

EGAT INTERNATIONAL COMPANY LIMITED
FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2022

Independent Auditor's Report

To the Shareholders of EGAT International Company Limited

Opinion

I have audited the financial statements in which the equity method is applied and separate financial statements of EGAT International Company Limited which comprise the statement of financial position in which the equity method is applied and separate statement of financial position as at December 31, 2022, the 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, 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 statement of financial position in which the equity method is applied and separate financial position of the EGAT International Company Limited as at December 31, 2022, 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 (TFRSs).

Basis for Opinion

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



Emphasis of Matter

I draw attention to Note to Financial Statements No 30, in year 2022, the Company has adjusted the investment in associates because the Company has not translated foreign currencies exchange rates with respect to goodwill and fair value from purchase of investment in associates at a closing rate. The Company has restated statement of financial position in which the equity method is applied as at December 31, 2021, statement of other comprehensive income in which the equity method is applied, and statement of change in shareholders' equity in which the equity method is applied for the year then ended, and the statement of financial position in which the equity method is applied as at January 1, 2021 shown as comparative in preparing the financial statements.

However, my opinion is not modified in respect of this matter.

Other Matter

The financial statements in which the equity method is applied and separate financial statements before adjustment and reclassification of EGAT International Company Limited for the year ended December 31, 2021, which have been presented herewith for comparative information were audited by another auditor, whose report dated March 10, 2022, expressed an unqualified opinion.

Other Information

Management is responsible for the other information. The other information comprises the information include in Annual Report, but does not include the financial statement and my auditor's report thereon. The Annual Report for the year is expected to be made available to me after the date of this auditor's report.

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

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

When I read the Annual Report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those charged with Governance for the Financial Statements

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 TFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements 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, as applicable, 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 Statements

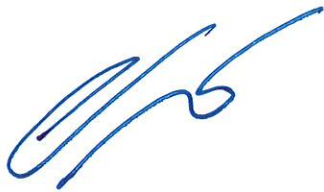
My objectives are to obtain reasonable assurance about whether the financial statements in which the equity method is applied and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable 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 Standards 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 cause 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 statement 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 statement, 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements in which the equity method is applied and separate financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with 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.



(Yuttapong Chuamuangpan)

Certified Public Accountant Registration Number 9445

ANS Audit Co., Ltd.

Bangkok, March 10, 2023

EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

		Unit : Baht				
		Financial statements				
		in which the equity method is applied			Separate financial statements	
Notes		2022	2021	January 1, 2021	2022	2021
			Restated	Restated		
Assets						
Current assets						
Cash and cash equivalents	7	8,613,639,136.97	1,097,978,945.98	277,287,092.59	8,613,639,136.97	1,097,978,945.98
Trade and other current receivables	6, 8, 29	131,678,908.39	44,284,257.65	66,326,792.36	131,678,908.39	44,284,257.65
Accrued dividend income from associates	6	1,040,156,158.90	948,317,985.40	-	1,040,156,158.90	948,317,985.40
Other current financial assets	9	281,935,951.99	4,920,737,036.94	5,595,235,642.67	281,935,951.99	4,920,737,036.94
Total current assets		10,067,410,156.25	7,011,318,225.97	5,938,849,527.62	10,067,410,156.25	7,011,318,225.97
Non-current assets						
Investment in associates	10, 30	13,165,268,827.88	12,537,558,210.03	10,181,340,404.71	14,893,112,974.83	14,893,112,974.83
Equipment - net	11	268,256.91	494,554.46	835,848.25	268,256.91	494,554.46
Right-of-use assets - net	12	3,488,496.81	5,414,899.69	1,117,677.65	3,488,496.81	5,414,899.69
Intangible assets - net	13	14,424,235.39	18,201,704.34	8,163,698.01	14,424,235.39	18,201,704.34
Project development costs - for collection - net	14	-	620,016,488.69	512,180,289.51	-	620,016,488.69
Deferred tax assets	15	2,526,888.46	2,176,928.91	1,791,195.56	2,526,888.46	2,176,928.91
Other non-current assets		-	26,045,411.28	26,045,411.28	-	26,045,411.28
Total non-current assets		13,185,976,705.45	13,209,908,197.40	10,731,474,524.97	14,913,820,852.40	15,565,462,962.20
Total assets		23,253,386,861.70	20,221,226,423.37	16,670,324,052.59	24,981,231,008.65	22,576,781,188.17

EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2022

		Unit : Baht				
		Financial statements				
		in which the equity method is applied			Separate financial statements	
Notes		2022	2021	January 1, 2021	2022	2021
			Restated	Restated		
Liabilities						
Current liabilities						
Trade and other current payables	6. 16. 29	47,499,218.84	73,364,640.84	39,597,488.04	47,499,218.84	73,364,640.84
Current portion of lease liabilities	18	1,217,406.69	1,943,035.87	565,513.67	1,217,406.69	1,943,035.87
Current portion of share payables from investment in associates	6. 10	542,901,625.00	2,248,565,136.25	-	542,901,625.00	2,248,565,136.25
Income tax payable		179,770,175.41	6,232,832.52	-	179,770,175.41	6,232,832.52
Current provisions for employee benefits	19	1,551,694.65	-	-	1,551,694.65	-
Other current liabilities	17	1,964,787.01	1,845,090.37	2,368,781.04	1,964,787.01	1,845,090.37
Total current liabilities		774,904,907.60	2,331,950,735.85	42,531,782.75	774,904,907.60	2,331,950,735.85
Non-current liabilities						
Lease liabilities - net	18	2,421,841.68	3,639,248.37	653,910.75	2,421,841.68	3,639,248.37
Non-current provisions for employee benefits	19	11,102,615.55	10,760,664.95	8,945,539.18	11,102,615.55	10,760,664.95
Share payables from investment in associates	6. 10	2,757,839,900.00	3,192,612,645.00	4,878,398,200.00	2,757,839,900.00	3,192,612,645.00
Total non-current liabilities		2,771,364,357.23	3,207,012,558.32	4,887,997,649.93	2,771,364,357.23	3,207,012,558.32
Total liabilities		3,546,269,264.83	5,538,963,294.17	4,930,529,432.68	3,546,269,264.83	5,538,963,294.17
Shareholders' equity						
Share capital						
Registered						
1,219,740,000 ordinary shares at Baht 10 each		12,197,400,000.00	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 at Baht 10 each		12,197,400,000.00	12,197,400,000.00	12,197,400,000.00	12,197,400,000.00	12,197,400,000.00
Retained earnings						
Appropriated						
Legal reserve		252,605,648.30	212,955,648.30	199,320,648.30	252,605,648.30	212,955,648.30
Unappropriated		7,073,574,747.83	2,859,390,569.92	1,331,367,151.36	8,984,956,095.52	4,627,462,245.70
Other components of shareholder's equity	30	183,537,200.74	(587,483,089.02)	(1,988,293,179.75)	-	-
Total shareholders' equity		19,707,117,596.87	14,682,263,129.20	11,739,794,619.91	21,434,961,743.82	17,037,817,894.00
Total liabilities and shareholders' equity		23,253,386,861.70	20,221,226,423.37	16,670,324,052.59	24,981,231,008.65	22,576,781,188.17

EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2022

		Unit : Baht			
		Financial statements			
		in which the equity method is applied		Separate financial statements	
Notes		2022	2021	2022	2021
		Restated			
Revenues					
Dividened income from associates	6, 10	-	-	6,566,238,893.46	1,115,544,056.99
Revenue from services	6, 21	11,479,449.84	10,452,061.99	11,479,449.84	10,452,061.99
Other income					
Interest income		101,701,861.32	35,293,058.95	101,701,861.32	35,293,058.95
Gain on exchange rate		-	18,016,510.93	-	18,016,510.93
Others	6	1,483,292.96	515,250.93	1,483,292.96	515,250.93
Total revenues		114,664,604.12	64,276,882.80	6,680,903,497.58	1,179,820,939.79
Expenses					
Cost of services	22	9,883,235.18	9,165,101.86	9,883,235.18	9,165,101.86
Administrative expenses	6, 23	170,277,709.10	172,642,510.54	170,277,709.10	172,642,510.54
Loss on impairment of project development cost - for collection	14, 25.2, 25.3	625,343,593.49	-	625,343,593.49	-
Loss on exchange rate		215,015,073.19	-	215,015,073.19	-
Other expenses	6	664,458.25	-	664,458.25	-
Total expenses	24	1,021,184,069.21	181,807,612.40	1,021,184,069.21	181,807,612.40
Profit (loss) from operating activities		(906,519,465.09)	(117,530,729.60)	5,659,719,428.37	998,013,327.39
Finance costs		181,234.13	262,583.06	181,234.13	262,583.06
Share of profit from investment in associates	10	6,402,690,859.01	1,876,335,867.49	-	-
Profit before income tax		5,495,990,159.79	1,758,542,554.83	5,659,538,194.24	997,750,744.33
Income tax expenses	15	(1,224,734,344.42)	(204,984,480.71)	(1,224,734,344.42)	(204,984,480.71)
Profit for the year		4,271,255,815.37	1,553,558,074.12	4,434,803,849.82	792,766,263.62
Other comprehensive income					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statements	10, 30	480,725,284.06	1,232,717,437.55	-	-
Gain on cash flow hedges	10, 30	290,295,005.70	168,092,653.18	-	-
		771,020,289.76	1,400,810,090.73	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Share of other comprehensive income of associates	10	20,238,362.54	1,050,344.44	-	-
		20,238,362.54	1,050,344.44	-	-
Other comprehensive income for the year - net tax		791,258,652.30	1,401,860,435.17	-	-
Total comprehensive income for the year		5,062,514,467.67	2,955,418,509.29	4,434,803,849.82	792,766,263.62
Basic earnings per share		3.50	1.27	3.64	0.65
Weighted average number of issued and fully paid ordinary shares					
		1,219,740,000	1,219,740,000	1,219,740,000	1,219,740,000

EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022

Unit : Baht										
Financial statements in which the equity method is applied										
	Notes	Retained earnings		Other components of shareholders' equity				Total	Total shareholders' equity	
		Issued and paid-up share capital	Appropriated to legal reserve	Unappropriated	Exchange differences on translating financial statements	Gain (loss) on cash flow hedges	Share of other comprehensive income of associates			
Beginning as at December 31, 2021 - as previously reported										
Cumulative of previous year error	30	12,197,400,000.00	-	-	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
Balance as at December 31, 2021 - as restated		12,197,400,000.00	212,955,648.30	-	2,859,390,569.92	(252,675,830.84)	10,479,275.09	(318,942.18)	(242,515,497.93)	(242,515,497.93)
Legal reserve	20	-	39,650,000.00	(39,650,000.00)	-	-	-	-	-	-
Dividend payment	20	-	-	(37,660,000.00)	-	-	-	-	-	(37,660,000.00)
Profit for the year		-	-	4,271,255,815.37	-	-	-	-	-	4,271,255,815.37
Other comprehensive income for the year	10	-	-	20,238,362.54	480,725,284.06	290,295,005.70	-	-	771,020,289.76	791,258,652.30
Total comprehensive income for the year		-	-	4,291,494,177.91	480,725,284.06	290,295,005.70	-	-	771,020,289.76	5,062,514,467.67
Balance as at December 31, 2022		12,197,400,000.00	252,605,648.30	7,073,574,747.83	117,394,119.54	66,143,081.20	-	-	183,537,200.74	19,707,117,596.87
Beginning as at January 1, 2021 - as previously reported										
Cumulative of previous year error	30	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)	(957,154,091.62)	12,696,948,711.53
Balance as at January 1, 2021 - as restated		12,197,400,000.00	199,320,648.30	1,331,367,151.36	(995,337,946.32)	38,502,796.88	(318,942.18)	(957,154,091.62)	(957,154,091.62)	11,739,794,619.91
Legal reserve	20	-	13,635,000.00	(13,635,000.00)	-	-	-	-	-	-
Dividend payment	20	-	-	(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	10	-	-	1,050,344.44	1,232,717,437.55	168,092,653.18	-	-	1,400,810,090.73	1,401,860,435.17
Total comprehensive income for the year		-	-	1,554,608,418.56	1,232,717,437.55	168,092,653.18	-	-	1,400,810,090.73	2,955,418,509.29
Balance as at December 31, 2021		12,197,400,000.00	212,955,648.30	2,859,390,569.92	(363,331,164.52)	(224,151,924.50)	-	-	(587,483,089.02)	14,682,263,129.20

EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2022

		Unit : Baht			
		Separate financial statements			
		Issued and	Retained earnings		Total
		paid-up	Appropriated		shareholders'
	Notes	share capital	to legal reserve	Unappropriated	equity
Beginning as at January 1 , 2021		12,197,400,000.00	199,320,648.30	3,861,280,982.08	16,258,001,630.38
Legal reserve	20	-	13,635,000.00	(13,635,000.00)	-
Dividend payment	20	-	-	(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
Legal reserve	20	-	39,650,000.00	(39,650,000.00)	-
Dividend payment	20	-	-	(37,660,000.00)	(37,660,000.00)
Total comprehensive income for the year		-	-	4,434,803,849.82	4,434,803,849.82
Balance as at December 31, 2022		12,197,400,000.00	252,605,648.30	8,984,956,095.52	21,434,961,743.82

EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Unit : Baht			
	Financial statements		Separate financial statements	
	in which the equity method is applied			
	2022	2021	2022	2021
		Restated		
Cash flows from operating activities				
Profit for the year	4,271,255,815.37	1,553,558,074.12	4,434,803,849.82	792,766,263.62
Adjustments to reconcile profit for the year to cash provided by (used in) operations activities				
Income tax expenses	1,224,734,344.42	204,984,480.71	1,224,734,344.42	204,984,480.71
Depreciation and amortization	5,923,187.48	2,619,978.56	5,923,187.48	2,619,978.56
Loss on disposal of fixed assets	6,981.90	32,815.62	6,981.90	32,815.62
Loss on impairment of project development cost - for collection	625,343,593.49	-	625,343,593.49	-
Provision for employee benefits	1,893,645.25	1,815,125.77	1,893,645.25	1,815,125.77
Unrealized (gain) loss on exchange rates	179,378,772.59	(18,740,682.51)	179,378,772.59	(18,740,682.51)
Share of profit from investment in associates	(6,402,690,859.01)	(1,876,335,867.49)	-	-
Dividend income from associates	-	-	(6,566,238,893.46)	(1,115,544,056.99)
Interest income	(101,701,861.32)	(35,293,058.95)	(101,701,861.32)	(35,293,058.95)
Financial cost	181,234.13	262,583.06	181,234.13	262,583.06
Loss from operations before changes in operating assets and liabilities	(195,675,145.70)	(167,096,551.11)	(195,675,145.70)	(167,096,551.11)
Changes in operating assets - increase				
Trade and other current receivables	(69,357,930.76)	(15,618,516.16)	(69,357,930.76)	(15,618,516.16)
Changes in operating liabilities - increase (decrease)				
Trade and other current payables	(16,439,440.42)	25,094,174.19	(16,439,440.42)	25,094,174.19
Other currents liabilities	119,696.64	(523,690.67)	119,696.64	(523,690.67)
Cash used in operating activities	(281,352,820.24)	(158,144,583.75)	(281,352,820.24)	(158,144,583.75)
Cash received from interest income	28,341,450.01	2,510,823.54	28,341,450.01	2,510,823.54
Cash paid for income tax	(1,008,086,068.03)	(176,088,494.44)	(1,008,086,068.03)	(176,088,494.44)
Net cash used in operating activities	(1,261,097,438.26)	(331,722,254.65)	(1,261,097,438.26)	(331,722,254.65)
Cash flows from investing activities				
Cash received from other current financial assets	4,630,352,615.61	1,119,474,298.30	4,630,352,615.61	1,119,474,298.30
Cash paid for share payables from investment in associates	(2,386,213,926.25)	(177,641,128.40)	(2,386,213,926.25)	(177,641,128.40)
Dividend received from investment in associates	6,465,440,617.60	161,962,069.55	6,465,440,617.60	161,962,069.55
Cash paid for purchase of equipment and intangible assets	(3,481,600.00)	(7,035,672.95)	(3,481,600.00)	(7,035,672.95)
Cash received from sale of fixed assets	-	6,618.00	-	6,618.00
Cash paid for project development cost - for collection	(6,929,989.51)	(33,532,689.16)	(6,929,989.51)	(33,532,689.16)
Cash received from interest income	37,025,093.92	47,955,645.44	37,025,093.92	47,955,645.44
Net cash provided by investing activities	8,736,192,811.37	1,111,189,140.78	8,736,192,811.37	1,111,189,140.78

