

# Financial Statements

Electricity Generating Authority of Thailand  
Statements of financial position  
As at 31 December 2022

(Unit: Million Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2022	31 December 2021 (restated)	1 January 2021 (restated)	31 December 2022	31 December 2021 (restated)	1 January 2021
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	8	97,662	68,861	69,353	54,432	60,455	63,885
Trade receivables	7, 9	83,397	56,167	53,739	82,586	55,820	53,790
Other receivables	7	19,138	12,582	8,548	16,599	10,911	8,241
Current portion of accrued revenue from electric energy sales							
according to automatic tariff adjustment (Ft)	17	46,824	38,943	-	46,824	38,943	-
Current portion of lease receivable	19	272	238	-	-	-	-
Fuel and spare parts	10	10,517	16,955	11,960	8,491	14,980	10,107
Other current financial assets	25	3,482	7,821	9,412	-	-	59
Other current assets		360	379	357	305	316	267
<b>Total current assets</b>		<b>261,652</b>	<b>201,946</b>	<b>153,369</b>	<b>209,237</b>	<b>181,425</b>	<b>136,349</b>
<b>Non-current assets</b>							
Other non-current financial assets	25	8,826	10,077	8,224	3,466	6,125	6,204
Investments in subsidiaries	11	-	-	-	30,252	19,003	19,003
Investments in associates	12	54,755	51,802	42,389	1,588	1,588	1,588
Investments in joint ventures	6, 12	51,325	41,608	35,491	825	645	585
Accrued revenue from electric energy sales							
according to automatic tariff adjustment (Ft)	17	119,170	-	-	119,170	-	-
Lease receivable	19	17,648	17,449	-	-	-	-
Long-term loans to related parties	7, 25	771	656	523	-	-	-
Long-term loans to other parties	25	4,468	2,652	2,385	-	-	-
Property, plant and equipment	13	452,722	442,607	438,543	387,997	393,603	393,913
Right-of-use assets - power plants	14	259,178	255,134	248,311	267,482	265,711	261,161
Goodwill	6, 15	9,940	169	170	-	-	-
Intangible assets	15	74,876	65,228	54,529	65,286	58,301	51,235
Other non-current assets	16	9,330	11,189	9,872	6,588	7,643	6,983
<b>Total non-current assets</b>		<b>1,063,009</b>	<b>898,571</b>	<b>840,437</b>	<b>882,654</b>	<b>752,619</b>	<b>740,672</b>
<b>Total assets</b>		<b>1,324,661</b>	<b>1,100,517</b>	<b>993,806</b>	<b>1,091,891</b>	<b>934,044</b>	<b>877,021</b>

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

Mr. Boonyanit Wongrukmit  
Director and Governor

Mrs. Patcharin Rapeepornpong  
Deputy Governor - Finance and Accounting (CFO)

Electricity Generating Authority of Thailand  
 Statements of financial position (continued)  
 As at 31 December 2022

(Unit: Million Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2022	31 December 2021 (restated)	1 January 2021 (restated)	31 December 2022	31 December 2021 (restated)	1 January 2021
<b>Liabilities and owners' equity</b>							
<b>Current liabilities</b>							
Short-term loans from financial institutions	18, 25	8,685	5,365	60	-	-	-
Trade payables	7, 25	125,695	91,313	62,582	126,830	92,569	63,928
Other payables	7, 25	16,394	16,149	9,460	13,864	12,330	8,491
Surplus revenue from electric energy sales according to automatic tariff adjustment (Ft)	17	-	-	3,366	-	-	3,366
Accrued interest expenses		1,531	1,306	1,334	1,210	962	1,008
Accrued remittance to the Ministry of Finance	7	26,848	11,007	5,247	26,848	11,007	5,247
Accrued expenses		5,627	5,870	3,947	5,584	5,805	3,909
Current portion of long-term loans	7, 18, 25	14,618	9,709	10,424	7,038	5,038	8,938
Current portion of loan from infrastructure fund	18, 25	821	718	723	821	718	723
Current portion of lease liabilities							
from Power Purchase Agreements	7, 18, 19, 25	15,223	14,319	12,763	16,934	17,128	15,339
Current portion of other lease liabilities	18, 19, 25	541	504	466	368	340	347
Other current liabilities		914	4,571	4,399	11	4,139	4,148
<b>Total current liabilities</b>		<b>216,897</b>	<b>160,831</b>	<b>114,771</b>	<b>199,508</b>	<b>150,036</b>	<b>115,444</b>
<b>Non-current liabilities</b>							
Long-term loans	7, 18, 25	246,069	129,179	109,054	166,723	79,762	68,948
Loan from infrastructure fund	18, 25	15,561	16,416	17,183	15,561	16,416	17,183
Lease liabilities from Power Purchase Agreements	7, 18, 19, 25	243,176	235,737	214,774	249,219	243,491	225,336
Other lease liabilities	18, 19, 25	3,881	2,055	1,739	685	544	372
Other non-current payables from related parties	7	2,758	3,197	4,878	-	-	-
Deferred tax liabilities		5,607	4,831	1,831	-	-	-
Non-current provisions for employee benefits	20	13,611	15,940	16,784	13,290	15,649	16,539
Provision for mine rehabilitation	21	3,464	3,613	4,087	3,464	3,613	4,087
Other non-current liabilities	7	24,459	19,714	21,521	20,672	18,273	20,317
<b>Total non-current liabilities</b>		<b>558,586</b>	<b>430,682</b>	<b>391,851</b>	<b>469,614</b>	<b>377,748</b>	<b>352,782</b>
<b>Total liabilities</b>		<b>775,483</b>	<b>591,513</b>	<b>506,622</b>	<b>669,122</b>	<b>527,784</b>	<b>468,226</b>

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Electricity Generating Authority of Thailand  
 Statements of financial position (continued)  
 As at 31 December 2022

(Unit: Million Baht)

Note	Consolidated financial statements			Separate financial statements		
	31 December 2022	31 December 2021 (restated)	1 January 2021 (restated)	31 December 2022	31 December 2021 (restated)	1 January 2021
<b>Liabilities and owners' equity</b>						
<b>Owners' equity</b>						
Contribution from the government	10,872	10,872	10,872	10,872	10,872	10,872
Surplus from royalty on state property service	475	475	475	475	475	475
Surplus from the change in the ownership interests in subsidiaries	689	689	689	-	-	-
Retained earnings						
Appropriated						
Capital expenditure appropriation	80,186	80,186	80,186	80,186	80,186	80,186
Unappropriated	395,359	371,698	370,659	332,466	313,625	316,124
Other components of owners' equity	(1,885)	(2,623)	(9,165)	(1,230)	1,102	1,138
Equity attributable to owners of EGAT	<b>485,696</b>	<b>461,297</b>	<b>453,716</b>	<b>422,769</b>	<b>406,260</b>	<b>408,795</b>
Non-controlling interests of the subsidiaries	63,482	47,707	33,468	-	-	-
<b>Total owners' equity</b>	<b>549,178</b>	<b>509,004</b>	<b>487,184</b>	<b>422,769</b>	<b>406,260</b>	<b>408,795</b>
<b>Total liabilities and owners' equity</b>	<b>1,324,661</b>	<b>1,100,517</b>	<b>993,806</b>	<b>1,091,891</b>	<b>934,044</b>	<b>877,021</b>

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**Electricity Generating Authority of Thailand**

**Income statement**

**For the year ended 31 December 2022**

(Unit: Million Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021 (restated)	2022	2021 (restated)
Revenue from electric energy sales	7	794,894	553,483	787,676	549,600
Revenue from sales of other goods and services	7, 23	4,202	3,831	4,119	5,051
Revenue from lease contracts		1,307	-	-	-
Cost of electric energy sales	7, 22, 24	(707,905)	(472,530)	(703,232)	(471,223)
Cost of sales of other goods and services	7, 23, 24	(2,332)	(2,311)	(2,919)	(3,381)
<b>Gross profit</b>		<b>90,166</b>	<b>82,473</b>	<b>85,644</b>	<b>80,047</b>
Dividend income and other income		3,112	3,450	5,127	5,163
Distribution expenses	24	(142)	(132)	(142)	(132)
Administrative expenses	7, 24	(15,773)	(15,631)	(12,810)	(14,043)
Other expenses	24	(1,072)	(453)	(444)	(122)
Gain from change in proportion of investment in joint ventures	6	661	-	-	-
Net foreign exchange loss	22	(2,655)	(13,237)	(2,410)	(13,461)
Gain (loss) on fair value adjustment of derivatives		(102)	144	-	-
<b>Operating profit</b>		<b>74,195</b>	<b>56,614</b>	<b>74,965</b>	<b>57,452</b>
Finance costs	22	(39,162)	(34,490)	(37,646)	(34,529)
Share of profit of associates and joint ventures accounted for using equity method	12	12,517	8,950	-	-
<b>Profit before income tax expenses</b>		<b>47,550</b>	<b>31,074</b>	<b>37,319</b>	<b>22,923</b>
Income tax expenses		(2,163)	(392)	-	-
<b>Profit for the year</b>		<b>45,387</b>	<b>30,682</b>	<b>37,319</b>	<b>22,923</b>
<b>Profit attributable to:</b>					
Equity owners of EGAT		42,184	26,467	37,319	22,923
Non-controlling interests of the subsidiaries		3,203	4,215	-	-
<b>Profit for the year</b>		<b>45,387</b>	<b>30,682</b>	<b>37,319</b>	<b>22,923</b>

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

Mr. Boonyanit Wongrukmit  
Director and Governor

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Deputy Governor - Finance and Accounting (CFO)

Electricity Generating Authority of Thailand

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Million Baht)

Note	Consolidated financial statements		Separate financial statements	
	2022	2021 (restated)	2022	2021 (restated)
<b>Profit for the year</b>	45,387	30,682	37,319	22,923
<b>Other comprehensive income:</b>				
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>				
Exchange differences on translation of financial statements	258	4,588	-	-
Gain (loss) on cash flow hedges	(418)	602	-	-
Share of other comprehensive income of associates and joint ventures accounted for using equity method	12 4,015	4,477	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	3,855	9,667	-	-
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</b>				
Gain (loss) on investments measured at fair value through other comprehensive income	(2,459)	34	(2,332)	(36)
Actuarial gain	20 2,366	66	2,363	61
Share of other comprehensive income of associates and joint ventures accounted for using equity method	12 40	(3)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	(53)	97	31	25
<b>Other comprehensive income for the year - net of income tax</b>	<b>3,802</b>	<b>9,764</b>	<b>31</b>	<b>25</b>
<b>Total comprehensive income for the year</b>	<b>49,189</b>	<b>40,446</b>	<b>37,350</b>	<b>22,948</b>
<b>Total comprehensive income attributable to:</b>				
Equity owners of EGAT	45,027	33,064	37,350	22,948
Non-controlling interests of the subsidiaries	3,949	7,382	-	-
<b>Total comprehensive income for the year</b>	<b>49,189</b>	<b>40,446</b>	<b>37,350</b>	<b>22,948</b>

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**Electricity Generating Authority of Thailand**  
**Statement of changes in owners' equity**  
**For the year ended 31 December 2022**

(Unit: Million Baht)

	Consolidated financial statements												
	Other components of owners' equity												
	Contribution from the government	Surplus from state property service	Surplus from the change in the ownership interests in subsidiaries	Retained earnings		Fair value reserve	Cash flow hedge reserve	Share of other comprehensive income of associates and joint ventures accounted for using equity method	Total other components of owners' equity	Total equity attributable to owners of the EGAT	Non-controlling interests of the subsidiaries	Total owners' equity	
Appropriated				Unappropriated	Exchange differences on translation of financial statements								Share of other comprehensive income of associates and joint ventures accounted for using equity method
<b>Balance at 1 January 2021 - as previously reported</b>	10,872	475	689	80,186	370,659	(3,088)	224	(421)	(4,923)	(8,208)	454,673	33,468	488,141
Cumulative effects of restatements of prior year financial statements (Note 4)	-	-	-	-	-	(695)	-	-	38	(957)	(957)	-	(957)
<b>Balance at 1 January 2021 - as restated</b>	10,872	475	689	80,186	370,659	(4,083)	224	(421)	(4,885)	(9,165)	453,716	33,468	487,184
<b>Transactions with owners, recorded directly in equity</b>													
Changes in equity for the year	-	-	-	-	(25,483)	-	-	-	-	-	(25,483)	-	(25,483)
Reserve for remittance to the Ministry of Finance (Note 7)	-	-	-	-	(25,483)	-	-	-	-	-	(25,483)	-	(25,483)
Total changes in equity for the year	-	-	-	-	(25,483)	-	-	-	-	-	(25,483)	-	(25,483)
<b>Profit for the year - restated (Note 4)</b>	-	-	-	-	26,467	-	-	-	-	-	26,467	4,215	30,682
Other comprehensive income for the year - restated (Note 4)	-	-	-	-	55	2,673	19	271	3,579	6,542	6,597	3,167	9,764
Total comprehensive income for the year	-	-	-	-	26,522	2,673	19	271	3,579	6,542	33,064	7,382	40,446
Dividend paid	-	-	-	-	-	-	-	-	-	-	(1,925)	(1,925)	(1,925)
Increase in non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	8,782	8,782
<b>Balance as at 31 December 2021 - as restated</b>	10,872	475	689	80,186	371,698	(1,410)	243	(150)	(1,306)	(2,623)	461,287	47,707	509,004
<b>Balance as at 31 December 2021 - as previously reported</b>	10,872	475	689	80,186	374,525	(1,158)	243	(150)	(1,316)	(2,381)	464,366	46,260	510,626
Cumulative effects of restatements of prior year financial statements (Note 4)	-	-	-	-	(2,848)	(252)	-	-	10	(242)	(3,090)	-	(3,090)
Adjustment of fair value from acquisition of subsidiary (Note 6)	-	-	-	-	21	-	-	-	-	-	21	1,447	1,468
<b>Balance as at 31 December 2021 - as restated</b>	10,872	475	689	80,186	371,698	(1,410)	243	(150)	(1,306)	(2,623)	461,287	47,707	509,004
<b>Transactions with owners, recorded directly in equity</b>													
Changes in equity for the year	-	-	-	-	-	-	-	-	-	-	-	530	530
Acquisition of non-controlling interests with a change in control (Note 6)	-	-	-	-	-	-	-	-	-	-	-	(45)	(45)
Acquisition of non-controlling interests without a change in control (Notes 6 and 11)	-	-	-	-	-	-	-	-	-	-	-	13,749	13,749
Increase in non-controlling interests of subsidiaries	-	-	-	-	-	-	-	-	-	-	(20,841)	-	(20,841)
Reserve for remittance to the Ministry of Finance (Note 7)	-	-	-	-	(20,841)	-	-	-	-	-	(20,841)	-	(20,841)
Total changes in equity for the year	-	-	-	-	(20,841)	-	-	-	-	-	(20,841)	14,234	(6,607)
<b>Profit for the year</b>	-	-	-	-	42,184	-	-	-	-	-	42,184	3,203	45,387
Other comprehensive income for the year	-	-	-	-	2,318	380	(23,553)	(332)	3,043	738	3,056	746	3,802
Total comprehensive income for the year	-	-	-	-	44,502	380	(23,553)	(332)	3,043	738	45,240	3,949	49,189
Dividend paid	-	-	-	-	-	-	-	-	-	-	-	(2,408)	(2,408)
<b>Balance as at 31 December 2022</b>	10,872	475	689	80,186	395,359	(1,030)	(2,110)	(482)	1,737	(1,885)	485,696	63,402	549,178

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

Electricity Generating Authority of Thailand  
Statement of changes in owners' equity (continued)  
For the year ended 31 December 2022

(Unit: Million Baht)

	Separate financial statements					Total owners' equity
	Contribution from the government	Surplus from royalty on state property service	Retained earnings	Other components of owners' equity	Fair value reserve	
	Appropriated	Unappropriated				
<b>Balance as at 1 January 2021</b>	10,872	475	80,186	316,124	1,138	408,795
<b>Transactions with owners, recorded directly in equity</b>						
Changes in equity for the year	-	-	-	(25,483)	-	(25,483)
Reserve for remittance to the Ministry of Finance (Note 7)	-	-	-	(25,483)	-	(25,483)
Total changes in equity for the year	-	-	-	(25,483)	-	(25,483)
Profit for the year - restated (Note 4)	-	-	-	22,923	-	22,923
Other comprehensive income for the year	-	-	-	61	(36)	25
Total comprehensive income for the year	-	-	-	22,984	(36)	22,948
<b>Balance as at 31 December 2021 - as restated</b>	10,872	475	80,186	313,625	1,102	408,260
<b>Balance as at 31 December 2021 - as previously reported</b>	10,872	475	80,186	316,473	1,102	409,108
Cumulative effects of restatements of prior year financial statements (Note 4)	-	-	-	(2,848)	-	(2,848)
<b>Balance as at 31 December 2021 - as restated</b>	10,872	475	80,186	313,625	1,102	406,260
<b>Transactions with owners, recorded directly in equity</b>						
Changes in equity for the year	-	-	-	(20,841)	-	(20,841)
Reserve for remittance to the Ministry of Finance (Note 7)	-	-	-	(20,841)	-	(20,841)
Total changes in equity for the year	-	-	-	(20,841)	-	(20,841)
Profit for the year	-	-	-	37,319	-	37,319
Other comprehensive income for the year	-	-	-	2,363	(2,332)	31
Total comprehensive income for the year	-	-	-	39,682	(2,332)	37,350
<b>Balance as at 31 December 2022</b>	10,872	475	80,186	332,466	(1,230)	422,769

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Electricity Generating Authority of Thailand

Cash flow statement

For the year ended 31 December 2022

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		
	Note	2022	2021 (restated)	2022	2021 (restated)
<b>Cash flows from operating activities</b>					
Profit before tax		47,550	31,074	37,319	22,923
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:					
Financial costs		39,162	34,490	37,646	34,529
Depreciation and amortisation		53,540	53,227	50,453	51,033
Write-off withholding tax deducted at source and others		3	5	-	-
Donations income		-	(19)	-	(19)
Unrealised loss on foreign exchange		2,794	14,162	2,899	14,458
(Gain) loss on fair value adjustment of financial assets		(4)	6	-	-
(Gain) loss on disposal of financial assets		2	(3)	-	-
(Gain) loss on fair value adjustment of derivatives		103	(144)	-	-
Impairment loss on trade and other receivables		35	33	35	33
Impairment loss on financial assets (reversal)		5	(9)	-	-
Impairment loss on deferred project development costs		625	-	-	-
Impairment loss on other assets		-	82	-	-
Loss on allowance for obsolescence of fuel and spare parts (reversal)		21	199	(32)	239
Loss on disposal of spare parts and supplies		13	-	-	-
Fair value adjustment of lease receivable and lease adjustment		125	17	-	-
Gain on disposal of assets		(139)	(109)	(144)	(110)
Revenue from contribution income		(598)	(611)	(598)	(611)
Share of profit from investments in associates and joint ventures	12	(12,517)	(8,950)	-	-
Gain on bargain purchase		-	(227)	-	-
Gain from change in proportion of investment in joint ventures	6	(661)	-	-	-
Provision for long-term employee benefits		1,087	1,087	1,063	1,059
Provision for mine rehabilitation	21	(297)	(661)	(297)	(661)
Interest income		(747)	(539)	(145)	(297)
Dividend income		(144)	(378)	(2,958)	(2,956)
Profit from operating activities before changes in operating assets and liabilities		129,958	122,732	125,241	119,620

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

## Electricity Generating Authority of Thailand

## Cash flow statement (continued)

For the year ended 31 December 2022

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		
	Note	2022	2021 (restated)	2022	2021 (restated)
<b>Operating assets (increase) decrease</b>					
Trade receivables		(26,787)	(1,319)	(26,767)	(2,028)
Other receivables		(6,442)	(3,377)	(5,847)	(2,943)
Fuel and spare parts		6,827	(4,819)	6,608	(5,011)
Lease receivable		250	36	-	-
Other current assets		20	47	11	(50)
Accrued revenue from electric energy sales					
according to automatic tariff adjustment (Ft)		(132,547)	(38,943)	(132,547)	(38,943)
Other non-current assets		(6,914)	(8,964)	(7,053)	(8,641)
Operating liabilities increase (decrease)					
Trade payables		33,617	24,772	34,272	25,312
Other payables		1,102	1,988	886	2,301
Accrued expense		(237)	1,919	(221)	1,896
Other current liabilities		161	(175)	-	(10)
Provision for mine rehabilitation		64	83	64	83
Retirement benefit paid	20	(1,210)	(2,058)	(1,204)	(2,035)
Other non-current liabilities		5,416	1,061	7,084	409
Cash flows from operating activities		3,278	92,983	527	89,960
Cash received for interest income		170	289	142	287
Cash paid for income tax		(1,907)	(404)	-	-
<b>Net cash flows from operating activities</b>		<b>1,541</b>	<b>92,868</b>	<b>669</b>	<b>90,247</b>
<b>Cash flows from investing activities</b>					
Proceeds from sales of financial assets which measured at amortised cost		6,355	2,059	-	59
Cash paid for purchase of financial assets which measured at fair value					
through profit or loss		(2,027)	(20)	-	-
Cash receipt (paid) for sale (purchase) of financial assets					
measured at fair value through other comprehensive income		327	(1,680)	327	68
Cash paid for acquisitions of property, plant and equipment					
and intangible assets		(28,088)	(32,927)	(25,677)	(31,052)
Cash paid for borrowing cost capitalised in plant and equipment		(872)	(905)	(827)	(825)
Proceeds from sales of assets		350	186	297	186
Increase in long-term loans to related parties		(102)	(63)	-	-
Increase in long-term loan to other parties		(1,736)	-	-	-
Cash paid for investments in subsidiaries	6, 11	(14,759)	(2,577)	(11,249)	-
Cash paid for investments in associates and joint ventures		(8,676)	(4,842)	(180)	(60)
Cash paid for investments in other entities		-	(25)	-	(25)
Cash paid for deferred project development costs		(7)	(34)	-	-
Dividend received		10,518	3,734	2,958	2,956
Interest received		356	228	-	11
<b>Net cash flows used in investing activities</b>		<b>(38,361)</b>	<b>(36,866)</b>	<b>(34,351)</b>	<b>(28,682)</b>

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

**Electricity Generating Authority of Thailand**

**Cash flow statement (continued)**

For the year ended 31 December 2022

(Unit: Million Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u> (restated)	<u>2022</u>	<u>2021</u> (restated)
<b>Cash flows from financing activities</b>				
Cash receipt form short-term loans from financial institutions	49,195	21,162	-	-
Repayment of short-term loans from financial institutions	(46,069)	(17,134)	-	-
Cash receipt from long-term loans	131,805	21,626	94,000	15,859
Repayment of long-term loans	(20,348)	(10,994)	(5,038)	(8,938)
Repayment of long-term loans from infrastructure fund	(751)	(772)	(751)	(772)
Cash receipt from long-term loans from related party	27	-	-	-
Payment of principle portion of lease liabilities				
from Power Purchase Agreements	(15,207)	(14,430)	(18,016)	(17,005)
Payment of principle portion of other lease liabilities	(535)	(533)	(446)	(465)
Proceeds from unearned revenue	196	528	196	528
Payment of remittance to the Ministry of Finance	7 (5,000)	(19,723)	(5,000)	(19,723)
Proceeds from increase in share capital of subsidiary	13,749	-	-	-
Dividend paid to non-controlling interests	(2,408)	(1,926)	-	-
Interest expenses	(6,777)	(4,859)	(3,476)	(3,050)
Payment of finance costs under lease liabilities				
from Power Purchase Agreements	(32,373)	(29,496)	(33,834)	(31,403)
<b>Net cash flows from (used in) financing activities</b>	<b>65,504</b>	<b>(56,551)</b>	<b>27,635</b>	<b>(64,969)</b>
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates	28,684	(549)	(6,047)	(3,404)
Effect of exchange rate for cash and cash equivalents	117	57	24	(26)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>28,801</b>	<b>(492)</b>	<b>(6,023)</b>	<b>(3,430)</b>
Cash and cash equivalents at beginning of year	68,861	69,353	60,455	63,885
<b>Cash and cash equivalents at end of year</b>	<b>97,662</b>	<b>68,861</b>	<b>54,432</b>	<b>60,455</b>
<b>Supplemental disclosures of cash flow information</b>				
Payable of acquisition of property, plant and equipment and Intangible asset	3,874	3,209	3,874	3,209
Increase in assets under other lease contracts	737	862	609	623
Payables for deferred project development costs	-	6	-	-

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

**Electricity Generating Authority of Thailand**  
**Notes to consolidated financial statements**  
**For the year ended 31 December 2022**

**1. General information**

Electricity Generating Authority of Thailand (“EGAT”), which is a juristic person, was established by Electricity Generating Authority of Thailand Act, B.E. 2511 (1968) and subsequent amendments. EGAT’s main business objectives are generating, acquiring, transmission or distribution electric energy, the operation of electric energy business and energy sources deriving from natural resources and undertaking business concerning electric energy and other businesses concerning or related to the activities of EGAT, or collaborate with other persons. Besides, its businesses include production and selling lignite or any chemicals derived from lignite. The head office of EGAT is located at 53 Moo 2, Charansanitwong Road, Bang Kruai, Nonthaburi.

