration and are included in contract revenue provided that it is highly probable that a significant reversal will not occur in the future.

##### *Percentage of completion*

Revenue from construction-type service contracts where a defined output is promised, is recognised using the percentage of completion method. The stage of completion is generally determined as the percentage of cost incurred up until the reporting date relative to total estimated cost, adjusted with uninstalled materials that the customer accepts and takes control but not yet installed. Where the stage of completion is not reliably measured, revenue is only recognised up to the amount of contract costs expensed, provided it is recoverable.

##### *Interest income*

Interest income is recognised using the effective interest method.

##### *Dividend income*

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

#### **4.21 Dividend distribution**

Dividends distribution to the Group's shareholders is recognised as a liability in the consolidated and separate financial statements in the period in which the dividends are approved by the shareholders and interim dividends are approved by the Board of Directors.

#### **4.22 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief executive officer, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker that makes strategic decisions.

### **5 Financial risk management**

#### **5.1 Financial risk**

The Group's activities expose it to a variety of financial risks which are market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programmed focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Financial risk management is carried out by the Group's treasury management division. The Group's policy includes areas such as foreign exchange risk, interest rate risk, price risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for the group's treasury management team.

##### **5.1.1 Market risk**

###### **a) Foreign exchange risk**

The Group is not subject to foreign exchange risk with significant value. Mostly transactions, assets and liabilities of the Group is the operating currency of each company in the Group.

###### **b) Interest rate risk**

The Group has a risk of interest rate fluctuation that may happen in the future, since the Group has long-term loans for business operations which the Group paid interest with floated rate. The Group has a plan to manage the risk of interest by following the trend of interest rates in the Thai market. and to allocate the loan in proportion related with type of investment of the business. The Group does not enter into interest rate swap contracts to hedge the risk.

The interest rate risk of long-term loans from financial institutions of the Group are describe in Note 18.

*Sensitivity*

Profit or loss is sensitive to higher or lower interest expenses from borrowings as a result of changes in interest rates.

	<b>Consolidated financial statements</b>	
	<b>Net profit 2023 Baht</b>	<b>Net profit 2022 Baht</b>
Interest rate - increase 1.00%* (2022: 1.00%)	(8,201,710)	(10,439,710)
Interest rate - decrease 1.00%* (2022: 1.00%)	8,201,710	10,439,710

  

	<b>Separate financial statements</b>	
	<b>Net profit 2023 Baht</b>	<b>Net profit 2022 Baht</b>
Interest rate - increase 1.00%* (2022: 1.00%)	(3,000,000)	(3,750,000)
Interest rate - decrease 1.00%* (2022: 1.00%)	3,000,000	3,750,000

\* Holding all other variables constant

**c) Price risk**

The Group is exposed to the supply raw material price risk which is fuel for electricity generation that fluctuates from the demand and supply, the Group monitors palm price trends to plan an appropriate volume and price of palm purchase from suppliers and adjusts the operation plan to the optimise level in order to reduce the supply price risk.

**5.1.2 Credit risk**

**a) Risk management**

The Group has no material credit risks for cash and cash at banks. This is because the Group uses quality financial institutions for cash and cash at banks. The Group manages credit risk by categorising the risks. To reduce potential risks for deposits with banks and financial institutions, the Group has laid down a policy to limit the transactions to be made with a particular financial institution and to invest surplus only in low-risk investments. In its experience, the Group has never suffered any losses from cash and investments. For trade receivables, the Group's sales are made to state-owned enterprises under the terms and conditions of the long-term Power Purchase Agreements in which the credit risk is appropriated.

For trade receivables, the Group's sales are made to state-owned enterprises and industrial users under the terms and conditions of the long-term Power Purchase Agreements and the long-term Electricity and Steam Sales. There are no significant concentrations of credit risk for the Group's customers. However, the Group regularly monitors credit term compliance granted to each customer.



**b) Impairment of financial assets**

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

- Cash and cash equivalents
- Trade and other receivables
- Trade and other receivables from related parties
- Long-term loans to subsidiaries
- Short-term loans to subsidiaries

The management considers the impairment loss of these items is immaterial and the Group applies the simplified approach from TFRS9 in recognition of impairment of trade receivables which applies lifetime expected credit loss, from initial recognition, for all trade receivable as described in Note 11.

**5.1.3 Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Liquidity risk may also arise if customers are not able to settle obligations to the Group within the normal credit term. To manage this risk, the Group periodically assesses financial viability of customers.

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows.

The maturity of financial liabilities as at	Consolidated financial statements				
	Within 1 year Baht	Over 1 year but less than 5 years Baht	Over 5 years Baht	Total Baht	Carrying amount Baht
<b>31 December 2023</b>					
Trade and other payables	32,103,314	-	-	32,103,314	32,103,314
Lease liabilities	7,396,846	30,256,900	64,070,494	101,724,240	76,999,149
Loans from financial institutions and interest expenses	259,604,486	637,380,786	-	896,985,272	820,630,973
<b>Total non-derivative financial liabilities</b>	<b>299,104,646</b>	<b>667,637,686</b>	<b>64,070,494</b>	<b>1,030,812,826</b>	<b>929,733,436</b>
The maturity of financial liabilities as at	Consolidated financial statements				
	Within 1 year Baht	Over 1 year but less than 5 years Baht	Over 5 years Baht	Total Baht	Carrying amount Baht
<b>31 December 2022</b>					
Trade and other payables	27,908,152	-	-	27,908,152	27,908,152
Lease liabilities	7,266,471	30,409,337	71,609,903	109,285,711	81,019,370
Loans from financial institutions and interest expenses	257,946,850	863,002,543	13,043,601	1,133,992,994	1,043,472,309
<b>Total non-derivative financial liabilities</b>	<b>293,121,473</b>	<b>893,411,880</b>	<b>84,653,504</b>	<b>1,271,186,857</b>	<b>1,152,399,831</b>

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The maturity of financial Liabilities as at 31 December 2023	Separate financial statements				
	Within 1 year Baht	Over 1 year but less than 5 years Baht	Over 5 years Baht	Total Baht	Carrying amount Baht
Trade and other payables	13,182,537	-	-	13,182,537	13,182,537
Lease liabilities	4,234,024	16,719,066	17,853,393	38,806,483	32,548,415
Loans from financial institutions and interest expenses	88,003,354	241,386,076	-	329,389,430	301,044,828
<b>Total non-derivative financial liabilities</b>	<b>105,419,915</b>	<b>258,105,142</b>	<b>17,853,393</b>	<b>381,378,450</b>	<b>346,775,780</b>

  

The maturity of financial Liabilities as at 31 December 2022	Separate financial statements				
	Within 1 year Baht	Over 1 year but less than 5 years Baht	Over 5 years Baht	Total Baht	Carrying amount Baht
Trade and other payables	12,595,715	-	-	12,595,715	12,595,715
Lease liabilities	4,187,178	17,231,438	21,575,044	42,993,660	35,429,850
Loans from financial institutions and interest expenses	86,638,008	320,462,813	-	407,100,821	375,754,257
Loans from related parties and interest expenses	6,038,938	-	-	6,038,938	6,011,338
<b>Total non-derivative financial liabilities</b>	<b>109,459,839</b>	<b>337,694,251</b>	<b>21,575,044</b>	<b>468,729,134</b>	<b>429,791,160</b>

#### Loan covenants

Under the terms of the major borrowing facilities, the Group is required to maintain financial ratios such as debt to equity, debt service coverage ratio (DSCR) and the dividends payment requires to maintain interest bearing debt to equity ratio (IBDE). As at 31 December 2023 and 2022, the Group can maintain the financial ratio.

### 5.1.4 Capital management

#### Risk management

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

To maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

During the year 2023, the Group's strategy, which remains unchanged, was to maintain debt to equity ratio and credit rating. The debt-to-equity ratio on 31 December are as follows:

	Consolidated financial statements	
	2023 Baht	2022 Baht
Net debt	1,045,014,444	1,266,574,510
Equity (including non-controlling interests)	2,329,662,059	2,095,191,459
<b>Net debt to equity ratio</b>	<b>0.45</b>	<b>0.60</b>

## 6 Fair value

### Fair value estimation

The following table presents financial assets and liabilities that are measured at fair value in each level including fair value of financial assets and financial liabilities. The different levels have been defined as follows:

- Level 1 Fair value of financial instruments refer to quoted prices in active markets for identical assets or liabilities.
- Level 2 Fair value of financial instruments assess from valuation techniques which use information that are observable, either directly or indirectly, for the asset or liability.
- Level 3 Fair value of financial instruments assess from valuation techniques that are not based on observable market data.

