

EGAT INTERNATIONAL COMPANY LIMITED

AUDITOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2021

DHARMNITI AUDITING CO., LTD.

INDEPENDENT AUDITOR'S REPORT

To The Shareholders and Board of Directors of
EGAT International Company Limited

Opinion

I have audited the accompanying statement of financial in which the equity method is applied and separate statements of EGAT International Company Limited (the Company) which comprise the statement of financial position in which the equity method is applied and separate statement of financial position as at December 31, 2021, the related statement of comprehensive income in which the equity method is applied and separate statement of comprehensive income, statement of changes in shareholders' equity in which the equity method is applied and separate statement of changes in shareholders' equity and statement of cash flows in which the equity method is applied and separate statement of cash flows for the year then ended, and notes to the financial statements in which the equity method is applied and separate financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements in which the equity method is applied and separate financial statements present fairly, in all material respects, the financial position in which the equity method is applied and separate financial position of EGAT International Company Limited as at December 31, 2021, its financial performance in which the equity method is applied and separate financial performance and its cash flows in which the equity method is applied and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Standard rules relating to the State Audit and Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statement section of my statement. I am independent of the Company in accordance with Standard rules relating to the State Audit by the State Audit Commission and the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the financial statement, and I have fulfilled my other ethical responsibilities in accordance with Standard rules relating to the State Audit and these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statement 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 financial statement does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statement, 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 financial statement or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statement

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statement

My objectives are to obtain reasonable assurance about whether the financial statements in which the equity method is applied 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 Standard rules relating to the State Audit and Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements in which the equity method is applied and separate financial statements.

As part of an audit in accordance with Standard rules relating to the State Audit and Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements in which the equity method is applied 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 financial statements in which the equity method is applied 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements in which the equity method is applied and separate financial statements, including the disclosures, and whether the financial statements in which the equity method is applied and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with management 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.

The engagement partner responsible for the audit resulting in this independent auditor's report is Miss Sulalit Ardsawang.

(Miss Sulalit Ardsawang)

Certified Public Accountant

Registration No. 7517

Dharmniti Auditing Company Limited

Bangkok, Thailand

March 10, 2022

EGAT INTERNATIONAL COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

<u>ASSETS</u>					
Baht					
		Financial statements in which the equity method is applied		Separate financial statements	
		2021	2020	2021	2020
Current assets					
Cash and cash equivalents	5	1,097,978,945.98	277,287,092.59	1,097,978,945.98	277,287,092.59
Trade receivables	4, 6	78,130.22	608,226.00	78,130.22	608,226.00
Other current receivables	4, 7	44,206,127.43	65,718,566.36	44,206,127.43	65,718,566.36
Accrued dividend income from associates	9.2	948,317,985.40	-	948,317,985.40	-
Other current financial assets	8	4,920,737,036.94	5,595,235,642.67	4,920,737,036.94	5,595,235,642.67
Total current assets		7,011,318,225.97	5,938,849,527.62	7,011,318,225.97	5,938,849,527.62
Non-current assets					
Investment in associates	9	12,780,073,707.96	11,138,494,496.33	14,893,112,974.83	14,699,547,415.18
Equipment	10	494,554.46	835,848.25	494,554.46	835,848.25
Right-of-use assets	11	5,414,899.69	1,117,677.65	5,414,899.69	1,117,677.65
Intangible assets	12	18,201,704.34	8,163,698.01	18,201,704.34	8,163,698.01
Project development costs - for collection	13	620,016,488.69	512,180,289.51	620,016,488.69	512,180,289.51
Deferred tax assets	14	2,176,928.91	1,791,195.56	2,176,928.91	1,791,195.56
Other non-current assets		26,045,411.28	26,045,411.28	26,045,411.28	26,045,411.28
Total non-current assets		13,452,423,695.33	11,688,628,616.59	15,565,462,962.20	15,249,681,535.44
Total assets		20,463,741,921.30	17,627,478,144.21	22,576,781,188.17	21,188,531,063.06

Notes to the financial statements form an integral part of these statements.

EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION (CONT.)
AS AT DECEMBER 31, 2021

LIABILITIES AND SHAREHOLDERS' EQUITY

		Baht			
		Financial statements in which the equity method is applied		Separate financial statements	
	Notes	2021	2020	2021	2020
Current liabilities					
Trade payables	4, 15	7,678,253.45	3,836,415.64	7,678,253.45	3,836,415.64
Other current payables	4, 16	65,686,387.39	35,761,072.40	65,686,387.39	35,761,072.40
Current portion of lease liabilities	18	1,943,035.87	565,513.67	1,943,035.87	565,513.67
Current portion of share payable - related party	4	2,248,565,136.25	-	2,248,565,136.25	-
Income tax payables		6,232,832.52	-	6,232,832.52	-
Others current liabilities	17	1,845,090.37	2,368,781.04	1,845,090.37	2,368,781.04
Total current liabilities		2,331,950,735.85	42,531,782.75	2,331,950,735.85	42,531,782.75
Non-current liabilities					
Lease liabilities	18	3,639,248.37	653,910.75	3,639,248.37	653,910.75
Provision for employee benefits	19	10,760,664.95	8,945,539.18	10,760,664.95	8,945,539.18
Share payables - related party	4	3,192,612,645.00	4,878,398,200.00	3,192,612,645.00	4,878,398,200.00
Total non-current liabilities		3,207,012,558.32	4,887,997,649.93	3,207,012,558.32	4,887,997,649.93
Total liabilities		5,538,963,294.17	4,930,529,432.68	5,538,963,294.17	4,930,529,432.68
Shareholders' equity					
Share capital					
Authorized share capital					
1,219,740,000 ordinary shares, Baht 10 par value		12,197,400,000.00	12,197,400,000.00	12,197,400,000.00	12,197,400,000.00
Issued and fully paid-up					
1,219,740,000 ordinary shares, Baht 10 par value		12,197,400,000.00	12,197,400,000.00	12,197,400,000.00	12,197,400,000.00
Retained earnings					
Appropriated to legal reserve		212,955,648.30	199,320,648.30	212,955,648.30	199,320,648.30
Unappropriated		2,859,390,569.92	1,331,367,151.36	4,627,462,245.70	3,861,280,982.08
Other components of shareholders' equity		(344,967,591.09)	(1,031,139,088.13)	-	-
Total shareholders' equity		14,924,778,627.13	12,696,948,711.53	17,037,817,894.00	16,258,001,630.38
Total liabilities and shareholders' equity		20,463,741,921.30	17,627,478,144.21	22,576,781,188.17	21,188,531,063.06

Notes to the financial statements form an integral part of these statements.

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EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2021

		Baht			
		Financial statements in which the equity method is applied		Separate financial statements	
	Notes	2021	2020	2021	2020
Revenues					
Dividend income from associates	4, 9.2	-	-	1,115,544,056.99	409,736,041.88
Revenue from services	4, 20	10,452,061.99	3,800,287.61	10,452,061.99	3,800,287.61
Other income					
Interest income		35,293,058.95	86,629,914.25	35,293,058.95	86,629,914.25
Gain on exchange rate		18,016,510.93	3,463,972.54	18,016,510.93	3,463,972.54
Others	4	515,250.93	145,980.47	515,250.93	145,980.47
Total revenues		64,276,882.80	94,040,154.87	1,179,820,939.79	503,776,196.75
Expenses					
Cost of services	21	9,165,101.86	2,220,999.16	9,165,101.86	2,220,999.16
Administrative expenses	4, 22	172,642,510.54	155,521,891.26	172,642,510.54	155,521,891.26
Total expenses	23	181,807,612.40	157,742,890.42	181,807,612.40	157,742,890.42
Profit (loss) from operating activities		(117,530,729.60)	(63,702,735.55)	998,013,327.39	346,033,306.33
Finance costs		262,583.06	94,743.97	262,583.06	94,743.97
Share of profit from investment in associates	9.2	1,876,335,867.49	207,171,280.21	-	-
Profit before income tax expenses		1,758,542,554.83	143,373,800.69	997,750,744.33	345,938,562.36
Income tax expenses	24	204,984,480.71	73,250,366.02	204,984,480.71	73,250,366.02
Profit for the year		1,553,558,074.12	70,123,434.67	792,766,263.62	272,688,196.34
Other comprehensive income :					
Components of other comprehensive income that will be reclassified to profit or loss					
Exchange differences on translating financial statements		490,055,322.07	(6,230,549.04)	-	-
Gains (losses) on cash flow hedges		196,116,174.97	(145,677,062.86)	-	-
		686,171,497.04	(151,907,611.90)	-	-
Components of other comprehensive income that will not be reclassified to profit or loss					
Share of other comprehensive income of associates		1,050,344.44	12,767,031.25	-	-
Actuarials gains on the defined employee benefit plans, net income tax		-	366,929.26	-	366,929.26
		1,050,344.44	13,133,960.51	-	366,929.26
Other comprehensive income (loss) for the year		687,221,841.48	(138,773,651.39)	-	366,929.26
Total comprehensive income (loss) for the year		2,240,779,915.60	(68,650,216.72)	792,766,263.62	273,055,125.60
Basic earnings per share					
Profit for the year	25	1.27	0.06	0.65	0.22

Notes to the financial statements form an integral part of these statements.