The major shareholder during the financial year was the Ministry of Finance (100% shareholding).

**2. Basis of preparation**

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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

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

The preparation of financial statements in conformity with financial reporting standards requires management to make estimates and assumptions in certain circumstances, affecting amounts reported in these financial statements and related notes. Actual results could differ from these estimates.

**2.2 Basis of consolidation**

- a) The consolidated financial statements include the financial statements of Electricity Generating Authority of Thailand (“EGAT”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022 Percent	2021 Percent
<b><u>Direct subsidiaries</u></b>				
EGAT International Company Limited	Investing in electricity generating and related businesses abroad	Thailand	99.99	99.99
EGAT Diamond Service Company Limited	Providing repairment services for gas turbines, components and spare parts	Thailand	45.00	45.00
RATCH Group Public Company Limited	Generating and selling electricity, developing power energy project and utilities system business	Thailand	45.00	45.00
<b><u>Indirect subsidiaries</u></b>				
Ratchaburi Electricity Generating Company Limited	Generating and selling electricity and investing in the power energy business	Thailand	99.99	99.99
Ratchaburi Energy Company Limited	Investing in the power energy business	Thailand	99.99	99.99
RE Solar 1 Company Limited	Generating and selling electricity	Thailand	99.99	99.99
RH International Corporation Limited	Investing in the power energy business	Thailand	99.99	99.99
RATCH O&M Company Limited	Generating and selling electricity from wind energy	Thailand	99.99	99.99
Ratchaburi Alliances Company Limited	Investing in the power energy business	Thailand	99.99	99.99
RATCH Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	99.99	99.97
RATCH-Lao Services Company Limited	Providing operation and Maintenance services and investing in the related business	Lao PDR	99.99	99.99
Sahacogen (Chonburi) Public Company Limited	Generating and selling electricity and steam	Thailand	51.67	51.00
Fareast Renewable Development Pte. Ltd.	Investing in the power energy business	Singapore	90.00	90.00
RH International (Mauritius) Corporation Limited	Investing in the power energy business abroad	Mauritius	100.00	100.00
RH International (Singapore) Corporation Pte. Ltd.	Investing in the power energy business abroad	Singapore	100.00	100.00
RATCH-Australia Corporation Pty. Ltd. and its subsidiaries	Developing, operating power plant and investing in the power energy business	Australia	100.00	100.00
RATCH China Power Limited	Investing in the power energy business aboard	Hong Kong	100.00	100.00
Nexif Energy Holdings B.V.	Investing in the power energy business	Netherlands	100.00	-
Nexif RATCH Energy Singapore Pte. Ltd.	Investing in the power energy business	Singapore	100.00	-
Nexif Ratch Energy Rayong Company Limited	Investing in the power energy business	Thailand	99.99	-
Solarist Holding Company Limited	Generating and selling electricity from solar energy	Thailand	100.00	-

- b) EGAT is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
  - c) Subsidiaries are fully consolidated, being the date on which EGAT obtains control, and continue to be consolidated until the date when such control ceases.
  - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as EGAT.
  - e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements” in the statements of changes in owners’ equity.
  - f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
  - g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by EGAT and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries, associates and joint ventures under the cost method.

### **3. New financial reporting standards**

#### **3.1 Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 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 Group’s financial statements except the Group has adopted the temporary reliefs in accordance with TFRS 9 Financial Instruments and TFRS 7 Disclosure of Financial Instruments, which apply to transactions directly affected by interest rate benchmark reform (IBOR). The Group is currently in the process of preparing to amend contractual terms in order to response to IBOR reform.

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

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 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 providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements except the following standard which involves changes to key principles, summarised below.

#### **TAS 16, *Property, Plant and Equipment***

The amendment prohibits entities from deducting from cost of an item of property, plant and equipment, any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

When the Group first applies the amendment, it applies the amendment retrospectively only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented.

The management of the Group is currently evaluating the impact of these standards on the financial statements in the year when they are adopted.

## **4. Cumulative effects of restatements of prior year financial statements**

### **4.1 The restatement of prior year financial statements regarding the revenue calculation during the commissioning of power plants under construction**

During the current year, EGAT restated the prior year's financial statements. The restatement was made to ensure consistency regarding the revenue calculation during the commissioning of power plants under construction to be in line with the fuel costs of Bang Pakong Power Plant. As a result of the restatement, adjustments have an effect on the consolidated statement of financial position and the separate statement of financial position as at 31 December 2021 amounting to Baht 2,848 million, on the consolidated statements of income, comprehensive income, the separate statements of income, comprehensive income and the consolidated cash flow statements and the separate cash flow statements for the year then ended amounting to Baht 2,848 million.

#### 4.2 The restatement of prior year financial statements regarding the translated foreign currencies exchange rates with respect to goodwill and fair value from purchase of investment in associates

During the current year, the Group has adjusted the investment in associates because, in the past, the Group has not translated foreign currencies exchange rates with respect to goodwill and fair value from purchase of investment in associates at a closing rate. As a result of the restatement, adjustments have an effect on the consolidated statement of financial position as at 31 December 2021 amounting to Baht 242 million, on the consolidated statements of comprehensive income for the year then ended amounting to Baht 715 million, and the consolidated statement of financial position as at 1 January 2021 amounting to Baht 957 million.

The Group has restated the prior year's financial statements presented as comparative information, with the cumulative effect of the restatement, as discussed in notes 4.1 and 4.2, presented as a separate item in the statement of changes in owners' equity.

The amounts of the adjustments, as discussed in notes 4.1 and 4.2, affecting the statement of financial position, the statements of income and other comprehensive income, and statement of cash flows are as follows:

(Unit: Million Baht)

	Increase (decrease)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December	1 January	31 December	1 January
	2021	2021	2021	2021
<b>Statement of financial position</b>				
<b>Assets</b>				
Investment in associates	(242)	(957)	-	-
Property, plant and equipment	(2,848)	-	(2,848)	-
<b>Total assets</b>	<b>(3,090)</b>	<b>(957)</b>	<b>(2,848)</b>	<b>-</b>
<b>Owners' equity</b>				
Retained earnings - unappropriated	(2,848)	-	(2,848)	-
Other components of owners' equity	(242)	(957)	-	-
<b>Total owners' equity</b>	<b>(3,090)</b>	<b>(957)</b>	<b>(2,848)</b>	<b>-</b>

(Unit: Million Baht)

Profit for the year ended

31 December 2021

Increase (decrease)

	Consolidated	Separate
	financial statements	financial statements
<b>Statement of income</b>		
Revenue from electric energy sales	(2,848)	(2,848)
<b>Profit for the year</b>	<u>(2,848)</u>	<u>(2,848)</u>
<b>Profit attributable to:</b>		
Equity owners of EGAT	(2,848)	(2,848)
<b>Statement of comprehensive income</b>		
Exchange differences on translation of financial statements	743	-
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(28)	-
<b>Other comprehensive income for the year</b>	<u>715</u>	<u>-</u>
<b>Total comprehensive income for the year</b>	<u>(2,133)</u>	<u>(2,848)</u>

(Unit: Million Baht)

Cash flow for the year ended

31 December 2021

Increase (decrease)

	Consolidated	Separate
	financial statements	financial statements
<b>Statement of cash flows</b>		
Cash flows from operating activities	(2,848)	(2,848)
Cash flows from investing activities	2,848	2,848

## 5. Significant accounting policies

### 5.1 Revenue and expense recognition

#### Sales

Revenue is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting discounts.

#### ***Revenue under the Power Purchase Agreements (PPA)***

Revenue from energy payment is recognised at a point in time when electricity is transferred to the customers according to unit of sale based on electric meter at destinations as stated in the agreements.

Revenue from automatic tariff adjustment (Ft) is recognised in the period in which it arises, comprised of the actual collected Ft revenue in accordance with the approval of the Energy Regulatory Commission (“ERC”) and recognised the accrued or surplus Ft revenue, which came from the difference of the calculated Ft price under the formula Ft with the collected Ft price in that period.

Deferred revenue for electricity compensation is resulted from receiving fuel costs or electricity compensation from fuel suppliers or power producers. ERC had considered allowing EGAT to separate its deposit account from cash and cash equivalents to restrict for use. In case that ERC grant an approval for compensation, EGAT will reduce electricity through Ft and presented as non-current assets.

The ERC has set financial criteria for EGAT regarding the tariff structure mandating EGAT to have sufficient revenue for investment and repayment of loans and related interests. In addition, returns from investment must not exceed Weighted Average Cost of Capital (WACC) in order to maintain fair and justified electricity price for electricity users. Therefore, the ERC will refund or recall revenue from sales of electricity once EGAT’s financial performance below or exceed the threshold. On the other hands, if investments provide lower return than set criteria, the ERC will recall the revenue from electricity sales which is called “Claw back” in order to encourage EGAT to provide portions of investment to the ERC in the period when the ERC has approved to provide electricity discount to the users. The discount will be recognised as liabilities and electricity revenue deduction.

### **Revenue from sales of other goods**

Revenue from sales of other goods such as revenue from fuel providing to related parties, sales of Hydrogen gas, distilled water, chemicals and by products from generating electricity. These are recognised as revenue when control of the products has transferred to customer.

### **Revenue from services**

Revenue from services such as revenue from operation and maintenance services for power plants, telecommunication services are recognised over time as the services are provided. The related costs are recognised in profit or loss when they are incurred. The guarantee of operation and maintenance services for power plants is recognised as provision from guarantee to ensure customers that equipment are able to use as mentioned in contractual performance obligation.

For bundled packages, the Group recognises revenue from sales of products and rendering of services separately if a product or service is separately identifiable from other items and a customer can benefit from it or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices.

### **Revenue from lease contracts**

Revenue from lease contracts is recognised in profit or loss by using the effective interest rate method over the period of the power purchase agreements.

### **Interest income**

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

### **Finance cost**

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

### **Dividend income**

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

## 5.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

## 5.3 Trade and other account receivables

A receivable is recognised when the Group has an unconditional right to receive consideration. A receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date. Moreover, the Group also considers the individual assessment by using discounted cashflow method. For this, management uses an estimate debtor's future cash flows based on the penalty rate of late payment according to agreements or the incremental borrowing rate of EGAT.

## 5.4 Fuel and spare parts

Cost of fuel is determined by the moving average method.

Cost of spare parts are determined by the lower of the moving average method less allowance for obsolescence or net realisable value.

Fuel contains fuel in each power plant, liquefied natural gas, natural gas and lignite. Spare parts consist of spare parts used in the maintenance of each power plant, spare parts used in the maintenance of mining machinery, general use materials and other equipment. Important spare parts and devices that expected to be used for more than one year are shown under the heading of property, plant and equipment.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the fuel and spare parts, such as import duties and transportation charges, less all attributable discounts.

The Group has estimated allowance for obsolescence of spare parts is made on an aging analysis.

- The allowance for obsolescence of spare parts for each power plants and mine machinery is calculated by straight-line method based on useful life of the asset.

- General materials which has not moved for 6 months and above. The allowance for obsolescence of stocks are stated as follows:

No movement within	<u>Percentage of allowance for obsolescence</u>
6 - 18 months	10
Over 18 - 30 months	30
Over 30 - 48 months	50
Over 48 - 60 months	75
Over 60 months	100

### **5.5 Investments in subsidiaries, associates and joint ventures**

Investments in associates and joint ventures are accounted for in the consolidated financial statements using the equity method. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment.

Investments in subsidiaries, associates and joint ventures are accounted for in the separate financial statements using the cost method less allowance for impairment losses (if any). If the Group disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

### **5.6 Business combination and goodwill**

Business combinations are accounted for using the acquisition method, excluding a business combination under common control. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of the Group's previously held equity interest in the acquiree, in a business combination achieved in stages.

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group measures the identifiable assets acquired and the liabilities assumed at acquisition date fair value, and classifies and designates them in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the Group will be recognised at fair value at the acquisition date. A contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. A contingent consideration classified as an asset or liability is measured at fair value, with changes in fair value recognised in profit or loss.

Goodwill is initially recorded at cost, which equals the excess of cost of the business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of the business combination, the excess is immediately recognised as a gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

Business combinations under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the date of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in owners' equity. The surplus or deficit will be written off upon divestment of the businesses acquired. The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the date the businesses came under common control, whichever date is later, until control ceases.

## **5.7 Property, plant and equipment and depreciation**

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset, the cost of self-constructed assets includes capitalised borrowing costs and any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

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

Depreciation of plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Buildings and building improvements	1 - 42 years
Dam and reservoir	3 - 80 years
Power plant, machinery and equipment	1 - 30 years
Electrical control system	1 - 25 years
Electric power transmission system	1 - 45 years
Communication system	1 - 25 years
Lignite conveyor belt system and mine machinery spare parts	8 - 25 years
Vehicles	1 - 12 years
Other equipment	1 - 20 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction and installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

## **5.8 Intangible assets**

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

Land rights	30	years
Computer software and license	2 - 11	years
Rights to use royal state properties	59	years
Right of power purchase agreements and others	6 - 30	years

### **Rights to use royal state properties**

EGAT receives rights to utilise land and buildings around the Sirikit Dam, which is the state property without cost with the approval of the Ministry of Finance and EGAT recognised the cost value of the Sirikit Dam as a state property utilisation right. Only the parts that are used to generate electricity coupled with the surplus from the right to utilise in the state properties will be recognised as an expense amortised from the right to use state properties within 59 years according to the remaining useful life of the Sirikit Dam.

### **Project development rights**

Project development costs are recognised as an asset only when the development costs can be reliably measured, when that project is technically and commercially likely to bring economic benefits in the future and when the Group intends to utilise the assets or sell them. Borrowing costs can be included as part of the asset's cost price. Project development rights will be amortised upon commencement of commercial operations.

### **Land rights**

Land rights contain the land rights under transmission line that have infinite useful life and land rights for construction of power plant that have useful lives same as the useful lives of the power plants.

## **5.9 Research and development**

Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Other development expenditure and expenditure on research activities are recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses. It will be amortised when it is available for use in the manner intended.

Estimated useful lives of research and development is 1 - 30 years.

#### **5.10 Deferred project development costs**

Deferred project development costs will record as an asset when the Ministry of Energy approved the principle of investment project. In any case, if Board of Directors of the Group consider and approve the termination of the project, the Group will write-off the project development costs which was recognised as an asset to an expense in profit or loss in that period immediately.

#### **5.11 Deferred costs of lignite mining**

##### **Stripping costs**

Stripping costs are calculated by multiplying the amount of lignite mined in each period by 7.55 (the stripping ratio of 7.55:1 is a ratio of soil quantity to total usable lignite) and multiplied by the average cost of surface stripping incurred per cubic metre of stripping load. In case the actual stripping ratio in each period is greater than 7.55, the surplus is recognised as deferred costs. However, these accumulated amortisation of stripping costs must not exceed the existing deferred costs.

##### **Mineral exploration and preliminary development costs**

Mineral exploration and preliminary development costs are recognised as expenses in which they are incurred. Unless there is a plan to build a power plant on the survey site according to the power development plan, or the site is a mine expansion area, costs are recognised as deferred costs and amortised as expenses. The amortisation is calculated based on the ratio of deferred costs to total usable lignite multiplied by the amount of lignite mined in the incurred period.

##### **Resettlement costs**

Resettlement costs are recognised as expenses, which calculated based on the total actual resettlement costs divided by the amount of lignite that is expected to be mined over the useful lives of the power plants, and multiplied by the amount of lignite that can be mine in each period. The resettlement costs for areas not used for coal mining are recognised as expenses in the incurred period.

**Mineral patent costs**

Mineral patent costs are a special benefit to be paid to the government at a rate of 0.1% of the total mineral value in the mining concession plots in excess of Baht 50 million. (Mineral deposits where their value is less than or equal to Baht 50 million are exempted from such patent costs).

Each patent is granted for a period of 25 years, recognised as deferred costs and amortised as expenses over the period.

**5.12 Land for development projects**

Land for development projects is recognised initially at cost, including directly attributable costs. Subsequently, it is stated at historical cost less accumulated impairment losses.

**5.13 Leases**

At inception of a contract, the Group 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 Group as a lessee**

The Group applied 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 Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

***Right-of-use assets***

Right-of-use assets (including right-of-use assets - power plants) are measured at cost, less any accumulated depreciation, any accumulated impairment loss, and adjusted for any remeasurements of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

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

Land	30 years
Machinery and equipment	3 years
Vehicles	1 - 6 years
Other equipment	2 - 5 years
Transmission system	13 - 26 years
Right-of-use assets - power plants	Period and term stipulated in Power Purchase Agreements

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

#### ***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, variable lease payments that depend on an index or a rate, 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 Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. 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 remeasured 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.

#### ***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 recognised as expenses on a straight-line basis over the lease term.

### **The Group as a lessor**

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

#### **5.14 Related party transactions**

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

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

#### **5.15 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- an investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss); and
- qualifying cash flow hedges to the extent the hedge is effective.

## **Foreign operations**

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operation are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investment, except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in owners' equity until disposal of the investment.

### **5.16 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill and intangible assets with indefinite useful lives. An impairment loss is recognised 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 Group 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 recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

## **5.17 Employee benefits**

### **Post-employment benefits and other long-term employee benefits**

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

The Group provides provident fund, which is contributed by the employees and the Group, and managed by an external fund manager in accordance with the Provident Fund Act. B.E. 2530. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognised as employee benefit expense when they are due.

#### ***Defined benefit plans***

The Group provides for post-employment benefits, payable to employees under the labour laws applicable in Thailand and other countries in which the Group has its operations, or when the term of service is terminated according to the agreement between the Group and employees. Typically, defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually depends on many factors such as age, years of service and compensation.

The liability in respect of employee benefits is the present value of the defined benefit obligation at the end of the reporting date which is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting estimated future cash flows using yields on government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

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

### ***Other long-term benefits***

The obligations are measured similar to defined benefit plans except remeasurement gains and losses that are charged to profit or loss.

### ***Other short-term benefits***

The obligations are recognised as expenses in statement of income of the period. The Group will measure arising liabilities at the amount expected to be paid, if the Group has either legal or implied commitments resulted from past services rendered by employees, and the commitment can be reliably measured.

## **5.18 Provisions**

### ***General provisions***

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

### ***Provision for mine rehabilitation***

EGAT has an obligation under the Minerals Act B.E.2560 to undertake rehabilitation of mine sites during and after the completion of mining operations. The provision for mine rehabilitation are measured at the present value of the estimated rehabilitation cost and rehabilitation expense according to the amount of lignite that has been mined in each period. The estimated for mine rehabilitation is reviewed annually. The increased provisions due to passage of time is recognised as finance cost in the profit or loss in the period in which they are incurred.

## **5.19 Income tax**

Income tax expense represents the sum of current corporate income tax currently payable and deferred tax.

### ***Current tax***

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***

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 Group recognises deferred tax liabilities for all taxable temporary differences while it recognises 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 utilised.

At each reporting date, the Group 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 utilised.

The Group records deferred tax directly to owners' equity if the tax relates to items that are recorded directly to owners' equity.

## **5.20 Financial instruments**

The Group 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 amortised 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 Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

#### ***Financial assets at amortised cost***

The Group measures financial assets at amortised 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 amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### ***Financial assets at FVOCI (debt instruments)***

The Group measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows and to sell the financial asset 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.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

#### ***Financial assets designated at FVOCI (equity instruments)***

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

#### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

#### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised 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 recognised in profit or loss.

### **Impairment of financial assets other than trade receivables**

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as overdue contractual payments, credit rating of issuers.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is over the payment specified in the contract

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

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **Interest rate benchmark reform**

When the basis of determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform (IBOR reform), the Group firstly updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by IBOR reform. If there were any other additional changes, the Group applied the policies on accounting for modifications to those changes.

## 5.21 Derivatives and hedge accounting

The Group uses derivatives, such as forward currency contracts, cross currency swaps and interest rate swaps, to hedge its foreign currency risks and interest rate risks, respectively.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

### **Hedge accounting**

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

### ***Cash flow hedges***

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts (forward points) is recognised in a cash flow hedging reserve within owners' equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the cash flow hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the cash flow hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the cash flow hedging reserve are immediately reclassified to profit or loss.

## 5.22 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 Group applies 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 Group measures fair value using valuation technique that are appropriate in the circumstances and maximises 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 categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an 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

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

At the end of each reporting period, the Group determines 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.

## **6. Business acquisition**

### **Business acquisition in 2022**

#### **Acquiring shares to invest in Nexif Energy Holding B.V. ("NEHBV")**

On 20 December 2022, RH International (Singapore) Corporation Pte. Ltd. ("RHIS"), an indirect subsidiary, acquired shares in Nexif Energy Holding B.V. ("NEHBV") which hold the asset of renewable energy power plants, gas turbine power plant, combined cycle power plant and battery energy storage system in Thailand, the Commonwealth of Australia and the Socialist Republic of Vietnam in proportion of investment of 100% amounting to US Dollars 481 million or equivalent to Baht 16,617 million.

According to the above acquisition, the Group has engaged an independent appraiser to determine the fair values of net assets and liabilities acquired. As at 31 December 2022, the determination of the fair values has not been completed. Therefore, the Group has recorded at provisional amounts in consolidated statement of financial position as at 31 December 2022. The fair value of assets acquired and liabilities assumed may be adjusted when the appraiser's report is completed.

The Group has continuously reviewed fair values of the business acquired within one year from the acquisition date, taking into accounts additional information, facts as well as circumstances that existed at the acquisition date. Consequently, the adjustments on accounting transaction of such acquisition will be made.

Assets acquired and liabilities assumed at the acquisition date:

	(Unit : Million Baht)
	<b>Fair value</b>
Cash and cash equivalents	1,902
Trade and other receivables	444
Inventories	344
Property, plant and equipment	17,470
Intangible assets	3,064
Other assets	2,267
Trade and other payables	(777)
Loans	(11,378)
Lease liabilities	(1,711)
Deferred tax liabilities	(560)
Other liabilities	(1,902)
<b>Total identifiable net assets</b>	<b>9,163</b>
Less: Non-controlling interests	(530)
<b>Total identifiable net assets received</b>	<b>8,633</b>
Fair value of an existing interest in NRES before business acquisition	(1,781)
Goodwill arising from the acquisition	9,765
<b>Purchase consideration transferred</b>	<b>16,617</b>
Net cash acquired	(1,902)
<b>Net cash outflows</b>	<b>14,715</b>

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

If the acquisition had occurred on 1 January 2022, management estimates that consolidated revenue would have increased by Baht 3,564 million and operating profit for the year would have increased by Baht 719 million. However, power purchase arrangements of a subsidiary in Australia result in containing the derivative components and shall be measured at fair value. As at 31 December 2022, there was loss on fair value adjustment of derivatives amounting to Baht 2,781 million. The management currently in the process to assess the value of the derivative assets or liabilities. This process takes time to collect information and consider an appropriate valuation model to apply.

According to the Group acquiring 100% shares of NEHBV, which holds the varies of asset class. In part, resulting to the Group was able to invest in Nexif RATCH Energy Singapore Pte. Ltd. (“NRES”), the existing joint venture, such joint venture increased by 51% and combined with RHIS’s existing 49%, resulting to the Group hold 100% of shares of NRES. As a result, NRES had changed to be a subsidiary of the Group. Therefore, the Group had to recognise of the value of the interests in NRES before the acquisition of the ordinary shares at fair value at the purchased date and recognised such differences in the statement of income as follows:

	(Unit: Million Baht)
Fair value of equity interests in NRES of RHIS prior to acquisition	1,781
Less: Carrying value of NRES accounted for equity method in the Group at the acquisition date	(1,130)
Add: Amount arising from interests recognised in other comprehensive income	10
<b>Difference from changes in fair value of investment in a joint venture</b>	<b>661</b>

#### **Acquiring to invest in Nexif Ratch Energy Investments Pte. Ltd. (“NREI”)**

In addition, on 20 December 2022, RHIS, an indirect subsidiary, acquired shares in NXF Holdings 2 Limited (“NXF2”) and restructured by establishing Nexif Ratch Energy Investments Pte. Ltd. (“NREI”) with Nexif Energy Investment Pte. Ltd. (“Nexif Energy”). RHIS hold 49% shares of NREI for investing in renewable energy power plants project in the Socialist Republic of Vietnam and the Public of the Philippines and seeking new projects in Southeast Asia and the Commonwealth of Australia.