EGAT INTERNATIONAL COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2022

	Unit : Baht			
	Financial statements			
	in which the equity method is applied		Separate financial statements	
	2022	2021	2022	2021
	Restated			
Cash flows from financing activities				
Cash paid for lease liabilities	(1,943,035.87)	(1,861,686.94)	(1,943,035.87)	(1,861,686.94)
Cash paid for finance costs	(181,234.13)	(262,583.06)	(181,234.13)	(262,583.06)
Dividend paid	(37,660,000.00)	(12,950,000.00)	(37,660,000.00)	(12,950,000.00)
Net cash used in financing activities	(39,784,270.00)	(15,074,270.00)	(39,784,270.00)	(15,074,270.00)
Net increase in cash and cash equivalents	7,435,311,103.11	764,392,616.13	7,435,311,103.11	764,392,616.13
Cash and cash equivalents at beginning of the year	1,097,978,945.98	277,287,092.59	1,097,978,945.98	277,287,092.59
Effect of exchange rate change on cash and cash equivalents	80,349,087.88	56,299,237.26	80,349,087.88	56,299,237.26
Cash and cash equivalents at end of the year	8,613,639,136.97	1,097,978,945.98	8,613,639,136.97	1,097,978,945.98
Supplemental Disclosures of Cash Flows Information				
Non-cash transaction :				
Increase (decrease) in accrued for project development costs	(5,973,990.19)	5,331,985.78	(5,973,990.19)	5,331,985.78
Increase (decrease) in payables for purchase of				
fixed assets and intangible assets	(3,481,600.00)	3,393,127.05	(3,481,600.00)	3,393,127.05
Increase in lease liabilities	-	6,224,546.76	-	6,224,546.76

EGAT INTERNATIONAL COMPANY LIMITED
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2022

1. GENERAL INFORMATION

EGAT International Company Limited (“the Company”) is a limited company, incorporated in Thailand on December 18, 2007. The Company is located at 53 Moo 2, Charan Sanitwong Road, Bang Kruai, Nonthaburi.

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.

2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRs”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”).

The presentation of the financial statements complies with Notification of the Department of Business Development, dated December 26, 2019, issued under the Accounting Act B.E. 2543.

The accompanying financial statements have been prepared in Thai language and are expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant in the Thai language, an English translation of the Thai version of the financial statements is provided.

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

The preparation of the financial statements in conformity with Thai Financial Reporting Standards (“TFRs”) requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.



3. NEW FINANCIAL REPORTING STANDARDS AND ACCOUNTING TREATMENT GUIDANCE

3.1 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, 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 providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2023

The Federation of Accounting Professions issued certain revised financial reporting standards, which are effective for fiscal years beginning on or after January 1, 2023. 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 standards, providing temporary reliefs or temporary exemptions for users.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenues and expenses recognitions


Revenues and expenses are recognized on an accrual basis.

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

Interest income is recognized based on a time proportion basis and the effective interest rate.

Dividend income is recognized when the right to receive the dividends is established.

Cash and cash equivalents

Cash and cash equivalents represented cash on hand and at financial institute and short-term investment with high liquidity of less than 3 months due date and no restrictions on use. 

Investment in associates

- a) Investments in associates have been presented in the financial statements in which the equity method is applied using the equity method.
- b) Investments in associates have been presented in the separate financial statements using the cost method, and adjusted impairment, (if any).

Equipment/ Depreciation

Equipment are stated at cost less accumulated depreciation and allowance for impairment (if any). Depreciations of equipment are calculated by reference to their costs on a straight-line basis over their estimated useful lives 3-10 years.

Depreciation method, useful life and the residual value will be reviewed at the end of the accounting period and adjusted if appropriate.

Leases

At inception of contract, the Company assesses whether a 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.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognizes right-of-use assets representing the right to use the underlying assets and lease liabilities based on lease liabilities based on lease payments.

a) Right-of-use assets

Right-of-use assets are measured at cost, less any accumulated depreciation, any accumulated impairment losses, and adjusted for any measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognized, initial direct costs incurred, and lease payments made at or before the commencement date of the lease 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. 

Depreciation of right-of-use assets are calculated by reference to their costs on a straight-line basis over the shorter of their estimated useful lives of 2 and 5 years.

b) Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments 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 an option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs.

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 interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is premeasured if there is 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.

c) Short-term leases and leases of low-value assets


A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognized as expenses on a straight-line basis over the lease term.

Intangible assets/ Amortization

Intangible assets are stated at cost less accumulated amortization and allowance for impairment (if any). Amortization of software is calculated according to the straight-line basis over the software's estimated useful lives of 5 years.

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. 

Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the equipment, right-of-use assets and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognized when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognized in profit or loss.

Related party transactions

Related parties comprise enterprises and individuals that control or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.


They also include associated companies and individual's which directly or indirectly own a voting interest in the entities that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

Foreign currencies

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.

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.

Income tax

Income tax expenses comprise current tax and deferred tax. 

Current tax

The Company's current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

The Company's deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognized deferred tax liabilities for all taxable temporary differences while they recognize deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company recorded deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

Employee benefits


Short-term benefits

The Company recognizes salaries, wages, bonuses and social security contributions are accounted as expenses on an accrual basis.

Post-employment benefits – defined contribution plan

The Company operates a provident fund that is a defined contribution plan, the assets of which are held in a separate trust fund. The provident fund is funded by payments from employees and the Company. Contributions to the provident fund are charged to the statement of comprehensive income in the period to which they relate.

Post-employment benefits – defined benefit plan

Employee benefit obligations for severance payment, set-up according to labor law, are recognized as a charge to results of operations over the employee's service period. They calculated by estimating the amount of future benefit earned by employees in return for service provided to the Company in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by actuarial technique using the Projected Unit Credit Method. 

When the actuarial assumptions are changed, the Company recognized actuarial gains or losses in other comprehensive income for the period in which they arise.