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EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2021

Baht

Financial statements in which the equity method is applied									
	Notes	Retained earnings		Other components of shareholders' equity				Total shareholders' equity	
		Issued and paid-up share capital	Appropriated to legal reserve	Unappropriated	Other comprehensive income				
					Exchange differences on translating financial statement	Gain (loss) on cash flow hedges	Share of other comprehensive income of associates		
Beginning as at January 1, 2020		12,197,400,000.00	183,403,148.30	1,276,224,656.18	(594,480,106.71)	(285,070,311.70)	318,942.18	(879,231,476.23)	12,777,796,328.25
Legal reserve	26	-	15,917,500.00	(15,917,500.00)	-	-	-	-	-
Dividend payment	26	-	-	(12,197,400.00)	-	-	-	-	(12,197,400.00)
Profit for the year		-	-	70,123,434.67	-	-	-	-	70,123,434.67
Other comprehensive income (loss) for the year		-	-	13,133,960.51	(6,230,549.04)	(145,677,062.86)	-	(151,907,611.90)	(138,773,651.39)
Total comprehensive income (loss) for the year		-	-	83,257,395.18	(6,230,549.04)	(145,677,062.86)	-	(151,907,611.90)	(68,650,216.72)
Balance as at December 31, 2020		12,197,400,000.00	199,320,648.30	1,331,367,151.36	(600,710,655.75)	(430,747,374.56)	318,942.18	(1,031,139,088.13)	12,696,948,711.53
Legal reserve	26	-	13,635,000.00	(13,635,000.00)	-	-	-	-	-
Dividend payment	26	-	-	(12,950,000.00)	-	-	-	-	(12,950,000.00)
Profit for the year		-	-	1,553,558,074.12	-	-	-	-	1,553,558,074.12
Other comprehensive income for the year		-	-	1,050,344.44	490,055,322.07	196,116,174.97	-	686,171,497.04	687,221,841.48
Total comprehensive income for the year		-	-	1,554,608,418.56	490,055,322.07	196,116,174.97	-	686,171,497.04	2,240,779,915.60
Balance as at December 31, 2021		12,197,400,000.00	212,955,648.30	2,859,390,569.92	(110,655,333.68)	(234,631,199.59)	318,942.18	(344,967,591.09)	14,924,778,627.13

Notes to the financial statements form an integral part of these statements.

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EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2021

		Baht			
		Separate financial statements			
		Issued and	Retained earnings		Total
		paid-up	Appropriated to	Unappropriated	shareholders'
Notes		share capital	legal reserve		equity
Beginning as at January 1, 2020		12,197,400,000.00	183,403,148.30	3,616,340,756.48	15,997,143,904.78
Legal reserve	26	-	15,917,500.00	(15,917,500.00)	-
Dividend payment	26	-	-	(12,197,400.00)	(12,197,400.00)
Total comprehensive income for the year		-	-	273,055,125.60	273,055,125.60
Balance as at December 31, 2020		12,197,400,000.00	199,320,648.30	3,861,280,982.08	16,258,001,630.38
Legal reserve	26	-	13,635,000.00	(13,635,000.00)	-
Dividend payment	26	-	-	(12,950,000.00)	(12,950,000.00)
Total comprehensive income for the year		-	-	792,766,263.62	792,766,263.62
Balance as at December 31, 2021		12,197,400,000.00	212,955,648.30	4,627,462,245.70	17,037,817,894.00

Notes to the financial statements form an integral part of these statements.



EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Baht			
	Financial statements in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
<u>Cash flows from operating activities</u>				
Profit before income tax expenses	1,758,542,554.83	143,373,800.69	997,750,744.33	345,938,562.36
Adjustments to profit before income tax expenses to cash provided by (used in) from operations:				
Depreciation	2,229,184.89	937,338.63	2,229,184.89	937,338.63
Amortization	390,793.67	350,006.81	390,793.67	350,006.81
Loss from sale of fixed assets	32,815.62	4,140.86	32,815.62	4,140.86
Employee benefit expenses	1,815,125.77	2,880,206.75	1,815,125.77	2,880,206.75
Unrealized gain on exchange rate	(18,740,682.51)	(13,985,813.59)	(18,740,682.51)	(13,985,813.59)
Share of profit from investment in associates	(1,876,335,867.49)	(207,171,280.21)	-	-
Dividend income from investment in associates	-	-	(1,115,544,056.99)	(409,736,041.88)
Interest income	(35,293,058.95)	(86,629,914.25)	(35,293,058.95)	(86,629,914.25)
Interest expenses	262,583.06	94,743.97	262,583.06	94,743.97
Loss from operations before changes in operating assets and liabilities	(167,096,551.11)	(160,146,770.34)	(167,096,551.11)	(160,146,770.34)
Changes in operating assets - (Increase) Decrease				
Trade receivables	529,767.96	205,958.00	529,767.96	205,958.00
Other current receivables	(16,148,284.12)	52,958,142.56	(16,148,284.12)	52,958,142.56
Changes in operating liabilities - Increase (Decrease)				
Trade payables	3,305,332.02	1,847,274.51	3,305,332.02	1,847,274.51
Other current payables	21,788,842.17	5,631,596.18	21,788,842.17	5,631,596.18
Other currents liabilities	(523,690.67)	1,487,324.00	(523,690.67)	1,487,324.00
Cash generated from operation	(158,144,583.75)	(98,016,475.09)	(158,144,583.75)	(98,016,475.09)
Cash received from interest income	2,510,823.54	2,537,018.57	2,510,823.54	2,537,018.57
Cash paid for income tax	(176,088,494.44)	(99,877,169.21)	(176,088,494.44)	(99,877,169.21)
Net cash used in operating activities	(331,722,254.65)	(195,356,625.73)	(331,722,254.65)	(195,356,625.73)

Notes to the financial statements form an integral part of these statements.

EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF CASH FLOWS (CONT.)
FOR THE YEAR ENDED DECEMBER 31, 2021

	Baht			
	Financial statements in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
<u>Cash flows from investing activities</u>				
Cash received (paid) for other current financial assets	1,119,474,298.30	(716,837,607.01)	1,119,474,298.30	(716,837,607.01)
Cash paid for investment in associates	(177,641,128.40)	-	(177,641,128.40)	-
Dividend received from investment in associates	161,962,069.55	661,992,484.34	161,962,069.55	661,992,484.34
Cash paid for purchase of equipment and intangible assets	(7,035,672.95)	(8,174,463.20)	(7,035,672.95)	(8,174,463.20)
Cash received from sale of fixed assets	6,618.00	4,667.00	6,618.00	4,667.00
Cash paid for project development cost - for collection	(33,532,689.16)	(16,851,875.34)	(33,532,689.16)	(16,851,875.34)
Cash received for interest income	47,955,645.44	125,411,458.81	47,955,645.44	125,411,458.81
Net cash provided by financing activities	1,111,189,140.78	45,544,664.60	1,111,189,140.78	45,544,664.60
<u>Cash flows from financing activities</u>				
Cash paid for lease liabilities	(1,861,686.94)	(531,206.03)	(1,861,686.94)	(531,206.03)
Cash paid for interest expenses	(262,583.06)	(94,743.97)	(262,583.06)	(94,743.97)
Dividend paid	(12,950,000.00)	(12,197,400.00)	(12,950,000.00)	(12,197,400.00)
Net cash used in financing activities	(15,074,270.00)	(12,823,350.00)	(15,074,270.00)	(12,823,350.00)
Net increase (decrease) in cash and cash equivalents	764,392,616.13	(162,635,311.13)	764,392,616.13	(162,635,311.13)
Cash and cash equivalents at beginning of the year	277,287,092.59	441,972,106.50	277,287,092.59	441,972,106.50
Effect from foreign exchange rate in cash and cash equivalents	56,299,237.26	(2,049,702.78)	56,299,237.26	(2,049,702.78)
Cash and cash equivalents at end of the year	1,097,978,945.98	277,287,092.59	1,097,978,945.98	277,287,092.59
<u>Additional disclosure items to cash flows statements</u>				
Non-cash transaction :				
Increase (decrease) in accrued for project development costs - for collection assets	5,331,985.78	(1,896,798.66)	5,331,985.78	(1,896,798.66)
Increase (decrease) in payable for purchase - fixed assets and intangible assets	3,393,127.05	(429,355.35)	3,393,127.05	(429,355.35)
Increase in lease liabilities	6,224,546.76	-	6,224,546.76	-

Notes to the financial statements form an integral part of these statements.

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EGAT INTERNATIONAL COMPANY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2021

1. GENERAL INFORMATION

EGAT International Company Limited (“the Company”) is a limited company, incorporated in Thailand on December 18, 2007. The Company is an investment arm for Electricity Generating Authority of Thailand “EGAT” of which the main objectives are to secure domestic power system by importing electricity and to create value added by investing abroad in power and power related businesses for benefits of EGAT businesses and the country. The Company is located at 53 Moo 2, Charan Sanitwong Road, Bang Kruai, Nonthaburi.

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

2.1 Basis for preparation of the financial statements

The financial statements have been prepared in accordance with the accounting standards prescribed by the Thai Accounts Act enunciated under the Accounting Profession Act B.E.2547 by complying with Thai Financial Reporting Standards. The presentation of the financial statements has been made in compliance with the Notification of the Department of Business Development, the Ministry of Commerce, re : the financial statements presentation for public limited company, issued under the Accounting Act B.E.2543.

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

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

2.2 Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current year.

2.3 Financial reporting standards that will become effective in the future

The Federation of Accounting Professions has issued several revised financial reporting standards and has been published in the Government Gazette, which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and for some financial reporting standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company is assessing that these revised standards will not have any significant impact on the financial statements in the year when they are adopted.

3. ACCOUNTING POLICIES

3.1 Revenue recognition

Revenue from services is recognized income when services has been completed.

Interest income is recognized based on a time proportion basis and the effective rate of return on assets.

Dividend income is recognized when the Company right to receive the dividend payment is established.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash, cash in current and saving accounts as well as fixed accounts with within 3 months term including promissory notes or bills of exchange with maturity of 3 months or less without commitment.

3.3 Investment in associates

Investment in associates have been presented in the separate financial statements under the cost method and in the financial statements in which the equity method is applied under the equity method.

Share of profit or loss from associates are recorded in proportion to the Company's equity interest in those profit and loss.

The Company determines at each reporting date whether there is any objective evidence that the investment in associates are impaired. If this is the case, The Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount to the share of profit (loss) from associates in profit or loss.

In the separate financial statements, investment in associates are accounted for at cost less provision for impairment. The cost is adjusted to reflect changes in contingent consideration expected to be paid amendments. The cost also includes direct attributable costs of investment.