The above acquisition has a total investment value of US Dollars 136 million or equivalent to Baht 4,696 million and loans to Nexif Energy amounting to US Dollars 50 million or equivalent to Baht 1,725 million.

The management appointed an independent appraiser to determine the fair value of business. As at 31 December 2022, the fair value appraisal has not been completed, details as follows:

	(Unit : Million Baht)
	<b>Fair value</b>
Cash and cash equivalents	1,601
Trade receivable and other current assets	335
Property, plant and equipment	1,942
Intangible assets	3,773
Other assets	1,484
Trade and other payables	(364)
Loans and lease liabilities	(938)
Deferred tax liabilities	(315)
Non-controlling interest	(251)
<b>Total identifiable net assets</b>	<b>7,267</b>
Interest acquired (%)	49
	<b>3,561</b>
Excess of purchase consideration over fair value	1,135
<b>Purchase consideration transferred</b>	<b>4,696</b>

### **Business acquisition in 2021**

#### **Share acquisition of Sahacogen (Chonburi) Public Company Limited (“SCG”)**

On 13 December 2021, RATCH Group Public Company Limited (“RATCH”), a direct subsidiary, completed the purchase of the ordinary shares of Sahacogen (Chonburi) Public Company Limited (“SCG”), which is listed on the Stock Exchange of Thailand, in the total amount of Baht 3,413 million, equivalent to 51% of the total issued shares in SCG. According to the above acquisition, RATCH has determined goodwill from the acquisition in the amount of Baht 1,430 million.

TFRS required Management to make preliminary assessment of the fair values of the assets, liabilities and contingent liabilities specified at the acquisition date. The Group hired an independent appraiser to determine the fair value of assets and liabilities acquired during the measurement period, which must not exceed one year from the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. Finalisation of the valuation of net assets of investment was completed in August 2022.

The following summarises RATCH's consideration transferred, and the fair value of net assets acquired assumed at the acquisition date:

	(Unit : Million Baht)		
	<u>Recognised value</u>	<u>Adjustments</u>	<u>Fair value</u>
Cash and cash equivalents	1,435	-	1,435
Trade and other current receivables	573	-	573
Inventories	262	-	262
Intangible assets - power purchase agreements	-	3,680	3,680
Property, plant and equipment	5,048	(141)	4,907
Deferred tax assets	27	58	85
Other assets	385	-	385
Trade and other payables	(351)	-	(351)
Loans and borrowings	(2,987)	-	(2,987)
Deferred tax liabilities	-	(693)	(693)
Other liabilities	(428)	-	(428)
Non-controlling interest	(78)	(2)	(80)
<b>Total identifiable net assets</b>	<b><u>3,886</u></b>	<b><u>2,902</u></b>	<b><u>6,788</u></b>
Interest acquired (%)			<u>51</u>
			<b>3,462</b>
Goodwill	1,430	(1,430)	-
Gain on bargain purchase	-	(49)	(49)
<b>Purchase consideration transferred</b>			<b><u>3,413</u></b>

The valuation techniques used for measuring the fair value of material assets acquired are as follows;

- The fair value of power purchase agreements and concession right was determined based on income approach using Multi-period Excess Earning Method (MEEM) with operating period under power purchase agreement and related conditions. Key assumptions included forecast revenue and discount rate.
- The fair value of property plant and equipment was determined based on market approach.

The consolidated financial statements as at 31 December 2021 included in these financial statements have been restated to reflect new information obtained about facts and circumstances that existed as of the acquisition date and the subsequently recognised adjustments as follows;

**The impacts to the consolidated statement of financial position as at 31 December 2021**

(Unit: Million Baht)

**Assets**

Intangible assets increase	3,674
Property, plant and equipment decrease	(141)
Deferred tax assets increase	57
Goodwill decrease	(1,430)

**Liabilities**

Deferred tax liabilities increase	(692)
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**Total****1,468****Owners' equity**

Retained earnings increase	21
Non-controlling interest increase	1,447

**Total owners' equity increase****1,468****The impacts to the consolidated statement of income for the year ended 31 December 2021**

(Unit: Million Baht)

Administrative expenses increase	(6)
Gain on bargain purchase increase	49
Tax expense decrease	1
Profit or loss for the year increase	<b>44</b>

**The impacts to the consolidated statement of cash flow for the year ended 31 December 2021**

(Unit: Million Baht)

**Cash flows from operating activities**

-

Profit for the year increase	44
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**Adjustments**

Tax expense decrease	(1)
Amortisation increase	6
Gain on bargain purchase increase	(49)

**Net change cash flow**

-

In addition, on 31 January 2022, which is the end of the tender offer, there were those who expressed the intentions to sell in the total amount of 8 million shares, equivalent to 0.67% of the total issued and paid-up shares, at Baht 5.75 per share amounting to Baht 44 million. After such transaction is completed, RATCH hold the total of 601 million shares or equivalent to 51.67% of the total issued shares.

The effects of changes in ownership interests in consolidated financial statement as follows:

	(Unit : Million Baht)
Carrying amount of non-controlling interests acquired	44
Less: consideration paid to non-controlling interests	(44)
<b>Increase in equity attributable to owners of the Group from additional investments in subsidiary</b>	<b>-</b>

## 7. Related parties

A related party is a person or entity that has direct or indirect control or jointly control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or jointly control or has significant influence over the financial and managerial decision-making of a person or entity.

Relationships with subsidiaries, associates and joint ventures are described in notes 2.2 a), 11 and 12. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/	
	Nationality	Nature of relationships
Ministry of Energy	Thailand	Regulator
Ministry of Finance	Thailand	Regulator and owner
Metropolitan Electricity Authority	Thailand	Under the same owner as EGAT
Provincial Electricity Authority	Thailand	Under the same owner as EGAT
Department of Alternative Energy Development and Efficiency	Thailand	Under the same regulator as EGAT
PTT Public Company Limited (PTT)	Thailand	Under the same regulator and owner as EGAT
PTT LNG Company Limited (PTTLNG)	Thailand	Direct subsidiary of PTT
Energy Complex Company Limited (ENCO)	Thailand	Direct subsidiary of PTT
Global Power Synergy Public Company Limited (GPSC)	Thailand	Direct subsidiary of PTT
PTT Tank Terminal Company Limited (PTT TANK)	Thailand	Direct subsidiary of PTT

Name of entities	Country of	Nature of relationships
	incorporation/ Nationality	
PTT Oil and Retail Business Public Company Limited (OR)	Thailand	Direct subsidiary of PTT
PTT Global Chemical Public Company Limited (PTTGC)	Thailand	Direct subsidiary of PTT
Thai Oil Public Company Limited (TOP)	Thailand	Direct subsidiary of PTT
Business Services Alliance Company Limited (BSA)	Thailand	Direct subsidiary of PTT
PTT International Trading Pte Ltd. (PTTT)	Singapore	Direct subsidiary of PTT
IRPC Clean power Company Limited (IRPCCP)	Thailand	Indirect subsidiary of PTT
Houay Ho Power Company Limited (HHPC)	Lao PDR	Indirect subsidiary of PTT
Glow Energy Public Company Limited (GEN)	Thailand	Indirect subsidiary of PTT
Glow SPP 2 Company Limited (GSPP2)	Thailand	Indirect subsidiary of PTT
Glow SPP 3 Company Limited (GSPP3)	Thailand	Indirect subsidiary of PTT
Glow SPP 11 Company Limited (GSPP11)	Thailand	Indirect subsidiary of PTT
Glow IPP Company Limited (GIPP)	Thailand	Indirect subsidiary of PTT
GHECO-One Company Limited (GHECO1)	Thailand	Indirect subsidiary of PTT
GC Maintenance & Engineering Company Limited (GCME)	Thailand	Indirect subsidiary of PTT
NPC Safety and Environmental Service Company Limited (NPCSE)	Thailand	Indirect subsidiary of PTT
Thaioil Power Company Limited (TP)	Thailand	Indirect subsidiary of PTT
TOP SPP Company Limited (TOPSPP)	Thailand	Indirect subsidiary of PTT
LABIX Company Limited (LABIX)	Thailand	Indirect subsidiary of PTT
Bangpa-in Cogeneration Company Limited (BIC)	Thailand	Indirect associate of PTT
Xayaburi Power Company Limited (XPCL)	Lao PDR	Indirect associate of PTT
Nam Lik1 Power Company Limited (NL1PC)	Lao PDR	Indirect joint venture of PTT
Key management personnel	Thai	Persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

Significant transactions with related parties for the years ended 31 December 2022 and 2021 as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Subsidiaries</b>				
Revenue from electric energy sales	-	-	200	208
Revenue from sales of goods and services	-	-	1,078	1,449
Cost of electric energy sales	-	-	63,576	31,452
Purchase of goods or services	-	-	698	808
<b>Associates</b>				
Revenue from electric energy sales	25	23	25	23
Revenue from sales of goods and services	91	200	77	187
Cost of electric energy sales	37,300	23,279	37,300	23,279
Purchase of goods or services	60	160	50	151
<b>Joint ventures</b>				
Revenue from electric energy sales	118	79	118	79
Revenue from sales of goods and services	2,355	2,452	2,011	2,151
Cost of electric energy sales	40,653	34,349	40,653	34,349
Purchase of goods or services	1,801	1,567	1,801	1,567
<b>Other related parties</b>				
Revenue from electric energy sales	637,002	506,698	636,483	506,698
Revenue from sales of goods and services	99	151	92	141
Cost of electric energy sales	216,127	127,624	208,935	126,157
Purchase of goods or services	36	67	36	67

### **Directors and management's benefits**

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Directors remuneration	35	37	12	14
Short-term employee benefits	327	303	137	135
Defined benefit plan and other long-term benefits	9	8	4	4
<b>Total</b>	<b>371</b>	<b>348</b>	<b>153</b>	<b>153</b>

As at 31 December 2022 and 2021, the balances of the accounts between the Group and those related parties are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Trade receivables</b>				
Subsidiaries	-	-	372	604
Associates	29	10	25	10
Joint ventures	138	269	138	269
Other related parties	81,252	54,485	81,156	54,431
<b>Total</b>	<b>81,419</b>	<b>54,764</b>	<b>81,691</b>	<b>55,314</b>

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Other receivables</b>				
Subsidiaries	-	-	39	-
Associates	1,137	1,032	17	81
Joint ventures	337	493	276	470
Other related parties	1,392	2,481	1,390	2,481
<b>Total</b>	<b>2,866</b>	<b>4,006</b>	<b>1,722</b>	<b>3,032</b>
Less: Allowance for expected credit losses	(94)	(100)	(94)	(100)
<b>Net</b>	<b>2,772</b>	<b>3,906</b>	<b>1,628</b>	<b>2,932</b>

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Expected credit losses of other receivables (reversal) for the year ended 31 December	(6)	21	(6)	21

## Long-term loans to related parties and accrued interest receivables

(Unit: Million Baht)

	Interest rate		Consolidated financial statements			
	31 December	31 December	31 December	Increase	Exchange	31 December
	2021	2022	2021			differences
	(% per annum)					
<b>Long-term loans to</b>						
Associates	5.00	5.00	32	50	-	82
Joint ventures	4.21 - 5.30	4.22 - 8.73	631	52	18	701
Less: Allowance for expected credit loss			(7)			(12)
<b>Net</b>			<b>656</b>			<b>771</b>

(Unit: Million Baht)

	Consolidated financial statements	
	2022	2021
Expected credit losses of long-term loan to (reversal) for the year ended 31 December	5	(9)

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Trade payables</b>				
Subsidiaries	-	-	10,686	8,953
Associates	7,656	6,275	7,656	6,275
Joint ventures	8,583	8,985	8,583	8,985
Other related parties	41,903	23,684	41,590	23,516
<b>Total</b>	<b>58,142</b>	<b>38,944</b>	<b>68,515</b>	<b>47,729</b>

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Other payables</b>				
<b>- Current</b>				
Subsidiaries	-	-	5	1
Associates	536	2,249	-	-
Joint ventures	741	723	723	706
Other related parties	151	287	151	287
<b>Total</b>	<b>1,428</b>	<b>3,259</b>	<b>879</b>	<b>994</b>
<b>- Non-current</b>				
Associates	2,758	3,193	-	-
Joint ventures	-	4	-	-
<b>Total</b>	<b>2,758</b>	<b>3,197</b>	<b>-</b>	<b>-</b>

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Other non-current liabilities</b>				
Subsidiaries	-	-	775	4
Joint ventures	23	23	23	23
Other related parties	157	68	157	68
<b>Total</b>	<b>180</b>	<b>91</b>	<b>955</b>	<b>95</b>

	(Unit: Million Baht)	
	Consolidated and Separate financial statements	
	<u>2022</u>	<u>2021</u>
<b>Accrued remittance to the Ministry of Finance</b>		
As at 1 January	11,007	5,247
Increase in accrued remittance to the Ministry of Finance	20,841	25,483
Amount remitted to the Ministry of Finance	(5,000)	(19,723)
<b>As at 31 December</b>	<b>26,848</b>	<b>11,007</b>

The Ministry of Finance prescribed that EGAT has to remit the 50% of the net profit for the year before bonus expense of separate financial statement, this might vary depend on the revision of the Ministry of Finance.

(Unit: Million Baht)

	Consolidated financial statements					
	Current portion		Non-current portion		Total	
	2022	2021	2022	2021	2022	2021
Lease liabilities from Power Purchase Agreements	18,652	18,834	198,540	213,379	217,192	232,213
Less: Deferred interest expenses	(10,884)	(11,364)	(92,053)	(101,129)	(102,937)	(112,493)
<b>Lease liabilities from Power Purchase Agreements - net</b>	<b>7,768</b>	<b>7,470</b>	<b>106,487</b>	<b>112,250</b>	<b>114,255</b>	<b>119,720</b>

(Unit: Million Baht)

	Separate financial statements					
	Current portion		Non-current portion		Total	
	2022	2021	2022	2021	2022	2021
Lease liabilities from Power Purchase Agreements	21,484	23,132	206,432	224,103	227,916	247,235
Less: Deferred interest expenses	(12,006)	(12,853)	(93,902)	(104,100)	(105,908)	(116,953)
<b>Lease liabilities from Power Purchase Agreements - net</b>	<b>9,478</b>	<b>10,279</b>	<b>112,530</b>	<b>120,003</b>	<b>122,008</b>	<b>130,282</b>

### Long-term loans from related parties

(Unit: Million Baht)

	Interest rate		Consolidated and separate financial statements			
	31 December 2021	31 December 2022	31 December 2021	Increase	Decrease	31 December 2022
	(% per annum)					
<b>Loans</b>						
The Ministry of Finance	3.00	3.00	39	-	(6)	33
<b>Net</b>			<b>39</b>			<b>33</b>

## **Significant agreements with related parties**

### **Fuel Purchase Agreements**

As at 31 December 2022, three indirect subsidiaries had commitments under Natural Gas Purchase Agreement with PTT Public Company Limited (“PTT”) for a period of 25 years for 2 contracts and another contract will expire in April 2049. PTT will distribute natural gas to such subsidiaries at the agreed quantity and price.

As at 31 December 2022, an indirect subsidiary had commitments under Diesel Purchase Agreement with PTT Oil and Retail Business Public Company Limited for a period of 3 years. OR will distribute diesel to the subsidiary at the agreed quantity and price. The agreement is automatically extended for a period of 1 year unless a written notice is provided at least 6 months before the agreement automatically extended.

As at 31 December 2022, an indirect subsidiary had commitments under the fuel oil purchase and sale agreement with PTT Oil and Retail Business Public Company Limited to reserve fuel oil and use to generate electricity at the Ratchaburi Thermal Power Plant. The subsidiary entered into a Fuel oil Purchase Agreement with PTT Oil and Retail Business Public Company Limited (“OR”) for a period of a year ended 24 May 2023.

As at 31 December 2022, EGAT has commitments under the Natural Gas Purchase Agreement for power plants with PTT Public Company Limited amounting to Baht 187,316 million (2021: Baht 280,724 million).

As at 31 December 2022, EGAT has commitments under Fuel Purchase Agreement for power plant and vehicle with PTT Oil and Retail Business Public Company Limited amounting to Baht 405 million (2021: Baht 924 million).

### **Fuel Management Service Agreement**

On 1 July 2012, Ratchaburi Electricity Generating Company Limited, an indirect subsidiary, entered into a Fuel Management Service Agreement with EGAT, whereby EGAT will coordinate the supply and delivery of fuel oil, according to the demand of such subsidiary and align with EGAT’s power dispatching plan. The agreement is effective from 1 July 2012 until 30 June 2013. The service fee is stipulated in the agreement. The agreement is automatically extended for a period of 1 year unless written notice.

## **Power Purchase Agreements**

On 9 October 2000, Ratchaburi Electricity Generating Company Limited, an indirect subsidiary, entered into a Power Purchase Agreement with EGAT for a period of 25 years, which such subsidiary will deliver net electricity generation from Thermal power plants unit 1 and 2 and combined-cycle power plants block 1, 2 and 3 to EGAT under the conditions of the Power Purchase Agreement. Such subsidiary will receive revenue from EGAT, which are comprised of energy payment (EP) and availability payment (AP). An energy payment (EP) covers production costs which are comprised of fuel costs and variable costs of operation and maintenance. Such costs will be adjusted in accordance with fuel price, Energy Efficiency Ratio and Consumer Price Index. An availability payment (AP) covers the repayment of principal and interest of loans, return on investment to shareholders, fixed operation and maintenance expenses, maintenance parts expenses and administrative expenses. Such costs will be adjusted to cover the changes of interest rates, Consumer Price Index and exchange rates.

On 3 December 2009, RATCH Cogeneration Company Limited, an indirect subsidiary, entered into a Power Purchase Agreement for RATCH Cogeneration Power Project located in Pathum Thani province with EGAT. The agreement is effective from the execution date until the 25-year from the commercial operation date. The project is a combined-cycle power plant project with total contracted capacity of 110 Megawatts which started its commercial operation in 2013.

On 12 July 2019, Hin Kong Power Company Limited, an indirect joint venture, entered into a Power Purchase Agreement for Hin Kong Power Project located in Ratchaburi province with EGAT. The agreement is effective from the execution date until the 25-years from the commercial operation date. The project is a combined-cycle power plant project with total contracted capacity of 1,400 Megawatts which unit 1 and unit 2 are scheduled for commercial operation in 1 March 2024 and 1 January 2025, respectively.

Sahacogen (Chonburi) Public Company Limited, an indirect subsidiary, entered into a Power Purchase Agreement with EGAT to sell electricity in a specified quantity and at a stipulated price as defined in the agreement. The agreement period is 25 years and will expire in April 2024. On 26 November 2021, the subsidiary entered into a Power Purchase Agreement for a period of 25 years as from the scheduled commercial operation date (SCOD) specified in the agreement will be 19 April 2024 and the agreement will end in April 2049. This Power Purchase Agreement obliged the subsidiary to construct new cogeneration power plant which has a maximum capacity of 73 megawatts for electricity and 75 tons per hour for steam.

Sahacogen Green Company Limited, an indirect subsidiary, entered into an agreement with the Provincial Electricity Authority (PEA) to sell electricity in a specified quantity and at a stipulated price as defined in the agreement. The agreement is for a period of 5 years, and will automatically renew every 5 years until termination. In 2016, the subsidiary joined the program for producers of electricity from renewable energy sources to change from an Adder to a Feed-in Tariff (FiT), and as a result entered into an amendment to the sales and purchase of electricity agreement with PEA in September 2016, whereby it is required to comply with certain conditions and the period for purchase of electricity is reduced, with the agreement expiring in October 2027.

Sahagreen Forest Company Limited, an indirect subsidiary, entered into an agreement with the Provincial Electricity Authority (PEA) to sell electricity in a specified quantity and at a stipulated price as defined in the agreement. The agreement is for a period of 20 years. Since the subsidiary joined the program for producers of electricity from renewable energy sources to change from an Adder to a Feed-in Tariff (FiT) in September 2016, it entered into an amendment to the sales and purchase of electricity agreement with PEA, whereby it is required to comply with conditions regarding the sale and purchase of electricity and connection to the electricity grid and the period for purchase of electricity is reduced, with the agreement expiring in March 2029.

EGAT entered into Firm replacement agreements with PTT Global Chemical Public Company Limited and EGCO Cogeneration Company Limited to purchase electricity with the commercial operation date starting from 31 March 2022 and 28 January 2024, respectively.

As at 31 December 2022, EGAT had commitments under long-term power purchase agreements from thermal power plant and a combined-cycle power plant made with power producers, i.e., 2 indirect subsidiaries, 3 indirect associates, 3 indirect joint ventures, and 1 other related party, totaling Baht 1,322,825 million (2021: Baht 677,038 million).

### **Operation and Maintenance Agreement**

On 7 January 2009, Ratchaburi Electricity Generating Company Limited, an indirect subsidiary, entered into an Operation and Maintenance Agreement with EGAT. The agreement is effective from 1 January 2009 until the termination dates of the Power Purchase Agreement for Thermal power plants and combined-cycle power plants. EGAT will operate and provide routine maintenance services including major overhaul to such subsidiary. The initial value of the agreement is approximately Baht 16,608 million, which will be adjusted by the annual Consumer Price Index.

On 27 May 2020, RATCH-Lao Services Company Limited, an indirect subsidiary, entered into a Personnel Providing Service for Operation and Maintenance Agreement with EGAT, whereby such subsidiary will recruit and provide qualified personnel according to the number and qualifications specified in the agreement for operation and maintenance of Nam Ngiep 1 Hydropower Plant located in Lao PDR, for a period of 58 months. The agreement is effective from May 2020 to February 2025. The total value of the agreement is Baht 37 million.

On 28 October 2020, RATCH-Lao Services Company Limited, an indirect subsidiary, entered into an Operation and Maintenance Services Agreement for Hongsa Mine Mouth Power Project in Lao PDR with EGAT to operate and maintenance for Hongsa Power Project for a period of 36 months from November 2020 onwards. The total value of the agreement is Baht 168 million.

On 1 September 2022, EGAT entered into an Operation and Maintenance Services Agreement for Hin Kong Power Company Limited for a period of 12 year and 8 months. The total value of the agreement is Baht 2,400 million.

#### **Land Lease Agreement and Common Facility Agreement**

On 7 June 2004 and 21 October 2005, Ratchaburi Electricity Generating Company Limited, an indirect subsidiary, entered into a Land Lease Agreement for an area of 145 rai with Ratchaburi Power Company Limited, an indirect joint venture. The land is located in the Ratchaburi Power Plant area. The rental period is 25 years and 3 months commencing from the commercial operation date of such company.

On 25 November 2005, Ratchaburi Electricity Generating Company Limited, an indirect subsidiary, entered into a Common Facility Agreement with Ratchaburi Power Company Limited, an indirect joint venture, whereby such subsidiary will provide certain facilities, services, right to use and access rights to utilities relating to construction and operation to Ratchaburi Power Company Limited as stipulated in the agreement. This agreement is effective from the signing date in the agreement until the termination date of the land lease agreement dated on 7 June 2004.

On 23 August 2019, Ratchaburi Electricity Generating Company Limited, an indirect subsidiary, entered into a land lease agreement of 175 rai with Hin Kong Power Company Limited, an indirect joint venture, for a period of 29 years which effective from 1 January 2021 onwards.

On 30 June 2021, Ratchaburi Electricity Generating Company Limited, an indirect subsidiary, entered into a land lease agreement of 8 rai with Hin Kong Power Company Limited, an indirect joint venture, for a period of 28 years and 6 months which effective from 1 July 2021 onwards.

### **Electricity sales from rooftop solar cell Agreement**

On 30 August 2022, Sahacogen Green Company Limited, an indirect subsidiary, entered into agreements with Principal Healthcare Group to sell electricity from solar cell in a specified quantity and at a stipulated price as defined in the agreements. The agreement is for a period of 25 years starting from the power purchase date.

### **Management Service Agreement**

On 27 February 2004, RATCH Group Public Company Limited, a direct subsidiary, entered into a Management Service Agreement with Ratchaburi Power Company Limited, an indirect joint venture, whereby RATCH Group Public Company Limited will receive management service fee amounting to US Dollars 3 million per annum for a period of 25 years and 3 months commencing from the commercial operation date of the Power Plant Unit 1 of Ratchaburi Power Company Limited. The total value of the agreement is US Dollars 63 million.