Provisions

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 embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Company expects reimbursement for a provision, the reimbursement is recognized as a separate asset, but only when there is virtually certainty of the reimbursement.

Financial instruments

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

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 (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Company’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortized cost

The Company measures financial assets at amortized cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognized in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Company has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognized as other income in profit or loss.



Classification and measurement of financial liabilities

At initial recognition the Company's financial liabilities are recognized at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. In determining amortized cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognized when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Impairment of financial assets

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs 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.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measure fair value using valuation technique that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.



All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

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

At the end of each reporting period, the Company determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis

Basic earnings per share

Basic earnings per share is calculated by dividing profit for the year by the weighted average number of ordinary shares in issue during the year.

5. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

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

Expected credit losses

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

Impairment of investments 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.

Depreciation of equipment and right-of-use assets and amortization of intangible assets

In determining depreciation of equipment and right-of-use assets and amortization of intangible assets, the management is required to make estimates of the useful lives and residual values (if any) and to review useful lives and residual values when there are any changes.

In addition, the investment equipment, right-of-use assets and intangibles assets are subject to impairment if there is an indication they may be impaired, and impairment losses are recorded in the period when it is determined that their recoverable amount is lower than the carrying amount.

Indications include significant falls in the market value of assets or the future economic benefits of assets, significant changes in the overall business strategy impacting to the future utilization of assets, significant negative industry or economic trends, significant loss of market share, and significant unfavorable regulatory and court decisions that impact the business. The impairment analysis of equipment, right-of-use assets and intangible assets requires management to make subjective judgments concerning estimates of cash flows to be generated by the assets or the cash generating units and to choose a suitable discount rate in order to determine the present value of those cash flows. The cash flow estimates are based on currently available information about the operations and require management to make judgments regarding future market conditions and future revenues and expenses relevant to the assets or the cash generating units subject to the review. Events and factors that may significantly affect the estimates include, among others, competitive forces, changes in revenue growth trends, cost structures, changes in discount rates and specific industry or market sector conditions.

Leases


Determining the lease term with extension and termination options - The Company as a lessee

In determining the lease term, the management is required to exercise judgment in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Company to exercise either the extension or termination option. After the commencement date, the Company reassesses 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 extend or to terminate.

Deferred tax assets

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 estimate future taxable profits.

Post-employment benefits under 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. 

6. RELATED PARTY TRANSACTIONS

The following present relationships with enterprises and individuals that control or are controlled by the Company, whether directly or indirectly, or have influence over such companies, or have common directors or shareholders with the Company are as follows:

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

The Company had business transactions with related companies. These parties are directly and indirectly related through common shareholding and/or directorship. The financial statements reflect the effects of these transactions on the basis determined by the Company and the parties concerned. For the years ended December 31, the significant transactions with related companies can be summarized as follows:

Unit: Baht			
Financial statements in which the equity method is applied/ Separate financial statements			
	2022	2021	Pricing policy
Dividend income			
PT Adaro Indonesia	6,566,238,893.46	1,115,544,056.99	As declared
Revenues from services			
Nam Ngiep 1 Power Company Limited	11,479,449.84	10,452,061.99	Mutually agreed
Other incomes			
Nam Ngiep 1 Power Company Limited	528,210.62	422,127.30	Mutually agreed
Administrative expenses			
EGAT	17,105,118.66	15,316,720.26	Mutually agreed
Other expenses			
EGAT	646,548.25	-	Mutually agreed
Remuneration			
Directors and managements	18,637,225.30	19,631,312.30	Mutually agreed 

The outstanding balances with the related parties as at December 31, were as following:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Trade receivables - related party		
Nam Ngiep 1 Power Company Limited	2,476,306.31	78,130.22
Other current receivables - related party		
Nam Ngiep 1 Power Company Limited	469,896.60	2,679,700.47
Accrued dividends - related party		
PT Adaro Indonesia	1,040,156,158.90	948,317,985.40
Trade payables - related party		
EGAT	766,508.52	777,028.76
Other current payables - related parties		
EGAT	547,625.00	508.25
Nam Ngiep 1 Power Company Limited	8,174.28	-
Accrued expenses		
EGAT	3,611,257.76	3,124,615.56
Share payables from investment in associates - related party		
PT Adaro Indonesia		
Opening balance (US Dollar 161.50 million)	5,425,253,350.00	4,878,398,200.00
Decrease during the year (US Dollar 66.70 million)	(2,378,295,220.00)	-
Loss on exchange rate	245,777,670.00	546,855,150.00
Ending balance (US Dollar 94.80 million)	3,292,735,800.00	5,425,253,350.00
Less Current portion due within one year	(534,895,900.00)	(2,240,646,430.00)
Share payables from investment in associates - related party - net	2,757,839,900.00	3,184,606,920.00

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7. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, consisted of:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Current accounts	1,000.00	1,000.00
Saving accounts	1,125,437,602.73	505,278,057.11
Fixed deposits not more than 3 months	7,215,859,520.14	371,209,408.97
Fixed deposit receipts not more than 3 months	272,341,014.10	221,490,479.90
Total cash and cash equivalents	8,613,639,136.97	1,097,978,945.98

8. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, consisted of:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Trade receivables - related party	2,476,306.31	78,130.22
Other current receivables		
Other receivables - related party	469,896.60	2,679,700.47
Advance payment for shares of an associate	79,381,556.64	-
Other receivables	7,905,996.32	17,605,625.13
Withholding income tax	-	17,415,481.77
Prepaid expenses	407,417.68	1,006,626.79
Accrued interest income	41,037,734.84	5,498,693.27
Total other current receivables	129,202,602.08	44,206,127.43
Total trade and other current receivables	131,678,908.39	44,284,257.65

9. **OTHER CURRENT FINANCIAL ASSETS**

Other current financial assets as at December 31, consisted of:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Fixed deposits more than 3 months but not more than 12 months	-	4,299,796,322.32
Fixed deposit receipts more than 3 months but not more than 12 months	281,935,951.99	620,940,714.62
Total other current financial assets	281,935,951.99	4,920,737,036.94

10. INVESTMENTS IN ASSOCIATES

Investments in associates as at December 31, consisted of:

Unit: Thousand Baht									
Company's name	Country of incorporation/ nationality	Business	Shareholding proportion (%)	Financial statements in which the equity method is applied					
				Investment at equity method		Separate financial statements			
				2022	2021	2022	2021	Investment at cost method	Dividend income
Nam Ngiep 1 Power Company Limited	Lao PDR	Generation and supply of electricity	30.000	2,643,112.16	2,226,521.28	3,096,231.27	3,096,231.27	-	-
PT Adaro Indonesia	Republic of Indonesia	Generation and supply of coal	11.533	10,379,226.43	10,121,863.58	11,603,316.15	11,603,316.15	6,566,238.89	1,115,544.06
Hou Ju Energy Technology Corporation	Taiwan	Invest in energy business	25.000	142,930.24	189,173.35	193,565.55	193,565.55	-	-
				13,165,268.83	12,537,558.21	14,893,112.97	14,893,112.97	6,566,238.89	1,115,544.06

Movement of investments in associates for the years ended December 31, are as following:

	Unit: Baht			
	Equity method		Cost method	
	2022	2021	2022	2021
Beginning balance	12,537,558,210.03	10,181,340,404.71	14,893,112,974.83	14,699,547,415.18
Additional investments	-	193,565,559.65	-	193,565,559.65
Share of profit from investment in associates	6,402,690,859.01	1,876,335,867.49	-	-
Exchange differences on translating				
financial statements	480,725,284.06	1,232,717,437.55	-	-
Gain on cash flow hedges	290,295,005.70	168,092,653.18	-	-
Share of other comprehensive income of associates				
Re-measure the defined employee benefit plans	20,238,362.54	1,050,344.44	-	-
Dividend income from associates	(6,566,238,893.46)	(1,115,544,056.99)	-	-
Ending balance	13,165,268,827.88	12,537,558,210.03	14,893,112,974.83	14,893,112,974.83