3.4 Equipment

Equipment are stated at cost less accumulated depreciation. Depreciation is calculated by using the straight-line method in order to reduce the book value of each type of assets over the estimated useful lives of each class of asset as follows

	<u>Useful lives (year)</u>
Audio visual equipment and office supplies	5 - 10
Communication devices	3 - 5
Computer and equipment	3

When the carrying amount is estimated to be higher than the recoverable amount, the carrying amount shall be adjusted to the recoverable amount.

Gain and loss on disposal of equipment shall be calculated by comparing between the carrying amounts and the selling price. Gain and loss on disposal shall be recognized in profit or loss.

3.5 Intangible assets

Intangible assets are computer software shall be amortized based on its useful lives which is normally not more than 5 years. The useful lives as well as the amortization basis shall be revised and reviewed every accounting period.

3.6 Project development costs - for collection

Development costs incurred on development project are capitalized to assets when an approval of project investment in principle is made by the Ministry of Energy.

However, if the Company's Board of Directors has considered and approved to cease the project, all relevant costs which capitalized to assets will be recognized as expenses in the incurred period in profit or loss.

3.7 Leases

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

The Company assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.



Right-of-use assets-as a lessee

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

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

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

Lease liabilities

At the commencement date of the lease, lease liabilities are stated at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable (if any) and amount expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate, which is determined by referring to the government bond yield adjusted with risk premium depending on the lease term, at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of the interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (those leases that have a lease term of 12 months or less from the commencement date and not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term and leases of low-value assets are recognized as expense in profit and loss on a straight-line basis over the lease term.

3.8 Provisions

The Company provisions are recognized when the Company has a present legal or constructive obligation as a result 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. Where the Company expect a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

3.9 Employee benefits

Short-term employment benefits

The Company recognizes salary, wage and bonus as expenses when incurred.

Post-employment benefits (Defined contribution plans)

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

Post-employment benefits (Defined benefit plans)

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

The obligation under the defined benefit plan is calculated based on the actuarial principles by a qualified independent actuary using the projected unit credit method. Such estimates are made based on various assumptions, including discount rate, future salary increase rate, staff turnover rate, mortality rate, and inflation rate.

Actuarial gains and losses for post-employment benefits of the employees are recognized immediately in other comprehensive income.

3.10 Related parties

The parties are considered as related parties when the Company has ability to control, directly or indirectly, over the parties and vice versa. Related parties also include the parties under the common control as the Company. This includes subsidiaries and fellow subsidiaries, associates, joint venture, high-level management, directors and employees of the Company.

In considering each related party relationship, the consideration shall be made on the basis of substance of the relationship than the legal form

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3.11 Income tax

Income tax comprises current income tax and deferred tax.

Current tax

The Company records income tax expenses, if any, based on the amount currently payable under the Revenue Code at the income tax rates 20% of profit before income tax, after adding back certain expenses which are non-deductible for income tax computation purposes, and less certain transactions which are exemption or allowable from income tax.

Deferred tax

Deferred tax assets and liabilities are provided on the temporary differences between the carrying amount and the tax bases of assets and liabilities at the end of the reporting period. Changes in deferred tax assets and liabilities are recognized as deferred tax income or deferred tax expenses which are recognized in the profit or loss except to the extent that it relates to items recognized directly in shareholders' equity or in other comprehensive income.

The deductible temporary differences are recognized as deferred tax assets when it is probable that the Company will has future taxable profit to be available against which the deferred tax assets can be utilized. The taxable temporary differences on all taxable items are recognized as deferred tax liabilities. Deferred tax is not recognized for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are measured at the tax rates that the Company expect to apply to the period when the deferred tax assets are realized or the deferred tax liabilities are settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

At the end of each reporting period, the carrying amount of deferred tax assets are reviewed and reduced the value when it is probable that the Company will has no longer the future taxable profit that is sufficient to be available against which all or some parts of deferred tax assets are utilized.

Deferred tax assets and deferred tax liabilities are offset when there is the legal right to settle on a net basis and they relate to income taxes levied by the same tax authority on the same taxable entity.

3.12 Foreign currency translation

Assets and liabilities of integrated foreign operations are translated into Thai Baht using the closing rate at the statement of financial position date. Revenues and expenses are translated into Thai Baht using the average rate during the period. Differences arising from foreign currency translation are included in other comprehensive income and accumulated differences are presented in other components of shareholders' equity under equity.

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Foreign currency transactions are translated into Thai Baht by using the exchange rates prevailing at the date of the transaction. The monetary assets and liabilities denominated in foreign currency are translated into Thai Baht by using the exchange rates prevailing at the date of financial statement. Gains and losses from foreign currency receiving or payment and from translation of monetary assets and liabilities are recognized in profit or loss.

3.13 Fair value of financial instruments

The Company uses the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

Level 1 - Use of quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Use of inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (e.g. prices) or indirectly (e.g. derived from prices).

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

3.14 Financial instruments

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortized cost, fair value through other comprehensive income, or fair value through profit or loss. The classification of financial assets at initial recognition is driven by the Company' business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Equity instruments can be classified and cannot be changed by two types of measurement which are measuring fair value through profit or loss or measuring fair value through other comprehensive income that without recycling to profit or loss.

The initial recognition of financial assets that are not measured at fair value through profit or loss with fair value plus or deduct transaction cost directly related to the acquisition or issuance. Financial assets that are measured at fair value through profit or loss, transaction costs are recognized as expense in profit or loss. However, trade receivables that do not contain a significant financing component are measured at the transaction price.

Subsequent measurement of debt instruments by 3 methods depends on the classification of debt instruments.

- Financial assets measured at amortized cost when financial assets are held to receive cash flow under the agreement and condition of the agreement of the financial assets that generate cash flow to pay the principal and interest from the principal balance on the specified date only. Such financial assets have to be calculated using the effective rate and are subject to impairment assessment. Profit or loss arising from derecognized, modified or impaired will be recognized in profit or loss.

- Financial assets measured at fair value through other comprehensive income when financial assets are held to receive cash flow under the agreement and to sell financial assets and the agreement condition of financial assets generating cash flow that only pays the principal and interest from the principal balance on the specified date. The change of value of financial assets is recognized through other comprehensive income except loss on impairment and interest income and gain and loss on exchange rate are recognized as profit or loss upon recognized of financial assets. Earning or deficit previously recognized in other comprehensive income has to be reclassified into profit or loss. Such financial asset has to be calculated using the effective interest rate same as financial assets measured at amortized cost.
- Financial assets measured at fair value through profit or loss when financial assets that do not meet the criteria for amortized cost or financial assets measured at fair value through other comprehensive income will be presented in the statement of financial position at fair value by recognizing the net change of fair value in profit or loss.

Subsequent valuation of equity instruments must present equity instruments using the fair value and record profit/loss from change in fair value through profit or loss or other comprehensive income depending on equity instruments classification.

Classification and valuation of financial liabilities

The Company is recognized initially of financial liabilities at fair value net of transaction costs and classified as financial liabilities as financial liabilities subsequently measured at amortized cost using the effective rate. The amortized cost is calculated taking into account fees or costs that are an integral part of the effective rate. Amortization by the effective rate is presented as part of financial costs in profit or loss.

Derecognition of financial instruments

Financial assets will be derecognized from the account when the right to receive cash flow of such asset has ended or when the right to receive cash flow of the assets is transferred including upon the transfer of all risk and consideration of that asset or transfer of internal control in that asset although there is no transfer or maintaining of nearly all risk and consideration of such asset.

Financial liabilities will be derecognized from the account when the obligation of such liabilities has been complied, the obligation is cancelled or the obligation has ended. In case existing financial liabilities are changed to new liabilities from one single lender with considerably different requirements or there is a significant amendment in the requirements of existing liabilities, these are considered as recognition old liabilities and recognizing new liabilities by recognizing the difference of such carrying value under profit or loss.

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Impairment of financial assets

Expected credit losses for financial assets measured at amortized cost or debt instruments financial assets measured at fair value through other comprehensive income and assets arising from credit facility obligation and financial guarantee agreement are assessed without having to wait for the credit event to occur first. The Company uses the general approach in considering the allowance for loss on impairment. For trade receivables, the Company applies a simplified approach in calculating expected credit losses. The Company recognizes a loss based on lifetime expected credit losses at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

Offset of financial instruments

Financial assets and liabilities will be offset and presented at net balance in the statement of financial position in the case legally enforced in offsetting the recognized amount. The Company intend to pay the net balance or intends to receive assets and settle payment of liabilities at the same time.

3.15 Hedge accounting

The Company designates certain derivatives as hedging instruments in respect of interest rate risk in cash flow hedges.

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

Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is effective in offsetting changes in or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements;

- There is an economic relationship between the hedged item and the hedging instrument;
- The effect of credit risk does not dominate the value changes that result from that economic relationships ; and
- The hedged ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income. The gain or loss relating to the ineffective portion is recognized in profit or loss.

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3.16 Significant accounting judgements and estimates

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

Expected credit losses

In determining an allowance for expected credit losses, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Impairment of investment in associates

In determining reviews the impairment of investment in the associates, the management is required to prepare projections of the cash flows expected to be generated by the investment in the future, and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Determining the lease term of contracts with renewal and termination options

The Company determines the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Company reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit of the lease. Therefore, the incremental borrowing rate of the Company is used to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Company would have to pay for necessary borrowing to acquire the assets, or assets with close value to right-of-use assets in similar economic environment, borrowing period and borrowing security.

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Equipment and depreciation/Intangible assets and amortization

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

In addition, the management is required to review equipment and intangible assets in determining amortization of other intangible assets, the management is required to make estimates of the useful lives and review the estimated useful lives when there are any changes for impairment on a periodical basis and record the impairment loss when it is determined that the recoverable amount is lower than the carrying amount. This requires judgement regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimated future taxable profits.