	Fair value level	Consolidated financial statements		Separate financial statements	
		Amortised cost Baht	Fair value Baht	Amortised cost Baht	Fair value Baht
As at 31 December 2023					
Assets					
Long-term loans to subsidiaries	2	-	-	401,441,790	328,170,537
Total assets		-	-	401,441,790	328,170,537
	Fair value level	Consolidated financial statements		Separate financial statements	
		Amortised cost Baht	Fair value Baht	Amortised cost Baht	Fair value Baht
As at 31 December 2022					
Assets					
Long-term loans to subsidiaries	2	-	-	561,570,735	525,948,532
Total assets		-	-	561,570,735	525,948,532

Fair value of the following financial assets and financial liabilities of the Group and the Company measured at amortised cost where their carrying value approximated fair value are as follows:

- Cash and cash equivalents
- Trade and other receivables
- Trade and other receivables from related parties
- Short-term loans to subsidiaries
- Trade payables
- Trade and other payables to related parties
- Construction payables
- Short-term loans from a subsidiary
- Long-term loans from financial institutions \*

\* The long-term borrowings of the Group in which the float rate is like the market rate.

## **7 Critical accounting estimates, assumptions and judgments**

The Group had no estimate and assumption concerning the future that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## **8 Segment information**

The segment information is presented on the same basis that used for internal reporting purpose as provided to the chief operating decision maker (the management). The Group has two segment reports which are comprised of biomass power plant business and waste power plant business.

The steering committee primarily uses a measure of segments' revenue and gross margin to assess the performance of the operating segments.

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Significant information relating to revenue and profit of the reportable segments are as follows:

	<b>Consolidated financial statements</b>					
	<b>Biomass Power plant</b>		<b>Waste Power plant</b>		<b>Total</b>	
	<b>2023 Baht</b>	<b>2022 Baht</b>	<b>2023 Baht</b>	<b>2022 Baht</b>	<b>2023 Baht</b>	<b>2022 Baht</b>
Revenue from sales and services	896,252,075	916,431,734	14,907,526	21,657,221	911,159,601	938,088,955
Timing of revenue recognition:						
At a point in time	896,252,075	916,431,734	9,589,970	8,512,962	905,842,045	924,944,696
Over time	-	-	5,317,556	13,144,259	5,317,556	13,144,259
	896,252,075	916,431,734	14,907,526	21,657,221	911,159,601	938,088,955
Gross profit	305,234,362	306,236,041	1,774,440	1,367,129	307,008,802	307,603,170
Other income					37,233,352	17,456,866
Currency exchange losses					(55,510)	(565,496)
Administrative expenses					(53,383,276)	(56,740,085)
Finance costs					(47,497,115)	(50,583,907)
Profit before income taxes					243,306,253	217,170,548
Income taxes					(3,339,424)	(742,477)
Profit for the year					239,966,829	216,428,071
Property, plant and equipment, net	1,754,983,633	1,837,960,409	245,930,344	33,195,595	2,000,913,977	1,871,156,004
Total assets	2,521,064,526	2,859,561,460	853,611,977	502,204,509	3,374,676,503	3,361,765,969

The revenue of the Company consists of sale of electricity from Biomass Power plant which is recognised at a point in time.

### *Geographical information*

The Group operated businesses in Thailand.

### *Major customer*

During the year 2023, the Group had revenues from major customer which is the main power supplier, who contributed 85% of the Group's total revenues, which was approximately Baht 774.50 million (2022: contributed 80% of the Group's total revenues, which was approximately Baht 753.89 million).

## **9 Cash and cash equivalents**

<b>As at 31 December</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2023 Baht</b>	<b>2022 Baht</b>	<b>2023 Baht</b>	<b>2022 Baht</b>
Cash on hand	27,000	20,000	15,000	15,000
Cash deposit - Current account	9,700	9,700	9,700	9,700
Cash deposit - Saving account	476,574,924	596,399,085	327,490,603	581,917,693
<b>Total cash and cash equivalents</b>	<b>476,611,624</b>	<b>596,428,785</b>	<b>327,515,303</b>	<b>581,942,393</b>

As at 31 December 2023, the interest rates on deposits held at call with banks were 0.50 to 1.50 per annum (2022: 0.45% per annum).

## **10 Deposits at financial institutions used as collateral**

Deposits at financial institutions used as collateral represented deposits which have been pledged as collateral for issuing the letters of guarantee on behalf of subsidiaries. The purpose is for electricity usage guarantee to the Provincial Electricity Authority and to guarantee the construction and providence of waste management service.

## **11 Trade and other receivables**

<b>As at 31 December</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2023 Baht</b>	<b>2022 Baht</b>	<b>2023 Baht</b>	<b>2022 Baht</b>
Trade receivables	128,431,310	141,980,503	37,694,110	47,211,900
Revenue department receivables	26,215,605	33,401,159	716,732	696,818
Other receivables	5,586,700	6,586,700	-	-
<b>Total trade and other receivables</b>	<b>160,233,615</b>	<b>181,968,362</b>	<b>38,410,842</b>	<b>47,908,718</b>

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Trade receivables as at 31 December can be analysed by aging as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>As at 31 December</b>				
Not overdue	128,300,476	141,943,576	37,694,110	47,211,900
Overdue below 3 months	130,834	36,927	-	-
Overdue 3 - 6 months	-	-	-	-
Overdue 6 - 12 months	-	-	-	-
Overdue over 12 months	-	-	-	-
<b>Total trade receivables</b>	<b>128,431,310</b>	<b>141,980,503</b>	<b>37,694,110</b>	<b>47,211,900</b>

## 12 Assets recognised from contract costs, net

### Incremental costs of obtaining contracts

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Statements of financial position as at 31 December</b>				
Assets recognised from incremental costs of obtaining contracts	208,160,110	134,130,104	2,682,400	-
<b>Statements of comprehensive income for the years ended 31 December</b>				
Amortisation	127,242	106,148	-	-

The Group recognised the incremental costs of obtaining contracts, includes consultation, operation and facilitation fee, were presented as part of assets recognised from contract costs in the statement of financial position. It is amortised on a basis that consistent with the pattern of recognition of goods transfer and services provided.

### Costs to fulfil contracts

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Statements of financial position as at 31 December</b>				
Assets recognised from costs to fulfil contracts	24,698,036	23,562,767	-	-
<b>Statements of comprehensive income for the years ended 31 December</b>				
Amortisation	180,564	147,468	-	-

The Group recognised the costs to fulfil contracts, incurred for the development and enhancing areas follows the terms of contract, which are presented as part of assets recognised from contract costs in the statement of financial position. It is amortised on a basis that consistent with the pattern of recognition of goods transfer and services provided.