On 24 February 2021, RATCH Group Public Company Limited, a direct subsidiary, entered into a Management Service Agreement with Hin Kong Power Company Limited, an indirect joint venture, whereby RATCH Group Public Company Limited will receive management service fee amounting to Baht 36 million per year and will increase annually as stipulated in the agreement. The agreement is automatically extended for a period of 1 year unless written notice.

### **Agreement in relation to investment in Chubu Ratchaburi Electric Services Company Limited**

On 29 September 2005, RATCH Group Public Company Limited, a direct subsidiary, and Chubu Electric Power (Thailand) Company Limited entered into a Shareholders Agreement to set up Chubu Ratchaburi Electric Services Company Limited, an indirect joint venture. Under the terms of the shareholders agreement, if Chubu Ratchaburi Electric Services Company Limited requires additional funding exceeding its registered share capital, RATCH Group Public Company Limited agreed to provide financial support in the form of shareholders' loans or other shareholders' guarantees in proportion of investment of 50%. The agreement does not specify the amount of financial support. As at 31 December 2022, RATCH Group Public Company Limited has not provided any loans or guarantees under the agreement.

### **Sponsor Support Agreement with Northern Bangkok Monorail Company Limited and Eastern Bangkok Monorail Company Limited**

On 11 October 2017, RATCH Group Public Company Limited, a direct subsidiary, entered into a Sponsor Support Agreement with Northern Bangkok Monorail Company Limited and Eastern Bangkok Monorail Company Limited, indirect associates. RATCH Group Public Company Limited agreed to provide financial support in the form of shareholders' loans or other shareholders' guarantees in proportion of investment of 10% with credit limit and conditions as specified in the agreement. As at 31 December 2022, RATCH Group Public Company Limited has not yet provided any loans or guarantees under the agreement with Eastern Bangkok Monorail Company Limited.

### **Sponsor Support Agreement with Nexif Ratch Energy Rayong Company Limited**

RATCH Group Public Company Limited, a direct subsidiary, entered into a Sponsor Support Agreement with Nexif Ratch Energy Rayong Company Limited, an indirect subsidiary. RATCH Group Public Company Limited agreed to provide financial support in the form of shareholders' loans or other shareholders' guarantees. As at 31 December 2022, RATCH Group Public Company Limited has provided the guarantee to such company with credit amount of Baht 97 million.

### **Loans to related parties agreement**

As at 31 December 2022, RATCH Group Public Company Limited, a direct subsidiary, had outstanding balance of loans to Xe-Pian Xe-Namnoy Power Company Limited, an indirect joint venture, amounting to US Dollars 1 million or equivalent to Baht 45 million with interest at the rate of 3-Month London Interbank Offered Rate (LIBOR), plus fixed margin per annum. The loan agreement determined the repayment term of principal and interest within 27 years commencing from the joint venture made the first drawdown of loans from financial institutions on 5 February 2014. RATCH Group Public Company Limited had outstanding balance of loans for the purpose of covering additional expenditure of the Xe-Pian Xe-Namnoy Hydroelectric Power Project amounting to US Dollars 17 million or equivalent to Baht 575 million with interest at the rate of 3-Month London Interbank Offered Rate (LIBOR), plus fixed margin per annum. The principal and interest will be due as stipulated in the agreement.

As at 31 December 2022, RATCH Group Public Company Limited, a direct subsidiary, had outstanding balance of loans to Smart Infranet Company Limited, an indirect joint venture, amounting to Baht 26 million with interest at the fixed rate of 5.30% per annum. The principal and interest will be due as stipulated in the agreement. RATCH Group Public Company Limited has no intention to recall the loans from the joint venture within one year. Therefore, RATCH Group Public Company Limited classified the balance of the loan as long-term loan.

As at 31 December 2022, RATCH Group Public Company Limited, a direct subsidiary, had outstanding balance of loans to Things on Net Company Limited, an indirect joint venture, amounting to Baht 24 million with interest at the fixed rate of 5.30% per annum. The principal and interest will be due as stipulated in the agreement. RATCH Group Public Company Limited has no intention to recall the loans from the joint venture within one year. Therefore, RATCH Group Public Company Limited classified the balance of the loan as long-term loan.

As at 31 December 2022, RATCH Group Public Company Limited, a direct subsidiary, had outstanding balance of loans to Northern Bangkok Monorail Company Limited, an indirect associate, amounting to Baht 82 million with interest at the fixed rate of 5.00% per annum. The principal and interest will be due as stipulated in the agreement. RATCH Group Public Company Limited has no intention to recall the loans from the associate within one year. Therefore, RATCH Group Public Company Limited classified the balance of the loan as long-term loan.

As at 31 December 2022, RATCH Group Public Company Limited, a direct subsidiary, had outstanding balance of loans to Sekong Investment Advisory Co., Ltd., an indirect joint venture, amounting to US Dollars 1 million or equivalent to Baht 31 million with interest at the rate of 6-Month London Interbank Offered Rate (LIBOR), plus fixed margin per annum. The principal and interest will be due as stipulated in the agreement. In case that LIBOR interest rate benchmark is subsequently discontinued, counterparties will consider using other reference rate.

#### **Obligations related to Share Purchase Agreement**

RATCH Group Public Company Limited, a direct subsidiary, has obligations under a Share Purchase Agreement related to the purchase of ordinary shares in the two associates. Under the terms of the agreement, the other shareholder has additional rights to RATCH Group Public Company Limited's dividend entitlements from those associates.

#### **Obligations related to Guarantee Service Agreement with Hin Kong Power Holding Company Limited and Hin Kong Power Company Limited**

RATCH Group Public Company Limited, a direct subsidiary, has obligations under a Guarantee Service Agreement to Hin Kong Power Holding Company Limited, an indirect joint venture, and Hin Kong Power Company Limited, an indirect joint venture. Under the terms of the agreement defined RATCH Group Public Company Limited as guarantor, in proportion of shareholder of 51%. The facilities and terms are stipulated in the agreement.

## 8. Cash and cash equivalents

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash on hand	7	7	5	5
Cash at banks	66,602	66,277	54,427	58,950
Fixed deposits	27,543	1,911	-	1,500
Fixed deposit receipts	3,510	666	-	-
<b>Total</b>	<b>97,662</b>	<b>68,861</b>	<b>54,432</b>	<b>60,455</b>

As at 31 December 2022, bank deposits in saving accounts, fixed deposits and fixed deposit receipts carried interests between 0.05 and 4.90 percent per annum (2021: between 0.01 and 1.10 percent per annum).

## 9. Trade receivables

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Not yet due	83,350	43,469	82,582	43,141
Overdue:				
1 - 180 days	10	12,698	5	12,679
181 - 360 days	38	-	-	-
Over 360 days	50	50	50	50
<b>Total</b>	<b>83,448</b>	<b>56,217</b>	<b>82,637</b>	<b>55,870</b>
Less: Allowance for expected credit losses	(51)	(50)	(51)	(50)
<b>Net</b>	<b>83,397</b>	<b>56,167</b>	<b>82,586</b>	<b>55,820</b>

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Allowance for expected credit losses</b>				
As at 1 January	50	50	50	50
Addition	1	-	1	-
<b>As at 31 December</b>	<b>51</b>	<b>50</b>	<b>51</b>	<b>50</b>

## 10. Fuel and spare parts

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Fuel and spare parts</b>				
Power plant fuel	3,873	10,393	2,770	9,026
Lignite coal	1,501	1,630	1,501	1,630
Spare parts and supplies	12,993	12,764	11,063	11,199
	<b>18,367</b>	<b>24,787</b>	<b>15,334</b>	<b>21,855</b>
Less: Allowance for obsolescence	(7,850)	(7,832)	(6,843)	(6,875)
<b>Net</b>	<b>10,517</b>	<b>16,955</b>	<b>8,491</b>	<b>14,980</b>
<b>Fuel and spare parts recognised in net cost of sales</b>	<b>32,017</b>	<b>27,485</b>	<b>25,808</b>	<b>25,064</b>

## 11. Investments in subsidiaries

### 11.1 Details of investments in subsidiaries as presented in separate financial statements

(Unit: Million Baht)

Company's name	Paid-up capital		Shareholding		Cost		Dividend received	
			percentage				during the year	
	2022	2021	2022	2021	2022	2021	2022	2021
			(%)	(%)				
RATCH Group Public Company Limited	21,750	14,500	45.00	45.00	17,774	6,525	1,664	1,566
EGAT International Company Limited	12,197	12,197	99.99	99.99	12,197	12,197	38	13
EGAT Diamond Service Company Limited	623	623	45.00	45.00	281	281	10	11
<b>Total</b>					<b>30,252</b>	<b>19,003</b>	<b>1,712</b>	<b>1,590</b>

None of EGAT's subsidiaries are publicly listed and consequently do not have published price quotations except RATCH Group Public Company Limited which is listed company on the Stock Exchange of Thailand. Based on the closing price of Baht 42.75 per share as at 31 December 2022 (2021: Baht 45.00 per share), the fair value of the investment in RATCH Group Public Company Limited was Baht 41,842 million (2021: Baht 29,363 million).

RATCH Group Public Company Limited ("subsidiary") issued and offered new ordinary shares to existing shareholders in proportion to their shareholding. However, shareholders whose holding would subject the subsidiary to obligations under the law of other jurisdictions (Preferential Public Offering or PPO) were excluded from this offering. The total number of issued and offered shares was 725 million, with a final offering price of Baht 34.48 per share and a final offering ratio of 2 existing ordinary shares to 1 new ordinary share. The subscription and payment period for new ordinary shares was from 6 to 10 June 2022.

The Cabinet meeting held on 1 March 2022 passed a resolution approving EGAT's investment in new ordinary shares of such subsidiary to maintain its 45% shareholding, representing 326 million shares for a total of Baht 11,249 million. The payment of such newly issued ordinary shares was made on 2 June 2022.

Subsequently on 22 June 2022, the subsidiary registered the change in its paid-up capital for the incremental portion resulting from the issuance and offering of new ordinary shares with the Department of Business Development, Ministry of Commerce. As a result, the subsidiary has a paid-up capital of Baht 21,750 million, which is made up of 2,175 million ordinary shares with a par value of Baht 10 per share.

#### **Acquired non-controlling interests in RATCH Cogeneration Company Limited ("RCO")**

On 18 July 2022, RATCH Group Public Company Limited ("RATCH") acquired the additional 0.03% interest in RATCH Cogeneration Company Limited, a direct subsidiary, from the existing shareholder totaling Baht 1 million, increasing its ownership from 99.97% to 99.99%.

The effects of changes in ownership interests in consolidated financial statement as follows:

	(Million Baht)
Carrying amount of non-controlling interests acquired	1
Less: Consideration paid to non-controlling interests	(1)
<b>Increase in equity attributable to owners of the Group from additional investments in subsidiary</b>	<b>-</b>

### The Establishment of subsidiary of Sahacogen (Chonburi) Public Company Limited (“SCG”)

On 4 October 2022, Sahacogen (Chonburi) Public Company Limited (“SCG”), an indirect subsidiary, registered the establishment of Solarist Holding Company Limited (“SOL”) to invest and operate solar power plant business with registered shares capital totaling Baht 1 million (100,000 ordinary shares at par value of Baht 10 per share). SCG has shareholding proportion of 100%. Subsequently on 19 October 2022, the Board of Directors Meeting of SCG passed a resolution approving the increase in the registered share capital of SOL from the existing registered capital of Baht 1 million to Baht 2,610 million (261 million ordinary shares at par value of Baht 10 per share) to expand power generation business and working capital.

### Dissolution of RATCH China Power Limited (“RCNP”)

On 20 October 2022, the Board of Directors of RATCH China Power Limited, an indirect subsidiary, approved for the dissolution of the subsidiary and is under the liquidation process.

## 11.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(%)	(%)						
RATCH Group Public Company Limited and its subsidiaries	55.00	55.00	63,134	45,903	3,309	4,149	2,034	1,914

### 11.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests

#### Summarised information about financial position

(Unit: Million Baht)

RATCH Group Public Company Limited  
and its subsidiaries

	<u>2022</u>	<u>2021</u>
Current assets	55,484	25,316
Non-current assets	174,094	131,700
Current liabilities	29,173	20,270
Non-current liabilities	93,002	57,468

#### Summarised information about comprehensive income

(Unit: Million Baht)

RATCH Group Public Company Limited  
and its subsidiaries

	<u>2022</u>	<u>2021</u>
Revenue	75,736	38,213
Profit	5,676	7,823
Other comprehensive income	1,028	5,632
Total comprehensive income	6,704	13,455

#### Summarised information about cash flow

(Unit: Million Baht)

RATCH Group Public Company Limited  
and its subsidiaries

	<u>2022</u>	<u>2021</u>
Cash flow from operating activities	7,505	7,154
Cash flow used in investing activities	(22,219)	(7,649)
Cash flow from financing activities	43,198	2,385
Net increase in cash and cash equivalents	27,380	2,105

## 12. Investments in associates and joint ventures

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
		(restated)		
<b>As at 1 January</b>	93,410	77,880	2,233	2,173
Share of profits of associates and joint ventures accounted for using equity method	12,517	8,950	-	-
Share of other comprehensive income of associates and joint ventures accounted for using equity method	4,055	4,474	-	-
Increase in investments in associates and joint ventures	6,386	4,911	180	60
Transfer to investment in subsidiaries	(1,130)	(2,930)	-	-
Acquisition through business acquisition	-	115	-	-
Dividend income	(10,476)	(4,310)	-	-
Exchange differences on translation of financial statements	1,318	4,384	-	-
Impairment loss on investment in joint venture	-	(64)	-	-
<b>As at 31 December</b>	<b>106,080</b>	<b>93,410</b>	<b>2,413</b>	<b>2,233</b>

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

(Unit: Million Baht)

	Type of business	Country of incorporation	Consolidated financial statements				Carrying amounts based on equity method
			Ownership interest of the Group (%)		Cost		
			2022	2021	2022	2021	
<b>Direct associate</b>							
Electricity Generating Public Company Limited	Generating and selling electricity	Thailand	25.41	25.41	1,588	1,588	30,617
<b>Indirect associates</b>							
First Korat Wind Company Limited	Generating and selling electricity	Thailand	20	20	399	399	436
K.R. TWO Company Limited	Generating and selling electricity	Thailand	20	20	365	365	407
Northern Bangkok Monorail Company Limited	Mass transit system	Thailand	10	10	1,440	1,440	1,565
Eastern Bangkok Monorail Company Limited	Mass transit system	Thailand	10	10	1,440	1,440	1,579
Bangkok Aviation Fuel Services Public Company Limited	Aviation fuel services	Thailand	15.53	15.53	2,712	2,712	2,594
Principal Healthcare - Sakonmakhon Company Limited	Private hospital business	Thailand	25	-	75	-	73
Solar Power (Korat 3) Company Limited	Generating and selling electricity	Thailand	40	40	76	76	182
Solar Power (Korat 4) Company Limited	Generating and selling electricity	Thailand	40	40	80	80	199
Solar Power (Korat 7) Company Limited	Generating and selling electricity	Thailand	40	40	76	76	185
Impact Solar Company Limited	Generating and providing rooftop solar power systems	Thailand	10.85	10.71	118	118	117
PT Adaro Indonesia	Generating and selling coal	Republic of Indonesia	11.53	11.53	11,603	11,603	10,379
Nam Ngiep 1 Power Company Limited	Generating and selling electricity	Lao PDR	30	30	3,096	3,096	2,226
Perth Power Partnership (Kwinana)	Generating and selling electricity	Australia	30	30	619	619	73
Yandin WF Holdings Pty Ltd	Generating and selling electricity	Australia	70	70	3,078	3,078	3,669
Hou Ju Energy Technology Corporation	Investing in power energy business	Taiwan	25	25	194	194	142
					<b>26,959</b>	<b>26,884</b>	<b>54,755</b>
							<b>51,802</b>

(Unit: Million Baht)

	Type of business	Country of incorporation	Consolidated financial statements					
			Ownership interest of the Group (%)		Cost		Carrying amounts based on equity method	
			2022	2021	2022	2021	2022	2021
<b>Direct joint ventures</b>								
District Cooling System and Power Plant Company Limited	Generating and selling electricity and cold water	Thailand	35	35	585	585	710	920
Innopower Company Limited (including investment in joint venture held by RATCH Group Public Company Limited)	Investing in innovation and commercial inventions including future energy business	Thailand	70	70	420	105	394	105
<b>Indirect joint ventures</b>								
Chubu Ratchaburi Electric Services Company Limited	Providing operation and maintenance services	Thailand	50	50	10	10	91	88
Southeast Asia Energy Limited	Investing in the power energy business	Thailand	33.33	33.33	2,202	2,202	2,936	2,743
Smart Infranet Company Limited	Investing in Underground Optic Fiber Network Project	Thailand	51	51	281	281	206	238
Things on Net Company Limited	Investing in installation and development of telecommunication networks	Thailand	35	35	180	180	118	143
Hin Kong Power Holding Company Limited	Investing in the power energy business	Thailand	51	51	468	468	408	445
Hin Kong Power Company Limited	Generating and selling electricity	Thailand	51	-	464	-	545	-
R E N Korat Energy Company Limited	Generating and selling electricity and steam	Thailand	40	40	240	120	218	112
Xe-Pian Xe-Namnoy Power Company Limited	Generating and selling electricity	Lao PDR	25	25	2,524	2,524	3,170	2,635
Sekong Investment Advisory Company Limited	Supporting the investment of power plant project	Lao PDR	60	-	1	-	-	-
NEXIF RATCH ENERGY SINGAPORE PTE. LTD.	Investing in the power energy business	Singapore	-	49	-	985	-	1,044
Ratchaburi Power Company Limited	Generating and selling electricity	Thailand	25	25	1,831	1,831	2,678	2,768
Nava Nakorn Electricity Generating Company Limited	Generating and selling electricity and steam	Thailand	40	40	820	800	818	1,051

(Unit: Million Baht)

		Consolidated financial statements						
	Type of business	Country of incorporation	Ownership interest of the Group (%)		Cost		Carrying amounts based on equity method	
			2022	2021	2022	2021	2022	2021
Rachaburi World Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	40	40	1,000	1,000	1,466	1,351
Berkprai Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	35	35	466	466	680	627
Solarata Company Limited	Generating and selling electricity	Thailand	49	49	546	546	1,521	1,620
Songkhla Biomass Company Limited	Generating and selling electricity	Thailand	40	40	98	98	186	179
Songkhla Biofuel Company Limited	Providing material of biofuel	Thailand	40	40	-	-	-	-
Hongsa Power Company Limited	Generating and selling electricity	Lao PDR	40	40	12,930	12,930	23,751	20,099
Phu Fai Mining Company Limited	Coal mining and trading	Lao PDR	37.50	37.50	1	1	56	276
Asia Water Company Limited	Generating and selling water	Lao PDR	40	40	179	179	185	185
SIPHANDONE-RATCH LAO CO., LTD.	Generating and selling wood pellet	Lao PDR	25	25	58	25	29	22
PT Medco Ratch Power Riau	Generating and selling electricity	Republic of Indonesia	49	49	1,083	1,083	2,380	1,712
PT TAPANULI HYDRO ENERGY	Investing in the power energy business	Republic of Indonesia	50	-	577	-	577	-
RATCH & AIDC Wind Energy Pte. Ltd.	Investing in the wind energy business	Singapore	63.80	63.80	295	211	293	214
An Binh Energy and Infrastructure Fund	Investing in the power energy business and infrastructure	Vietnam	49	49	2,505	2,505	2,966	2,804
NEXIF ENERGY BT PTE. LTD.	Investing in the power energy business internationally	Singapore	74.50	50	227	227	247	227
Nexif Ratch Energy Investment Pte. Ltd.	Investing in the power energy business internationally	Singapore	49	-	4,696	-	4,696	-
<b>Total</b>					<b>34,687</b>	<b>29,362</b>	<b>51,325</b>	<b>41,608</b>
					<b>61,646</b>	<b>56,246</b>	<b>106,080</b>	<b>93,410</b>

(Unit: Million Baht)

	Separate financial statements							
	Ownership interest		Paid-up Capital		Cost		Dividend for the year	
	2022	2021	2022	2021	2022	2021	2022	2021
	(%)							
<b>Direct associate</b>								
Electricity Generating Public Company Limited	25.41	25.41	5,265	5,265	1,588	1,588	870	903
			<b>5,265</b>	<b>5,265</b>	<b>1,588</b>	<b>1,588</b>	<b>870</b>	<b>903</b>
<b>Direct joint ventures</b>								
District Cooling System and Power Plant Company Limited	35.00	35.00	1,670	1,670	585	585	255	140
Innopower Company Limited	40.00	40.00	600	150	240	60	-	-
			<b>2,270</b>	<b>1,820</b>	<b>825</b>	<b>645</b>	<b>255</b>	<b>140</b>
<b>Total</b>			<b>7,535</b>	<b>7,085</b>	<b>2,413</b>	<b>2,233</b>	<b>1,125</b>	<b>1,043</b>

None of the Group's associates and joint ventures are publicly listed and consequently do not have published price quotations except Electricity Generating Public Company Limited and Bangkok Aviation Fuel Services Public Company Limited which are listed companies on the Stock Exchange of Thailand. Based on the closing price of Baht 172.50 per share and 31.75 per share as at 31 December 2022 (2021: Baht 175.50 per share and 25.50 per share), the fair value of the investment in Electricity Generating Public Company Limited and Bangkok Aviation Fuel Services Public Company Limited were Baht 3,143 million and Baht 3,143 million (2021: Baht 23,477 million and Baht 2,524 million).

### ***Paid-up share capital***

During 2022, the Group had paid for the share capital in proportion of investments as follows:

Name of entities	Description	(Unit: Million Baht)	
		Consolidated financial statements	Separate financial statements
<b><i>Indirect associate</i></b>			
Principal Healthcare - Sakonnakhon Company Limited	Paid for share capital	75	-
<b><i>Direct associate</i></b>			
Innpower Company Limited	Additional paid-up share capital	315	180
<b><i>Indirect joint ventures</i></b>			
Hin Kong Power Company Limited	Paid for share capital	464	-
R E N Korat Energy Company Limited	Paid for increase in share capital	120	-
Nava Nakorn Electricity Generating Company Limited	Paid for increase in share capital	20	-
Nexif Ratch Energy Investment Pte. Ltd.	Paid for share capital	4,696	-
Sekong Investment Advisory Company Limited	Paid for share capital	1	-
PT TAPANULI HYDRO ENERGY	Paid for share capital	577	-
RATCH & AIDC Wind Energy Pte. Ltd.	Additional paid-up share capital	85	-
SIPHANDONE-RATCH LAO CO., LTD.	Additional paid-up share capital	33	-
<b>Total</b>		<b>6,386</b>	<b>180</b>

### **Investment in Principal Healthcare - Sakonnakhon Company Limited**

On 5 April 2022, RATCH Group Public Company Limited (“RATCH”), a direct subsidiary, has entered into Share Purchase Agreement to purchase ordinary shares of Principal Healthcare - Sakonnakhon Company Limited (“PRINH”) for investing in a private hospital under the name of PRINC Sakonnakhon Hospital which had registered capital totaling Baht 300 million (comprising 30 million ordinary shares at par value of Baht 10 per share). RATCH paid for the share capital in proportion of investment of 25% totaling Baht 75 million.

**The call for additional paid-up share capital of Innopower Company Limited (“Innopower”)**

The Board of Directors’ Meeting of Innopower, a direct joint venture, approved the call for additional paid-up share capital during the year. EGAT, RATCH Group Public Company Limited, a direct subsidiary, and Electricity Generating Public Company Limited, a direct associate, paid additional shares in proportion of their investment of 40%, 30% and 30%, respectively, with the following details.

On 29 June 2022, the Board of Directors’ Meeting of Innopower approved the call for additional paid-up share capital of 6 million shares of Baht 50 per share, totaling Baht 300 million. On July 22, 2022, EGAT, RATCH Group Public Company Limited and Electricity Generating Public Company Limited paid for such additional shares. The total amount was Baht 120 million, Baht 90 million and Baht 90 million, respectively.

On 3 November 2022, the Board of Directors’ Meeting of Innopower approved the call for additional paid-up share capital of 6 million shares of Baht 25 per share, totaling Baht 150 million. On 30 November 2022, EGAT, RATCH Group Public Company Limited and Electricity Generating Public Company Limited paid for such additional shares. The total amount was Baht 60 million, Baht 45 million and Baht 45 million, respectively and on the same day the Board of Directors’ Meeting approved to increasing in share capital from Baht 600 million to Baht 1,900 million by issuing new ordinary share of 13 million shares with a par value of Baht 100 per share. On 28 November 2022, the Extraordinary General Meeting of Shareholders approved an increasing in the registered share capital.