Post-employment benefits (Defined benefit plans)

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Fair value of financial instruments

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

4. RELATED PARTIES TRANSACTIONS

Name of entity	Country of incorporation/nationality	Nature of relationship
EGAT	Thailand	100% shareholding
Nam Ngiep 1 Power Company Limited	Lao PDR	Associated company, EGATi has 30% shareholding
PT Adaro Indonesia	Republic of Indonesia	Associated company, EGATi has 11.533% shareholding
Hou Ju Energy Technology Corporation	Taiwan	Associated company, EGATi has 25% shareholding

Related parties significant transactions in statements of financial position as at December 31, 2021 and 2020 are as follows:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Trade receivables - related party		
Nam Ngiep 1 Power Company Limited	78,130.22	608,226.00
Other current receivables - related parties		
Managements and officers	0.50	-
Nam Ngiep 1 Power Company Limited	2,679,700.47	482,788.11
EGAT	-	8,085.00
	<u>2,679,700.97</u>	<u>490,873.11</u>
Trade payables - related party		
EGAT	777,028.76	797,238.27
Other current payables - related parties		
Managements and officers	631,434.70	836,273.90
EGAT	508.25	34,979.25
	<u>631,942.95</u>	<u>871,253.15</u>
Accrued expenses		
EGAT	3,124,615.56	817,538.34
Share payables - related parties		
PT Adaro Indonesia		
Opening balance (USD 161.50 million)	4,878,398,200.00	4,898,504,950.00
(Gain) loss on exchange rate	546,855,150.00	(20,106,750.00)
Ending balance (USD 161.50 million)	<u>5,425,253,350.00</u>	<u>4,878,398,200.00</u>
Hou Ju Energy Technology Corporation		
Opening balance	-	-
Additions during the year (TWD 13.38 million)	15,924,431.25	-
Ending balance (TWD 13.38 million)	<u>15,924,431.25</u>	<u>-</u>
Total share payables - related parties	5,441,177,781.25	4,878,398,200.00
Less Current portion due within one year	<u>(2,248,565,136.25)</u>	<u>-</u>
Share payables - related parties, net	<u>3,192,612,645.00</u>	<u>4,878,398,200.00</u>

Related parties significant transactions in the statements of comprehensive income for the years ended December 31, 2021 and 2020 as follows:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Revenues from services - related party		
Nam Ngiep 1 Power Company Limited	10,452,061.99	3,800,287.61
Other income - related party		
Nam Ngiep 1 Power Company Limited	422,127.30	-
Dividend income		
PT Adaro Indonesia	1,115,544,056.99	409,736,041.88
Administrative expenses - related parties		
Directors and managements remuneration	19,631,312.30	22,545,220.66
EGAT	15,316,720.26	14,860,095.15
	<u>34,948,032.56</u>	<u>37,405,315.81</u>

5. CASH AND CASH EQUIVALENTS

This account consisted of:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Current accounts	1,000.00	1,000.00
Saving accounts	505,278,057.11	236,889,085.96
Fixed deposits not more than 3 months	371,209,408.97	-
Fixed deposit receipts not more than 3 months	221,490,479.90	40,397,006.63
Total cash and cash equivalents	<u>1,097,978,945.98</u>	<u>277,287,092.59</u>

6. TRADE RECEIVABLES

This account consisted of:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Trade receivable - related party (Note 4)		
Nam Ngiep 1 Power Company Limited		
Associate management services	-	608,226.00
Other	78,130.22	-
Total trade receivables	<u>78,130.22</u>	<u>608,226.00</u>

7. OTHER CURRENT RECEIVABLES

This account consisted of:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Other receivable - related party (Note 4)	2,679,700.97	490,873.11
Other receivable - co-developer	17,601,264.63	4,147,018.76
Other receivable - other persons or company	4,360.00	1,065.72
Prepaid expenses	1,006,626.79	498,193.02
Accrued interest income	5,498,693.27	20,116,911.88
Revenue Department receivable	<u>17,415,481.77</u>	<u>40,464,503.87</u>
Total other current receivables	<u>44,206,127.43</u>	<u>65,718,566.36</u>

8. OTHER CURRENT FINANCIAL ASSETS

This account consisted of:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Fixed deposits more than 3 months but not more than 12 months	4,299,796,322.32	4,158,004,302.20
Fixed deposit receipts more than 3 months but not more than 12 months	620,940,714.62	1,437,231,340.47
Total other current financial assets	4,920,737,036.94	5,595,235,642.67

9. INVESTMENT IN ASSOCIATES

9.1 Information of associated companies

	Country of incorporation/nationality	Business	Shareholding proportion (%)	
			2021	2020
<u>Associated companies</u>				
Nam Ngiep 1 Power Company Limited	Lao PDR	Generation and supply of electricity	30	30
PT Adaro Indonesia	Republic of Indonesia	Generation and supply of coal	11.533	11.533
Hou Ju Energy Technology Corporation	Taiwan	Invest in energy business	25	-

The Company has invested in PT Adaro Indonesia with a shareholding proportion of 11.533% which the company has 1 representative in the Board of Commissioners from total 6 representatives to control the management of Board of Directors which the Company has 1 voting right.

9.2 Details of investment in associates

	Baht					
	Equity method		Cost method		Dividend income	
	2021	2020	2021	2020	2021	2020
<u>Associated companies</u>						
Nam Ngiep 1 Power Company Limited	2,226,521,278.08	1,514,960,186.73	3,096,231,265.18	3,096,231,265.18	-	-
PT Adaro Indonesia	10,408,225,113.83	9,623,534,309.60	11,603,316,150.00	11,603,316,150.00	1,115,544,056.99	409,736,041.88
Hou Ju Energy Technology Corporation	145,327,316.05	-	193,565,559.65	-	-	-
Total	12,780,073,707.96	11,138,494,496.33	14,893,112,974.83	14,699,547,415.18	1,115,544,056.99	409,736,041.88

As at December 31, 2021, the Company had accrued dividend income from PT Adara Indonesia amounted USD 33.56 million that had to deduct the withholding tax balance of USD 28.52 million or equal to Baht 948.32 million.

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Movements in investments in associates can be analyzed as follows:

	Baht			
	Equity method		Cost method	
	2021	2020	2021	2020
Beginning balance	11,138,494,496.33	11,480,199,838.65	14,699,547,415.18	14,699,547,415.18
Additional investments	193,565,559.65	-	193,565,559.65	-
Share of profit from investment in associates	1,876,335,867.49	207,171,280.21	-	-
Exchange differences on translating financial statements	490,055,322.07	(6,230,549.04)	-	-
Gain (loss) on cash flow hedges	196,116,174.97	(145,677,062.86)	-	-
Share of other comprehensive income of associates				
Re-measure the defined employee benefit plans	1,050,344.44	12,767,031.25	-	-
Dividend income	(1,115,544,056.99)	(409,736,041.88)	-	-
Ending balance	12,780,073,707.96	11,138,494,496.33	14,893,112,974.83	14,699,547,415.18

Significant financial information of associates

Summarized information about financial position

	Baht				
	Nam Ngiep 1 Power Company Limited		PT Adaro Indonesia		Hou Ju Energy Technology Corporation
	2021	2020	2021	2020	2021
Current assets	2,325,592,619.91	1,583,713,726.92	49,416,615,327.44	26,167,624,689.32	818,376,899.81
Non-current assets	27,270,630,512.90	25,823,973,231.93	55,707,105,247.35	51,434,019,324.06	2,255,294,279.68
Current liabilities	(1,569,275,652.45)	(1,449,073,837.92)	(32,248,621,301.67)	(28,224,032,168.83)	(1,197,554,005.58)
Non-current liabilities	(20,605,209,886.75)	(20,908,745,831.83)	(42,443,410,723.41)	(26,950,518,091.66)	(1,162,539,435.16)
Non-controlling interests	-	-	-	-	(161,161,798.14)
Net assets	7,421,737,593.61	5,049,867,289.10	30,431,688,549.71	22,427,093,752.89	552,415,940.61
Shareholding percentage (%)	30	30	11.533	11.533	25
Carrying amounts of associates in which the equity method	2,226,521,278.08	1,514,960,186.73	3,509,686,640.44	2,586,516,722.52	138,103,985.15
Goodwill	-	-	3,789,545,000.90	3,789,545,000.90	-
Difference from appraisal of assets	-	-	3,354,038,210.09	3,498,207,832.04	50,439,415.56
Other	-	-	(245,044,737.60)	(250,735,245.86)	(43,216,084.66)
Carrying amounts of associates based on equity method	2,226,521,278.08	1,514,960,186.73	10,408,225,113.83	9,623,534,309.60	145,327,316.05

Summarized information about comprehensive income

	Baht				
	Nam Ngiep 1 Power Company Limited		PT Adaro Indonesia		Hou Ju Energy Technology Corporation
	2021	2020	2021	2020	2021
Revenue	2,577,784,341.66	2,652,465,204.89	104,361,989,714.39	69,216,476,498.93	-
Profit (loss) for the year	1,104,773,589.43	(258,805,313.47)	14,719,288,334.98	3,817,746,706.81	(29,859,777.60)
Other comprehensive income (loss)	1,267,096,715.07	(472,950,723.03)	3,006,967,024.93	23,797,699.34	(158,826,775.84)
Total comprehensive income (loss)	2,371,870,304.50	(731,756,036.50)	17,726,255,359.91	3,841,544,406.15	(188,686,553.44)

Investment in Nam Ngiep 1 Power Company Limited

The Company has pledged all of shares in Nam Ngiep 1 Power Company Limited in amount of 942,000 shares at USD 100.00 per share and grant security over all related dividends and other rights, interests and benefits arising from such shares in favor of Nam Ngiep 1 Power Company Limited's lenders and other secured parties, as at December 31, 2021 and 2020, the Company has fully paid up share in amount of shares 942,000.

Investment in PT Adaro Indonesia

The Company has signed Subscription Agreement for purchase shares in PT Adaro Indonesia in amount of USD 325 million. On November 22, 2016, the Company has paid for such share in amount of USD 163.50 million (approximately Baht 5,829.85 million) and the Company will pay the remaining in amount of USD 161.50 million in 2022 - 2027 when PT Adaro Indonesia has met the conditions in Subscription Agreement (Note 4).