### 13 Fuel and spare parts

As at 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Fuel	55,852,081	58,259,982	45,903,184	53,442,946
Main spare parts used in other equipments	48,391,269	43,939,886	39,591,600	36,755,640
Common spare parts	4,103,294	3,955,861	2,949,781	2,836,475
Total Fuel and spare parts	108,346,644	106,155,729	88,444,565	93,035,061



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**14 Investments in subsidiaries**

The detail of investments in subsidiaries are as follows:

	Country of incorporation	Business	Onwership interest by the Company (%)		Cost method		Dividend for the years	
			31 December 2023 %	31 December 2022 %	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Thachang Power Green Company Limited	Thailand	Biomass fuelled electricity generation plant	99.99	99.99	243,640,471	243,640,471	-	92,999,912
Thachang Energy Solution Company Limited	Thailand	Biomass fuelled electricity generation plant (the Company has not yet started its business operations)	99.99	99.97	88,797,100	16,297,100	-	-
Thachang Bio Power Company Limited	Thailand	Biomass fuelled electricity generation plant	99.99	99.99	142,998,000	142,998,000	-	21,999,692
Thachang Energy Solution (Chumphon) Company Limited	Thailand	Waste fuelled electricity generation plant (the Company has not yet started its business operations)	99.99	99.99	15,249,000	15,249,000	-	-
Thachang Energy Solution (Ratchaburi) Company Limited	Thailand	Waste fuelled electricity generation plant (the Company has not yet started its business operations)	99.99	99.99	78,948,800	16,198,800	-	-
Thachang Energy Solution (Prachin Buri) Company Limited	Thailand	Waste fuelled electricity generation plant (the Company has not yet started its business operations)	99.60	99.60	12,450,000	12,450,000	-	-
Thachang Energy Solution (Chai Nat) Company Limited	Thailand	Waste fuelled electricity generation plant (the Company has not yet started its business operations)	99.99	99.99	15,998,400	9,999,000	-	-
Thachang Energy Solution (Tha Chin) Company Limited	Thailand	Waste fuelled electricity generation plant (the Company has not yet started its business operations)	99.99	99.99	19,948,860	17,499,000	-	-
Thachang Energy Solution (Ubon Ratchathani) Company Limited	Thailand	Waste fuelled electricity generation plant (the Company has not yet started its business operations)	99.98	99.60	19,996,000	249,000	-	-
Total investments in subsidiaries					638,026,631	474,580,371	-	114,999,604

The movement of investments in subsidiaries can be analysed as follows:

<b>For the years ended 31 December</b>	<b>Separate financial statements</b>	
	<b>2023</b>	<b>2022</b>
	<b>Baht</b>	<b>Baht</b>
Opening net book value	474,580,371	425,879,971
Increase in share capital of subsidiaries	140,000,000	39,201,000
Additional paid-up shares capital	23,446,260	9,499,400
Closing net book value	638,026,631	474,580,371

#### **14.1 Increase in shares capital of subsidiaries**

##### During 2023

##### **Thachang Energy Solution (Ubon Ratchathani) Company Limited (TES UBN)**

According to the resolution of the Extraordinary General Meeting of Shareholders of TES UBN held on 29 November 2023, the shareholders passed a resolution increasing in authorised share capital amount to Baht 19 million from Baht 1 million to Baht 20 million by issuing new ordinary share of 19,000 shares with a par value of Baht 1,000 per share and TES UBN called for share payments of Baht 250 per share, totalling Baht 4.75 million. The Company already made a payment following to the original investment proportion with totalling Baht 4.75 million in the period. On 6 December 2023, TES UBN registered the additional share capital with the Ministry of Commerce.

##### **Thachang Energy Solution Company Limited (TES)**

According to the resolution of the Extraordinary General Meeting of Shareholders of TES held on 31 August 2023, the shareholders passed a resolution increasing in authorised share capital amount to Baht 290 million from Baht 35 million to Baht 325 million by issuing new ordinary share of 290,000 shares with a par value of Baht 1,000 per share and TES called for share payments of Baht 250 per share, totalling Baht 72.50 million. The Company already made a payment following to the original investment proportion with totalling Baht 72.50 million in the period. On 4 September 2023, TES registered the additional share capital with the Ministry of Commerce.

##### **Thachang Energy Solution (Ratchaburi) Company Limited (TES RBR)**

According to the resolution of the Extraordinary General Meeting of Shareholders of TES RBR held on 31 August 2023, the shareholders passed a resolution increasing in authorised share capital amount to Baht 251 million from Baht 54 million to Baht 305 million by issuing new ordinary share of 251,000 shares with a par value of Baht 1,000 per share and TES RBR called for share payments of Baht 250 per share, totalling Baht 62.75 million. The Company already made a payment following to the original investment proportion with totalling Baht 62.75 million in the period. On 4 September 2023, TES RBR registered the additional share capital with the Ministry of Commerce.

#### **14.2 Additional paid-up shares capital of subsidiaries**

##### During 2023

##### **Thachang Energy Solution (Ubon Ratchathani) Company Limited (TES UBN)**

According to the Board of Director's Meeting of TES UBN held on 21 December 2023, the Boards approved to call for additional paid-up capital of Baht 750 per share for 20,000 ordinary shares, totalling Baht 15.00 million. The Company already made a payment following to the original investment proportion with totalling Baht 15.00 million. On 22 December 2023, TES UBN registered the additional share capital with the Ministry of Commerce.

##### **Thachang Energy Solution (Prachin Buri) Company Limited (TES TCN)**

According to the Board of Director's Meeting of TES TCN held on 8 September 2023, the Boards approved to call for additional paid-up capital of Baht 35 per share for 70,000 ordinary shares, totalling Baht 2.45 million. The Company already made a payment following to the original investment proportion with totalling Baht 2.45 million. On 13 September 2023, TES TCN registered the additional share capital with the Ministry of Commerce.

##### **Thachang Energy Solution (Chai Nat) Company Limited (TES CNT)**

According to the Board of Director's Meeting of TES CNT held on 8 September 2023, the Boards approved to call for additional paid-up capital of Baht 150 per share for 40,000 ordinary shares, totalling Baht 6 million. The Company already made a payment following to the original investment proportion with totalling Baht 6 million. On 13 September 2023, TES CNT registered the additional share capital with the Ministry of Commerce.

15 Property, plant and equipment, net

	Consolidated financial statements							
	Land Baht	Building and buliding improvements Baht	Equipments and tools Baht	Machinery and electrical equipment Baht	Office equipment, furniture and office supplies Baht	Motor vehicles Baht	Construction in progress Baht	Total Baht
<b>As at 1 January 2022</b>								
Cost	19,074,023	595,284,553	9,262,484	1,807,853,848	6,294,014	30,854,698	2,187,070	2,470,810,690
<u>Less</u> Accumulated depreciation	-	(115,187,338)	(3,724,291)	(341,949,210)	(3,958,258)	(19,564,072)	-	(484,383,169)
Net book amount	19,074,023	480,097,215	5,538,193	1,465,904,638	2,335,756	11,290,626	2,187,070	1,986,427,521
<b>For the year ended 31 December 2022</b>								
Opening net book amount	19,074,023	480,097,215	5,538,193	1,465,904,638	2,335,756	11,290,626	2,187,070	1,986,427,521
Additions	14,062,072	443,260	987,818	2,656,241	465,228	-	7,320,672	25,935,291
Transfer in (out)	-	1,127,505	-	5,508,427	1,555,861	-	(8,191,793)	-
Decrease in decommissioning costs	-	(2,220,292)	-	(1,833,984)	-	-	-	(4,054,276)
Disposal, net	-	-	-	-	(1,487)	-	-	(1,487)
Write-off, net	-	(189,665)	(19,321)	(2,586,536)	(3,574)	-	-	(2,799,096)
Depreciation	-	(28,779,501)	(1,805,541)	(99,085,354)	(1,047,382)	(3,634,171)	-	(134,351,949)
Closing net book amount	33,136,095	450,478,522	4,701,149	1,370,563,432	3,304,402	7,656,455	1,315,949	1,871,156,004
<b>As at 31 December 2022</b>								
Cost	33,136,095	594,310,165	10,149,932	1,810,085,457	8,248,303	30,854,698	1,315,949	2,488,100,599
<u>Less</u> Accumulated depreciation	-	(143,831,643)	(5,448,783)	(439,522,025)	(4,943,901)	(23,198,243)	-	(616,944,595)
Net book amount	33,136,095	450,478,522	4,701,149	1,370,563,432	3,304,402	7,656,455	1,315,949	1,871,156,004