During the year the Company has recognized its share of profit (loss) from investments in associates as follows:

	Unit: Baht							
	Nam Ngiep 1 Power				Hou Ju Energy Technology			
	Company Limited		PT Adaro Indonesia		Corporation		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Profit (loss) - net income tax	178.95	1,104.77	56,936.65	14,719.32	(131.06)	(29.86)	56,984.54	15,794.23
Shareholding percentage (%)	30.00	30.00	11.533	11.533	25.00	25.00		
Share of profit (loss) as proportion	53.68	331.43	6,566.61	1,697.60	(32.76)	(7.46)	6,587.53	2,021.57
Difference from appraisal of assets - net from tax	-	-	(182.42)	(144.16)	(2.42)	(1.07)	(184.84)	(145.23)
Share of profit (loss) from investment in associates	53.68	331.43	6,384.19	1,553.44	(35.18)	(8.53)	6,402.69	1,876.34

Financial information of associates

Financial information of the associated companies' financial statement position as at December 31 is summarized below.

Unit: Baht

	Nam Ngiep 1 Power Company Limited		PT Adaro Indonesia		Hou Ju Energy Technology Corporation	
	2022	2021	2022	2021	2022	2021
Current assets	2,343,164,198.36	2,325,592,619.91	111,152,192,418.09	49,416,615,327.44	410,436,665.55	818,376,899.81
Non-current assets	27,029,729,771.34	27,270,630,512.90	34,925,158,966.49	55,707,105,247.35	3,869,952,854.73	2,255,294,279.68
Current liabilities	(1,558,331,380.50)	(1,569,275,652.45)	(67,092,448,103.05)	(32,248,621,301.67)	(1,701,969,264.23)	(1,197,554,005.58)
Non-current liabilities	(19,004,188,727.86)	(20,605,209,886.75)	(41,684,295,136.91)	(42,443,410,723.41)	(2,024,506,994.89)	(1,162,539,435.16)
Non-controlling interests	-	-	-	-	(162,541,200.59)	(161,161,798.14)
Net assets	8,810,373,861.34	7,421,737,593.61	37,300,608,144.62	30,431,688,549.71	391,372,060.57	552,415,940.61
Shareholding percentage (%)	30.000	30.000	11.533	11.533	25.000	25.000
Carrying amounts of associates in which the equity method	2,643,112,158.40	2,226,521,278.08	4,301,879,137.32	3,509,686,640.44	97,843,015.14	138,103,985.15
Receivable for shares	-	-	64,562,728.15	664,132,522.00	-	-
Consideration paid in excess of underlying assets	-	-	3,789,545,000.90	3,789,545,000.90	-	-
Difference from appraisal of assets	-	-	6,406,680,719.00	6,406,680,719.00	64,175,225.65	64,175,225.65
Amortization appraisal of assets	-	-	(2,015,466,203.50)	(1,679,343,967.87)	(4,631,201.85)	(1,323,200.53)
Deferred tax liabilities of appraisal assets	-	-	(2,883,006,323.55)	(2,883,006,323.55)	(12,835,045.13)	(12,835,045.13)
Amortization deferred tax liabilities of appraisal assets	-	-	906,959,791.58	755,704,785.54	926,240.37	264,640.11
Currency translation differences	-	-	(191,928,416.12)	(441,535,792.54)	(2,547,998.48)	787,742.78
Carrying amounts of associates based on equity method	2,643,112,158.40	2,226,521,278.08	10,379,226,433.78	10,121,863,583.92	142,930,235.70	189,173,348.03

Summary information about profit (loss) for the years ended December 31,

	Unit: Baht					
	Nam Ngiep 1 Power Company Limited		PT Adaro Indonesia		Hou Ju Energy Technology Corporation	
	2022	2021	2022	2021	2022	2021
Revenues	2,419,925,407.40	2,577,784,341.66	238,437,991,518.22	104,361,989,714.39	48,638,014.10	-
Profit (loss) for the year	178,946,081.24	1,104,773,589.43	56,936,653,417.55	14,719,315,079.08	(131,058,091.87)	(29,859,777.60)
Other comprehensive income (loss)	975,666,994.12	1,267,096,715.07	184,664,040.79	150,415,449.69	-	-
Total comprehensive income (loss)	1,154,613,075.36	2,371,870,304.50	57,121,317,458.34	14,869,730,528.77	(131,058,091.87)	-

The Company has pledged all of shares in Nam Ngiep 1 Power Company Limited of 942,000 shares at US Dollar 100.00 per share and grants 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, 2022 and 2021, the Company has fully paid up share in amount of shares 942,000.

The Company has signed Subscription Agreement for purchase shares in PT Adaro Indonesia in amount of US Dollar 325 million. On November 22, 2016, the Company has paid for such share in amount of US Dollar 163.50 million (approximately Baht 5,829.85 million).

On September 14, 2022, PT Adora Indonesia has renewed the Coal Contract of Works (CCoW) concession in form of a license or IUPK issued by the Ministry of Energy and Mineral Resources. The concession covers a mine area of 23,942 hectares for 10 years and expires on October 1, 2032. It can be extended until to December 2022 in accordance with the prevailing regulations. Tax calculations continue to use under CCoW and will be implied in accordance with provision as stipulated in IUPK-KOP starting from 2023 onwards.

On December 9, 2022, the Company paid for shares in the amount of US Dollar 66.70 million, which has already been recorded in investment in associates and share payables for investment in associates. The Company will pay the remaining amount of US Dollar 94.80 million in 2023 - 2027, when PT Adaro Indonesia has met the conditions in Subscription Agreement (Note 6).

The Company entered into a share purchase agreement to purchase shares in Hou Ju Energy Technology Corporation in the amount of Taiwan Dollar 127.41 million and a share surplus in the amount of Taiwan Dollar 35.24 million, for a total of Taiwan Dollar 162.65 million, or equivalents Baht 193.56 million. On August 13, 2021, the Company paid for the share in the amount of Taiwan Dollar 127.41 million and a share premium amounted of Taiwan Dollar 21.86 million. On February 18, 2022, the Company paid for share premium in the amount of Taiwan Dollar 6.65 million. The remaining share premium, amounting to Taiwan Dollar 6.73 million, 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 payables for investment in associates in the financial statements.

11. EQUIPMENT - NET

Equipment as at December 31, 2022, consisted of:

Unit: Baht				
Financial statements in which the equity method is applied/ Separate financial statements				
	As at	Transactions during the year		As at
	January 1, 2022	Increase	Decrease	December 31, 2022
Furniture and office equipment				
At cost	3,865,443.15	-	(1,291,685.65)	2,573,757.50
Accumulated depreciation	(3,370,888.69)	(219,315.65)	1,284,703.75	(2,305,500.59)
Net book value	<u>494,554.46</u>			<u>268,256.91</u>

Depreciation for the years ended December 31, 2022 and 2021 amounted to Baht 0.22 million and Baht 0.30 million, respectively, are included in profit or loss.

As at December 31, 2022 and 2021, the Company has assets, which have been fully depreciated but still in use, amounted to Baht 1.54 million and Baht 2.70 million, respectively.