Investment in Hou Ju Energy Technology Corporation

The Company has entered into a share purchase agreement to purchase shares in Hou Ju Energy Technology Corporation in the amount of TWD 127.41 million and a share surplus in the amount of TWD 35.24 million, totaled TWD 162.65 million, or Baht 193.56 million. On August 13, 2021, the Company paid for the shares in the amount of TWD 127.41 million and a share premium amounted to TWD 21.86 million. For the remaining share premium amounting to TWD 13.38 million, it will be paid when the project meets the conditions specified in the share purchase agreement. The Company had recorded the investment value and the remaining share payable in the financial statements (Note 4).

10. EQUIPMENT

This account consisted of:

	Baht		
	Financial statements in which the equity method is applied/		
	Separate financial statements		
	Balance as at December 31, 2020	Transactions during the year Increase Decrease	Balance as at December 31, 2021
<u>At cost</u>			
Furniture and office equipment	5,064,496.00	- (1,199,052.85)	3,865,443.15
<u>Less</u> Accumulated depreciation	<u>(4,228,647.75)</u>	<u>(301,860.17)</u> <u>1,159,619.23</u>	<u>(3,370,888.69)</u>
Equipment - net	<u>835,848.25</u>		<u>494,554.46</u>

	Baht			
	Financial statements in which the equity method is applied/			
	Separate financial statements			
	Balance as at	Transactions during the year		Balance as at
	December	Increase	Decrease	December
	31, 2019			31, 2020
<u>At cost</u>				
Furniture and office equipment	4,890,110.15	209,885.85	(35,500.00)	5,064,496.00
<u>Less</u> Accumulated depreciation	<u>(3,854,075.31)</u>	<u>(401,264.58)</u>	<u>26,692.14</u>	<u>(4,228,647.75)</u>
Equipment - net	<u>1,036,034.84</u>			<u>835,848.25</u>

As at December 31, 2021 and 2020, the Company has vehicles under the financial lease agreements at net book value in the financial statements amounted to Baht 2.70 million and Baht 3.37 million, respectively.

11. RIGHT-OF-USE ASSETS

This account consisted of:

	Baht			
	Financial statements in which the equity method is applied/			
	Separate financial statements			
	Balance as at	Transactions during the year		Balance as at
	December	Increase	Decrease	December
	31, 2020			31, 2021
<u>At cost</u>				
Vehicles	2,680,370.20	6,224,546.76	-	8,904,916.96
<u>Less</u> Accumulated depreciation	<u>(1,562,692.55)</u>	<u>(1,927,324.72)</u>	<u>-</u>	<u>(3,490,017.27)</u>
Right-of-use assets - net	<u>1,117,677.65</u>			<u>5,414,899.69</u>

	Baht			
	Financial statements in which the equity method is applied/			
	Separate financial statements			
	Balance as at	Transactions during the year		Balance as at
	December	Increase	Decrease	December
	31, 2019			31, 2020
<u>At cost</u>				
Vehicles	2,680,370.20	-	-	2,680,370.20
<u>Less</u> Accumulated depreciation	<u>(1,026,618.50)</u>	<u>(536,074.05)</u>	<u>-</u>	<u>(1,562,692.55)</u>
Right-of-use assets - net	<u>1,653,751.70</u>			<u>1,117,677.65</u>

Such use of right assets was measured at the present value of the unpaid lease payments. It was discounted with the Company's incremental borrowing rate at the rate ranges from 2.24% to 6.275% per annum.

12. INTANGIBLE ASSETS

This account consisted of:

		Baht			
		Financial statements in which the equity method is applied/ Separate financial statements			
	Balance as at	Transactions during the year			Balance as at
	December	Increase	Decrease	Transfer-in	December
	31, 2020			(Transfer-out)	31, 2021
<u>At cost</u>					
Computer software	4,993,004.07	-	(118,791.40)	17,392,000.00	22,266,212.67
Computer software in progress	6,963,200.00	10,428,800.00	-	(17,392,000.00)	-
Total	11,956,204.07	10,428,800.00	(118,791.40)	-	22,266,212.67
<u>Less Accumulated amortization</u>					
Computer software	(3,792,506.06)	(390,793.67)	118,791.40	-	(4,064,508.33)
Total	(3,792,506.06)	(390,793.67)	118,791.40	-	(4,064,508.33)
Intangible assets - net	8,163,698.01				18,201,704.34

		Baht			
		Financial statements in which the equity method is applied/ Separate financial statements			
	Balance as at	Transactions during the year			Balance as at
	December	Increase	Decrease	Transfer-in	December
	31, 2019			(Transfer-out)	31, 2020
<u>At cost</u>					
Computer software	3,952,964.07	-	-	1,040,040.00	4,993,004.07
Computer software in progress	468,018.00	7,535,222.00	-	(1,040,040.00)	6,963,200.00
Total	4,420,982.07	7,535,222.00	-	-	11,956,204.07
<u>Less Accumulated amortization</u>					
Computer software	(3,442,499.25)	(350,006.81)	-	-	(3,792,506.06)
Total	(3,442,499.25)	(350,006.81)	-	-	(3,792,506.06)
Intangible assets - net	978,482.82				8,163,698.01

13. PROJECT DEVELOPMENT COSTS - FOR COLLECTION

As at December 31, 2021 and 2020, the Company has recognized project development costs - for collection of the Upper Thanlwin (Mong Ton) Hydropower Project and Quang Tri 1 Thermal Power Project. These costs are occurred after the principle of project investment was approved by the Minister of Energy on November 21, 2014 and May 16, 2016, respectively and agreed by Project Management Committee to reimburse after establishment of the project company as follows:

	Baht		
	Financial statements in which the equity method is applied/ Separate financial statements		
	Upper Thanlwin (Mong Ton) Hydropower Project	Quang Tri 1 Thermal Power Plant Project	Total
Beginning as at January 1, 2020	426,810,235.49	42,868,440.81	469,678,676.30
Additions during the year	-	14,955,076.68	14,955,076.68
Gain (loss) on exchange rate	27,963,167.67	(416,631.14)	27,546,536.53
Balance as at December 31, 2020	454,773,403.16	57,406,886.35	512,180,289.51
Additions during the year	-	38,864,674.94	38,864,674.94
Gain on exchange rate	62,993,217.06	5,978,307.18	68,971,524.24
Balance as at December 31, 2021	517,766,620.22	102,249,868.47	620,016,488.69

14. DEFERRED TAX ASSETS AND LIABILITIES

Changing for the years ended December 31, 2021 and 2020 are summarized as follows:

	Baht			
	Financial statements in which the equity method is applied/ Separate financial statements			
	As at December 31, 2020	Revenue (expenses) during the year		As at December 31, 2021
		In profit or loss	In other comprehensive income	
Deferred tax assets:				
Financial lease agreements	20,349.37	13,127.56	-	33,476.93
Provision for employee benefits	1,789,107.84	363,025.16	-	2,152,133.00
Total	1,809,457.21	376,152.72	-	2,185,609.93
Deferred tax liabilities:				
Equipment	18,261.65	9,580.63	-	8,681.02
Total	18,261.65	9,580.63	-	8,681.02
Net	1,791,195.56			2,176,928.91

	Baht			
	Financial statements in which the equity method is applied/ Separate financial statements			
	As at December 31, 2019	Revenue (expenses) during the year In profit or loss	In other comprehensive income	As at December 31, 2020
Deferred tax assets:				
Financial lease agreements	19,375.76	973.61	-	20,349.37
Provision for employee benefits	1,304,798.80	576,041.35	(91,732.31)	1,789,107.84
Total	1,324,174.56	577,014.96	(91,732.31)	1,809,457.21
Deferred tax liabilities:				
Equipment	22,638.60	4,376.95	-	18,261.65
Total	22,638.60	4,376.95	-	18,261.65
Net	1,301,535.96			1,791,195.56

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15. TRADE PAYABLES

This account consisted of:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Trade payables - related party (Note 4)		
EGAT		
Service expenses	777,028.76	797,238.27
	<u>777,028.76</u>	<u>797,238.27</u>
Trade payables - non-related party		
Consultant fees	6,901,224.69	3,038,905.51
Other expenses	-	271.86
	<u>6,901,224.69</u>	<u>3,039,177.37</u>
Total trade payables	<u><u>7,678,253.45</u></u>	<u><u>3,836,415.64</u></u>

16. OTHER CURRENT PAYABLES

This account consisted of:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Other payable - related person (Note 4)	631,434.70	836,273.90
Other payable - related party (Note 4)	508.25	34,979.25
Other payable - non-related party	7,893,923.69	3,200,833.06
Advance received - project development expenses	379,528.26	7,206,313.81
Accrued expenses - related party (Note 4)		
EGAT		
Service expenses	834,098.43	794,622.05
Consultant fees - Quang Tri 1 Thermal Power Plant Project	346,680.00	-
Consultant fees - Solar Power Project (Vietnam)	674,100.00	-
Service fees - Hydro Power Project Nam Ngum 3	418,356.63	-
Other service fees	834,600.00	-
Other expenses	<u>16,780.50</u>	<u>22,916.29</u>
	<u><u>3,124,615.56</u></u>	<u><u>817,538.34</u></u>

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Other accrued expenses consisted of:		
Project development expenses	22,440,547.69	1,486,041.51
Employee expenses	27,621,873.96	18,578,102.70
Other service fees	827,499.85	881,576.44
Other expenses	2,766,455.43	2,719,413.39
	53,656,376.93	23,665,134.04
Total other current payables	65,686,387.39	35,761,072.40

17. OTHER CURRENT LIABILITIES

This account consisted of:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Deposit received and security guarantee	1,311,477.33	1,612,137.33
Withholding tax payable	533,613.04	756,643.71
Total other current liabilities	1,845,090.37	2,368,781.04