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	Consolidated financial statements							
	Land Baht	Building and bulding improvements Baht	Equipments and tools Baht	Machinery and electrical equipment Baht	Office equipment, furniture and office supplies Baht	Motor vehicles Baht	Construction in progress Baht	Total Baht
<b>As at 1 January 2023</b>								
Cost	33,136,095	594,310,165	10,149,932	1,810,085,457	8,248,303	30,854,698	1,315,949	2,488,100,599
<u>Less</u> Accumulated depreciation	-	(143,831,643)	(5,448,783)	(439,522,025)	(4,943,901)	(23,198,243)	-	(616,944,595)
Net book amount	33,136,095	450,478,522	4,701,149	1,370,563,432	3,304,402	7,656,455	1,315,949	1,871,156,004
<b>For the year ended 31 December 2023</b>								
Opening net book amount	33,136,095	450,478,522	4,701,149	1,370,563,432	3,304,402	7,656,455	1,315,949	1,871,156,004
Additions	208,743,649	370,942	544,045	51,257,216	1,227,712	-	13,612,045	275,755,609
Transfer in (out)	-	58,406	952,782	-	66,717	-	(1,077,905)	-
Increase in decommissioning costs	-	770,207	-	554,081	-	-	-	1,324,288
Disposal, net	-	-	-	(706,895)	-	-	-	(706,895)
Write-off, net	-	-	(4,729)	(6,732,048)	(2,049)	-	-	(6,738,826)
Impairment of assets	-	-	-	(41,892)	(2,192)	-	-	(44,084)
Depreciation	-	(28,789,044)	(1,942,899)	(104,642,609)	(1,195,606)	(3,261,961)	-	(139,832,119)
Closing net book amount	241,879,744	422,889,033	4,250,348	1,310,251,285	3,398,984	4,394,494	13,850,089	2,000,913,977
<b>As at 31 December 2023</b>								
Cost	241,879,744	595,509,720	11,578,354	1,848,055,776	8,878,091	30,854,698	13,850,089	2,750,606,472
<u>Less</u> Accumulated depreciation	-	(172,620,687)	(7,328,006)	(537,762,599)	(5,476,915)	(26,460,204)	-	(749,648,411)
<u>Less</u> Allowance for impairment	-	-	-	(41,892)	(2,192)	-	-	(44,084)
Net book amount	241,879,744	422,889,033	4,250,348	1,310,251,285	3,398,984	4,394,494	13,850,089	2,000,913,977

As at 31 December 2023, bulidings and machinery with net book value of Baht 1,708.54 million were mortgaged and pledged for long-term from financial institutions, as described in Note 18 (2022: Baht 1,791.12 million).

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	Separate financial statements						
	Building and building improvements Baht	Equipments and tools Baht	Machinery and electrical equipment Baht	Office equipment, furniture and office supplies Baht	Motor vehicles Baht	Construction in progress Baht	Total Baht
<b>As at 1 January 2022</b>							
Cost	248,149,281	4,670,669	712,786,038	5,452,246	17,563,639	168,167	988,790,040
<u>Less</u> Accumulated depreciation	(88,387,343)	(1,982,228)	(256,213,464)	(3,683,804)	(13,246,854)	-	(363,513,693)
Net book amount	159,761,938	2,688,441	456,572,574	1,768,442	4,316,785	168,167	625,276,347
<b>For the year ended 31 December 2022</b>							
Opening net book amount	159,761,938	2,688,441	456,572,574	1,768,442	4,316,785	168,167	625,276,347
Additions	443,261	516,113	945,900	431,618	-	6,598,676	8,935,568
Transfer in (out)	1,127,505	-	3,682,865	1,544,661	-	(6,355,031)	-
Disposal, net	-	-	-	(1,487)	-	-	(1,487)
Write-off, net	(189,665)	(11,895)	(1,903,956)	-	-	-	(2,105,516)
Decrease in decommissioning costs	(388,675)	-	(396,587)	-	-	-	(785,262)
Depreciation	(11,568,204)	(835,961)	(37,356,593)	(881,690)	(978,092)	-	(51,620,540)
Closing net book amount	149,186,160	2,356,698	421,544,203	2,861,544	3,338,693	411,812	579,699,110
<b>As at 31 December 2022</b>							
Cost	249,006,511	5,102,344	713,714,200	7,366,125	17,563,639	411,812	993,164,631
<u>Less</u> Accumulated depreciation	(99,820,351)	(2,745,646)	(292,169,997)	(4,504,581)	(14,224,946)	-	(413,465,521)
Net book amount	149,186,160	2,356,698	421,544,203	2,861,544	3,338,693	411,812	579,699,110

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	Separate financial statements						
	Building and building improvements Baht	Equipments and tools Baht	Machinery and electrical equipment Baht	Office equipment, furniture and office supplies Baht	Motor vehicles Baht	Construction in progress Baht	Total Baht
<b>As at 1 January 2023</b>							
Cost	249,006,511	5,102,344	713,714,200	7,366,125	17,563,639	411,812	993,164,631
<u>Less</u> Accumulated depreciation	(99,820,351)	(2,745,646)	(292,169,997)	(4,504,581)	(14,224,946)	-	(413,465,521)
Net book amount	149,186,160	2,356,698	421,544,203	2,861,544	3,338,693	411,812	579,699,110
<b>For the year ended 31 December 2023</b>							
Opening net book amount	149,186,160	2,356,698	421,544,203	2,861,544	3,338,693	411,812	579,699,110
Additions	118,604	459,177	51,001,018	730,175	-	3,279,260	55,588,234
Transfer in (out)	-	368,656	-	66,717	-	(435,373)	-
Disposal, net	-	-	(706,895)	-	-	-	(706,895)
Write-off, net	-	(2,396)	(6,732,048)	(8)	-	-	(6,734,452)
Increase in decommissioning costs	111,119	-	48,401	-	-	-	159,520
Impairment of assets	-	-	-	(1,466)	-	-	(1,466)
Depreciation	(11,725,801)	(887,356)	(43,552,278)	(942,267)	(754,482)	-	(57,862,184)
Closing net book amount	137,690,082	2,294,779	421,602,401	2,714,695	2,584,211	3,255,699	570,141,867
<b>As at 31 December 2023</b>							
Cost	249,236,234	5,872,230	750,922,641	7,502,226	17,563,639	3,255,699	1,034,352,669
<u>Less</u> Accumulated depreciation	(111,546,152)	(3,577,451)	(329,320,240)	(4,786,065)	(14,979,428)	-	(464,209,336)
<u>Less</u> Allowance for impairment	-	-	-	(1,466)	-	-	(1,466)
Net book amount	137,690,082	2,294,779	421,602,401	2,714,695	2,584,211	3,255,699	570,141,867

As at 31 December 2023, bulidings and machinery with net book value of Baht 562.50 million were mortgaged and pledged as collateral for long-term loans from financial institutions, as described in Note 18 (2022: Baht 571.14 million).

**16 Right-of-use assets, net**

	<b>Consolidated financial statements</b>		
	<b>Land Baht</b>	<b>Office Building and equipment Baht</b>	<b>Total Baht</b>
Balance as at 1 January 2022	61,975,230	-	61,975,230
Additions	-	13,870,512	13,870,512
Depreciation	(3,989,160)	(1,188,640)	(5,177,800)
Balance as at 31 December 2022	57,986,070	12,681,872	70,667,942
Balance as at 1 January 2023	57,986,070	12,681,872	70,667,942
Depreciation	(3,989,161)	(1,695,163)	(5,684,324)
Balance as at 31 December 2023	53,996,909	10,986,709	64,983,618
	<b>Separate financial statements</b>		
	<b>Land Baht</b>	<b>Office Building and equipment Baht</b>	<b>Total Baht</b>
Balance as at 1 January 2022	20,818,753	-	20,818,753
Additions	-	13,870,512	13,870,512
Depreciation	(1,684,889)	(1,188,640)	(2,873,529)
Balance as at 31 December 2022	19,133,864	12,681,872	31,815,736
Balance as at 1 January 2023	19,133,864	12,681,872	31,815,736
Depreciation	(1,684,888)	(1,695,163)	(3,380,051)
Balance as at 31 December 2023	17,448,976	10,986,709	28,435,685

As at 31 December 2023 and 2022, right-of-use land was pledged for long-term loans from financial institutions, as described in Note 18.