**Investment in Hin Kong Power Company Limited**

On 14 February 2022, RATCH Group Public Company Limited (“RATCH”), a direct subsidiary, has entered into Share Purchase Agreement to purchase ordinary shares of Hin Kong Power Company Limited (“HKP”) from Hin Kong Power Holding Company Limited (“HKH”), an existing shareholder, for jointly operating in combined-cycle power plant Hin Kong Project in Ratchaburi. RATCH already paid for share capital totaling Baht 464 million, in investment proportion of 51% (By fully paid 0.20 million ordinary shares at par value of Baht 10 per share and paid-up of 25%, in the total amount of 185 million ordinary shares) which resulted in HKP becoming an indirect joint venture of the Group.

After the transaction was completed, the shareholding structure in HKP will be RATCH with 51% and Gulf Energy Development Public Company Limited with 49%.

Combined-cycle power plant Hin Kong Project in Ratchaburi are 2 power plants with total contracted capacity of 1,400 Megawatts which is scheduled for commercial operation in 2024 and 2025 respectively.

### **Investment in R E N Korat Energy Company Limited (“REN”)**

At the Annual General Meeting of the shareholders of REN, an indirect joint venture, held on 29 March 2022, the shareholders approved to increase the registered share capital from Baht 300 million (comprising 30 million ordinary shares at par value of Baht 10 per share) to Baht 500 million (comprising 50 million ordinary shares at par value of Baht 10 per share) by issuance of new ordinary shares totaling 20 million shares at par value of Baht 10 per share and fully paid for increase in share capital. On 5 April 2022, RATCH Group Public Company Limited, a direct subsidiary, paid for increase in share capital totaling Baht 80 million, in proportion of investment of 40%.

Subsequently on 3 November 2022, at the extraordinary meeting of the shareholders of REN, an indirect joint venture, the shareholders approved to increase the registered share capital from Baht 500 million (comprising 50 million ordinary shares at par value of Baht 10 per share) to Baht 700 million (comprising 70 million ordinary shares at par value of Baht 10 per share) by issuance of new ordinary shares totaling 20 million shares at par value of Baht 10 per share. The joint venture called for paid-up of 50% of the additional share capital. On 10 November 2022, RATCH Group Public Company Limited, paid for the additional share capital totaling Baht 40 million, in proportion of investment of 40%.

### **Investment in Nava Nakorn Electricity Generating Company Limited**

On 28 December 2022, Ratchaburi Electricity Generating Company Limited (“RG”), an indirect subsidiary, paid for the additional share capital to Nava Nakorn Electricity Generating Company Limited, a joint venture of the indirect subsidiary, in proportion of investment of 40% totaling Baht 20 million.

### **Investment in Sekong Investment Advisory Co., Ltd.**

On 8 July 2022, RATCH Group Public Company Limited (“RATCH”), a direct subsidiary, together with B.Grimm Power Public Company Limited (“B.GRIMM”) and another business partner registered the establishment of Sekong Investment Advisory Co., Ltd. (“SIA”) to support the investment of the Xekong 4A and 4B Hydroelectric Power Projects with installed capacity of 355 Megawatts, located in Xekong Province, Lao PDR with registered shares capital totaling Kip 1,000 million (comprising 100,000 ordinary shares at par value of Kip 10,000 per share). On 31 August 2022, RATCH, paid for the share capital in proportion of investment of 60% totaling Kip 600 million or equivalent to Baht 1 million.

### Investment in Sibundong Hydroelectric Power Plant Project

On 23 November 2022, RH International (Singapore) Corporation Pte. Ltd. (“RHIS”), an indirect subsidiary, has invested by purchasing 100% of all ordinary shares in Eco Energy Holdings Pte. Ltd. (“EEH”) through Fareast Renewable Development Pte. Ltd. (“FRD”), a stake owned subsidiary of RHIS, to invest and jointly develop Sibundong Hydroelectric Power Plant (“the Project”) in the proportion of 55.56%, operating by PT Tapanuli Hydro Energy. This share purchase will make RHIS become the Project’s shareholder in the proportion of 50%. The value of the acquisition of shares is US Dollars 17 million or equivalent to approximately Baht 577 million.

### Investment in LNG Receiving Terminal 2 Project

On 6 December 2022, the Cabinet passed a resolution approving EGAT’s joint investment in the Project “LNG Receiving Terminal 2” located in Ban Nong Fab, Map Ta Phut, Mueang Rayong, Rayong Province, with the investment holding of 50 percent and the total investment value of EGAT’s portion not exceeding Baht 16,350 million. The joint investment in the Project “LNG Receiving Terminal 2” is registered in Thailand, consisting of two shareholders, EGAT (50 percent shareholding) and PTT LNG Company Limited (“PTTLNG”) (50 percent shareholding). The core mission is to operate the LNG Receiving Terminal, which includes the conversion of liquefied natural gas (LNG) into gas for delivery into the pipeline network. The natural gas will be delivered to customers in various industries, including EGAT’s power plants. Currently, no payment has been made for the shares.

### Material associates and joint ventures

The following table summarises the financial information of the material associates and joint ventures as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group’s interest in these companies.

(Unit: Million Baht)

	Electricity Generating Public			
	Company Limited and subsidiaries		Hongsa Power Company Limited	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue	61,725	38,137	22,188	21,339
Profit	2,626	4,117	8,692	8,539
Other comprehensive income	7,677	10,651	1,177	1,932
Total comprehensive income	10,303	14,768	9,869	10,471
<b>Group’s share of total comprehensive income</b>	<b>2,618</b>	<b>3,753</b>	<b>3,948</b>	<b>4,188</b>
Dividend income from associate for the year	870	903	1,020	608

(Unit: Million Baht)

	Electricity Generating Public			
	Company Limited and subsidiaries		Hongsa Power Company Limited	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current assets	61,649	38,496	22,764	22,244
Non-current assets	192,394	203,436	89,318	90,003
Current liabilities	(31,373)	(27,019)	(11,047)	(10,606)
Non-current liabilities	(101,873)	(100,876)	(43,155)	(51,049)
Non-controlling interests	(303)	(596)	-	-
<b>Net assets</b>	<b>120,494</b>	<b>113,441</b>	<b>57,880</b>	<b>50,592</b>
Shareholding percentage (%)	25.41	25.41	40.00	40.00
<b>Group's share of net assets</b>	<b>30,617</b>	<b>28,825</b>	<b>23,152</b>	<b>20,237</b>
Exchange differences on translating in the consolidated financial statements	-	-	599	(138)
Group's share of net assets Carrying amount of interest in associates	<b>30,617</b>	<b>28,825</b>	<b>23,751</b>	<b>20,099</b>

### Aggregate amount of share of comprehensive income from immaterial associates and joint ventures

(Unit: Million Baht)

	For the years ended 31 December	
	<u>2022</u>	<u>2021</u>
Share of comprehensive income:		
- Profit	8,373	4,488
- Other comprehensive income	1,633	995
- Total comprehensive income	<b>10,006</b>	<b>5,483</b>
Carrying amount of its interests in all individually immaterial associates and joint ventures accounted for using the equity method	51,713	44,486

## 13. Property, plant and equipment

(Unit: Million Baht)

	Consolidated financial statements										Total (restated)	
	Land	Buildings and building improvements	Dam and reservoir	Power plant, machinery and equipment	Electrical control system	Electric power transmission system	Communication system	Lignite conveyor belt system and mining machinery spare parts	Vehicles	Other equipment		Assets under construction and installation
<b>Cost</b>												
<b>As at 1 January 2021</b>	17,516	41,697	29,708	523,480	489	239,347	7,347	7,492	4,566	12,626	81,856	966,124
Additions	1,083	48	-	2,012	-	-	-	-	629	982	22,616	27,370
Transfers	(103)	2,022	6	11,263	24	8,649	311	69	-	56	(22,685)	(388)
Disposals	-	(263)	(7)	(4,685)	(6)	(536)	(115)	(153)	(486)	(173)	-	(6,424)
Acquisition through business combination - restated	917	166	-	2,855	-	-	-	-	21	8	38	4,005
Effect of movements in exchange rates	54	9	-	1,729	-	88	-	-	-	1	317	2,198
<b>As at 31 December 2021</b>												
<b>- restated</b>	<b>19,467</b>	<b>43,679</b>	<b>29,707</b>	<b>536,654</b>	<b>507</b>	<b>247,548</b>	<b>7,543</b>	<b>7,408</b>	<b>4,730</b>	<b>13,500</b>	<b>82,142</b>	<b>992,885</b>
Additions	403	9	-	1,453	-	90	-	-	772	631	17,163	20,521
Transfers	-	1,546	88	25,431	3	16,840	249	83	18	58	(44,396)	(80)
Disposals	(9)	(254)	-	(7,907)	(12)	(353)	(72)	(12)	(722)	(419)	-	(9,760)
Acquisition through business combination	629	-	-	18,409	-	-	-	-	1	5	214	19,258
Effect of movements in exchange rates	(21)	(7)	-	(1,302)	-	(58)	-	-	-	-	(9)	(1,397)
<b>As at 31 December 2022</b>	<b>20,469</b>	<b>44,973</b>	<b>29,795</b>	<b>572,738</b>	<b>498</b>	<b>264,067</b>	<b>7,720</b>	<b>7,479</b>	<b>4,799</b>	<b>13,775</b>	<b>55,114</b>	<b>1,021,427</b>

(Unit: Million Baht)

## Consolidated financial statements

	Land	Buildings and building improvements	Dam and reservoir	Power plant, machinery and equipment	Electrical control system	Electric power transmission system	Communication system	Lignite conveyor belt system and mining machinery spare parts	Vehicles	Other equipment	Assets under construction and installation	Total
											(restated)	
<b>Accumulated depreciation</b>												
<b>As at 1 January 2021</b>	(41)	(25,591)	(13,349)	(344,064)	(442)	(117,751)	(6,446)	(5,572)	(3,575)	(9,675)	-	(526,506)
Depreciation charge for the year	(34)	(1,764)	(477)	(17,528)	(17)	(7,856)	(250)	(165)	(518)	(743)	-	(29,352)
Transfers	-	(17)	-	156	-	(20)	-	61	-	(43)	-	137
Disposals	-	239	3	4,675	5	499	115	153	480	170	-	6,339
Acquisition through business combination - restated	(2)	1	-	1,034	-	-	-	-	(4)	1	-	1,030
Effect of movements in exchange rates	(7)	(5)	-	(834)	-	(4)	-	-	-	(1)	-	(851)
<b>As at 31 December 2021 - restated</b>	<b>(84)</b>	<b>(27,137)</b>	<b>(13,823)</b>	<b>(356,561)</b>	<b>(454)</b>	<b>(125,132)</b>	<b>(6,581)</b>	<b>(5,523)</b>	<b>(3,617)</b>	<b>(10,291)</b>	<b>-</b>	<b>(549,203)</b>
Depreciation charge for the year	(64)	(1,712)	(471)	(16,773)	(17)	(7,741)	(244)	(142)	(529)	(831)	-	(28,524)
Transfers	4	(19)	-	24	-	(1)	-	-	(12)	7	-	3
Disposals	7	232	-	7,825	11	302	72	1	721	413	-	9,584
Acquisition through business combination	(54)	-	-	(54)	-	-	-	-	-	-	-	(108)
Effect of movements in exchange rates	2	4	-	604	-	8	-	-	-	-	-	618
<b>As at 31 December 2022</b>	<b>(189)</b>	<b>(28,632)</b>	<b>(14,294)</b>	<b>(364,935)</b>	<b>(460)</b>	<b>(132,564)</b>	<b>(6,753)</b>	<b>(5,664)</b>	<b>(3,437)</b>	<b>(10,702)</b>	<b>-</b>	<b>(567,630)</b>

(Unit: Million Baht)

Consolidated financial statements

	Land	Buildings and building improvements	Dam and reservoir	Power plant, machinery and equipment	Electrical control system	Electric power transmission system	Communication system	Lignite conveyor belt system and mining machinery spare parts	Vehicles	Other equipment	Assets under construction and installation	Total
<b>Accumulated impairment loss</b>												
As at 31 December 2021	(55)	(1)	-	(1,019)	-	-	-	-	-	-	-	(1,075)
As at 31 December 2022	(55)	(1)	-	(1,019)	-	-	-	-	-	-	-	(1,075)
<b>Net book value</b>												
As at 31 December 2021	19,328	16,541	15,884	179,074	53	122,416	962	1,885	1,113	3,209	82,142	442,607
As at 31 December 2022	20,225	16,340	15,501	206,784	38	131,503	967	1,815	1,362	3,073	55,114	452,722
<b>Depreciation for the year</b>												
2021 (Baht 26,916 million included in cost of electric energy sales, and the balance in cost of assets, distribution and administrative expenses and other expenses)												29,352
2022 (Baht 24,523 million included in cost of electric energy sales, and the balance in cost of assets, distribution and administrative expenses and other expenses)												28,524

(Unit: Million Bant)

## Separate financial statements

	Land	Buildings and building improvements	Dam and reservoir	Power plant, machinery and equipment	Electrical control system	Electric power transmission system	Communication system	Lignite conveyor belt system and mining machinery spare parts	Vehicles	Other equipment	Assets under construction and installation	Total
<b>Cost</b>												
<b>As at 1 January 2021</b>	15,289	40,925	29,708	427,687	489	237,708	7,347	7,492	4,504	11,953	74,725	857,827
Additions (restated)	1,050	10	-	1,475	-	-	-	-	617	969	26,340	30,461
Transfers	-	1,949	6	3,936	24	8,649	311	69	-	54	(20,459)	(5,461)
Disposals	-	(263)	(7)	(4,683)	(6)	(535)	(115)	(153)	(484)	(161)	-	(6,407)
<b>As at 31 December 2021</b>	<b>16,339</b>	<b>42,621</b>	<b>29,707</b>	<b>428,415</b>	<b>507</b>	<b>245,822</b>	<b>7,543</b>	<b>7,408</b>	<b>4,637</b>	<b>12,815</b>	<b>80,606</b>	<b>876,420</b>
Additions	383	6	-	1,392	-	-	-	-	752	623	15,002	18,158
Transfers	-	1,619	88	23,473	3	16,840	249	83	18	57	(42,422)	8
Disposals	(8)	(238)	-	(7,734)	(12)	(353)	(72)	(12)	(708)	(399)	-	(9,536)
<b>As at 31 December 2022</b>	<b>16,714</b>	<b>44,008</b>	<b>29,795</b>	<b>445,546</b>	<b>498</b>	<b>262,309</b>	<b>7,720</b>	<b>7,479</b>	<b>4,699</b>	<b>13,096</b>	<b>53,186</b>	<b>885,050</b>
<b>Accumulated depreciation</b>												
<b>As at 1 January 2021</b>	(5)	(25,245)	(13,349)	(282,495)	(442)	(117,695)	(6,446)	(5,572)	(3,540)	(9,070)	-	(463,859)
Depreciation charge for the year	(13)	(1,726)	(477)	(13,562)	(17)	(7,797)	(250)	(165)	(502)	(718)	-	(25,227)
Transfers	-	(17)	-	(7)	-	6	-	61	-	(43)	-	-
Disposals	-	239	3	4,673	5	499	115	153	478	159	-	6,324
<b>As at 31 December 2021</b>	<b>(18)</b>	<b>(26,749)</b>	<b>(13,823)</b>	<b>(291,391)</b>	<b>(454)</b>	<b>(124,987)</b>	<b>(6,581)</b>	<b>(5,523)</b>	<b>(3,564)</b>	<b>(9,672)</b>	<b>-</b>	<b>(482,762)</b>
Depreciation charge for the year	(38)	(1,658)	(471)	(12,098)	(17)	(7,678)	(244)	(142)	(503)	(802)	-	(23,651)
Transfers	-	(17)	-	23	-	(1)	-	-	(12)	7	-	-
Disposals	7	217	-	7,702	11	302	72	1	706	397	-	9,415
<b>As at 31 December 2022</b>	<b>(49)</b>	<b>(28,207)</b>	<b>(14,294)</b>	<b>(295,764)</b>	<b>(460)</b>	<b>(132,364)</b>	<b>(6,753)</b>	<b>(5,664)</b>	<b>(3,373)</b>	<b>(10,070)</b>	<b>-</b>	<b>(496,998)</b>

(Unit: Million Baht)

Separate financial statements

	Land	Buildings and building improvements	Dam and reservoir	Power plant, machinery and equipment	Electrical control system	Electric power transmission system	Communication system	Lignite conveyor belt system and mining machinery spare parts	Vehicles	Other equipment	Assets under construction and installation	Total
<b>Accumulated impairment loss</b>												
As at 31 December 2021	(55)	-	-	-	-	-	-	-	-	-	-	(55)
As at 31 December 2022	(55)	-	-	-	-	-	-	-	-	-	-	(55)
<b>Net book value</b>												
As at 31 December 2021	16,266	15,872	15,884	137,024	53	120,835	962	1,885	1,073	3,143	80,606	393,603
As at 31 December 2022	16,610	15,801	15,501	149,782	38	129,945	967	1,815	1,326	3,026	53,186	387,997
<b>Depreciation for the year</b>												
2021 (Baht 23,788 million included in cost of electric energy sales, and the balance in cost of assets, distribution and administrative expenses and other expenses)												25,227
2022 (Baht 22,382 million included in cost of electric energy sales, and the balance in cost of assets, distribution and administrative expenses and other expenses)												23,651

For the year ended 31 December 2022, capitalised borrowing costs relating to the construction of the power plants and expand the power plant transmission system for the Group and EGAT are amounted to Baht 872 and 827 million, respectively (2021: Baht 905 and 825 million, respectively). The weighted average rate of 1.14 - 5.59% has been used to determine the amount of borrowing costs eligible for capitalisation (2021: 1.14 - 5.59%).

As at 31 December 2022, certain items of plant and equipment of EGAT were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 297,182 million (2021: Baht 283,753 million).

### **Guarantees**

As at 31 December 2022, EGAT Diamond Service Company Limited, a direct subsidiary, had mortgaged land with buildings on land and machine total Baht 204 million as collateral for credit facilities and letter of guarantees from a financial institution (2021: Baht 231 million).

As at 31 December 2022, RATCH-Australia Corporation Pty. Ltd., an indirect subsidiary, had mortgaged land, buildings and power plants and power plants equipment of 5 power plants with a net book value of Australian Dollars 948 million or equivalent to Baht 22,254 million (2021: Australian Dollars 988 million or equivalent to Baht 23,958 million) as collateral for long-term loans from financial institutions.

As at 31 December 2022, RATCH Cogeneration Company Limited, an indirect subsidiary, had mortgaged land with all buildings on land and partial machine as collateral for long-term loans from financial institution.

As at 31 December 2022, Sahagreen Forest Company Limited, an indirect subsidiary, had mortgaged land with buildings on land and machines with a net book value of Baht 327 million as collateral for long-term loans from financial institution.

The Group has included right-of-use assets (except the right-of-use assets - power plants) in property plant and equipment.

Movements of right-of-use assets (except the right-of-use assets - power plants) during the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements					Total
	Land	Machine	Vehicle	Other equipment	Electric power transmission system	
As at 1 January 2021	420	-	682	29	1,583	2,714
Additions	111	-	547	-	-	658
Transfers	-	-	-	-	(26)	(26)
Disposals	-	-	(7)	-	-	(7)
Acquisition through business combination	31	84	12	-	-	127
Effect of movements in exchange rates	36	-	-	-	84	120
Depreciation charge for the year	(35)	(2)	(409)	(9)	(60)	(515)
<b>As at 31 December 2021</b>	<b>563</b>	<b>82</b>	<b>825</b>	<b>20</b>	<b>1,581</b>	<b>3,071</b>
Additions	34	-	611	1	90	736
Transfers	4	-	-	-	-	4
Disposals	-	-	(3)	-	-	(3)
Acquisition through business combination	547	1,133	-	-	-	1,680
Effect of movements in exchange rates	(12)	-	-	-	(50)	(62)
Depreciation charge for the year	(64)	(27)	(422)	(11)	(62)	(586)
<b>As at 31 December 2022</b>	<b>1,072</b>	<b>1,188</b>	<b>1,011</b>	<b>10</b>	<b>1,559</b>	<b>4,840</b>

(Unit: Million Baht)

	Separate financial statements			Total
	Land	Vehicle	Other equipment	
As at 1 January 2021	22	655	3	680
Additions	88	535	-	623
Disposals	-	(7)	-	(7)
Depreciation charge for the year	(13)	(393)	(1)	(407)
<b>As at 31 December 2021</b>	<b>97</b>	<b>790</b>	<b>2</b>	<b>889</b>
Additions	16	593	-	609
Disposals	-	(2)	-	(2)
Depreciation charge for the year	(38)	(398)	(1)	(437)
<b>As at 31 December 2022</b>	<b>75</b>	<b>983</b>	<b>1</b>	<b>1,059</b>

Expenses relating to leases that are not included in lease liabilities and right-of-use assets are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Expense relating to short-term leases and leases of low-value assets	98	142	82	120
Expense relating to leases of variable payment	5	6	5	6

#### 14. Right-of-use assets - power plants

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Cost</b>				
As at 1 January	408,871	386,223	465,586	442,938
Additions	20,631	22,648	20,631	22,648
<b>As at 31 December</b>	<b>429,502</b>	<b>408,871</b>	<b>486,217</b>	<b>465,586</b>
<b>Accumulated depreciation</b>				
As at 1 January	(153,737)	(137,912)	(199,875)	(181,777)
Depreciation for the year	(16,587)	(15,825)	(18,860)	(18,098)
<b>As at 31 December</b>	<b>(170,324)</b>	<b>(153,737)</b>	<b>(218,735)</b>	<b>(199,875)</b>
<b>Net book value</b>				
<b>As at 31 December</b>	<b>259,178</b>	<b>255,134</b>	<b>267,482</b>	<b>265,711</b>

On 12 December 2013, EGAT entered into a Power Purchase Agreement with contractual electricity purchase volume (Firm) with Gulf SRC Company Limited, an Independent Power Producer (IPP), with production units as follows: Production Unit 1 Commercial Operation Date (COD) on 31 March 2021, Production Unit 2 COD on 1 October 2021, Production Unit 3 COD on 31 March 2022, and the Production unit 4 COD on 1 October 2022, with a period of 25 years starting from the date that Gulf SRC Company Limited COD all production units.

On 28 August 2020 EGAT signed on Power purchase agreement with Thip Phichit Hybrid Energy Company Limited which is a Small Power Producer (SPP) using renewable energy in the form of SPP Hybrid Firm and has a Commercial Operating Date (COD) on 28 December 2022 for a period of 20 years.