18. LEASE LIABILITIES

18.1 The balance per book and movements of the lease liabilities for the years ended December 31, 2021 and 2020 are summarized as follows:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Beginning balance	1,219,424.42	1,750,630.45
Additions during the year	6,224,546.76	-
Additions from interest	262,583.06	94,743.97
Payments during the year	(2,124,270.00)	(625,950.00)
Ending balance	5,582,284.24	1,219,424.42
Less Current portion due within one year	(1,943,035.87)	(565,513.67)
Lease liabilities - net	3,639,248.37	653,910.75

The payment of these contracts are as follows:

	Baht					
	2021			2020		
	Principal	Deferred Interest	Total debts	Principal	Deferred Interest	Total debts
Payment due within 1 year	1,943,035.87	181,234.13	2,124,270.00	565,513.67	60,436.33	625,950.00
Payment due over 1 year to 5 years	3,639,248.37	207,874.13	3,847,122.50	653,910.75	24,201.75	678,112.50
Total	5,582,284.24	389,108.26	5,971,392.50	1,219,424.42	84,638.08	1,304,062.50

18.2 Amounts recognized in the statement of comprehensive income for the years ended December 31, 2021 and 2020 are comprise;

	Baht	
	2021	2020
Depreciation - right-of-use assets	1,927,324.72	536,074.05
Interest expenses	262,583.06	94,743.97
Expense relating to short-term leases	-	1,717,730.00
Expense relating to leases of low value assets	776,488.54	522,977.52
	2,966,396.32	2,871,525.54

19. PROVISION FOR EMPLOYEE BENEFITS

Movement of provision for employee benefits for the years ended December 31, 2021 and 2020 as follows:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Provision for employee benefits at beginning balance	8,945,539.18	6,523,994.00
Actuarial gains (losses)		
- Impact of change in demographic assumption	-	90,597.93
- Impact of change in financial assumption	-	517,915.26
- Experience adjustments	-	(1,067,174.76)
	-	(458,661.57)
Past service costs and interest - change a considered post-employment plan amendment	-	1,624,624.75
Current service costs and interest	1,815,125.77	1,255,582.00
Provision for employee benefits at ending balance	10,760,664.95	8,945,539.18

Expense recognized in statement of comprehensive income

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Past service costs and interest	-	1,624,624.75
Current service costs and interest		
Service costs	1,610,057.67	1,059,861.00
Interest	205,068.10	195,721.00
Total	1,815,125.77	2,880,206.75

Principal actuarial assumptions in the estimates based on the actuarial principles

	Percentage	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Discount rate	2.29 - 2.33	2.29 - 2.33
Salary increase rate	7.00	7.00
Employee turnover rate		
Less than 25 years	11.46	11.46
Age 25 - 29 years	8.60	8.60
Age 30 - 34 years	5.73	5.73
Age 35 - 39 years	3.82	3.82
Age 40 - 44 years	2.87	2.87
Age 45 - 49 years	1.91	1.91
Age 50 - 60 years	0.96	0.96
Disability rate	Included of mortality rate	Included of mortality rate
Disability rate	105.00 of Thai mortality table 2017	105.00 of Thai mortality table 2017

Sensitivity analysis

The results of sensitivity analysis for significant assumptions that affect the present value of the employee benefit obligations as at December 31, 2021 and 2020, are summarized below:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Discount rate		
0.5% increase	(806,696.74)	(706,335.38)
0.5% decrease	896,421.25	787,050.52
Salary increase rate		
1% increase	1,900,706.69	1,567,908.51
1% decrease	(1,571,983.62)	(1,298,954.58)
Employee turnover rate		
20% increase	(681,876.94)	(556,777.21)
20% decrease	756,353.47	615,394.13

20. REVENUE FROM SERVICES

This account consisted of:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Revenue from services - related party (Note 4)		
Nam Ngiep 1 Power Company Limited		
Management services agreement	8,931,251.44	2,538,027.00
Associate technical support services	1,520,810.55	1,262,260.61
Total revenue from services	<u>10,452,061.99</u>	<u>3,800,287.61</u>

21. COST OF SERVICES

This account consisted of:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Associate management service expenses	9,165,101.86	2,220,999.16
Total cost of services	<u>9,165,101.86</u>	<u>2,220,999.16</u>

22. ADMINISTRATIVE EXPENSES

This account consisted of:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Administrative expenses - related party (Note 4)		
EGAT		
Administrative expenses - related party	9,506,065.70	9,686,956.01
Car rental for executives	-	387,126.00
Consultant fees - Quang Tri 1 Thermal Power Project	2,105,760.00	4,429,800.00
Other service fees - Quang Tri 1 Thermal Power Project	217,907.18	-
Consultant fees - Solar Power Project	1,565,410.00	256,158.00
Service fees for supporting and analyzing coal data	852,535.88	-
Other service fees	981,190.00	100,055.14
Other expenses	87,851.50	-
	<u>15,316,720.26</u>	<u>14,860,095.15</u>
Employee expenses	98,083,166.25	96,439,880.92
Project development expenses	32,093,399.20	20,493,176.85
Associate administrative expenses	645,868.11	1,327,204.39
Other service fees	5,244,316.14	5,219,640.43
Committee travelling expenses	36,050.00	-
Others	21,222,990.58	17,181,893.52
Total administrative expenses	<u>172,642,510.54</u>	<u>155,521,891.26</u>

23. EXPENSES BY NATURE

This account consisted of:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Employee expenses	98,171,017.75	96,827,006.92
Outsourcing costs	15,731,571.84	15,006,651.58
Project development expenses	35,982,476.38	25,179,134.85
Depreciation and amortization	2,619,978.56	1,287,345.44
Other expenses	29,302,567.87	19,442,751.63
Total expenses by nature	<u>181,807,612.40</u>	<u>157,742,890.42</u>

24. INCOME TAX EXPENSES

24.1 Major components of income tax expenses for the years ended December 31, 2021 and 2020 consisted of:

	Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2021	2020
Income tax expenses shown in profit or loss :		
Current tax expenses:		
Income tax for the year	205,370,214.06	73,831,757.93
Deferred tax expenses:		
Changes in temporary differences relating to the original recognition and reversal	(385,733.35)	(581,391.91)
Total	204,984,480.71	73,250,366.02
Income tax relating to component of other comprehensive income :		
Deferred tax relating to :		
Actuarial gains	-	91,732.31
Total	-	91,732.31

24.2 The reconciliation between the accounting profit and income tax for the years ended December 31, 2021 and 2020 are as follows:

	Baht			
	Financial statements in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
Accounting profit for the year	1,758,542,554.83	143,373,800.69	997,750,744.33	345,938,562.36
The applicable tax rate (%)	20	20	20	20
Income tax expense at the applicable tax rate	351,708,510.97	28,674,760.14	199,550,148.87	69,187,712.47
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
- Expenses not allowed as expenses in determining taxable profit	6,002,350.22	4,197,038.02	6,002,350.22	4,197,038.02
Tax effect of income or profit that are not required in determining taxable profit:				
- Expenses allowed as expenses in determining tax able	(568,018.38)	(134,384.47)	(568,018.38)	(134,384.47)
- Share of profit from investment in associates	(375,267,173.50)	(41,434,256.04)	-	-
- Dividend income from associates	223,108,811.40	81,947,208.37	-	-
Total reconciliation items	(146,724,030.26)	44,575,605.88	5,434,331.84	4,062,653.55
Total income tax expenses	204,984,480.71	73,250,366.02	204,984,480.71	73,250,366.02

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24.3 The reconciliation between the average effective tax rate and the applicable tax rate for the years ended December 31, 2021 and 2020 are summarized as follows:

	Financial statements in which the equity method is applied			
	2021		2020	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit before income tax expenses for the year	1,758,542,554.83		143,373,800.69	
Income tax expenses at the applicable tax rate	351,708,510.97	20.00	28,674,760.14	20.00
Reconciliation items	(146,724,030.26)	(8.34)	44,575,605.88	31.09
Income tax expenses at the average effective tax rate	204,984,480.71	11.66	73,250,366.02	51.09

	Separate financial statements			
	2021		2020	
	Tax amount (Baht)	Tax rate (%)	Tax amount (Baht)	Tax rate (%)
Accounting profit before income tax expenses for the year	997,750,744.33		345,938,562.36	
Income tax expenses at the applicable tax rate	199,550,148.87	20.00	69,187,712.47	20.00
Reconciliation items	5,434,331.84	0.54	4,062,653.55	1.17
Income tax expenses at the average effective tax rate	204,984,480.71	20.54	73,250,366.02	21.17

25. BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the profit for the year attributable to shareholders of the Company (excluded other comprehensive) by the weighted average number of ordinary share which are issued and paid-up during the year.

	Financial statements in which the equity method is applied		Separate financial statements	
	2021	2020	2021	2020
Profit for the year attributable to ordinary shareholders (Baht)	1,553,558,074.12	70,123,434.67	792,766,263.62	272,688,196.34
Weighted average number of ordinary shares (Shares)	1,219,740,000	1,219,740,000	1,219,740,000	1,219,740,000
Basic earnings per share (Baht per share)	1.27	0.06	0.65	0.22

26. DIVIDEND AND LEGAL RESERVE

Year 2021

At the ordinary shareholders' meeting for the year 2021 held on April 22, 2021, the shareholders unanimously approved to pay dividend from the Company operation year 2020 for ordinary shares amount 1,219,740,000 shares with Baht 0.0106 per share, in the amount of Baht 12.95 million and the appropriation of a legal reserve amount of Baht 13.64 million. The dividends paid on April 30, 2021.

Year 2020

At the ordinary shareholders' meeting for the year 2020 held on April 20, 2020, the shareholders unanimously approved to pay dividend from the Company operation year 2019 for ordinary shares amount 1,219,740,000 shares with Baht 0.01 per share, in the amount of Baht 12.20 million and the appropriation of a legal reserve amount of Baht 15.92 million. The dividends paid on April 29, 2020.

27. MEMORANDUM OF UNDERSTANDING (MOU) AND MEMORANDUM OF AGREEMENT (MOA)

27.1 MOU and MOA for Hutgyi Hydropower Project

On June 26, 2006, EGAT and Sinohydro Corporation Limited (SINOHYDRO), the People's Republic of China signed a bilateral MOU in cooperation with the development of Hutgyi Hydropower Project in the Republic of the Union of Myanmar.