The expense relating to leases that not included in the measurement of lease liabilities and right-of-use and cash outflows for leases is as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2023 Baht</b>	<b>2022 Baht</b>	<b>2023 Baht</b>	<b>2022 Baht</b>
Expense relating to low value of contracts	56,140	724,189	56,140	724,189
Expense relating to short-term lease contracts	40,000	-	40,000	-
Total cash outflow for leases	7,362,611	7,184,810	4,283,318	4,186,613



## 17 Intangible assets, net and Right from service concession arrangements

### 17.1 Intangible assets, net

	Consolidated financial statements					
	Right to use software computer Baht	Right to use transmission facilities Baht	Right in long-term power purchase agreements Baht	Others Baht	Construction in progress Baht	Total Baht
<b>As at 1 January 2022</b>						
Cost	3,590,697	26,312,513	3,564,296	1,981,658	1,296,401	36,745,565
<u>Less</u> accumulated amortisation	(1,271,879)	(3,087,289)	(266,484)	(208,657)	-	(4,834,309)
Net book amount	2,318,818	23,225,224	3,297,812	1,773,001	1,296,401	31,911,256
<b>For the year ended 31 December 2022</b>						
Opening net book amount	2,318,818	23,225,224	3,297,812	1,773,001	1,296,401	31,911,256
Additions	348,000	-	-	-	-	348,000
Amortisation	(523,203)	(1,312,172)	(178,214)	(98,777)	-	(2,112,366)
Closing net book amount	2,143,615	21,913,052	3,119,598	1,674,224	1,296,401	30,146,890
<b>As at 31 December 2022</b>						
Cost	3,938,697	26,312,513	3,564,296	1,981,658	1,296,401	37,093,565
<u>Less</u> accumulated amortisation	(1,795,082)	(4,399,461)	(444,698)	(307,434)	-	(6,946,675)
Net book amount	2,143,615	21,913,052	3,119,598	1,674,224	1,296,401	30,146,890
<b>For the year ended 31 December 2023</b>						
Opening net book amount	2,143,615	21,913,052	3,119,598	1,674,224	1,296,401	30,146,890
Additions	218,300	-	-	-	-	218,300
Amortisation	(556,312)	(1,312,171)	(178,215)	(98,777)	-	(2,145,475)
Closing net book amount	1,805,603	20,600,881	2,941,383	1,575,447	1,296,401	28,219,715
<b>As at 31 December 2023</b>						
Cost	4,156,997	26,312,513	3,564,296	1,981,658	1,296,401	37,311,865
<u>Less</u> accumulated amortisation	(2,351,394)	(5,711,632)	(622,913)	(406,211)	-	(9,092,150)
Net book amount	1,805,603	20,600,881	2,941,383	1,575,447	1,296,401	28,219,715

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	<b>Separate financial statements</b>		
	<b>Right to use software computer Baht</b>	<b>Right to use transmission facilities Baht</b>	<b>Total Baht</b>
<b>As at 1 January 2022</b>			
Cost	3,476,080	1,944,323	5,420,403
<u>Less</u> accumulated amortisation	(1,230,968)	(743,836)	(1,974,804)
Net book amount	2,245,112	1,200,487	3,445,599
<b>For the year ended 31 December 2022</b>			
Opening net book amount	2,245,112	1,200,487	3,445,599
Additions	348,000	-	348,000
Amortisation	(500,289)	(97,157)	(597,446)
Closing net book amount	2,092,823	1,103,330	3,196,153
<b>As at 31 December 2022</b>			
Cost	3,824,080	1,944,323	5,768,403
<u>Less</u> accumulated amortisation	(1,731,257)	(840,993)	(2,572,250)
Net book amount	2,092,823	1,103,330	3,196,153
<b>For the year ended 31 December 2023</b>			
Opening net book amount	2,092,823	1,103,330	3,196,153
Additions	212,700	-	212,700
Amortisation	(533,265)	(97,157)	(630,422)
Closing net book amount	1,772,258	1,006,173	2,778,431
<b>As at 31 December 2023</b>			
Cost	4,036,780	1,944,323	5,981,103
<u>Less</u> accumulated amortisation	(2,264,522)	(938,150)	(3,202,672)
Net book amount	1,772,258	1,006,173	2,778,431

**17.2 Right from service concession arrangements**

	<b>Consolidated financial statements Right from service concession arrangements Baht</b>
Balance as at 1 January 2022	58,328,018
Additions	13,144,260
Balance as at 31 December 2022	71,472,278
Balance as at 1 January 2023	71,472,278
Additions	5,317,556
Balance as at 31 December 2023	76,789,834

## 18 Long-term loans from financial institutions, net

18.1 Long-term loans from financial institutions are denominated in Thai Baht consist of:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Current portion of long-term loans from financial institutions	223,800,000	223,800,000	75,000,000	75,000,000
<u>Less</u> Deferred financing fee	(516,252)	(709,052)	(99,422)	(126,024)
	223,283,748	223,090,948	74,900,578	74,873,976
Long-term loans from financial institutions	596,371,000	820,171,000	225,000,000	300,000,000
<u>Less</u> Deferred financing fee	(512,945)	(1,024,177)	(130,051)	(228,781)
	595,858,055	819,146,823	224,869,949	299,771,219
Total long-term loans from financial institutions, net	819,141,803	1,042,237,771	299,770,527	374,645,195

### Long-term loans from financial institutions of the Company

Long-term loans from financial institutions of the Company are denominated in Thai Baht amounting to Baht 300 million (2022: Baht 375 million). The loans are bare interest at THOR plus a certain margin per annum (2022: interest rate at THOR plus a certain margin per annum). The principal and interest repayment are due on monthly basis which the first repayment started in January 2020.

### Long-term loans from financial institutions of the subsidiaries

Long-term loans from financial institutions of two subsidiaries are denominated in Thai Baht amounting to Baht 520 million (2022: Baht 669 million). The details are as follows:

No.	Outstanding balance As at 31 December 2023 Million Baht	Outstanding balance As at 31 December 2022 Million Baht	Interest rate	Principal repayment term	Interest payment period
1	258	344	MLR less a certain margin per annum	The first repayment started in July 2020	Monthly repayment
2	262	325	THOR plus a certain margin per annum	The first repayment started in August 2021	Monthly repayment
<b>Total</b>	<b>520</b>	<b>669</b>			

Long-term loans of the Group are the secured loans that have been mortgaged by buildings, machinery and right-of-use land for the credit facilities specified in agreements. Moreover, the Group is required to comply with certain requirements and conditions as specified in the agreement; for example, maintaining the debt-to-equity ratio, the debt service coverage ratio and the dividends payment requires to maintain interest bearing debt to equity ratio at the specified level.

## 18.2 Interest rate risk management

The Group's interest rates risk from long-term loans from financial institutions are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Long-term loans from financial institutions, net Floated rate	819,141,803	1,042,237,771	299,770,527	374,645,195
Total long-term loans from financial institutions, net	819,141,803	1,042,237,771	299,770,527	374,645,195

The weighted average effective interest rate of long-term loans from financial institutions of the Group is 5.04% - 5.24% per annum (2022: 3.52% - 3.98% per annum).

The fair value of long-term loans approximates the carrying amount. The effect of the discount rate is not significant.

## 18.3 Maturity of long-term loans from financial institutions are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Within 1 year	223,283,748	223,090,948	74,900,578	74,873,976
Later than 1 year but not later than 5 years	595,858,055	806,176,615	224,869,949	299,771,219
Later than 5 years	-	12,970,208	-	-
Total long-term loans, net	819,141,803	1,042,237,771	299,770,527	374,645,195

## 18.4 Credit facilities

As at 31 December 2023, the Group had available credit facilities in amount of Baht 21.63 million (On 31 December 2022: The Group had available credit facilities in amount of Baht 21.63 million).