12. RIGHT-OF-USE ASSETS - NET

Right-of-use assets as at December 31, 2022, consisted of:

Unit: Baht			
Financial statements in which the equity method is applied/ Separate financial statements			
	As at January 1, 2022	Increase during the year	As at December 31, 2022
Vehicle			
At cost	8,904,916.96	-	8,904,916.96
Accumulated depreciation	(3,490,017.27)	(1,926,402.88)	(5,416,420.15)
Net book value	<u>5,414,899.69</u>		<u>3,488,496.81</u>

Depreciation for the years ended December 31, 2022 and 2021 amounted to Baht 1.93 million, are included in profit or loss.



13. INTANGIBLE ASSETS - NET

Intangible as at December 31, 2022, consisted of:

	Unit: Baht		
	Financial statements in which the equity method is applied/ Separate financial statements		
	As at January 1, 2022	Increase during the year	As at December 31, 2022
Computer software			
At cost	22,266,212.67	-	22,266,212.67
Accumulated amortization	(4,064,508.33)	(3,777,468.95)	(7,841,977.28)
Net book value	<u>18,201,704.34</u>		<u>14,424,235.39</u>

Amortization for the years ended December 31, 2022 and 2021 amounted to Baht 3.78 million and Bath 0.39 million, respectively, are included in profit or loss.

14. PROJECT DEVELOPMENT COSTS - FOR COLLECTION - NET

As at December 31, 2022 and 2021, 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:

	Unit: Baht		
	Financial statements in which the equity method is applied/		
	Separate financial statements		
	Upper Thanlwin (Mong Ton) Hydropower Project	Quang Tri 1 Thermal Power Project	Total
Beginning as at January 1, 2022	517,766,620.22	102,249,868.47	620,016,488.69
Additions during the year	-	954,244.24	954,244.24
Gain on exchange rate	610,249.81	3,762,610.75	4,372,860.56
Loss on impairment of project development cost - for collection	(518,376,870.03)	(106,966,723.46)	(625,343,593.49)
Balance as at December 31, 2022	<u>-</u>	<u>-</u>	<u>-</u>

15. DEFERRED TAX ASSETS AND LIABILITIES

Movements in deferred tax assets and liabilities during the year are as follows:

	Unit: Baht		
	Financial statements in which the equity method is applied/		
	Separate financial statements		
	Movement increase (decrease)		
	As at January 1, 2022	Profit or loss	As at December 31, 2022
Deferred tax assets:			
Lease liabilities	33,476.93	(33,476.93)	-
Non-current provision for employee benefits	2,152,133.00	378,729.04	2,530,862.04
Total deferred tax assets:	2,185,609.93	345,252.11	2,530,862.04
Deferred tax liabilities:			
Equipment (depreciation)	8,681.02	(4,707.44)	3,973.58
Total deferred tax liabilities	8,681.02	(4,707.44)	3,973.58
Total deferred tax assets - net	2,176,928.91	349,959.55	2,526,888.46

Income tax expenses for the years ended December 31, were as follows:

	Unit: Baht			
	Financial statements in which the equity		Separate financial statements	
	method is applied			
	2022	2021	2022	2021
Profit before income tax	5,495,990,159.79	1,758,542,554.83	5,659,538,194.24	997,750,744.33
Income tax rate	20%	20%	20%	20%
Current income tax expenses as tax rate	1,099,198,031.96	351,708,510.97	1,131,907,638.85	199,550,148.87
Income tax effects for:				
Non-deductible expenses				
by the Revenue Code	108,971,060.03	6,002,350.22	108,971,060.03	6,002,350.22
Double expenses by the Revenue Code	(16,144,354.46)	(568,018.38)	(16,144,354.46)	(568,018.38)
Share of profit from investment in associates	(1,280,538,171.80)	(375,267,173.50)	-	-
Dividend income	1,313,247,778.69	223,108,811.40	-	-
Income tax expenses	1,224,734,344.42	204,984,480.71	1,224,734,344.42	204,984,480.71
Effective tax rate (%)	22.28%	11.66%	21.64%	20.54%

The Company used an income tax rate of 20% for the calculation of corporate income tax for the years ended December 31, 2022 and 2021.

16. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31 consisted of:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Trade payables		
Trade payables - related company	766,508.52	777,028.76
Trade payables - others	136,920.39	6,901,224.69
Total trade payables	903,428.91	7,678,253.45
Other current payables		
Other payables - related companies	555,799.28	508.25
Other payables - others	3,941,031.62	8,525,358.39
Accrued expenses - related companies	3,611,257.76	3,124,615.56
Accrued project development expenses	7,823,734.82	22,440,547.69
Accrued employee expenses	25,694,272.48	27,621,873.96
Advance received - project development expenses	-	379,528.26
Others	4,969,693.97	3,593,955.28
Total other current payables	46,595,789.93	65,686,387.39
Total trade and other current payables	47,499,218.84	73,364,640.84

17. OTHER CURRENT LIABILITIES

Other current liabilities as at December 31, consisted of:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Deposit received and security guarantee	1,437,727.33	1,311,477.33
Withholding tax payables	527,059.68	533,613.04
Total other current liabilities	1,964,787.01	1,845,090.37

18. LEASE LIABILITIES - NET

Lease liabilities as at December 31, consisted of:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Due within 1 year		
Minimum payments	1,330,482.50	2,124,270.00
Deferred interest	(113,075.81)	(181,234.13)
Present value of minimum payment	<u>1,217,406.69</u>	<u>1,943,035.87</u>
Due over 1 year not exceeding 5 years		
Minimum payments	2,516,640.00	3,847,122.50
Deferred interest	(94,798.32)	(207,874.13)
Present value of minimum payment	<u>2,421,841.68</u>	<u>3,639,248.37</u>
Book value of assets under lease agreements	<u>3,488,496.81</u>	<u>5,414,899.69</u>

As at December 31, 2022 and 2021, the Company entered into a lease agreement with certain companies for its vehicle for periods of 2 to 5 years, bearing the effective interest rates of 2.240% to 6.275% per annum, respectively.

19. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

Movements of the present value of non-current provisions for employee benefits for the years ended December 31, are as follows:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Non-current provisions for employee benefits		
at beginning of the years	10,760,664.95	8,945,539.18
Included in profit or loss:		
Current service cost	1,646,966.88	1,610,057.67
Interest cost	246,678.37	205,068.10
Non-current provisions for employee benefits	12,654,310.20	10,760,664.95
Less current provisions for employee benefits	(1,551,649.65)	-
Non-current provisions for employee benefits		
at end of the years	11,102,615.55	10,760,664.95

Employee benefit expenses for the years ended December 31, are follows:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Current service cost	1,646,966.88	1,610,057.67
Interest cost	246,678.37	205,068.10
Total employee benefits expenses	1,893,645.25	1,815,125.77

Employee benefit expenses for the years ended December 31, are follows:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Administrative expenses	1,893,645.25	1,815,125.77

Principal actuarial assumptions at the valuation date as of December 31, 2022 and 2021 are as follows:

	Percentage (%) / annum
	Financial statements in which the equity method is applied/ Separate financial statements
Discount rates	2.29 - 2.33
Future monthly salary increase rates	7
Employee turnover rates	0.96 - 11.46
Mortality rates	105% of Thai Mortality Ordinary Tables of 2017

The result of sensitivity analysis for significant assumptions that affect the present value of the employee benefits obligations as at December 31, are summarized below:

		Unit: Baht			
		Financial statements in which the equity method is applied/ Separate financial statements			
		2022		2021	
	Rates	Increase	Decrease	Increase	Decrease
Discount rates	0.50%	(896,235.73)	993,136.09	(806,696.74)	896,421.25
Salary increase rates	1.00%	2,247,939.99	(1,856,848.56)	1,900,706.69	(1,571,983.62)
Turnover rates	20.00%	(812,420.12)	903,452.70	(681,876.94)	756,353.47

20. DIVIDEND AND LEGAL RESERVE

Pursuant to the Annual General Meeting of Shareholders No.1/2022, held on April 21, 2022, the shareholders approved the allotment for dividend paying from net profit for the year ended 2021 to shareholders of 1,219,740,000 shares amount of Baht 37.66 million and the appropriation the legal reserve amount of Baht 39.65 million, The dividend were paid on April 29, 2022.