Later, on December 18, 2007, EGAT has established the Company as a wholly-owned subsidiary and an investing arm of EGAT. On June 26, 2008, the Ministry of Energy of Thailand approved EGAT's letter requesting the transfer of Hutgyi Hydropower Project development from EGAT to the Company.

Both parties later extended the aforementioned MOU for 3 additional times on April 25, 2007, March 10, 2008 and December 25, 2008 respectively. The last extension indicated a validity period for 2 years from the effective date. Then, on December 24, 2010, the 4th MOU extension, with some modifications in terms and conditions, was signed between the Company and SINOHYDRO which will be effective until the signing of the Joint Venture Agreement (JVA).

On April 24, 2010, the Company entered into a 4-party MOA with:

1. Department of Hydropower Planning Ministry of Electric Power No. (1), the Union of Myanmar (DHPP)
2. Sinohydro Corporation Limited, the People's Republic of China (SINOHYDRO)
3. International Group of Entrepreneur Company Limited, the Union of Myanmar (IGOEC)

The aim is for joint engineering and financial feasibility study for development of the Hutgyi Hydropower Project.

There are still conflicts among ethnic minorities in the Project areas. Management of the Company agreed to delay development of this Project.

27.2 Joint Development Memorandum of Understanding (JD-MOU) for Upper Thanlwin (Mong Ton) Hydropower Project

On November 11, 2010, the Company entered into a Joint Development MOU with

1. China Three Gorges Corporation (CTGC)
2. International Group of Entrepreneurs Company Limited (IGOEC)

The objective of JD-MOU was to jointly develop the Upper Thanlwin (Mong Ton) Hydropower Project in the Republic of the Union of Myanmar. The Company will be responsible for the Transmission Line and Power System Study for connection to Thailand's power grid as well as the project finance if required. Furthermore, the Company and CTGC shall be responsible for EIA and O&M for the project.

In order that, all parties of the project's development shall prepare and submit the feasibility study report to the government of Republic of the Union of Myanmar and once approved, the parties will enter into a Memorandum of Agreement (MOA) and establish a Joint Venture Company.

27.3 MOU for Cooperation in the Development of Quang Tri 1 Thermal Power Project, Vietnam

On December 8, 2011, an MOU was signed between the Company and People's Committee of Quang Tri Province (PCQT) to set a scope of feasibility study regarding the commercial, financial, technical and environmental aspects in the joint cooperation for mutual benefits. If the project is feasible and Government of Vietnam approves this project, PCQT would cooperate with related ministries in supporting the Company for further processes.

To support this project, the Company is responsible for conducting survey and feasibility studies to develop the project in order to submit the project proposal to PCQT, Ministry of Industry and Trade (MOIT), and Government of Vietnam.

Each party will bear its own internal costs and both parties have agreed that the external costs will be ultimately borne by a new established Joint Venture Company. The method of project development cost reimbursement and external costs payment as well as related agreements under this MOU shall be approved by the Company.

On August 12, 2013, the Company was approved by the Vietnamese government to be the project developer. The project shall be operated in a form of Build - Operate - Transfer (BOT) with the support from MOIT and PCQT.

On December 17, 2013, the Company's Board of Directors had resolution to delay the signing of MOU between the Company and MOIT for about 6 months to find solutions for proportion of project equity.

On June 24, 2014, MOU between the Company and MOIT was signed in Hanoi, Vietnam to specify scope in developing the project between MOIT and the Company; which is in accordance with promulgated Vietnamese law. On March 6, 2017, the Company signed a new MOU with MOIT for extend the terms to replace the original MOU which expired.

On July 1, 2014, the Company and Power Engineering Consulting Joint Stock Company 2 (PECC2) had signed on the service agreement to prepare Feasibility Study and Environmental Impact Assessment Report (F/S & EIA), in which the Supercritical (SC) technology was used, for submitting to the Vietnamese government. On October 8, 2015, Ministry of Natural Resources and Environment (MONRE) approved the Environmental Impact Assessment Report (EIA), while the Feasibility Study Report (F/S) is still under the reviewed of MOIT for approval.

On November 27, 2015, the Organization for Economic Co-operation and Development (OECD) announced the financing policy of the Export-Credit Agency (ECA) for the coal-fired power plants project which had an impact on Quang Tri 1 Thermal Power Project, ECA's criteria for financing the project with capacity larger than 500 MW shall use the Ultra-Supercritical (USC) technology, which differ from the past criteria that allowed to use the Supercritical (SC) technology. For this reason, the Company had to adjust the F/S & EIA, which had been conducted based on SC technology, to USC technology to be conform to ECA's new financing policy. On October 14, 2016, the adjusted EIA was approved by MONRE. Subsequently, the adjusted F/S was approved by MOIT on December 7, 2016.

On July 11, 2014, MOU between the Company and PCQT in Quang Tri province was signed to strengthen relationship and specific scope in developing project between PCQT and the Company.

On December 28, 2015, MOU between the Company and Electricity Generating Public Company Limited (EGCO) was signed for cooperation in the development of Quang Tri 1 Thermal Power Project which EGCO has 30 percent of shareholder.

On June 10, 2016, Joint Development Agreement (JDA) between the Company, EGCO and Kyushu Electric Power Co., Inc. (KYUSHU) was signed for cooperation in development of Quang Tri 1 Thermal Power Project in with shareholdings proportion of 40 : 30 : 30, respectively. Signing of the JDA resulted in the termination of the previous MOU with EGCO on December 28, 2015. Two addition MOUs were also signed, one between EGCO and the Company and another between KYUSHU and the Company, in order to specify other substantial terms and conditions that are not indicated in JDA.

On March 28, 2017, KYUSHU had sent organization reform notice to the Company which Quang Tri 1 Thermal Power Project development had transfer to Kyuden International Corporation (KYUDEN) to strengthen and improve the efficiency of operations. Later on, the meeting dated February 19, 2020, it had a resolution to cease the operation with KYUDEN from February 21, 2020.

On September 16, 2020, the Company had prepared the new joint venture agreement with EGCO and Ratch Group Public Company Limited (RATCH) with shareholding at 40 : 30 : 30, respectively. The signing of JDA had caused the MOU that the Company signed with EGCO on June 10, 2016 to be finalized. In addition, the Company had signed the 2 additional MOU with EGCO and RATCH to define the additional conditions from the specified in JDA.

27.4 MOU for Cooperation in the Development of Hydro Power Project Nam Ngum 3

Hydro Power Project Nam Ngum 3 is owned by Electricite du Laos (EDL). Later, in July 2017, EDL has granted the development right to Chaleun Sekong Group Co., Ltd. (CSG) for cooperation in the development, investment and seeking for Strategic Investor.

On September 22, 2017, the Company has signed in MOU with CSG with the objective to jointly develop, and invest in Nam Ngum 3 Hydropower Project. Later on June 29, and December 14, 2018, it has signed the amendment of MOU to extend both parties cooperation period. On July 16, 2019, EDL and CSG/CSE have reached the Share Purchase Agreement: SPA of Nam Ngum 3 Power Co., Ltd. (NNG3). If the Company has been approved for trading from all related departments, it will have 25% shareholding.

At present, the co-developers of the Nam Ngum 3 Hydropower Project have successfully negotiated (drafted) a Memorandum of Understanding on the purchase of electricity between buyers and sellers (Tariff MOU), which has been approved by the Coordinating Sub-Committee on Electricity Power between Thailand and neighboring countries (S-ECTN) on January 21, 2021. It was considered by the Office of the Attorney General on March 8, 2021, respectively. EGAT had proposed both approved (draft) Tariff MOUs and the approval of investment in the project had been sent to the Ministry of Energy. It is currently under consideration by the National Energy Policy Council (NEPC) which is expected to hold a meeting in late 2021.

In addition, the co-developers were in the process of negotiating various major agreements used in investments such as Concession Agreement: CA, Share Holder Agreement: SHA to seek approval from the Office of the Attorney General including the Power Purchase Agreement (PPA) with EGAT and the Refinancing Agreement with Potential Lenders that jointly proposed a Letter of Intent (LOI), etc.

The project has more than 79% of construction progress and is expected to be complete and ready to supply electricity by 2023.

28. CONTINGENT ASEETS

Contingent assets were project development expenses incurred prior to approval of the project investment principle from the Ministry of Energy.

- 28.1 Receiving money for the payment of engineering feasibility studies and EIA studies for the Hutgyi Hydropower Project under the budget of USD 4.52 million or approximately Baht 150.28 million (using the exchange rate as at December 30, 2021, 1 USD = Baht 33.2469) from Project Company.

Receiving money for project development costs approved by the Management Committee of Hutgyi Hydropower Project which could be paid from the Project Company later when the Project Company was established as at December 31, 2021, amounting to Baht 49.52 million (approximately USD 1.49 million).

From the meeting between EGAT and SINOHYDRO, a joint venture, between August 2 - 10, 2006, both parties shared the responsibility for project development together including the expenses that would be incurred from the work in that responsibility could be paid from the Project Company after the establishment of the Project Company and the Ministry of Energy approved the Company to be the successor project operator from EGAT on June 26, 2008.

- 28.2 Receiving money for project development costs approved by the Management Committee of the Upper Thanlwin Hydropower Project (Mong Ton) which could be paid from the Project Company later when the Project Company was established as at December 31, 2021, amounting to Baht 30.66 million (approximately USD 0.92 million).

According to the Memorandum of Understanding dated November 11, 2010, the Company had signed the agreement to jointly develop the project. The three parties agreed to share the responsibility for the project development together including the expenses that will be incurred from the work under the responsibility of each party which could be paid from the Project Company later when the Project Company was established as described in Note 27.2 to the financial statements.