## 19 Provision for decommissioning cost

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Opening balance	47,290,721	49,948,609	17,649,593	17,997,999
Provision increased				
Finance costs	1,449,776	1,396,389	477,989	436,856
Provision increased (decreased)	1,324,288	(4,054,277)	159,520	(785,262)
Closing balance	50,064,785	47,290,721	18,287,102	17,649,593

**20 Change in liabilities arising from financing activities**

	<b>Consolidated financial statements</b>			
	<b>Loans from financial institutions Baht</b>	<b>Loans from related parties Baht</b>	<b>Lease liabilities Baht</b>	<b>Total Baht</b>
Liabilities as at 1 January 2022	1,221,453,028	219,400,000	70,376,751	1,511,229,779
Cash received	43,979,000	144,000,000	-	187,979,000
Cash paid	(223,800,000)	(363,400,000)	(6,460,621)	(593,660,621)
Additions - lease liabilities	-	-	13,870,512	13,870,512
Other non-cash movements				
- Increase in front-end fee	(329,843)	-	-	(329,843)
- Deferred financing cost	935,586	-	3,232,728	4,168,314
Liabilities as at 31 December 2022	1,042,237,771	-	81,019,370	1,123,257,141
Cash paid	(223,800,001)	-	(7,266,471)	(231,066,472)
Other non-cash movements				
- Deferred financing cost	704,033	-	3,246,250	3,950,283
Liabilities as at 31 December 2023	819,141,803	-	76,999,149	896,140,952
	<b>Separate financial statements</b>			
	<b>Loans from financial institutions Baht</b>	<b>Loans from related parties Baht</b>	<b>Lease liabilities Baht</b>	<b>Total Baht</b>
Liabilities as at 1 January 2022	449,493,362	219,400,000	23,778,359	692,671,721
Cash received	-	199,500,000	-	199,500,000
Cash paid	(75,000,000)	(412,900,000)	(3,462,424)	(491,362,424)
Additions - Lease liabilities	-	-	13,870,512	13,870,512
Other non-cash movements				
- Deferred financing cost	151,833	-	1,243,403	1,395,236
Liabilities as at 31 December 2022	374,645,195	6,000,000*	35,429,850	416,075,045
Cash paid	(75,000,000)	(6,000,000)	(4,187,178)	(85,187,178)
Other non-cash movements				
- Deferred financing cost	125,332	-	1,305,743	1,431,075
Liabilities as at 31 December 2023	299,770,527	-	32,548,415	332,318,942

\* Presented under short-term loans from subsidiary

## 21 Share capital

	Authorised shares capital		Issued and paid-up share capital		Premium on share capital	Total
	Number of Shares Shares	Ordinary Shares Baht	Number of Shares Shares	Ordinary Shares Baht	Baht	Baht
As at 1 January 2023	2,200,000,000	1,100,000,000	2,200,000,000	1,100,000,000	863,339,091	1,963,339,091
Additional authorised shares capital	130,000,000	65,000,000	-	-	-	-
As at 31 December 2023	2,330,000,000	1,165,000,000	2,200,000,000	1,100,000,000	863,339,091	1,963,339,091

According to the resolution of the Extraordinary General Meeting of Shareholders of the Company held on 30 May 2023, the shareholders passed a resolution increasing in authorised share capital amount to Baht 65 million from Baht 1,100 million to Baht 1,165 million by issuing new ordinary share of 130 million shares with a par value of Baht 0.50 per share.

As at 31 December 2023, the authorised shares capital of 2,330 million shares already issued and paid-up in totalling 2,200 million shares at par Baht 0.50 per shares. (2022: the registered shares capital of 2,200 million shares already issued and paid-up in totalling 2,200 million shares at par Baht 0.50 per shares).

## 22 Legal reserve

	Consolidated financial statements		Separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Opening balance	27,996,409	20,555,409	27,996,409	20,555,409
Appropriation during the period	2,186,000	7,441,000	2,186,000	7,441,000
Closing balance	30,182,409	27,996,409	30,182,409	27,996,409

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is non-distributable.

## 23 Revenue from sales and services

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Sales of electricity	854,451,652	812,922,233	260,497,243	267,243,176
Revenue from waste management	9,589,970	8,512,962	-	-
Sales of biomass	-	-	55,203,515	88,053,948
Sales of steam and water	41,800,423	103,509,501	4,651,965	4,680,465
<b>Total revenue from sales and services</b>	<b>905,842,045</b>	<b>924,944,696</b>	<b>320,352,723</b>	<b>359,977,589</b>

## 24 Other income

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Interest income	4,461,472	1,205,624	9,757,002	11,964,616
Management service income	-	-	22,224,684	22,542,510
Compensation from insurance claim	28,954,668	14,253,419	28,954,668	14,253,419
Other income	3,817,212	1,997,823	3,732,997	1,718,956
<b>Total other income</b>	<b>37,233,352</b>	<b>17,456,866</b>	<b>64,669,351</b>	<b>50,479,501</b>

During the year 2023, the Company received a compensation letter to confirm the claimable balances from the insurance company in the total amount of Baht 28.95 million to compensate the loss from the part of equipment of the power plant breakdown. Therefore, the Company recognised income from insurance compensation amounting to Baht 28.95 million in the statement of comprehensive income for the year ended 31 December 2023.

## 25 Expenses by nature

The following expenditure items have been changed in arriving at net profit:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Fuel and supplies	393,861,699	454,012,457	174,868,013	213,747,341
Employee benefit expense	69,477,781	59,561,576	45,010,257	38,435,598
Depreciation	145,342,414	139,355,720	61,242,236	54,494,069
Amortisation	2,453,281	2,365,982	630,422	597,446

## 26 Income taxes

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Current tax	2,253,486	(1,309)	2,253,486	-
Deferred tax	1,085,938	743,786	617,921	361,888
<b>Total Income taxes</b>	<b>3,339,424</b>	<b>742,477</b>	<b>2,871,407</b>	<b>361,888</b>

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

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Profit before taxes	243,306,253	217,170,548	46,589,483	149,171,115
Tax calculated at a tax rate of 20%	48,661,251	43,434,110	9,317,897	29,834,223
Tax effect of:				
Income not subject to tax	(42,307,474)*	(41,071,417)*	(2,253,486)*	(26,323,899)*
Utilisation of unrecognized tax loss	(810,163)	-	(810,163)	-
Expenses not deductible for tax purpose	102,603	57,438	55,883	34,859
Expenses more deductible for tax purpose	(3,438,724)	(3,993,458)	(3,438,724)	(3,993,458)
Tax losses for which no deferred income tax asset was recognised	1,002,508	1,311,114	-	-
Remeasurement of deferred tax				
- change in tax rate	-	810,163	-	810,163
Others	129,423	194,527	-	-
Income taxes	3,339,424	742,477	2,871,407	361,888

\* As at 31 December 2023, multiplying of accounting profits with tax rates in the amount of Baht 42.31 million and Baht 2.25 million in the consolidated and separate financial statements respectively (2022: the amount Baht 41.07 million and Baht 26.32 million in the consolidated and separate financial statements, respectively) is the profit that is exempt from corporate income tax on net profit derived from business operations that has been promoted for investment for period of 8 years starting from the date that income is first derived.

The weighted average applicable tax rate for the Group and the Company were 1.37% and 6.16%, respectively (2022: 0.34% and 0.24%, respectively).

## 27 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issued and paid-up during the year.

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Basic earnings per share</b>				
Net profit attributable to owners of the parent (Baht)	239,966,008	216,428,077	43,718,076	148,809,227
Weighted average ordinary shares (Shares)	2,200,000,000	1,828,493,151	2,200,000,000	1,828,493,151
Basic earnings per share (Baht per share)	0.11	0.12	0.02	0.08

The Group did not issue diluted equivalent ordinary shares during the reporting period. Therefore, no diluted earnings per share is presented.



## 28 Dividends

At the Annual General Shareholders' meeting on 21 April 2023, the shareholders approved the dividend payment from the retained earnings as at 31 December 2022 of Baht 0.0025 per share for 2,200 million shares, totalling Baht 5.50 million. The dividend was paid to shareholders on 19 May 2023.

## 29 Promotional privileges

The Company and two subsidiaries have been granted promotional privileges by the office of the Board of Investment under promotion certificates in respect of electricity and steam from biomass. The Company and two subsidiaries have been granted exemption from certain taxes and duties as detailed in the certificates including exemption from corporate income tax for a period of eight years from the date of first revenue. As promoted entities, the Company and these subsidiaries are required to comply with the terms and conditions specified in the promotion certificates.

## 30 Related-party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities, joint venture and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

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

As at 31 December 2023, the major shareholder of the Company is TCG Holdings Company Limited, holding 29.09% of the Company's shares, which the ultimate shareholder is Wanasuwankul family.

The information of the Company's subsidiaries is described in Note 14.