Pursuant to the Annual General Meeting of Shareholders No.1/2021, held on April 22, 2021, the shareholders approved the allotment for dividend paying from net profit for the year ended 2020 to shareholders of 1,219,740,000 shares amount of Baht 12.95 million and the appropriation the legal reserve amount of Baht 13.64 million, The dividend were paid on April 30, 2021.

21. REVENUE FROM SERVICES

Revenue from services for the years ended December 31, are follows:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Revenue from services - related company		
Nam Ngiep 1 Power Company Limited		
Management services agreement	9,731,553.56	8,931,251.44
Technical support services	1,747,896.28	1,520,810.55
Total revenue from services	11,479,449.84	10,452,061.99

22. COST OF SERVICES

Cost of services for the years ended December 31, are follows:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Management service expenses	9,883,235.18	9,165,101.86

23. ADMINISTRATIVE EXPENSES

Administrative expenses for the years ended December 31, are follows:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Administrative expenses - related companies	17,105,118.66	15,316,720.26
Employee expenses	91,841,317.95	98,083,166.25
Project development expenses	19,729,111.94	32,093,399.20
Associate administrative expenses	1,547,936.67	645,868.11
Other service fees	5,870,136.31	5,244,316.14
Committee travelling expenses	5,551,772.49	36,050.00
Others	28,632,315.08	21,222,990.58
Total administrative expenses	170,277,709.10	172,642,510.54

24. EXPENSES BY NATURE

Expenses by nature for the years ended December 31, are follows:

	Unit: Baht	
	Financial statements in which the equity method is applied/ Separate financial statements	
	2022	2021
Employee expenses	98,998,752.62	107,336,119.61
Outsourcing costs	15,394,203.32	15,731,571.84
Project development expenses	650,904,040.35	35,995,076.38
Depreciation and amortization	5,923,187.48	2,619,978.56
Loss on exchange rates	215,015,073.19	-
Other expenses	34,948,812.25	20,124,866.01
Total expenses by nature	1,021,184,069.21	181,807,612.40

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


25.1 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.

25.2 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.

On September 13, 2022, the Board of Directors approved recording loss on impairment of project development costs - for collection (Mong Ton) in full. This is due to project development policy, the Company has to change the plan of development, such as reducing capacity from 7,000 MW to 2,650 MW. The Ministry of Electricity and Energy of Myanmar approved the plan to change to a two-cascade scheme.

25.3 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.

On April 1, 2022, the Company, ECGO and Ratch Group mutually agreed to enter into a Termination Agreement to terminate Quang Tri 1 Thermal Power Project. The Company has already searched for a new partner.

On June 17, 2022, the Board of Directors unanimously approved the termination of the Quang Tri 1 Thermal Power Project and forwarded it to EGAT for further consideration. The Company has fully recorded loss on impairment of project development costs - for collection.

25.4 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. 

In addition, the National Energy Policy Council (NEPC) approved the (draft) Tariff MOU at Meeting No. 3/2021 on November 5, 2021. NPEC recommended preparing a Full Due Diligence report for EGAT before signing the Tariff MOU. However, the project developers submitted a Full DD report to EGAT on March 11, 2022, and the EGAT Board of Directors acknowledged a report in the BOD meeting (special meeting) on March 15, 2022. The co-developers of the Nam Ngum 3 Hydropower Project are consist of EDL, CSE and EGATi. The Company was signed a Tariff MOU with EGAT on April 11, 2022.

At present, the Office of the Attorney General has already accepted Shareholder Agreement (SHA) on July 6, 2022. Furthermore, on August 29, 2022, the Ministry of Energy approved investment in this project.

The Company were in the process of negotiating various major agreements used in investments such as Concession Agreement (CA), Power Purchase Agreement (PPA) and Refinancing Agreement with Potential Lenders and so on. However, the project has more than 80% of construction progress and is expected to be complete and ready to supply electricity by 2025.

26. CONTINGENT ASETTS

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

- 26.1 Receiving money for the payment of engineering feasibility studies and EIA studies for the Hutgyi Hydropower Project under the budget of US Dollar 4.52 million or approximately Baht 155.45 million (using the exchange rate as at December 30, 2022, 1 US Dollar = Baht 34.3913) 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, 2022, amounting to Baht 49.52 million (approximately US Dollar 1.44 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.

- 26.2 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, 2022, amounting to Baht 30.66 million (approximately US Dollar 0.89 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.

27. COMMITMENTS AND CONTINGENT LIABILITIES

As at December 31, 2022, the Company has commitments and contingent liabilities as follow:

27.1 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.

27.2 Procurement agreements

The Company has 5 significant procurement agreements with the remaining contract value in the amount of Baht 103.32 million as follows:

27.2.1 There are 4 consulting service agreements in local currency with the principal contract value in the amount of Baht 123.68 million and remaining contract value in the amount of Baht 99.68 million.

27.2.2 There is company system development contract in local currency with the principal contract value in the amount of Bath 21.87 million and the remaining contract value in the amount of Bath 3.64 million.

27.3 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 11, 2022, the Company has renewed the SBLC for 6 months from September 1, 2022 to February 28, 2023 in the amount of US Dollar 6.44 million.

27.4 Account Agreement

On January 6, 2022, the Company as a shareholder of Nam Ngiep 1 Power Co., Ltd. had placed collateral for SBLC for a period of 6 months from February 10, 2022 to August 10, 2022, totaling US Dollar 5.53 million and Baht 128.02 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 condition stipulated in the SSSD Shareholder Support agreement and Account Agreement (AA). On July 11, 2022, the Company has renewed the SBLC for 6 months from August 10, 2022 to February 10, 2023 in the amount of US Dollar 6.63 million. Furthermore, the Company has placed collateral for six months from August 10, 2022 to

February 10, 2022 in the amount of US Dollar 143.40 million issued by Sumitomo Mitsui Banking Corporation, Bangkok Branch.

On December 2, 2022, the Company has renewal Account Agreement for 6 months from February 10, 2023 to August 10, 2023 with Mizuho Bank, Ltd. Bangkok Branch totaling US Dollar 3.63 million and Sumitomo Mitsui Banking Corporation, Bangkok Branch totaling US Dollar 4.15 million and of Baht 124.86 million.

27.5 Performance Security

On April 11, 2022, the Company, as a developer of Hydro Power Project Nam Ngum 3, provided the Performance Security to Tariff MOU for EGAT in the amount of Baht 48.00 million for the period of eighteen months from April 11, 2022 to October 10, 2023.

28. FINANCIAL INSTRUMENTS

Risk management

The Company's significant financial instruments consist of cash and cash equivalents, trade and other current receivables, accrued dividend income from associates, other current financial assets, trade and other current payables, lease liabilities and share payables from investment in associates. The Company has the risks with such financial instruments and has the risk management policy.

Interest rate risk

Interest rate risk arising from future market interest rate fluctuations which will affect to performance and cash flow of Company. The Company's exposure to interest rate risk relates primarily to its cash and cash equivalents, trade and other current receivables, accrued dividend income from associates, other current financial assets, trade and other current payables, lease liabilities and share payables from investment in associates. However, most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates, which are close to the market rate.