## 15. Goodwill and intangible assets

(Unit: Million Baht)

	Consolidated financial statements							Total
	Goodwill	Land rights	Computer software and license	Rights to use in royal state properties	Right of power purchase agreements and others	Research and Development	Construction in progress	
<b>Cost</b>								
As at 1 January 2021	628	54,364	2,240	475	6,499	16	265	64,487
Additions	-	6,987	55	-	-	-	150	7,192
Transfers	-	-	48	-	286	15	(61)	288
Disposal	-	-	(13)	-	-	-	-	(13)
Acquisition through business combination - restated	-	-	26	-	3,690	-	-	3,716
Effect of movements in exchange rates	19	-	3	-	324	-	-	346
<b>As at 31 December 2021 - restated</b>	<b>647</b>	<b>61,351</b>	<b>2,359</b>	<b>475</b>	<b>10,799</b>	<b>31</b>	<b>354</b>	<b>76,016</b>
Additions	-	6,741	55	-	12	-	387	7,195
Transfers	-	-	204	-	90	3	(216)	81
Disposal	-	-	(8)	-	(381)	-	-	(389)
Acquisition through business combination	9,765	-	1	-	3,063	-	-	12,829
Effect of movements in exchange rates	6	-	(2)	-	(140)	-	-	(136)
<b>As at 31 December 2022</b>	<b>10,418</b>	<b>68,092</b>	<b>2,609</b>	<b>475</b>	<b>13,443</b>	<b>34</b>	<b>525</b>	<b>95,596</b>

(Unit: Million Baht)

## Consolidated financial statements

	Goodwill	Land rights	Computer software and license	Rights to use in royal state properties	Right of power purchase agreements and others	Research and Development	Construction in progress	Total
<b>Accumulated amortisation</b>								
As at 1 January 2021	-	(3,837)	(1,944)	(299)	(3,245)	(5)	-	(9,330)
Amortisation for the year	-	(1)	(110)	(8)	(332)	(6)	-	(457)
Transfers	-	-	-	-	(163)	-	-	(163)
Disposal	-	-	13	1	-	-	-	14
Acquisition through business combination - restated	-	-	(20)	-	-	-	-	(20)
Effect of movements in exchange rates	-	-	(3)	-	(182)	-	-	(185)
<b>As at 31 December 2021 - restated</b>	-	<b>(3,838)</b>	<b>(2,064)</b>	<b>(306)</b>	<b>(3,922)</b>	<b>(11)</b>	-	<b>(10,141)</b>
Amortisation for the year	-	-	(182)	(6)	(473)	(5)	-	(666)
Disposal	-	-	8	-	382	-	-	390
Effect of movements in exchange rates	-	-	2	-	113	-	-	115
<b>As at 31 December 2022</b>	-	<b>(3,838)</b>	<b>(2,236)</b>	<b>(312)</b>	<b>(3,900)</b>	<b>(16)</b>	-	<b>(10,302)</b>

(Unit: Million Baht)

		Consolidated financial statements							
		Goodwill	Land rights	Computer software and license	Rights to use in royal state properties	Right of power purchase agreements and others	Research and Development	Construction in progress	Total
<b>Accumulated impairment loss</b>									
	As at 1 January 2021	(458)	-	-	-	-	-	-	(458)
	Additions	(20)	-	-	-	-	-	-	(20)
	<b>As at 31 December 2021</b>	<b>(478)</b>	-	-	-	-	-	-	<b>(478)</b>
	<b>As at 31 December 2022</b>	<b>(478)</b>	-	-	-	-	-	-	<b>(478)</b>
	<b>Net book value</b>								
	As at 31 December 2021	169	57,513	295	169	6,877	20	354	65,397
	As at 31 December 2022	9,940	64,254	373	163	9,543	18	525	84,816

(Unit: Million Baht)

Separate financial statements						
	Land rights	Computer software and license	Rights to use in royal state properties	Research and Development	Construction in progress	Total
<b>Cost</b>						
As at 1 January 2021	54,364	2,078	475	16	258	57,191
Additions	6,987	55	-	-	138	7,180
Transfers	-	30	-	15	(44)	1
Disposal	-	(13)	-	-	-	(13)
<b>As at 31 December 2021</b>	<b>61,351</b>	<b>2,150</b>	<b>475</b>	<b>31</b>	<b>352</b>	<b>64,359</b>
Additions	6,741	42	-	-	387	7,170
Transfers	-	204	-	3	(214)	(7)
Disposal	-	(8)	-	-	-	(8)
<b>As at 31 December 2022</b>	<b>68,092</b>	<b>2,388</b>	<b>475</b>	<b>34</b>	<b>525</b>	<b>71,514</b>
<b>Accumulated amortisation</b>						
As at 1 January 2021	(3,837)	(1,815)	(299)	(5)	-	(5,956)
Amortisation for the year	(1)	(101)	(8)	(6)	-	(116)
Disposal	-	13	1	-	-	14
<b>As at 31 December 2021</b>	<b>(3,838)</b>	<b>(1,903)</b>	<b>(306)</b>	<b>(11)</b>	<b>-</b>	<b>(6,058)</b>
Amortisation for the year	-	(167)	(6)	(5)	-	(178)
Disposal	-	8	-	-	-	8
<b>As at 31 December 2022</b>	<b>(3,838)</b>	<b>(2,062)</b>	<b>(312)</b>	<b>(16)</b>	<b>-</b>	<b>(6,228)</b>
<b>Net book value</b>						
As at 31 December 2021	57,513	247	169	20	352	58,301
As at 31 December 2022	64,254	326	163	18	525	65,286

## 16. Other non-current assets

(Unit: Million Baht)

	Consolidated financial statements							Total
	Deferred costs on lignite mining							
	Land for development projects	Stripping costs	Mineral exploration and preliminary development costs	Resettlement costs	Mineral patent costs	Total deferred costs on lignite mining		
<b>Cost</b>								
<b>As at 1 January 2021</b>	2,479	138,576	646	2,025	356	141,603	144,082	
Additions	-	8,418	-	-	-	8,418	8,418	
Transfers	103	-	-	-	-	-	103	
<b>As at 31 December 2021</b>	<b>2,582</b>	<b>146,994</b>	<b>646</b>	<b>2,025</b>	<b>356</b>	<b>150,021</b>	<b>152,603</b>	
Additions	-	7,515	-	-	-	7,515	7,515	
<b>As at 31 December 2022</b>	<b>2,582</b>	<b>154,509</b>	<b>646</b>	<b>2,025</b>	<b>356</b>	<b>157,536</b>	<b>160,118</b>	
<b>Amortisation</b>								
<b>As at 1 January 2021</b>	-	(137,656)	(380)	(1,983)	(148)	(140,167)	(140,167)	
Amortisation for the year	-	(7,727)	(17)	(3)	(18)	(7,765)	(7,765)	
<b>As at 31 December 2021</b>	<b>-</b>	<b>(145,383)</b>	<b>(397)</b>	<b>(1,986)</b>	<b>(166)</b>	<b>(147,932)</b>	<b>(147,932)</b>	
Amortisation for the year	-	(7,921)	(16)	(2)	(13)	(7,952)	(7,952)	
<b>As at 31 December 2022</b>	<b>-</b>	<b>(153,304)</b>	<b>(413)</b>	<b>(1,988)</b>	<b>(179)</b>	<b>(155,884)</b>	<b>(155,884)</b>	

(Unit: Million Baht)

**Consolidated financial statements**

	Deferred costs on lignite mining						
	Mineral						
	Land for development projects	Stripping costs	Mineral exploration and preliminary development costs	Resettlement costs	Mineral patent costs	Total deferred costs on lignite mining	Total
<b>Accumulated impairment loss</b>							
As at 31 December 2021	(1,160)	-	-	-	-	-	(1,160)
As at 31 December 2022	(1,160)	-	-	-	-	-	(1,160)
<b>Net book value</b>							
As at 31 December 2021	1,422	1,611	249	39	190	2,089	3,511
Deposit for deferred revenue for electricity compensation (Note 17)							922
Others							6,756
<b>Total other non-current assets as at 31 December 2021</b>							<b>11,189</b>
As at 31 December 2022	1,422	1,205	233	37	177	1,652	3,074
Deposit for deferred revenue for electricity compensation (Note 17)							9
Others							6,247
<b>Total other non-current assets as at 31 December 2022</b>							<b>9,330</b>

(Unit: Million Baht)

		Separate financial statements							
		Deferred costs on lignite mining							
		Mineral exploration and preliminary development costs					Total deferred costs on lignite mining		
	Land for development projects	Stripping costs	Mineral exploration and preliminary development costs	Resettlement costs	Mineral patent costs	Mineral patent costs	Resettlement costs	Stripping costs	Total
<b>Cost</b>									
<b>As at 1 January 2021</b>	2,078	138,576	646	2,025	356	356	2,025	141,603	143,681
Additions	-	8,418	-	-	-	-	-	8,418	8,418
<b>As at 31 December 2021</b>	<b>2,078</b>	<b>146,994</b>	<b>646</b>	<b>2,025</b>	<b>356</b>	<b>356</b>	<b>2,025</b>	<b>150,021</b>	<b>152,099</b>
Additions	-	7,515	-	-	-	-	-	7,515	7,515
<b>As at 31 December 2022</b>	<b>2,078</b>	<b>154,509</b>	<b>646</b>	<b>2,025</b>	<b>356</b>	<b>356</b>	<b>2,025</b>	<b>157,536</b>	<b>159,614</b>
<b>Amortisation</b>									
<b>As at 1 January 2021</b>	-	(137,656)	(380)	(1,983)	(148)	(148)	(1,983)	(140,167)	(140,167)
Amortisation for the year	-	(7,727)	(17)	(3)	(18)	(18)	(3)	(7,765)	(7,765)
<b>As at 31 December 2021</b>	<b>-</b>	<b>(145,383)</b>	<b>(397)</b>	<b>(1,986)</b>	<b>(166)</b>	<b>(166)</b>	<b>(1,986)</b>	<b>(147,932)</b>	<b>(147,932)</b>
Amortisation for the year	-	(7,921)	(16)	(2)	(13)	(13)	(2)	(7,952)	(7,952)
<b>As at 31 December 2022</b>	<b>-</b>	<b>(153,304)</b>	<b>(413)</b>	<b>(1,988)</b>	<b>(179)</b>	<b>(179)</b>	<b>(1,988)</b>	<b>(155,884)</b>	<b>(155,884)</b>
<b>Accumulated impairment loss</b>									
<b>As at 31 December 2022</b>	<b>(1,139)</b>	-	-	-	-	-	-	-	<b>(1,139)</b>
<b>As at 31 December 2021</b>	<b>(1,139)</b>	-	-	-	-	-	-	-	<b>(1,139)</b>

(Unit: Million Baht)

### Separate financial statements

	Deferred costs on lignite mining					
	Land for development projects	Stripping costs	Mineral exploration and preliminary development costs	Resettlement costs	Mineral patent costs	Total deferred costs on lignite mining
<b>Net book value</b>						
<b>As at 31 December 2021</b>	<b>939</b>	<b>1,611</b>	<b>249</b>	<b>39</b>	<b>190</b>	<b>3,028</b>
Deposit for deferred revenue for electricity compensation (Note 17)						922
Others						3,693
<b>Total other non-current assets as at 31 December 2021</b>						<b>7,643</b>
<b>As at 31 December 2022</b>	<b>939</b>	<b>1,205</b>	<b>233</b>	<b>37</b>	<b>177</b>	<b>2,591</b>
Deposit for deferred revenue for electricity compensation (Note 17)						9
Others						3,988
<b>Total other non-current assets as at 31 December 2022</b>						<b>6,588</b>

**17. Accrued/(surplus) revenue from electric energy sales according to automatic tariff adjustment (Ft), deposit for deferred revenue for electricity compensation and deferred revenue for electricity compensation**

**Accrued/(surplus) revenue from electric energy sales according to automatic tariff adjustment (Ft)**

(Unit: Million Baht)

	Consolidated and separate financial statements	
	<u>2022</u>	<u>2021</u>
Balance as at 1 January	38,943	(3,366)
Excess of cost of sales and collected revenue from automatic tariff adjustment (Ft)	152,853	42,309
Ft management fund	(4,129)	-
Management fund from the Take or Pay account of the Myanmar natural gas fields of PTT	(13,602)	-
The Recall revenue from financial performance of MEA	(1,000)	-
Settlement Value from PTT	(5,704)	-
Electricity compensation fund	(1,367)	-
<b>Balance as at 31 December</b>	<b>165,994</b>	<b>38,943</b>
Less: Current portion	(46,824)	(38,943)
<b>Non-current portion</b>	<b>119,170</b>	<b>-</b>

On 29 November 2021, the meeting of the Energy Regulatory Commission (“ERC”) No. 53/2021 (No. 762) approved the use the following Ft management fund and recall payments to reduce the electricity expenses for electricity users by applying Ft formula in calculating the Ft monthly retail rates during the period of January - April 2022.

1. The Ft management fund of Baht 4,129 million retained by EGAT in accordance with the ERC’s approval.
2. Management fund from the Take or Pay account for Myanmar natural gas fields of Baht 13,511 million in accordance with the resolution of the Energy Policy Administration Committee (EPAC).
3. The recall revenue from MEA of Baht 1,000 million to maintain the financial performance according to specified criteria.

On 6 January 2022, the meeting of the National Energy Policy Council (“NEPC”) No. 1/2022 (No. 156) approved the allocation of the benefits from the Take or Pay account for Myanmar natural gas fields Baht 13,594 million as of 30 November 2021, together with interest incurred during the return benefit process to the government sector to subsidise the Ft charge. In this regard, PTT Public Company Limited (“PTT”) had to remit the fund and reduced natural gas price to EGAT to lower the electricity charge for electricity users during the COVID-19 pandemic. During 2022, PTT fully remitted the fund and reduced natural gas price to EGAT.

### **Energy Pool Price (EPP) under the Regulation of the Energy Regulatory Commission**

On 29 March 2022, the Energy Regulatory Commission (“ERC”) issued an announcement prescribing the criteria for calculating the Energy Pool Price under the regulation of the ERC B.E. 2565. The purpose of this announcement is to ensure that natural gas prices used in electricity generation by power plants selling electricity to the system under the regulation of the ERC reflect the cost of energy management, which is a national resource. This initiative aims to promote fairness, competition, and non-discrimination in the electricity market, ultimately benefiting consumers. The ERC has designated EGAT as the clearing house responsible for collecting, calculating, and delivering EPP data to PTT Public Company Limited (“PTT”). PTT, in turn, is obligated to use the EPP notified by EGAT to collect natural gas charges from the counterparty and return the difference in natural gas cost to EGAT in accordance with the ERC's guidelines. Consequently, counter parties with PTT are required to pay the difference or receive a refund of the difference between EPP and Pool Gas from April 2022 until the authorised government agencies change or cancel this requirement.

On 1 August 2022, the ERC passed a resolution ordering EGAT to adjust the Ft, which is presently uncollectable from electricity users, through the utilisation of price difference funds received from PTT. Additionally, EGAT was instructed to coordinate with Office of Energy Regulatory Commission to further discuss the details of this matter.

On 9 and 11 November 2022, the ERC passed a resolution ordering EGAT to utilise the price difference between EPP and the pool gas (settlement value) received from PTT, and the penalty fee maintained by EGAT for the management of Ft, amounting to Baht 1,367 million, to adjust the calculation of the difference between the actual Ft and the accumulated Ft collected from the previous periods (Accumulated Factor: AF), from May to August 2022.

On 15 November 2022, the ERC passed a resolution to implement the following EPP measures:

1. The power plants (only those selling electricity under the EPP system) are required to pay the price difference between the EPP and the pool gas directly to EGAT. EGAT and PTT have been assigned to conduct detailed discussions and negotiate with power plants in the future.
2. A retroactive payment of the price difference starting from April 2022 was requested, with a monthly repayment plan or other repayment plans agreed upon by and between PTT and power plants, starting from December 2022.

#### Deposit for deferred revenue for electricity compensation

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	<u>2022</u>	<u>2021</u>
As at 1 January	922	748
Received electricity compensation	454	174
Paid electricity compensation	(1,367)	-
<b>As at 31 December (Note 16)</b>	<b>9</b>	<b>922</b>

#### Deferred revenue for electricity compensation

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	<u>2022</u>	<u>2022</u>
As at 1 January	1,237	791
Received electricity compensation	137	446
Paid electricity compensation	(1,367)	-
<b>As at 31 December</b>	<b>7</b>	<b>1,237</b>

## 18. Interest-bearing liabilities

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b><u>Short-term loans</u></b>				
<b><i>Domestic unsecured loans</i></b>				
Loans from financial institutions	248	3,861	-	-
<b><i>Foreign unsecured loans</i></b>				
Loans from financial institutions in US Dollars	8,437	1,504	-	-
<b>Total short-term loans</b>	<b>8,685</b>	<b>5,365</b>	<b>-</b>	<b>-</b>
<b><u>Long-term loans</u></b>				
<b><i>Domestic secured loans by the Ministry of Finance</i></b>				
Loans from financial institutions	50,000	-	50,000	-
	50,000	-	50,000	-
<b><i>Domestic unsecured loans</i></b>				
Loans from the Ministry of Finance	33	39	33	39
Loans from financial institutions	59,491	17,477	31,112	8,144
Long-term loan	320	320	-	-
EGAT bonds	92,616	76,617	92,616	76,617
Debenture	10,637	9,990	-	-
	<b>163,097</b>	<b>104,443</b>	<b>123,761</b>	<b>84,800</b>

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Foreign unsecured loans</b>				
Loans from financial institutions in				
Australian Dollars	22,939	15,033	-	-
Loans from financial institutions in				
US Dollars	10,342	5,050	-	-
Loans from related parties in				
US Dollars	27	-		
Debentures in Japanese Yen	3,927	4,350	-	-
Debentures in US Dollars	10,355	10,012	-	-
	<b>47,590</b>	<b>34,445</b>	<b>-</b>	<b>-</b>
<b>Total long-term loans</b>	<b>260,687</b>	<b>138,888</b>	<b>173,761</b>	<b>84,800</b>
Less: Current portion of				
long-term loans	(14,618)	(9,709)	(7,038)	(5,038)
<b>Total long-term loans, net</b>	<b>246,069</b>	<b>129,179</b>	<b>166,723</b>	<b>79,762</b>
<b>Unsecured loan from infrastructure fund</b>				
Current portion	821	718	821	718
Non-current portion	15,561	16,416	15,561	16,416
<b>Total</b>	<b>16,382</b>	<b>17,134</b>	<b>16,382</b>	<b>17,134</b>

As at 31 December 2022, the Group had unutilised credit facilities totaling Baht 32,212 million, US Dollars 180 million and Australian Dollars 114 million (2021: Baht 50,226 million, US Dollars 855 million and Australian Dollars 100 million).

Balance of interest-bearing liabilities net of deferred financing fees, excluding lease liabilities as at 31 December 2022 were as follows:

	Consolidated financial statements			
	Total facilities	Amount	Interest rate	Repayment term
		(Million Baht)	(% per annum)	
<b>Short-term</b>				
<b>Loans from financial institutions</b>				
Loans from local financial institutions	Baht 2,335 million	248	Fixed rate	At call
Loans from financial institutions in US Dollars	US Dollars 250 million	8,295	Fixed rate	Within a year January 2023
Loans from financial institutions in US Dollars	As stipulated in the agreement	142	MLR minus a fixed margin	Within a year April 2023
<b>Total</b>		<b>8,685</b>		
<b>Long-term</b>				
<b>Loans from the Ministry of Finance</b>				
Loans from the Ministry of Finance	Baht 276 million	33	Fixed rate	Within 59 years during September 1969 to September 2027
<b>Loans from financial institutions</b>				
Loans from local financial institutions	Baht 16,000 million	6,112	Fixed rate	By 6 months within 7 years and 10 years during April 2017 to April 2027
	Baht 25,000 million	25,000	Fixed rate	Within May 2024
	Baht 50,000 million	50,000	6-month BIBOR and 6-month BIBOR plus a fixed margin	Within April 2026 to May 2028
	Baht 21,500 million	21,500	Fixed rate and THOR plus a fixed margin	Within March and June 2024
	Baht 4,632 million	3,011	3-Month floating rate plus a fixed margin	Within 12 years during November 2020 to November 2032

<b>Consolidated financial statements</b>				
<b>Total facilities</b>	<b>Amount</b>	<b>Interest rate</b>	<b>Repayment term</b>	
	(Million Baht)	(% per annum)		
<b>Long-term</b>				
Loans from local financial institutions	Baht 2,205 million	585	Fixed rate and floating rate plus a fixed margin	Within 7 years during June 2017 to December 2024
	Baht 324 million	98	MLR minus a fixed margin	Within 8 years during June 2017 to December 2025
	Baht 3,307 million	3,278	3-Month BIBOR and 6-Month THBFIX	By quarterly within 20 years March 2040
Loans from financial institutions in Australian Dollars	Australian Dollars 1,148 million	23,138	BBSY plus a fixed margin	Within 5 years and 7 years during October 2018 to September 2029
Loans from financial institutions in US Dollars	US Dollars 150 million	4,493	Fixed rate	Within 7 years April 2029
	US Dollars 23 million	334	Floating rate	Within 10 years December 2026
	US Dollars 188 million	6,159	LIBOR plus a fixed margin	By quarterly within 15 years during March 2022 to December 2036
<b>Total</b>		<b>143,741</b>		
Less: Deferred financing fees		(936)		
<b>Net</b>		<b>142,805</b>		
Less: Current portion due within one year		(8,618)		
<b>Total non-current portion - net</b>		<b>134,187</b>		
<b>Loans from other parties</b>				
Loans from other domestic parties	As stipulated in the agreement	320	Fixed rate	Within 2026 and 2027
Loans from other foreign parties	US Dollars 1 million	27	SOFR plus a fixed margin	Within 5 years November 2027
<b>Total</b>		<b>347</b>		

**Consolidated financial statements**

	Total facilities	Amount	Interest rate	Repayment term
		(Million Baht)	(% per annum)	
<b>Debentures and bonds</b>				
EGAT Bonds	Baht 92,620 million	92,620	1.14 - 5.59	Repayment period during 6 years to 20 years and will be due for redemption during 2023 to 2041
Debentures	Baht 10,650 million	10,650	1.32 - 4.26	Repayment period during 3 years to 15 years and will be due for redemption during 2023 to 2035
Debentures in US Dollars	US Dollars 300 million	10,369	4.50	Repayment period of 10 years and will be due for redemption in 2028
Debentures in Japanese Yen	Japanese Yen 15,000 million	3,930	2.72	Repayment period of 15 years and will be due for redemption in 2026
<b>Total</b>		<b>117,569</b>		
Plus: Discount on Bonds		2		
Less: Deferred financing fees		(36)		
<b>Net</b>		<b>117,535</b>		
Less: Current portion due within one year		(6,000)		
<b>Total non-current portion - net</b>		<b>111,535</b>		

	<b>Separate financial statements</b>			
	Total facilities	Amount (Million Baht)	Interest rate (% per annum)	Repayment term
<b>Long-term</b>				
<b>Loans from the Ministry of Finance</b>				
Loans from the Ministry of Finance	Baht 276 million	33	Fixed rate	Within 59 years during September 1969 to September 2027
<b>Long-term</b>				
Loans from local financial institutions	Baht 16,000 million	6,112	Fixed rate	By 6 months within 7 years and 10 years during April 2017 to April 2027
	Baht 25,000 million	25,000	Fixed rate	Within May 2024
	Baht 50,000 million	50,000	6-month BIBOR and 6-month BIBOR plus a fixed margin	Within April 2026 to May 2028
<b>Total</b>		<b>81,145</b>		
Less: Current portion due within one year		(2,038)		
<b>Net</b>		<b>79,107</b>		
<b>Bonds</b>				
EGAT Bonds	Baht 92,620 million	92,620	1.14 - 5.59	Repayment period during 6 years to 20 years and will be due for redemption during 2023 to 2041
Plus: Discount on bonds		2		
Less: Deferred financing fees		(6)		
<b>Net</b>		<b>92,616</b>		
Less: Current portion due within one		(5,000)		
<b>Total non-current portion - net</b>		<b>87,616</b>		

### **Issuance of bonds of EGAT**

On 1 March 2022, EGAT has issued bonds for private offering to institutional investors (Private Placement Institution Investor: PP - II) with unsecured by the Ministry of Finance in 3 sets for the investment in the transmission system improvement projects, as follows;

1. EGAT bond B.E. 2565 No.1, amounting to Baht 2,100 million. The bond has a maturity of 10 years with an interest rate of 2.94 percent per annum, which will pay every 6 months.
2. EGAT bond B.E. 2565 No.2, amounting to Baht 2,100 million. The bond has a maturity of 12 years with an interest rate of 3.19 percent per annum, which will pay every 6 months.
3. EGAT bond B.E. 2565 No.3, amounting to Baht 4,500 million. The bond has a maturity of 20 years with an interest rate of 3.72 percent per annum, which will pay every 6 months.

On 9 June 2022, EGAT has issued EGAT bond B.E. 2565 No.4, amounting to Baht 7,300 million. The bond has a maturity of 10 years with an interest rate of 3.68 percent per annum, which will pay every 6 months. This bond is issued for private offering to institutional investors (Private Placement Institution Investor: PP - II) with unsecured by the Ministry of Finance for the investment in the power plant development and transmission system projects.

On 19 September 2022, EGAT has issued EGAT bond B.E. 2565 No.5, amounting to Baht 3,000 million. The bond has a maturity of 6 years with an interest rate of 2.76 percent per annum, which will pay every 6 months. This bond is issued for private offering to institutional investors (Private Placement Institution Investor: PP - II) with unsecured by the Ministry of Finance for replacement of matured bonds.

### **Financing Term Loan to enhance financial liquidity in 2022 - 2024**

On 8 March 2022, the Cabinet passed a resolution approving of EGAT's financing for enhancing the financial liquidity in 2022 - 2024 under the credit limit of Baht 25,000 million by financing in the form of Term Loan maturity period not over 3 years with unsecured by the Ministry of Finance. Subsequently, in May 2022, EGAT signed loan agreements with 3 financial institutions for Baht 25,000 million. The loan agreements have a term of 3 years, with interest rates of 1.75 - 2.33 percent per annum. Interest payments made every 6 months and the principal is repayable at the maturity of the agreements. On 24 May 2022, EGAT received the full amount of the loan.