The pricing policies for related-party transactions are as follows:

Transaction item	Pricing policies
Revenue from sales	The price as agreed in the agreement
Revenue from rights to use areas	The price is based on construction cost plus 3% margin per annum
Service income	The price is based on service cost plus 1.53% - 5% margin per annum
Interest income	The income is determined based on the rate stipulated in the agreements
Purchase of biomass	The price is based on market rate less certain discount, depending on quantities purchased
Land rental	The price is based on land rental appraisal price
Power plant construction cost	The price as agreed in the agreement
Key management compensation	From approval of shareholders of the Company

The following material transactions were carried out with the related parties:

### 30.1 Revenue from sales

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Sales of electricity</b>				
- Related parties	79,953,267	59,033,411	-	-
- Subsidiaries	-	-	2,486,521	1,688,455
<b>Sales of biomass</b>				
- Subsidiaries	-	-	55,203,515	88,053,948
<b>Sales of steam and water</b>				
- Related parties	41,800,423	103,509,501	1,976,063	988,181
- Subsidiaries	-	-	2,675,903	3,692,283

### 30.2 Other income and expenses

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Revenue from right to use areas</b>				
- Related parties	1,388,400	1,388,400	1,388,400	1,388,400
- Subsidiaries	-	-	16,568	16,568
<b>Revenue from service contracts</b>				
- Subsidiaries	-	-	22,224,684	22,542,510
<b>Interest income</b>				
- Subsidiaries	-	-	6,657,020	11,103,494
<b>Dividend income</b>				
- Subsidiaries	-	-	-	114,999,604

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Purchase of biomass</b>				
- Related parties	116,643,389	123,177,018	30,322,685	58,445,736
<b>Fuel cost</b>				
- Related parties	21,002,900	22,969,040	8,032,603	8,847,059
<b>Interest expenses</b>				
- Related parties	-	2,666,891	-	2,666,891
- Subsidiaries	-	-	732	180,578
<b>Amortisation for rights-of-use land</b>				
- Related parties	3,815,131	3,815,131	1,684,888	1,684,888
<b>Amortisation for rights-of- use office and equipment</b>				
- Related parties	922,459	540,839	922,459	540,839
<b>Interest expenses from lease liabilities of land</b>				
- Related parties	2,637,192	2,735,696	881,554	936,292
<b>Interest expenses from lease liabilities of office and equipment</b>				
- Related parties	312,828	196,699	312,828	196,699
<b>Service contracts expenses</b>				
- Related parties	1,104,000	1,104,000	1,104,000	1,104,000
<b>Dividend paid</b>				
- Major shareholder	1,600,000	367,800,000	1,600,000	367,800,000
- Related parties (shareholders)	1,356,500	-	1,356,500	-
<b>Maintenance expenses</b>				
- Related parties	1,209,121	994,030	541,792	456,178
<b>Biomass measurement cost</b>				
- Related parties	157,009	157,009	59,813	59,813
<b>Raw material transportation cost</b>				
- Related parties	198,577	193,870	198,577	186,110
<b>Loader driver service</b>				
- Related parties	1,739,160	-	1,739,160	-
<b>Cost for rights to use areas</b>				
- Related parties	-	34,125	-	34,125
<b>Fuel weighted cost</b>				
- Related parties	107,400	5,650	4,200	850

### 30.3 Purchase of assets

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Construction in progress</b>				
- Related parties	438,939	35,260	128,196	-

### 30.4 Trade receivables and trade payables - related parties

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Trade receivables</b>				
- Related parties	5,711,419	15,555,489	59,099	206,161
- Subsidiaries	-	-	3,621,399	6,041,714

Trade receivables as at 31 December can be analysed by aging as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Not overdue	5,711,419	15,555,489	3,680,498	6,247,875
Overdue below 3 months	-	-	-	-
Overdue 3 - 6 months	-	-	-	-
Overdue 6 - 12 months	-	-	-	-
Overdue over 12 months	-	-	-	-
Total trade receivables from related parties	5,711,419	15,555,489	3,680,498	6,247,875

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<b>Other receivables</b>				
- Related parties	123,753	123,753	123,799	123,799
- Subsidiaries	-	-	13,007,953	15,293,537
<b>Rights-of-uses, net</b>				
- Related parties	58,181,248	62,918,837	25,217,846	27,825,193
<b>Trade payables</b>				
- Related parties	17,595,268	10,452,088	5,103,082	3,875,885
<b>Other payables</b>				
- Related parties	191,440	191,440	191,440	191,440
- Subsidiaries	-	-	-	11,338

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	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2023 Baht</b>	<b>2022 Baht</b>	<b>2023 Baht</b>	<b>2022 Baht</b>
<b>Retention for constructions</b>				
- Related parties	-	81,932	-	-
<b>Lease liabilities, net</b>				
- Related parties	69,902,756	73,067,119	29,188,203	31,323,910

The Group and the Company have entered into lease agreements for use in the operation, and the lease payments are regarding to payment terms in contracts. The movements of lease liabilities can be analysed as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2023 Baht</b>	<b>2022 Baht</b>	<b>2023 Baht</b>	<b>2022 Baht</b>
<b>For the years ended 31 December</b>				
Opening net book value	73,067,119	66,425,362	31,323,910	23,778,360
<b>Cash flows:</b>				
Payments for lease liabilities during the period	(6,114,383)	(5,522,805)	(3,330,090)	(2,819,608)
<b>Other non-cash movements:</b>				
Acquisition	-	9,232,167	-	9,232,167
Interest expenses	2,950,020	2,932,395	1,194,383	1,132,991
Closing net book value	69,902,756	73,067,119	29,188,203	31,323,910
	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2023 Baht</b>	<b>2022 Baht</b>	<b>2023 Baht</b>	<b>2022 Baht</b>
Lease liabilities - Current portion	3,425,529	3,164,363	2,268,631	2,135,708
Lease liabilities - Non-current portion	66,477,227	69,902,756	26,919,572	29,188,202
Total lease liabilities, net	69,902,756	73,067,119	29,188,203	31,323,910

### 30.5 Short-term loans to subsidiaries

The movements of short-term loans to subsidiaries can be analysed as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
Opening balance	-	-	-	-
<b>Cash flows:</b>				
Additions during the year	-	-	246,302,000	-
Ending balance	-	-	246,302,000	-

As at 31 December 2023, the company had the outstanding short-term loans to subsidiaries of Baht 246.30 million which bear interest of 1% per annum.

### 30.6 Long-term loans to subsidiaries

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
Long-term loans to subsidiaries				
- Due within 1 year	-	-	12,000,000	24,000,000
- Due over 1 year	-	-	389,441,790	537,570,735

The movements of long-term loans to subsidiaries can be analysed as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Baht	Baht	Baht	Baht
Opening balance	-	-	561,570,735	415,588,735
<b>Cash flows:</b>				
Additions during the year	-	-	128,176,065	267,613,200
Repayments during the year	-	-	(288,305,010)	(121,631,200)
Ending balance	-	-	401,441,790	561,570,735

#### Separated financial statements

As at 31 December 2023, the company had the outstanding long-term loans to subsidiaries of Baht 401.44 million which bear interest of 1.00% - 3.40% per annum (As at 31 December 2022: Baht 561.57 million which bear interest of 2.275% - 3.40% per annum). The first principal repayments are due within 60 days from the commercial operation date and due every month until all loans have been settled.

### 30.7 Short-term loans from a subsidiary

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Short-term loans from a subsidiary	-	-	-	6,000,000

#### Interest rate risk management

The interest rate risk of the short-term loan from a subsidiary is as follows;

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Short-term loans from a subsidiary				
Fixed interest rate	-	-	-	6,000,000
Total short-term loans from a subsidiary	-	-	-	6,000,000

#### Separated financial statements

During the year 2023, the Company repaid in full amount of short-term loan from a subsidiary amounting to Baht 6 million. (as at 31 December 2022: Baht 6 million with interest 2.225% per annum.).

### 30.8 Key management compensation

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Short-term employee benefits	16,260,700	12,308,480	16,260,700	12,308,480
Post-employment benefits	882,220	996,352	882,220	996,352
Total key managements remuneration	17,142,920	13,304,832	17,142,920	13,304,832

## **31 Commitment and significant agreements**

### **31.1 Commitments**

#### **31.1.1 Letters of guarantee**

As at 31 December 2023, the Group was liable under letters of guarantee issued by financial institutions in amount of Baht 265.34 million (As at 31 December 2022: Baht 323.19 million) for electricity usage guarantee to the Provincial Electricity Authority and to guarantee the construction and providence of waste management service.

#### **31.1.2 Land purchase and sale agreement**

As at 31 December 2023, the Group was liable under land purchase and sale agreement which significant but not yet recognised in the consolidation financial statements in amount Baht 20 million (2022: Amount Baht 112.39 million).