As at December 31, 2022, and 2021, the significant financial assets and liabilities, classified by type of interest rate, are summarized in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on their maturity dates, or the repricing date if this occurs before the maturity date.

Unit: Million Baht

Financial statements in which the equity method is applied/Separate financial statements							
As at December 31, 2022							
	Fixed interest rates		Floating interest rate		Non-interest bearing		Interest rate
	Within 1 year	Over 1 year	Within 1 year	Over 1 year	Within 1 year	Over 1 year	
						Total	(% per annum)
Financial assets							
Cash and cash equivalents	7,488.20	-	1,125.44	-	-	-	8,613.64 0.050 - 4.900
Trade and other current receivables	-	-	-	-	131.68	-	131.68 -
Accrued dividend income from associates	-	-	-	-	1,040.16	-	1,040.16 -
Non-current financial assets	281.94	-	-	-	-	-	281.94 0.720 - 0.800
	7,770.14	-	1,125.44	-	1,171.84	-	10,067.42
Financial liabilities							
Trade and other current payables	-	-	-	-	47.50	-	47.50 -
Lease liabilities	1.22	2.42	-	-	-	-	3.64 2.240 - 6.275
Share payables from investment in associates	-	-	-	-	542.90	2,757.84	3,300.74 -
	1.22	2.42	-	-	590.40	2,757.84	3,351.88

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Unit: Million Baht

Financial statements in which the equity method is applied/Separate financial statements

As at December 31, 2021

	Fixed interest rates		Floating interest rate		Non-interest bearing		Total	Interest rate (% per annum)
	Within 1 year	Over 1 year	Within 1 year	Over 1 year	Within 1 year	Over 1 year		
Financial assets								
Cash and cash equivalents	592.70	-	505.28	-	-	-	1,097.98	0.010 - 0.455
Trade and other current receivables	-	-	-	-	44.28	-	44.28	-
Accrued dividend income from associates	-	-	-	-	948.32	-	948.32	-
Non-current financial assets	4,920.74	-	-	-	-	-	4,920.74	0.350 - 0.70
	5,513.44	-	505.28	-	992.60	-	7,011.32	
Financial liabilities								
Trade and other current payables	-	-	-	-	73.36	-	73.36	-
Lease liabilities	1.94	3.64	-	-	-	-	5.58	2.240 - 6.275
Share payables from investment in associates	-	-	-	-	2,248.57	3,192.61	5,441.18	-
	1.94	3.64	-	-	2,321.93	3,192.61	5,520.12	

Foreign exchange rate risk

The Company does not enter to any forward foreign exchange contracts. As at December 31, 2022 and 2021, the Company has assets and liabilities denominated in foreign currencies as follows:

	Financial statements in which the equity method is applied			Exchange rates	
	2022	2021	Foreign currency	2022	2021
	(Million)	(Million)			
Assets					
Net assets of foreign investment	200.94	171.64	United States Dollar	34.5624	33.4199
	86.86	114.26	Taiwan Dollar	1.1264	1.2087
Financial statements in which the equity method is applied/ Separate financial statements					
				Exchange rates	
	2022	2021	Foreign currency	2022	2021
	(Million)	(Million)			
Assets					
Cash and cash equivalents	238.95	20.13	United States Dollar	34.3913	33.2469
Trade and other receivable	70.83	-	Taiwan Dollar	1.1208	-
Accrued dividend income from associates	30.24	28.52	United States Dollar	34.3913	33.2469
Other current financial assets	-	129.33	United States Dollar	-	33.2469
Project development costs - for collection	-	2.31	United States Dollar	-	33.2469
	-	96.92	Chinese Yuan	-	5.1828
	-	4,113.60	Vietnamese Dong	-	0.001457
Liabilities					
Share payables from investment in associates	94.80	161.50	United States Dollar	34.7335	33.5929

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 the Company may have to lose from credit which is the book value of trade receivables deducted the allowance for expected credit loss (if any).

Fair value of financial instruments

Given that part of financial assets and financial liabilities are short-term or bearing interest rate closely to market rate, the Company management believes that the fair value of those financial assets and financial liabilities does not materially differ from their carrying value.

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Capital management

The Company's management has a capital management policy to maintain a strong capital base by emphasis on planning and determining operating strategies that result in good business performance and sustained cash flow management. In addition, the Company considers investing in projects which have good rates of return, appropriate working capital management, strong financial position and appropriate investment structure so as to sustain future operations and to maintain the interests and confidence of shareholders.

29. RECLASSIFICATION OF ACCOUNTS

Reclassification of certain assets and liabilities in prior year of the financial statements which impact on statements of financial position in which the equity method is applied and separate statements of financial position as at December 31, 2021, which have been presented herewith for comparative information, that does not have any impact on profit or shareholders' equity are as follows:

	Unit: Baht		
	Financial statements in which the equity method is applied/ Separate financial statements		
	As previously reported	Reclassification	After reclassification
Statement of financial position			
Assets			
Trade receivables	78,130.22	(78,130.22)	-
Other current receivables	44,206,127.43	(44,206,127.43)	-
Trade and other current receivables	-	44,284,257.65	44,284,257.65
Liabilities			
Trade payables	7,678,253.45	(7,678,253.45)	-
Other current payables	65,686,387.39	(65,686,387.39)	-
Trade and other current payables	-	73,364,640.84	73,364,640.84
Current portion of share payables			
- related company	2,248,565,136.25	(2,248,565,136.25)	-
Share payables - related company	3,192,612,645.00	(3,192,612,645.00)	-
Current portion of share payables for			
investment in associates	-	2,248,565,136.25	2,248,565,136.25
Share payables for investment in associates	-	3,192,612,645.00	3,192,612,645.00

30. CORRECTION OF ERROR

The Company has adjusted the investment in associates because the Company has not translated foreign currencies exchange rates with respect to goodwill and fair value from purchase of investment in associates at a closing rate and has not translated foreign currencies exchange rate with respect to gain on cash flow hedges at the rate prevailing at the date of the transaction. The Company has restated statement of financial position in which the equity method is applied as at December 31, 2021, statement of other comprehensive income in which the equity method is applied, and statement of change in shareholders' equity in which the equity method is applied for the year then ended, and the statement of financial position in which the equity method is applied as at January 1, 2021 shown as comparative in preparing the financial statements.

Unit: Baht			
Financial statements in which the equity method is applied			
	As previously reported	Adjustment	After Adjustment
Statements of financial position			
as of January 1, 2021			
Assets			
Investments in associates	11,138,494,496.33	(957,154,091.62)	10,181,340,404.71
Other components of shareholder equity	(1,031,139,088.13)	(957,154,091.62)	(1,988,293,179.75)
Statements of financial position			
as of December 31, 2021			
Investments in associates	12,780,073,707.96	(242,515,497.93)	12,537,558,210.03
Other components of shareholder equity	(344,967,591.09)	(242,515,497.93)	(587,483,089.02)
Statement of comprehensive			
income for the year			
ended December 31, 2021			
Exchange differences on translating			
financial statements	490,055,322.07	742,662,115.48	1,232,717,437.55
Gain on cash flow hedges	196,116,174.97	(28,023,521.79)	168,092,653.18

31. EVENT AFTER THE REPORTING PERIOD

On January 31, 2023, the Company canceled and released the Standby letter of credit with Mizuho Bank., Ltd. Bangkok Branch. in totaling US Dollar 6.44 million because Nam Ngiep 1 Power Co., Ltd. has completely proceeded the conditions in Shareholder Support and Subordination Deed : SSSD.

32. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issuance by the Company's Board directors on March 10, 2023.