**Financing Term Loan to provide working capital and enhance financial liquidity for managing Ft in accordance with government policy for the fiscal year 2023**

On 6 September 2022, the Cabinet pass a resolution approving of EGAT's financing plan to manage Ft in compliance with the government policy for the fiscal year 2023 under a credit limit of Baht 85,000 million, secured by the Ministry of Finance. During the year 2022, EGAT signed 5 loan agreements with a financial institution as follows:

1. On 26 October 2022, EGAT signed a loan agreement with a financial institution for a loan amount of Baht 10,000 million. The loan has a term of 3 years and 6 months from the drawdown date, with the principal repayment due on 30 April 2026. The interest rate is based on the 6-month Bangkok market reference rate (BIBOR 6M) announced by the Bank of Thailand, plus 0.13 percent per annum. EGAT drew down the entire loan amount on 31 October 2022.
2. On 26 October 2022, EGAT signed a loan agreement with a financial institution for a loan amount of Baht 10,000 million. The loan has a term of 4 years and 6 months from the drawdown date, with the principal repayment due on 30 April 2027. The interest rate is base on the 6-month Bangkok market reference rate (BIBOR 6M) announced by the Bank of Thailand, plus 0.14 percent per annum. EGAT drew down the entire loan amount on 31 October 2022.
3. On 26 October 2022, EGAT signed a loan agreement with a financial institution for a loan amount of Baht 10,000 million. The loan has a term of 5 years and 6 months from the drawdown date, with the principal repayment due on 30 April 2028. The interest rate is base on the 6-month Bangkok market reference rate (BIBOR 6M) announced by the Bank of Thailand, plus 0.15 percent per annum. EGAT drew down the entire loan amount on 31 October 2022.
4. On 28 November 2022, EGAT signed a loan agreement with a financial institution for a loan amount of Baht 10,000 million. The loan has a term of 3 years and 6 months from the drawdown date, with the principal repayment due on 31 May 2026. The interest rate is base on the 6-month Bangkok market reference rate (BIBOR 6M) announced by the Bank of Thailand. EGAT drew down the entire loan amount on 30 November 2022.
5. On 28 November 2022, EGAT signed a loan agreement with a financial institution for a loan amount of Baht 10,000 million. The loan has a term of 5 years and 6 months from the drawdown date, with the principal repayment due on 31 May 2028. The interest rate is base on the 6-month Bangkok market reference rate (BIBOR 6M) announced by the Bank of Thailand. EGAT drew down the entire loan amount on 30 November 2022.

### **Increasing credit limit of credit line short-term loan**

On 26 July 2022, the Cabinet passed a resolution approving EGAT increasing the credit limit of its short-term credit line from Baht 10,000 million to Baht 30,000 million until 11 September 2024. Such credit line initially was approved by the Cabinet on 16 March 2021, and it is due for a period of 3 years under the same conditions. EGAT will consider entering into a loan agreement with a financial institution that offers the lowest cost model according to the market interest rate, with the loan being unsecured by the Ministry of Finance, covering both the principal and interest.

Subsequently, in October and November 2022, EGAT obtained loans from financial institutions in the form of promissory notes totaling Baht 26,000 million. The interest rates ranged from 1.15 to 1.80 percent per annum. EGAT fully repaid the loans in November 2022.

### **Loan from infrastructure funds**

On 27 August 2014, the Board of EGAT approved model of infrastructure fund structure for North Bangkok Combined Cycle Power Plant - Block 1 which required EGAT to quarterly remit net revenue (availability of payments (AP1) net insurance premium) of North Bangkok Combined Cycle Power Plant - Block 1 throughout the contractual period, according to the contract between EGAT and such fund. The amount of fund is not less than Baht 19,000 million, and the estimated contractual period is 20 years.

EGAT will record receipt from sale of investment units in amount of Baht 20,855 million (amount of investment units 2,085.50 million at par value of Baht 10 per unit) as liabilities. The remitted net revenue will be paid in respect of the return and repayment of investment until the maturity date of the contract. For the purpose that EGAT appointed the following:

1. Krung Thai Asset Management Public Company Limited (KTAM) as the fund manager
2. Siam Commercial Bank as the financial advisor and underwriter

EGAT hold the investment in amount of Baht 5,214 million (amount of investment units 521 million), representing 25% of the total investment units sold, which is included in other non-current financial assets as at 31 December 2022 in amount of Baht 3,466 million (2021: Baht 6,125 million). During 2022 and 2021, EGAT received dividend income from the investment amount of Baht 120 million and Baht 323 million, respectively.

## Lease liabilities from Power Purchase Agreements

(Unit: Million Baht)

	Consolidated financial statements					
	Current portion		Non-current portion		Total	
	2022	2021	2022	2021	2022	2021
Lease liabilities from Power						
Purchase Agreements	47,129	44,323	530,140	501,311	577,269	545,634
Less: Deferred interest expenses	(31,906)	(30,004)	(286,964)	(265,574)	(318,870)	(295,578)
<b>Lease liabilities from Power</b>						
<b>Purchase Agreements - net</b>	<b>15,223</b>	<b>14,319</b>	<b>243,176</b>	<b>235,737</b>	<b>258,399</b>	<b>250,056</b>

(Unit: Million Baht)

	Separate financial statements					
	Current portion		Non-current portion		Total	
	2022	2021	2022	2021	2022	2021
Lease liabilities from Power						
Purchase Agreements	49,962	48,621	538,032	512,035	587,994	560,656
Less: Deferred interest expenses	(33,028)	(31,493)	(288,813)	(268,544)	(321,841)	(300,037)
<b>Lease liabilities from Power</b>						
<b>Purchase Agreements - net</b>	<b>16,934</b>	<b>17,128</b>	<b>249,219</b>	<b>243,491</b>	<b>266,153</b>	<b>260,619</b>

## Other lease liabilities

(Unit: Million Baht)

	Consolidated financial statements					
	Current portion		Non-current portion		Total	
	2022	2021	2022	2021	2022	2021
Other lease liabilities	564	528	3,917	2,110	4,481	2,638
Less: Deferred interest expenses	(23)	(24)	(36)	(55)	(59)	(79)
<b>Other lease liabilities - net</b>	<b>541</b>	<b>504</b>	<b>3,881</b>	<b>2,055</b>	<b>4,422</b>	<b>2,559</b>

(Unit: Million Baht)

	Separate financial statements					
	Current portion		Non-current portion		Total	
	2022	2021	2022	2021	2022	2021
Other lease liabilities	389	361	707	562	1,096	923
Less: Deferred interest expenses	(21)	(21)	(22)	(18)	(43)	(39)
<b>Other lease liabilities - net</b>	<b>368</b>	<b>340</b>	<b>685</b>	<b>544</b>	<b>1,053</b>	<b>884</b>

## 19. Leases

### 19.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 30 years.

#### a) Right-of-use assets

Movements of right-of-use assets - power plants and movements of other right-of-use assets for the years ended 31 December 2022 and 2021 are summarised in Note 14 and Note 13, respectively.

#### b) Lease liabilities

Details of Lease liabilities from Power Purchase Agreements and other lease liabilities as at 31 December 2022 and 2021 are summarised in Note 18.

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

	Consolidated		(Unit: Million Baht) Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning balance	252,615	229,742	261,503	241,394
Additions	21,281	23,305	21,245	23,278
Accretion of interest	32,484	29,620	33,844	31,433
Repayments	(48,242)	(44,583)	(52,321)	(48,903)
Unrealised loss on exchange	2,972	14,377	2,935	14,301
Acquired through a business combination	1,711	152	-	-
Difference from valuation adjustment	-	2	-	-
Ending balance	<u>262,821</u>	<u>252,615</u>	<u>267,206</u>	<u>261,503</u>

A maturity analysis of lease payments is disclosed in Note 25.2 under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Depreciation expense of right-of-use assets	17,173	16,340	19,297	18,505
Interest expense on lease liabilities	32,484	29,620	33,844	31,433
Expense relating to short-term leases and leases of low-value assets	98	142	82	120
Expense relating to variable lease payments that do not depend on an index or a rate	5	6	5	6

**d) Others**

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 48,345 million (2021: Baht 44,731 million) (EGAT only: Baht 52,408 million (2021: Baht 49,029 million)), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

**19.2 Group as a lessor**

The Group has entered into finance leases for the power plants of the lease terms 29 years.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Undiscounted lease payments receivable under finance leases				
Within 1 year	1,659	1,605	-	-
Over 1 and up to 5 years	6,638	6,418	-	-
Over 5 years	21,574	22,465	-	-
Total	29,871	30,488	-	-
Less: Deferred interest income	(16,741)	(17,554)	-	-
	13,130	12,934	-	-
Add: Present value of unguaranteed residual values	4,925	4,883	-	-
Net investment in the finance leases	18,055	17,817	-	-
Less: Allowance for expected credit losses	(135)	(130)	-	-
<b>Net</b>	<b>17,920</b>	<b>17,687</b>	<b>-</b>	<b>-</b>

Set out below is the movements in the allowance for expected credit losses of lease receivables.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning balance	130	-	-	-
Provision for expected credit losses	-	130	-	-
Amount written off	-	-	-	-
Effect from foreign exchange	5	-	-	-
<b>Ending balance</b>	<b>135</b>	<b>130</b>	<b>-</b>	<b>-</b>

## 20. Non-current provisions for employee benefits

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Retirement benefits	10,271	12,045	9,950	11,754
Post-retirement medical benefits	3,340	3,895	3,340	3,895
	<b>13,611</b>	<b>15,940</b>	<b>13,290</b>	<b>15,649</b>

**Retirement benefits**

The Group operates a defined benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Present value of the defined benefit obligations</b>				
As at 1 January	12,045	10,986	11,754	10,741
<b>Recognised in profit or loss and statement of financial position:</b>				
Current service cost	570	463	551	440
Interest on obligation	289	333	285	329
Actuarial (gain) loss	(14)	26	(14)	26
Acquisition through business combination	16	46	-	-
	<b>12,906</b>	<b>11,854</b>	<b>12,576</b>	<b>11,536</b>
<b>Recognised in other comprehensive income:</b>				
Actuarial (gain) loss				
- Demographic assumptions	1	15	-	-
- Financial assumptions	(1,346)	1,425	(1,336)	1,459
- Experience adjustment	(145)	758	(151)	744
Effect of movements in exchange rates	-	1	-	-
	<b>11,416</b>	<b>14,053</b>	<b>11,089</b>	<b>13,739</b>
Benefit paid	(1,145)	(2,008)	(1,139)	(1,985)
<b>As at 31 December</b>	<b>10,271</b>	<b>12,045</b>	<b>9,950</b>	<b>11,754</b>

## Post-retirement medical benefits

EGAT operates a number of post-retirement medical benefit schemes where the majority of these plans are unfunded. The method of accounting, significant assumptions and the frequency of valuations are similar to those used for defined benefit pension schemes.

(Unit: Million Baht)

	Consolidated and separate financial statements	
	<u>2022</u>	<u>2021</u>
<b>Present value of the defined benefit obligations</b>		
As at 1 January	3,895	5,798
<b>Recognised in profit or loss and statement of financial position:</b>		
- Current service cost	284	277
- Interest on obligation	102	134
	<b>4,281</b>	<b>6,209</b>
<b>Recognised in other comprehensive income:</b>		
Actuarial (gain) loss		
- Financial assumptions	(469)	170
- Experience adjustment	(407)	(2,434)
	<b>3,405</b>	<b>3,945</b>
Benefit paid	(65)	(50)
<b>As at 31 December</b>	<b>3,340</b>	<b>3,895</b>

(% per annum)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Principal actuarial assumptions</b>				
Discount rate				
- Retirement benefits	1.73 - 5.22	0.51 - 8.00	3.38 - 4.13	2.20 - 2.82
- Post-retirement medical benefits	4.12	2.82	4.12	2.82
Inflation rate (Consumer Price Index)	3.00	2.75	3.00	2.75
Future salary growth	4.00 - 8.00	4.00 - 8.00	6.00	6.00
Medical cost trend rate	8.00	8.00	8.00	8.00
Employee turnover	0.00 - 11.46	0.00 - 11.46	0.08 - 0.92	0.08 - 0.92

Assumptions regarding future mortality have been based on published statistics and mortality tables.

EGAT expects to pay Baht 846 million of long-term employee benefits during the next year (2021: Baht 1,168 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit of the Group is 10 to 28.7 years (2021: 11 to 28.7 years) (EGAT only: 10 to 17 years, 2021: 11 to 15 years).

### *Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	increase	decrease	increase	decrease
<b><i>Effect to the defined benefit obligation</i></b>				
<b><i>As at 31 December 2022</i></b>				
<b>Retirement benefits</b>				
Discount rate (change 1%)	(868)	1,008	(826)	971
Future salary growth (change 1%)	843	(734)	804	(701)
Employee turnover (change 20%)	(30)	31	(23)	24
<b>Post-retirement medical benefits</b>				
Discount rate (change 1%)	(292)	348	(292)	348
Medical cost trend rate (change 1%)	254	(217)	254	(217)
Employee turnover (change 20%)	(8)	8	(8)	8
<b><i>As at 31 December 2021</i></b>				
<b>Retirement benefits</b>				
Discount rate (change 1%)	(1,063)	1,261	(1,036)	1,230
Future salary growth (change 1%)	1,044	(904)	1,013	(878)
Employee turnover (change 20%)	(36)	37	(30)	30
<b>Post-retirement medical benefits</b>				
Discount rate (change 1%)	(368)	445	(368)	445
Medical cost trend rate (change 1%)	377	(286)	377	(286)
Employee turnover (change 20%)	(11)	11	(11)	11

## 21. Provision for mine rehabilitation

(Unit: Million Baht)

	Consolidated and separate financial statements	
	<u>2022</u>	<u>2021</u>
As at 1 January	3,613	4,087
Add: Increase during the year	143	163
Financial cost	106	129
	<b>3,862</b>	<b>4,379</b>
Less: Mine rehabilitation cost	(81)	(82)
Depreciation	(20)	(23)
Provision adjustment	(297)	(661)
<b>As at 31 December</b>	<b>3,464</b>	<b>3,613</b>

## 22. Impacts from lease under Power Purchase Agreements to performance

(Unit: Million Baht)

	Consolidated financial statements					
	Balance before impacts from lease		Impacts from lease		Balance after impacts from lease	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Year ended 31 December</b>						
Cost of fuel	196,002	110,037	147,971	75,240	343,973	185,277
Electric energy purchased	559,232	378,313	(265,430)	(159,403)	293,802	218,910
Operating expenses	42,881	42,780	27,249	25,563	70,130	68,343
<b>Total cost of electric energy sales</b>	<b>798,115</b>	<b>531,130</b>	<b>(90,210)</b>	<b>(58,600)</b>	<b>707,905</b>	<b>472,530</b>
Gain (loss) on disposal of assets	159	125	(34)	-	125	125
Gain (loss) on exchange rate	(36)	172	(2,619)	(13,409)	(2,655)	(13,237)
Finance costs	6,805	4,994	32,357	29,496	39,162	34,490

(Unit: Million Baht)

	Separate financial statements					
	Balance		Impacts		Balance	
	before impacts		from lease		after impacts	
	from lease		from lease		from lease	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Year ended 31 December</b>						
Cost of fuel	134,589	83,144	202,741	101,128	337,330	184,272
Electric energy purchased	565,494	380,336	(265,430)	(159,403)	300,064	220,933
Operating expenses	35,858	37,162	29,980	28,856	65,838	66,018
<b>Total cost of electric energy sales</b>	<b>735,941</b>	<b>500,642</b>	<b>(32,709)</b>	<b>(29,419)</b>	<b>703,232</b>	<b>471,223</b>
Gain (loss) on disposal of assets	179	127	(34)	-	145	127
Gain (loss) on exchange rate	209	(52)	(2,619)	(13,409)	(2,410)	(13,461)
Finance costs	3,828	3,126	33,818	31,403	37,646	34,529

### 23. Revenue and costs from sales of other goods and services

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenue from telecommunication services	127	184	127	184
Revenue from operation and maintenance services	3,505	2,869	3,422	4,089
Others	570	778	570	778
<b>Total</b>	<b>4,202</b>	<b>3,831</b>	<b>4,119</b>	<b>5,051</b>
Cost of telecommunication services	11	14	11	14
Cost operation and maintenance services	2,125	1,682	2,712	2,752
Others	196	615	196	615
<b>Total</b>	<b>2,332</b>	<b>2,311</b>	<b>2,919</b>	<b>3,381</b>

EGAT has revenue from telecommunications business, which EGAT has been approved for a Type Three of Telecommunication Business License from the National Telecommunications Commission on 15 March 2007.

EGAT records the cost of telecommunication services with telecommunication service income since 15 March 2007 which is the date EGAT has received approval for a telecommunications business license from the National Telecommunications Commission. The cost of telecommunication services above does not include selling expenses, administrative expenses, and finance costs. Those expense has been shown in each type of expense in the statement of income.

## 24. Expenses by nature

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Electric energy purchased	293,802	218,910	300,064	220,933
Fuel and consumables used	344,943	185,787	338,272	184,839
Depreciation and amortisation	53,540	53,227	50,453	51,033
Employee expenses	19,953	22,833	19,071	22,162
Subcontract and maintenance expenses	5,869	5,009	3,911	3,559
Other expenses	9,117	5,291	7,776	6,375
<b>Total</b>	<b>727,224</b>	<b>491,057</b>	<b>719,547</b>	<b>488,901</b>

## 25. Financial instruments

### 25.1 Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

(Unit: Million Baht)

	Consolidated financial statements						Total	Fair value			Total
	Carrying amount			Financial instruments measured at amortised cost				Level 1	Level 2	Level 3	
	Hedging instruments	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Hedging instruments measured at amortised cost	Financial instruments measured at amortised cost	Financial instruments measured at amortised cost					
<b>As at 31 December 2022</b>											
<b>Financial assets</b>											
Long-term loans to related parties	-	-	-	4,468	-	-	-	-	-	4,468	4,468
Other financial assets											
Investment in equity instruments	-	-	3,414	-	-	-	3,014	-	-	400	3,414
Investment in debt instruments	-	2,884	-	566	-	-	-	3,452	-	-	3,452
Investment in infrastructure fund	-	-	3,441	-	-	-	-	3,441	-	-	3,441
Forward exchange contracts used for hedging	1,141	-	-	-	-	-	-	1,141	-	-	1,141
Derivatives assets	-	307	-	-	-	-	-	307	-	-	307

(Unit: Million Baht)

		Consolidated financial statements							
		Carrying amount				Carrying amount			
		Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
Hedging instruments									
<b>As at 31 December 2022</b>									
<b>Financial liabilities</b>									
Long-term loans from the Ministry of Finance	-	-	-	33	33	-	34	-	34
Loans from financial institutions	-	-	-	142,772	142,772	-	141,030	-	141,030
EGAT bonds	-	-	-	92,616	92,616	-	90,730	-	90,730
Debentures	-	-	-	24,919	24,919	-	26,075	-	26,075
Long-term loans from other parties	-	-	-	347	347	-	-	368	368
<b>Other financial liabilities</b>									
Forward exchange contracts used for hedging	7	-	-	-	7	-	7	-	7
Energy derivatives and other derivatives	2,232	1,492	-	-	3,724	-	3,724	-	3,724



(Unit: Million Baht)

		Consolidated financial statements							
		Carrying amount			Carrying amount				
		Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	Total
Hedging instruments									
<b>As at 31 December 2021</b>									
<b>Financial liabilities</b>									
Long-term loans from the Ministry of Finance									
		-	-	39	39	-	41	-	41
	Loans from financial institutions	-	-	37,560	37,560	-	37,933	-	37,933
	EGAT bonds	-	-	76,617	76,617	-	79,133	-	79,133
	Debentures	-	-	24,352	24,352	-	26,802	-	26,802
	Long-term loans from other parties	-	-	320	320	-	-	341	341
Other financial liabilities									
	Interest rate swaps used for hedging	667	-	-	667	-	667	-	667
	Forward exchange contracts used for hedging	2	-	-	2	-	2	-	2
	Other derivatives liabilities	-	138	-	138	-	138	-	138

(Unit: Million Baht)

	Separate financial statements						Total	Fair value			Total
	Carrying amount			amortised cost				Level 1	Level 2	Level 3	
	Hedging instruments	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Financial instruments measured at	Financial instruments measured at	Level 1					
<b>As at 31 December 2022</b>											
<b>Financial assets</b>											
Other financial assets											
	-	-	25	-	-	25	-	-	25	-	25
Investment in equity instruments	-	-	3,441	-	-	3,441	-	3,441	-	-	3,441
Investment in infrastructure fund											
<b>Financial liabilities</b>											
Long-term loans from the Ministry of											
	-	-	-	33	-	33	-	34	-	-	34
Finance											
Loans from financial institutions	-	-	-	81,112	-	81,112	-	79,577	-	-	79,577
EGAT bonds	-	-	-	92,616	-	92,616	-	90,730	-	-	90,730



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

Type	Valuation technique
Corporate debt securities	<i>Market price comparison technique/Discounted cash flow:</i> The fair value is estimated considering (i) current or recent quoted prices for identical securities in markets that are not active and (ii) a net present value calculated using discount rates derived from quoted prices of securities with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.
Investments in marketable unit trusts classified as financial assets measured at FVTPL or FVOCI	The net asset value as of the reporting date.
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Interest rate swap contracts	<i>Swap model:</i> The present value of estimated future cash flows, using an observable yield curve.
Cross currency swap contracts	<i>Black-Scholes model/ Discounted cash flows</i>
Debt securities, energy derivatives and other financial liabilities	Discounted cash flows

## 25.2 Financial risk management policies

### Risk management framework

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

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

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

### **Credit risk**

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

#### ***Trade receivables***

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

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 1 months. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade receivables are disclosed in Note 9.

**Investment in debt securities, loans to and lease receivable**

The Group limits its exposure to credit risk by investing only in liquid debt securities and only with counterparties that have consider a credit rating by international credit rating institutions.

The Group monitors changes in credit risk by tracking published external credit ratings. To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings.

The following table presents the exposure to credit risk and expected credit losses.

(Unit: Million Baht)

	Consolidated financial statements			Total
	12-months ECL	Lifetime ECL - not credit - impaired	Lifetime ECL credit - impaired	
<b>As at 31 December 2022</b>				
Debt instruments measured				
at amortised cost	563	-	-	563
Loans to other parties	5,272	-	-	5,272
Lease receivable	18,055	-	-	18,055
	<b>23,890</b>	-	-	<b>23,890</b>
Less: Allowance for expected credit losses	(169)	-	-	(169)
<b>Net</b>	<b>23,721</b>	-	-	<b>23,721</b>

(Unit: Million Baht)

	Consolidated financial statements			Total
	12-months ECL	Lifetime ECL - not credit - impaired	Lifetime ECL credit - impaired	
<b>As at 31 December 2021</b>				
Debt instruments measured				
at amortised cost	563	-	-	563
Loans to other parties	3,377	-	-	3,377
Lease receivable	17,817	-	-	17,817
	<b>21,757</b>	-	-	<b>21,757</b>
Less: Allowance for expected credit losses	(159)	-	-	(159)
<b>Net</b>	<b>21,598</b>	-	-	<b>21,598</b>

(Unit: Million Baht)

	Consolidated financial statements			Total
	12-months ECL	Lifetime ECL - not credit - impaired	Lifetime ECL credit - impaired	
<b><i>Movement of allowance for expected credit loss</i></b>				
<b>As at 1 January 2021</b>	<b>35</b>	-	-	<b>35</b>
Net remeasurement of loss allowance	(6)	-	-	(6)
Financial assets repaid	(1)	-	-	(1)
New financial assets acquired	1	-	-	1
New financial assets through business acquisition	130	-	-	130
<b>As at 31 December 2021</b>	<b>159</b>	-	-	<b>159</b>
<b>As at 1 January 2022</b>	<b>159</b>	-	-	<b>159</b>
Net remeasurement of loss allowance	2	-	-	2
New financial assets acquired	8	-	-	8
<b>As at 31 December 2022</b>	<b>169</b>	-	-	<b>169</b>

### ***Cash and cash equivalent and derivatives***

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions which the Group considers to have low credit risk.

### ***Guarantees***

The Group's policy is to provide financial guarantees only for subsidiaries' liabilities. At 31 December 2022, the Group has issued a guarantee to certain banks in respect of credit facilities granted to subsidiaries (see Notes 7 and 27).