- 28.3 Receiving money for the development of the Quang Tri 1 Thermal Power Plant Project in Vietnam audited by an internationally reputable accounting firm and the Ministry of Industry and Trade (MOIT) accepted on the terms of Build - Operate - Transfer (BOT) agreement will be considered as part of the project's investment capital as at December 31, 2021 in the amount of Baht 77.01 million or approximately USD 2.32 million and premium fee from the joint venture that could be paid later when the Project Company is established.

29. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2021, the Company has commitments and contingent liabilities as follow:

- 29.1 The Company has contingent liabilities associated Hutgyi Hydropower Project, the expenses in the development project before the establishment of the Project Company in the amount of Baht 80.86 million. The Company must refund to EGAT when the Project Company is established and the expenses in the development project was able to repay from the Project Company after the establishment of the Project Company when the company is ready to pay.

29.2 Procurement agreements

The Company has 7 significant procurement agreements with the remaining contract value in the amount of Baht 203.85 million as follows:

- 29.2.1 There are 2 consulting service agreement in local currency with the principal contract value in the amount of Baht 108.18 million and the remaining contract value in the amount of Baht 88.36 million.
- 29.2.2 There are 4 consulting service agreements in foreign currencies. The 4 agreements were made in US dollar with the principal contract value in the amount of USD 3.818 million and the remaining contract value in the amount of USD 3.210 million, or approximately Baht 107.82 million (using the selling rate as at December 30, 2021 at Baht 33.5929 per USD).
- 29.2.3 There is a company system development contract in local currency with the principal contract value in the amount of Baht 21.87 million and the remaining contract value in the amount of Baht 7.67 million.

29.3 Letter of Credit

The Company, as a shareholder of Nam Ngiep 1 Power Company Limited, has provided the Standby Letter of Credit (SBLC) to guarantee the Company's equity in Nam Ngiep 1 Power Company Limited to lender with Mizuho Bank, Ltd. Bangkok Branch for 1 year (expired on August 31, 2021), which is in accordance with the conditions specified in the shareholder support and subordination deed (SSSD). On July 13, 2021, the Company has renewed the SBLC for 1 year from September 1, 2021 to August 31, 2022 in the amount of USD 6.438 million.

29.4 Account Agreement

On July 13, 2021, the Company as a shareholder of the Company Nam Ngiep 1 Power Co., Ltd. had placed collateral for SBLC for a period of 6 months from August 10, 2021 to February 10, 2022, totaling USD 5.63 million and Baht 142.67 million issued by Mizuho Bank, Ltd. Bangkok Branch to the loan payables of Nam Ngiep 1 Power Co., Ltd., which was in accordance with the conditions stipulated in the SSSD shareholder support agreement and Account Agreement (AA).

30. FINANCIAL INSTRUMENTS

30.1 Risk management

The Company's significant financial instruments as defined in the Financial Reporting Standards consist of cash and cash equivalents, trade receivables, other current receivables, other current financial assets, trade payables, other current payables, lease liabilities and payables from related parties. The Company has the risks with such financial instruments and has the risk management policy.

Interest rate risk

The Company is exposed to interest rate risk that relates primarily to cash at banks, financial assets and financial liabilities, the significant financial assets and financial liabilities classified by types of interest rates were as follows:

Baht				
Financial statements in which the equity method is applied/ Separate financial statements				
As at December 31, 2021				
	Floating interest rate	Fixed interest rates	Non- interest bearing	Total
<u>Financial assets</u>				
Cash and cash equivalents	505,278,057.11	592,699,888.87	1,000.00	1,097,978,945.98
Trade receivables	-	-	78,130.22	78,130.22
Other current receivables	-	-	44,206,127.43	44,206,127.43
Accrued dividend income from associates	-	-	948,317,985.40	948,317,985.40
Other current financial assets	-	4,920,737,036.94	-	4,920,737,036.94
<u>Financial liabilities</u>				
Trade payables	-	-	7,678,253.45	7,678,253.45
Other current payables	-	-	65,686,387.39	65,686,387.39
Lease liabilities	-	5,582,284.24	-	5,582,284.24

Baht				
Financial statements in which the equity method is applied/ Separate financial statements				
As at December 31, 2020				
	Floating interest rate	Fixed interest rates	Non- interest bearing	Total
<u>Financial assets</u>				
Cash and cash equivalents	236,889,085.96	40,397,006.63	1,000.00	277,287,092.59
Trade receivables	-	-	608,226.00	608,226.00
Other current receivables	-	-	65,718,566.36	65,718,566.36
Other current financial assets	-	5,595,235,642.67	-	5,595,235,642.67
<u>Financial liabilities</u>				
Trade payables	-	-	3,836,415.64	3,836,415.64
Other current payables	-	-	35,761,072.40	35,761,072.40
Lease liabilities	-	1,219,424.42	-	1,219,424.42

Financial assets and financial liabilities that carry fixed interest rates further classified based on the maturity date (or the repricing date if this occurs before the maturity date). In the statement of financial position are as follows:

	Baht			
	Financial statements in which the equity method is applied/ Separate financial statements			
	As at December 31, 2021			
	Within 12 months	More than 12 months	Total	Interest rate (% per annum)
<u>Financial assets</u>				
Cash and cash equivalents	592,699,888.87	-	592,699,888.87	0.40 - 0.455
Other current financial assets	4,920,737,036.94	-	4,920,737,036.94	0.35 - 0.70
<u>Financial liabilities</u>				
Lease liabilities	1,943,035.87	3,639,248.37	5,582,284.24	2.24 - 6.275

	Baht			
	Financial statements in which the equity method is applied/ Separate financial statements			
	As at December 31, 2020			
	Within 12 months	More than 12 months	Total	Interest rate (% per annum)
<u>Financial assets</u>				
Cash and cash equivalents	40,397,006.63	-	40,397,006.63	0.35
Other current financial assets	5,595,235,642.67	-	5,595,235,642.67	0.40 - 2.12
<u>Financial liabilities</u>				
Lease liabilities	565,513.67	653,910.75	1,219,424.42	6.275

Foreign currency risk

The Company does not enter to any forward foreign exchange contracts for managing for managing foreign exchange risk.

As at December 31, 2021 and 2020, the Company has assets and liabilities denominated in foreign currencies as follows:

	Financial statements in which the equity method is applied/ Separate financial statements			Exchange rate	
	2021	2020	Foreign currency	2021	2020
	(Million)	(Million)		(Baht per foreign currency)	
<u>Assets</u>					
Cash and cash equivalents	20.13	1.88	United States Dollar	33.2469	29.8674
Accrued dividend income from associates	28.52	-	United States Dollar	33.2469	-
Other current financial assets	129.33	139.22	United States Dollar	33.2469	29.8674
Project development costs - for collection	2.31	1.41	United States Dollar	33.2469	29.8674
	96.92	96.92	Chinese Yuan	5.1828	4.5447
	4,113.60	146.50	Vietnamese Dong	0.001457	0.001292
<u>Liabilities</u>					
Share payable - related party	161.50	161.50	United States Dollar	33.5929	30.2068

Credit risk

The Company exposed to credit risk primarily with respect to trade receivables. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. In addition, there were no significant concentrations of credit risk since they has only one customer base that is a related party. Therefore, the Company is not expected to incur any material losses from credit the maximum amount a Company may have to lose from credit which is the book value of trade receivables deducted the allowance for expected credit loss. (if any)

30.2 Fair value of financial instruments

Since some of the financial asset and financial liabilities are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position

The book values and fair values of financial instrument as at December 31, 2021 and 2020 consisted of:

	Baht			
	Financial statements in which the equity method is applied/Separate financial statements			
	2021		2020	
	Amortized cost	Total	Amortized cost	Total
<u>Financial assets</u>				
Cash and cash equivalents	1,097,978,945.98	1,097,978,945.98	277,287,092.59	277,287,092.59
Trade receivables	78,130.22	78,130.22	608,226.00	608,226.00
Other current receivables	44,206,127.43	44,206,127.43	65,718,566.36	65,718,566.36
Accrued dividend income from associates	948,317,985.40	948,317,985.40	-	-
Other current financial assets	4,920,737,036.94	4,920,737,036.94	5,595,235,642.67	5,595,235,642.67
Project development costs - for collection	620,016,488.69	620,016,488.69	512,180,289.51	512,180,289.51
	<u>7,631,334,714.66</u>	<u>7,631,334,714.66</u>	<u>6,451,029,817.13</u>	<u>6,451,029,817.13</u>
<u>Financial liabilities</u>				
Trade payables	7,678,253.45	7,678,253.45	3,836,415.64	3,836,415.64
Other current payables	65,686,387.39	65,686,387.39	35,761,072.40	35,761,072.40
Lease liabilities	5,582,284.24	5,582,284.24	1,219,424.42	1,219,424.42
Share payable - related parties	5,441,177,781.25	5,441,177,781.25	4,878,398,200.00	4,878,398,200.00
	<u>5,520,124,706.33</u>	<u>5,520,124,706.33</u>	<u>4,919,215,112.46</u>	<u>4,919,215,112.46</u>

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31. RECLASSIFICATION

Certain accounts in the 2020 financial statements have been reclassified to conform to the current year's classification, without any effect to the previously reported profit (loss) or shareholder's equity. The reclassifications are as follow:

	Baht		
	Financial statements in which the equity method is applied/ Separate financial statements		
	Before Reclassification	Reclassification Increase (decrease)	After Reclassification
<u>Statement of financial position</u>			
As at December 31, 2020			
Equipment	1,953,525.90	(1,117,677.65)	835,848.25
Right-of-use assets	-	1,117,677.65	1,117,677.65

32. EVENTS AFTER THE REPORTING PERIOD

32.1 On January 6, 2022, the Company renewed the (AA) collateral account with Mizuho Bank. Ltd. for a period of 6 months from February 10, 2022 to August 10, 2022, totaling USD 5.53 million and amounted Baht 128.02 million.

32.2 On February 18, 2022, the Company paid a share premium value of investment in Hou Ju Energy Technology Corporation amounting to Baht 7.92 million because the project was able to meet the conditions specified in the share purchase agreement.

33. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Company's Board of directors on March 10, 2022.