### **31.2 Significant agreements**

- 31.2.1 On 29 December 2017, the Company received a power purchase agreement with PEA under the Energy Business Transfer Agreement which is a power purchase agreement from a very small power producer for generating electricity from renewable energy. The contract has a remaining term of 12 years from the date of transfer in the contract. However, the purchase volume and price of electricity shall be as stipulated in the original contract. However, the Company may be considered to renew the power purchase agreement for a specified period subject to the conditions specified in the agreement.
- 31.2.2 On 9 March 2016, a subsidiary entered into a power purchase agreement with PEA under the regulations for purchasing power from a very small power producer for generating electricity from renewable energy. The contract period is 5 years from the date both parties sign the contract and will be automatically continuously renewable every 5 years. The trading volume and price of electricity shall be as specified in the contract. Subsequently, on 26 September 2016, the subsidiary entered into an agreement to amend the power purchase agreement with PEA, which changed the power purchase rate from Adder to Feed-in Tariff and reduced the period of power purchase according to the Notification of the Energy Regulatory Commission regarding the purchase of electricity from renewable energy (Biomass-based power generation project) during the transition from Adder to Feed-in Tariff (FiT) 2016 to 15 years and 4 months from the start of commercial operation, which may be considered to be extended for a specified period, according to the conditions specified in the announcement. The subsidiary has commenced its commercial operations on 7 November 2019.
- 31.2.3 On 27 July 2015, a subsidiary entered into a power purchase agreement with PEA under the regulations for purchasing power from a very small power producer for generating electricity from renewable energy. The contract period is 5 years from the date both parties sign the contract and will be automatically continuously renewable every 5 years. The trading volume and price of electricity shall be as specified in the contract. Subsequently, on 15 September 2015, the subsidiary entered into an agreement to amend the power purchase agreement with PEA, which changed the power purchase rate from Adder to Feed-in Tariff and reduced the period of power purchase according to the Notification of the Energy Regulatory Commission regarding the purchase of electricity from renewable energy (not including solar) during the transition from Adder to Feed-in Tariff (FiT) 2015 to 20 years from the start of commercial operation. The subsidiary has commenced commercial operations on 25 May 2021. Subsequently, the subsidiary entered into an amendment to the latest additional power purchase agreement dated on 29 December 2022 with PEA regarding an increase in the amount of electricity purchased. However, the amended agreement is scheduled to end on 31 December 2024.



- 31.2.4 On 21 August 2019, a subsidiary entered into a construction and management services agreement for a community solid waste disposal system with Watthana Nakhon Municipality, Sa-Kaew, to obtain the right for construction of RDF-fueled based power plant. It requires the company to construct a community solid waste disposal system and install a pollution treatment system, including the construction of utility systems used in the project. The compensation from waste disposal services are stipulated in the agreement. The agreement grants the right to manage the system for 20 years from the first date of supplying electricity into the Provincial Electricity Authority system. The subsidiary has provided waste disposal services in February 2020. Subsequently, on 10 May 2023, the subsidiary entered into a power purchase agreement with PEA under the regulations for purchasing power from a very small power producer for generating electricity from renewable energy. The contract period is 20 years from the start of commercial operation. The trading volume and price of electricity shall be as specified in the contract. The power purchase rate is Feed-in Tariff (FiT) system. The subsidiary has not commenced commercial operation.
- 31.2.5 On 17 December 2020, a subsidiary entered into a construction and management services agreement for converting community solid waste into electricity with Chumphon Municipality, Chumphon, to obtain the right to construct of Stoker Type incinerator together with power generation system and pollution treatment system, including the construction of utilities used in the project. The compensation from waste disposal services are stipulated in the agreement. The contract gives the right to manage the project for 20 years from the date stipulated in the commencement letter. Subsequently, on 24 April 2023, the subsidiary entered into a power purchase agreement with PEA under the regulations for purchasing power from a very small power producer for generating electricity from renewable energy. The contract period is 20 years from the start of commercial operation. The trading volume and price of electricity shall be as specified in the contract. The power purchase rate is Feed-in Tariff (FiT) system. The subsidiary has not commenced commercial operation.
- 31.2.6 On 8 October 2021, a subsidiary entered into a construction and management service agreement for converting community solid waste into electricity with the Ratchaburi Provincial Administrative Organization, Ratchaburi, to obtain the right to construct a Stoker Type incinerator together with power generation system and pollution treatment system, including the construction of utilities for used in the project. The compensation from waste disposal services are stipulated in the contract. The contract gives the right to manage the project for 25 years from the contract signing date. Subsequently, on 10 May 2023, the subsidiary entered into a power purchase agreement with PEA under the regulations for purchasing power from a very small power producer for generating electricity from renewable energy. The contract period is 20 years from the start of commercial operation. The trading volume and price of electricity shall be as specified in the contract. The power purchase rate is Feed-in Tariff (FiT) system. The subsidiary has not commenced commercial operation.
- 31.2.7 On 15 September 2023, a subsidiary entered into a construction and management services agreement for converting community solid waste into electricity with Nongmamong Subdistrict Municipality, Chai Nat, to obtain the right to construct of Stoker Type incinerator together with power generation system and pollution treatment system, including the construction of utilities used in the project. The compensation from waste disposal services are stipulated in the agreement. The contract gives the right to manage the project for 25 years from the contract signing date. Subsequently, on 25 December 2023, the subsidiary entered into a power purchase agreement with PEA under the regulations for purchasing power from a very small power producer for generating electricity from renewable energy. The contract period is 20 years from the start of commercial operation. The trading volume and price of electricity shall be as specified in the contract. The power purchase rate is Feed-in Tariff (FiT) system. The subsidiary has not commenced commercial operation.
- 31.2.8 According to the Board of Director's Meeting of the Company held on 17 November 2023, the Boards approved to enter into the management service agreements for Biogas power plant with Thachang Biogas Company Limited, with the contract period of 3 months from 1 January 2024 to 31 March 2024, with the service fee specified in the agreement.

## **32 Events after the reporting date**

### **32.1 Winning of bidding for Municipal Solid Waste Management Project**

As at 18 January 2024, Thachang Energy Solution (Ubon Ratchathani) Company Limited (TES UBN) has been selected to invest, develop and operate its municipal solid waste (MSW) disposal (waste to energy) project of Trakan Phut Phon Municipal Subdistrict, Ubon Ratchathani, with 25 years of Build-Own-Operate (BOO) contract period. The power plant of this project is expected to have approximately 9.9 MW of installed capacity and 8.0 MW of power purchase agreement (PPA) capacity.

### **32.2 Decrease in authorised share capital**

According to the resolution of the Extraordinary General Meeting of Shareholders of the Company held on 17 January 2024, the shareholders passed a resolution decreasing in authorised share capital amount to Baht 65 million from Baht 1,165 million to Baht 1,100 million by decreasing ordinary share of 130 million shares with a par value of Baht 0.50 per share.

### **32.3 Increase in authorised share capital**

According to the resolution of the Extraordinary General Meeting of Shareholders of the Company held on 17 January 2024, the shareholders passed a resolution increasing in authorised share capital amount to Baht 157.14 million from Baht 1,100 million to Baht 1,257.14 million by issuing new ordinary share of 314.29 million shares with a par value of Baht 0.50 per share.

### **32.4 Issuance of warrant to purchase ordinary shares of the Company**

According to the resolution of the Extraordinary General Meeting of Shareholders of the Company held on 17 January 2024, the shareholders passed a resolution issuing warrants to purchase ordinary shares of the Company (TGE-W1) in the amount of not exceeding than 314,285,715 units to allocate to the existing shareholders in the ratio of 7 ordinary shares per 1 unit of warrant, with the exercise price of Baht 1 per share. The term of warrant is within 1 year from its issuing date.

### **32.5 Approval of entering into the management service agreements for Biogas power plant**

According to the Extraordinary General Meeting of Shareholders of the Company held on 17 January 2024, the shareholders approved to pass a resolution to enter into the management service agreements for Biogas power plant with Thachang Biogas Company Limited, with the contract period of 4 years 9 months from 1 April 2024 to 31 December 2028, with the service fee specified in the agreement.