**Liquidity risk**

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

(Unit: Million Baht)

	Consolidated financial statements				
	Carrying amount	Contractual cash flows			
		1 year or less	More than 1 years but less than 5 years	More than 5 years	Total
<b>As at 31 December 2022</b>					
<b>Non-derivative financial liabilities</b>					
Short-term loans from financial institutions	8,685	8,685	-	-	8,685
Trade payables	125,695	125,695	-	-	125,695
Other payables	16,394	16,376	18	-	16,394
Loans from the Ministry of Finance	33	8	29	-	37
Long-term loans from financial institutions	142,772	10,726	109,207	41,201	161,134
Loans from other parties	347	13	397	-	410
EGAT bonds	92,616	7,931	31,721	82,475	122,127
Debentures	24,919	1,297	7,643	21,558	30,498
Loan from infrastructure fund	16,382	1,854	7,808	14,437	24,099
Lease liabilities from Power Purchase					
Agreements	258,399	47,129	171,077	359,063	577,269
Other lease liabilities	4,422	571	1,597	4,010	6,178
	<b>690,664</b>	<b>220,285</b>	<b>329,497</b>	<b>522,744</b>	<b>1,072,526</b>
<b>Derivative financial liabilities</b>					
Cross currency swap contract	64	-	64	-	64
Interest rate swaps used for hedging	7	-	7	-	7
Energy derivatives	3,660	1,158	1,999	503	3,660
	<b>3,731</b>	<b>1,158</b>	<b>2,070</b>	<b>503</b>	<b>3,731</b>

(Unit: Million Baht)

	Consolidated financial statements				
	Contractual cash flows				
	Carrying amount	1 year or less	More than 1 years but		Total
			less than 5 years	More than 5 years	
<b>As at 31 December 2021</b>					
<b><i>Non-derivative financial liabilities</i></b>					
Short-term loans from financial institutions	5,365	5,365	-	-	5,365
Trade payables	91,313	91,313	-	-	91,313
Other payables	16,149	16,149	-	-	16,149
Loans from the Ministry of Finance	39	8	31	6	45
Long-term loans from financial institutions	37,560	5,938	30,393	4,570	40,901
Loans from other parties	320	11	45	330	386
EGAT bonds	76,617	5,479	29,840	65,611	100,930
Debentures	24,352	2,231	3,213	24,446	29,890
Loan from infrastructure fund	17,134	1,750	7,511	16,271	25,532
Lease liabilities from Power Purchase					
Agreements	250,056	44,323	161,326	339,985	545,634
Other lease liabilities	2,559	531	1,067	2,724	4,322
	<b>521,464</b>	<b>173,098</b>	<b>233,426</b>	<b>453,943</b>	<b>860,467</b>
<b><i>Derivative financial liabilities</i></b>					
Cross currency swap contract	138	-	138	-	138
Forward exchange contracts	2	2	-	-	2
Interest rate swaps used for hedging	667	173	295	199	667
	<b>807</b>	<b>175</b>	<b>433</b>	<b>199</b>	<b>807</b>

(Unit: Million Baht)

	Separate financial statements				Total
	Contractual cash flows				
	Carrying amount	1 year or less	More than 1 years but		
			less than 5 years	More than 5 years	
<b>As at 31 December 2022</b>					
<b>Non-derivative financial liabilities</b>					
Trade payables	126,830	126,830	-	-	126,830
Other payables	13,864	13,846	18	-	13,864
Loans from the Ministry of Finance	33	8	29	-	37
Long-term loans from financial institutions	81,112	3,477	62,592	20,156	86,225
EGAT bonds	92,616	7,931	31,721	82,475	122,127
Loan from infrastructure fund	16,382	1,854	7,808	14,437	24,099
Lease liabilities from Power Purchase					
Agreements	266,153	49,962	178,969	359,063	587,994
Other lease liabilities	1,053	389	704	3	1,096
	<b>598,043</b>	<b>204,297</b>	<b>281,841</b>	<b>476,134</b>	<b>962,272</b>

(Unit: Million Baht)

	Separate financial statements				Total
	Contractual cash flows				
	Carrying amount	1 year or less	More than 1 years but		
			less than 5 years	More than 5 years	
<b>As at 31 December 2021</b>					
<b>Non-derivative financial liabilities</b>					
Trade payables	92,569	92,569	-	-	92,569
Other payables	12,330	12,330	-	-	12,330
Loans from the Ministry of Finance	39	8	31	6	45
Long-term loans from financial institutions	8,144	2,255	6,170	305	8,730
EGAT bonds	76,617	5,479	29,840	65,611	100,930
Loan from infrastructure fund	17,134	1,750	7,511	16,271	25,532
Lease liabilities from Power Purchase					
Agreements	260,619	48,621	172,050	339,985	560,656
Other lease liabilities	884	361	557	5	923
	<b>468,336</b>	<b>163,373</b>	<b>216,159</b>	<b>422,183</b>	<b>801,715</b>

## Market risk

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

### Managing interest rate benchmark reform (IBOR reform)

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

The Group's main IBOR exposure at 31 December 2022 was indexed to LIBOR and THBFIX. As at 31 December 2022, the Group has negotiated to amend the contractual terms for some of the LIBOR and THBFIX indexed exposures to SOFR and THOR.

The following table shows the total amounts of financial instruments that have yet to transition to alternative benchmark rates. The amounts of financial assets and financial liabilities are shown at their carrying amounts.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
<i>Rate under the existing contracts</i>	LIBOR	THBFIX	LIBOR	THBFIX
<b>As at 31 December 2022</b>				
Long-term loan to related parties	652	-	-	-
Long-term loan to other parties	2,765	-	-	-
Loans from financial institutions	6,159	5,425	-	-

**Foreign currency risk**

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

As at 31 December, the Group and EGAT were exposed to foreign currency risk in respect of significant financial assets and liabilities denominated in the foreign currencies as follows:

Consolidated financial statements						
Currency	Financial assets		Financial liabilities		Average exchange rate	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per foreign currency unit)	
US dollars	331	367	4,112	4,298	34.56	33.42
Japanese yen	153	74	17,686	18,882	0.2609	0.2906
Lao kip	398,861	404,766	3,891	2,149	0.002	0.003
Australian dollars	-	-	50	2	23.38	24.26

  

Separate financial statements						
Currency	Financial assets		Financial liabilities		Average exchange rate	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per foreign currency unit)	
US dollars	42	169	3,998	4,134	34.56	33.42
Japanese yen	153	55	2,487	2,640	0.2609	0.2906

### Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2022 and 2021. The Group's exposure to foreign currency changes for all other currencies is not material.

Consolidated financial statements				
Currency	2022		2021	
	Increase / Decrease	Impact profit before income tax expenses	Increase / Decrease	Impact profit before income tax expenses
	(%)	(million)	(%)	(million)
US dollars	+5	(6,102)	+5	(4,276)
	-5	5,423	-5	7,291
Japanese yen	+5	(240)	+5	(286)
	-5	240	-5	286
Lao kip	+5	41	+5	63
	-5	(41)	-5	(63)
Australian dollars	+5	(62)	+5	(2)
	-5	62	-5	2

  

Separate financial statements				
Currency	2022		2021	
	Increase / Decrease	Impact profit before income tax expenses	Increase / Decrease	Impact profit before income tax expenses
	(%)	(million)	(%)	(million)
US dollars	+5	(6,401)	+5	(4,333)
	-5	5,722	-5	7,347
Japanese yen	+5	(31)	+5	(38)
	-5	31	-5	38

**Interest rate risk**

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates are flows because debt securities and loan interest rates are variables. The Group mitigates this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates and uses derivatives, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific debt securities and borrowings.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Exposure to interest rate risk</b>				
<b>As at 31 December</b>				
<b>Financial instruments with variable interest rates</b>				
Financial assets	7,392	4,608	-	-
Financial liabilities	(106,394)	(23,879)	(50,000)	-
<b>Net statement of financial position exposure</b>	<b>(99,002)</b>	<b>(19,271)</b>	<b>(50,000)</b>	-
Interest rate swaps	24,366	16,476	-	-
<b>Net exposure</b>	<b>(74,636)</b>	<b>(2,795)</b>	<b>(50,000)</b>	-

**Interest rate sensitivity**

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of loans from financial institution affected as at 31 December 2022 and 2021.

	2022		2021	
	Increase / Decrease	Impact profit before income tax expenses	Increase / Decrease	Impact profit before income tax expenses
Currency	(%)	(million)	(%)	(million)
Baht	+1	(990)	+1	(193)
	-1	990	-1	193

The above analysis has been prepared assuming that the amounts of loans from financial institutions and all other variables remain constant over one year. Moreover, the floating legs of loans from financial institutions are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest receivable/payable for the full 12-month period of the sensitivity calculation.

#### *Interest rate swap and cross currency swap contracts*

The Group entered into various interest rate swap and cross currency swap contracts with financial institutions to manage exposure of fluctuations in interest rates and foreign currency risk on borrowings. The notional amounts of the outstanding interest rate swap and cross currency swap contracts as at 31 December 2022 comprises Baht currency totaling Baht 3,563 million, Japanese yen currency totaling Japanese yen 15,000 million and Australian dollars currency totaling Australian Dollars 626 million and US dollars currency totaling US dollars 178 million. All counterparties agreed to pay the interest and the principal amount in accordance with the terms and conditions specified in the contracts (2021: Baht 1,421 million, Japanese yen currency totaling Japanese yen 15,000 million and Australian dollars currency totaling Australian dollars 445 million and US dollars currency totaling US dollars 157 million).

## **26. Capital management**

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

## **27. Commitments and contingent liabilities with non-related parties**

### **The Group's commitments**

#### *Letters of guarantee*

As at 31 December 2022, subsidiaries had commitments from letters of guarantee issued by banks for subsidiaries to comply with certain conditions in agreements in the amount of Baht 1,014 million (2021: Baht 775 million, US dollars 10 million and Australian dollars 5 million, total Baht 1,242 million).

#### *Standby Letters of Credit*

As at 31 December 2022, subsidiaries had commitments from Standby Letters of Credit issued by financial institutions for Debt Service Reserve Guarantees and equity contributions in joint ventures in the amount of Baht 1,600 million, US dollars 28 million and Australian dollars 5 million, total Baht 2,694 million (2021: Baht 1,600 million, US dollars 25 million and Japanese yen 30 million, total Baht 2,948 million).

A subsidiary had pledged collateral for a loan creditor of an associated company. This is in accordance with the conditions in the Shareholder Support and Subordination Deed (SSSD) and Account Agreement (AA). As at 31 December 2022, it had outstanding balance of Baht 143 million and US dollars 13 million, total Baht 597 million (2021: Baht 143 million and US dollars 12 million, total Baht 548 million).

#### *Unused of credit facilities*

As at 31 December 2022, the subsidiaries had unused of credit facilities in the amount of Baht 5,784 million, US dollars 1,298 million (2021: Baht 4,828 million, US dollars 1,303 million).

#### *Consulting Service Agreement*

As at 31 December 2022, a subsidiary had commitments under consulting contracts agreements in the amount of Baht 88 million (2021: Baht 88 million and US dollars 2 million).

#### *Operation and Maintenance Agreement*

As at 31 December 2022, a subsidiary had commitments under operation and maintenance agreement with a service provider for a period of 19 years from the agreement date. Under the terms of the agreement, such service provider will operate and provide maintenance services to the subsidiary. The operation and maintenance service fee is stipulated in the agreement.

As at 31 December 2022, a subsidiary had commitments under management service contract and consult a business to get guidance on operating and maintaining a power plant with a company, whereby the service charges are as stipulated in the agreement. The agreement expired on 31 December 2023.

#### *Fuel Purchase Agreements*

As at 31 December 2022, a subsidiary had fuel purchase agreement with Esso (Thailand) Public Company Limited for a period of one year, ending 10 May 2023 and this subsidiary had commitments under the fuel purchase agreement to reserve and use in Ratchaburi thermal power plants to generating electricity.

#### *Raw water Purchase Agreement*

As at 31 December 2022, a subsidiary had commitments under raw water purchase agreement with a company, for purchasing raw water which quantity price and condition are stipulated in the agreement for a period 10 years ending in June 2030 with automatic renewal every 5 years throughout the electricity sales with EGAT.

#### *Contractual Service Agreement*

As at 31 December 2022, a subsidiary had commitments under supply of spare parts and maintenance for thermal power plant with General Electric International Operations Company Inc. and GE Energy Parts, Inc. in amount of US dollar 51 million. The agreement was effective from the agreement date until the end of the gas turbine operation in 2027 according to the Power Purchase Agreement (2021: US dollar 76 million).

In addition, in accordance with the agreement, the subsidiary was required to open a letter of credit in amount of US dollar 6 million. As at 31 December 2022, the subsidiary had an outstanding unused letter of credit in amount of US dollar 6 million (2021: US dollar 6 million).

As at 31 December 2022, a subsidiary had commitments under contractual service agreement with a service provider in amount of US dollar 13 million for a period of 15 years from the agreement date (2021: US dollars 15 million) and on 13 December 2022, the subsidiary had commitments under supply of spare parts and maintenance for electric generator from natural gas with two service providers for a period of 15 years from the agreement date. As at 31 December 2022, the subsidiary had outstanding balance in amount Baht 25 million and Japanese yen 843 million.

#### *Electricity and Steam Sales Agreements*

As at 31 December 2022, a subsidiary had commitments under steam sales agreement with a company, for a quantity and price are stipulated in the agreement for a period 10 years from April 2011 and can be renewal for 1 year each time until the termination.

As at 31 December 2022, a subsidiary had commitments under electricity and steam sales with a company, for a quantity and price are stipulated in the agreement for a period of 37 years from April 2014.

#### *Maintenance and Repair Gas Turbine Engines Agreement*

As at 31 December 2022, a subsidiary had commitments under long-term service agreement with an overseas company for the maintenance and repair the gas turbine engines, whereby the service charges are as stipulated in the agreement. The agreement expired on 31 December 2023.

#### *Biomass Fuel Purchase Agreement*

As at 31 December 2022, a subsidiary had commitments under biomass fuel purchase agreement with a company, for a quantity and price are stipulated in the agreement. The agreement is effective from 21 August 2010 until the termination.

*Electricity sales from rooftop solar cell Agreement*

On 30 August 2022, a subsidiary, entered into agreements with Principal Healthcare Group to sell electricity from solar cell in a specified quantity and at a stipulated price as defined in the agreements. The agreement is for a period of 25 years starting from the power purchase date.

*Capital commitment*

As at 31 December 2022, a subsidiary had capital commitment in the Remote Control and Command System (SCADA) Installation Agreement in amount of Baht 5 million.

As at 31 December 2022, a subsidiary had capital commitment in supply and maintenance for cogeneration power plant including supply for solar rooftop in amount of Baht 780 million, US dollars 14 million and Swedish krona 34 million (2021: Baht 765 million, US dollars 28 million and 154 Swedish krona million).

*Pledge of share certificate agreements*

Subsidiaries had pledged share certificates of subsidiaries, associates and joint ventures as collateral for loans creditors of the subsidiaries, associates and joint ventures.

*Significant litigation*

In 2014, a subsidiary was sued, the plaintiff filed a lawsuit against the subsidiary based on the allegations that the subsidiary had breached the joint development agreement for bidding of the Power Plant Project. The plaintiff demanded the subsidiary to pay for the damage caused.

The management of the subsidiary is confident that all of the subsidiary's actions have not been in accordance with the allegations of the plaintiff and has much more confidence in strong defences. Therefore, the subsidiary did not recognise a contingent liability in respect of this case. On 25 October 2018, the Court of First Instance issued a judgement to dismiss the claim made by the plaintiff. On 10 June 2020, the Court of Appeals issued a judgement to dismiss the claim made by the plaintiff upheld the Court of First Instance. Subsequently on 2 August 2022, the Supreme Court issued a judgement to dismiss the claim made by the plaintiff upheld the Court of Appeals. The case is finished.

In 2019, the subsidiary was the defendant in a civil case where the plaintiff requested the subsidiary to pay Baht 5,271 million for compensation. The plaintiff claimed that the subsidiary infringement of their trade secrets by used and made the profitability from their trade secrets information without their consent. The action reportedly caused damage to the plaintiff and preventing them from receiving lost the right, income or benefits from their trade secrets information. On 30 September 2020, the Central Intellectual Property and International Trade Court issued a judgement to dismiss the claim since the trade secrets information claimed by the plaintiff has ceased. The plaintiff appealed the judgment to the Court of Appeal for Specialised Cases. Subsequently on 12 July 2022, the Court of Appeal for Specialised Cases issued a judgement to dismiss the claim made by the plaintiff upheld the Central Intellectual Property and International Trade Court. Therefore, the subsidiary did not recognise a contingent liability in respect of this case.

#### **EGAT's commitments**

As at 31 December 2022, EGAT had commitments under Long-term Power Purchase Agreements from Thermal Power Plant and Combined Cycle Power Plant with electricity generators in amount of Baht 4,237,880 million (2021: Baht 3,150,336 million).

As at 31 December 2022, EGAT had commitments under Fuel Purchase Agreements for power plants in amount of Baht 2,328 million (2021: Nil).

As at 31 December 2022, EGAT had commitments under contract most of which involve hiring contractors to dig-carry soil and lignite and long-term service in amount of Baht 52,355 million. (2021: Baht 61,854 million).

As at 31 December 2022, EGAT had a total outstanding balance of Letter of Credit that has not expired at approximately amount US dollars 18 million, Euro 8 million, Swiss francs 2 million and Japanese yen 2,332 million total Baht 1,617 million (2021: US dollars 16 million, Euro 5 million, Japanese yen 2,590 million and Chinese yuan 17 million total Baht 1,592 million).

As at 31 December 2022, EGAT had commitments from bank has to provide both domestic and foreign counterparties with letters of guarantee in order to use as collateral for the fulfillment of different requirements in the business amount Baht 131 million and Malaysian ringgit 1 million total Baht 151 million (2021: Baht 825 million).

## 28. Events after the reporting period

### **Financing Term Loan to provide working capital and enhance financial liquidity for managing Ft in accordance with government policy for the fiscal year 2023**

The Cabinet passed a resolution approving of EGAT's financing plan to manage Ft in compliance with the government policy for the fiscal year 2023 under a credit limit of Baht 85,000 million, secured by the Ministry of Finance. Subsequently, EGAT signed 7 additional loan agreements with a financial institution as follows:

1. On 17 January 2023, EGAT signed a loan agreement with a financial institution for a loan amount of Baht 2,500 million. The loan has a term of 1 year from the drawdown date. The interest rate is based on the 6-month Bangkok market reference rate (BIBOR 6M) announced by the Bank of Thailand, plus 0.10 percent per annum. EGAT drew down the entire loan amount on 20 January 2023.
2. On 18 January 2023, EGAT signed a loan agreement with a financial institution for a loan amount of Baht 2,500 million. The loan has a term of 1 year from the drawdown date. The interest rate is based on the 6-month Bangkok market reference rate (BIBOR 6M) announced by the Bank of Thailand, plus 0.02 percent per annum. EGAT drew down the entire loan amount on 20 January 2023.
3. On 23 January 2023, EGAT signed a loan agreement with a financial institution for a loan amount of Baht 5,000 million. The loan has a term of 4 years from the drawdown date. The interest rate is based on the 6-month Bangkok market reference rate (BIBOR 6M) announced by the Bank of Thailand, plus 0.20 percent per annum. EGAT drew down the entire loan amount on 25 January 2023.
4. On 23 January 2023, EGAT signed a loan agreement with a financial institution for a loan amount of Baht 5,000 million. The loan has a term of 4 years from the drawdown date. The interest rate is based on the 6-month Bangkok market reference rate (BIBOR 6M) announced by the Bank of Thailand, plus 0.22 percent per annum. EGAT drew down the entire loan amount on 25 January 2023.
5. On 25 January 2023, EGAT signed a loan agreement with a financial institution for a loan amount of Baht 10,000 million. The loan has a term of 6 years from the drawdown date. The interest rate is based on the 6-month Bangkok market reference rate (BIBOR 6M) announced by the Bank of Thailand, plus 0.25 percent per annum. EGAT drew down the entire loan amount on 30 January 2023.

6. On 7 February 2023, EGAT signed a loan agreement with a financial institution for a loan amount of Baht 5,000 million. The loan has a term of 6 years from the drawdown date. The interest rate is based on the 6-month Bangkok market reference rate (BIBOR 6M) announced by the Bank of Thailand, plus 0.22 percent per annum. EGAT drew down the entire loan amount on 13 February 2023.
7. On 7 February 2023, EGAT signed a loan agreement with a financial institution for a loan amount of Baht 5,000 million. The loan has a term of 6 years from the drawdown date. The interest rate is based on the 6-month Bangkok market reference rate (BIBOR 6M) announced by the Bank of Thailand, plus 0.23 percent per annum. EGAT drew down the entire loan amount on 13 February 2023.

#### **Progress on the purchase of shares in respect of Investment in Thermal Power Plant in the Republic of Indonesia**

At the Extraordinary Meeting of the Shareholders of RATCH Group Public Company Limited (“RATCH”), a direct subsidiary, which was held on 21 October 2021, the shareholders approved RH International (Singapore) Corporation Pte. Ltd. (“RHIS”), an indirect subsidiary, to enter into transaction of purchase of ordinary shares of PT Paiton Energy and Minejesa Capital B.V. of 45.52% and purchase of ordinary shares of IPM Asia Pte. Ltd. of 65% and approved RATCH and/or RHIS to allocate the proportion of investment at the share transferring date in accordance with the condition of the share purchase agreement.

On 15 February 2023, RHIS has reached an arrangement. RHIS will be acquiring 36.26% of PT Paiton Energy and in Minejesa Capital B.V. and will be acquiring 65% in IPM Asia Pte. Ltd. This arrangement is in line with RATCH’s commercial objectives and this investment will likely deliver consistent returns to RATCH. It is also a part of process to complete conditions precedent of the Sale and Purchase Agreement.

#### **Dividend approval for the year 2022**

At the Board of Directors meeting of RATCH Group Public Company Limited (“RATCH”), a direct subsidiary, which was held on 28 February 2023. The Board approved to submit for approval at the annual general meeting of the shareholders of the subsidiary, the appropriation of 2022 annual dividend at the rate of Baht 1.60 per share, totaling Baht 3,480 million, from the profit from operations for the year 2022 after deducting the interim dividend of Baht 0.80 per share, totaling Baht 1,740 million. The balance of dividend amounting to Baht 1,740 million is subject to the approval of the shareholders at the annual general meeting on 24 April 2023.

### **Construction of Undersea Cable System Development Project to Koh Samui, Suratthani Province to enhance grid stability**

On 28 February 2023, the Cabinet passed a resolution approving EGAT's construction of Undersea Cable System Development Project to Koh Samui, Suratthani Province, in order to enhance the stability of the electrical grid, with a total cost of Baht 11,230 million. The Cabinet also assigned EGAT to minimise redundant investments and manage the refurbishment of equipment that will reach the end of its useful life in the future. In addition, EGAT must take measures to mitigate the impact on local communities and the environment. The project is slated to take 7-8 years to complete and is expected to be finished by June 2029.

### **Srinagarind Dam Hydropower Plant Renovation Project for Units 4-5 and Rajjaprabha Dam Hydropower Plant Renovation Project for Units 1-3**

On 28 February 2023, the Cabinet passed a resolution approving EGAT's implementation of the Srinagarind Dam Hydropower Plant Renovation Project for Units 4-5 at a total cost of Baht 4,218 million. The budget for the project comprises Baht 2,215 million in foreign currency and Baht 2,003 million in local currency. Similarly, the Rajjaprabha Dam Hydropower Plant Renovation Project for Units 1-3 is estimated to cost Baht 2,654 million, with Baht 1,196 million in foreign currency and Baht 1,458 million in local currency. The primary goal of these projects is to refurbish the major equipment parts that have deteriorated and are approaching the end of their useful lives. This is in line with EGAT's commitment to promote electricity generation from renewable energy sources and sustain the proportion of hydropower generation, which is a crucial element in maintaining the stability of Thailand's electrical grid. The project timeline is five years and scheduled to be completed by 2027, with power distribution expected to commence at that time.

## **29. Reclassification**

The Group has reclassified certain amounts in the consolidated statement of financial position as at 31 December 2021 to conform to the current year's classifications. The reclassifications had no effect to previously reported net profit or owners' equity.

	Consolidated financial statements	
	As reclassified	As brought forward
		(After restatements as discussed in Note 4 and 6)
Property, plant and equipment	442,607	432,153
Right-of-use assets - power plants	255,134	265,711
Intangible assets	65,228	65,105

## **30. Approval of financial statements**

These financial statements were authorised for issue by the Governor of Electricity Generating Authority of Thailand on 15 March 2023.



# Remuneration of Auditor



EGAT paid audit fees to EY Office Limited for the year 2022 for a total of Baht 4,700,000.





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