

**TPI Polene Power Public Company Limited
and its Subsidiaries**

Financial statements for the year ended
31 December 2022
and
Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of TPI Polene Power Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of TPI Polene Power Public Company Limited and its subsidiaries (the "Group") and of TPI Polene Power Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2022, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Based on my consideration and professional judgement, I have determined that there are no key audit matters to communicate in my report.

Other Information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

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

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

(Bunyarit Thanormcharoen)
Certified Public Accountant
Registration No. 7900

KPMG Phoomchai Audit Ltd.
Bangkok
10 February 2023

TPI Polene Power Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<i>(in thousand Baht)</i>					
Assets					
Current assets					
Cash and cash equivalents	5	2,002,864	929,343	1,860,263	785,733
Trade accounts receivable	4, 6	1,574,312	2,561,002	1,574,312	2,561,002
Other receivables		230,159	229,658	228,601	228,091
Short-term loan to related party	4	-	230,624	-	230,624
Receivables and advances to related parties	4	91,655	56,281	91,655	56,281
Inventories	7	1,930,758	1,590,800	1,930,758	1,590,800
Other current financial assets	29, 35	1,133,812	3,495,237	953,799	3,493,237
Other current assets		37,954	12,316	37,729	12,065
Total current assets		7,001,514	9,105,261	6,677,117	8,957,833
Non-current assets					
Other non-current financial assets	29, 35	486,173	670,890	486,173	490,443
Investments in subsidiaries	9	-	-	330,398	331,820
Investment in joint venture	9	249,894	-	249,894	-
Property, plant and equipment	10	41,652,496	37,808,799	41,648,122	37,804,425
Right-of-use assets	11	518,324	620,585	518,324	620,585
Advances for machine and equipment		529,616	131,814	529,616	131,814
Deferred tax assets	25	82,244	94,013	82,244	94,013
Other non-current assets		59,112	53,988	59,112	53,988
Total non-current assets		43,577,859	39,380,089	43,903,883	39,527,088
Total assets		50,579,373	48,485,350	50,581,000	48,484,921

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

TPI Polene Power Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<i>(in thousand Baht)</i>					
Liabilities and equity					
<i>Current liabilities</i>					
Trade accounts payable	4, 13, 29	743,174	430,396	743,174	430,396
Other payables	14	998,422	306,882	998,275	306,673
Payables and advances from related parties	4	178,196	47,604	178,196	47,570
Current portion of lease liabilities	11, 12, 29	25,290	20,241	25,290	20,241
Current portion of debentures	12, 29	3,000,000	4,000,000	3,000,000	4,000,000
Interest payable		72,686	66,130	72,698	66,130
Income tax payable		230	43,958	-	43,795
Other current liabilities	15	97,057	143,250	97,053	143,231
Total current liabilities		5,115,055	5,058,461	5,114,686	5,058,036
<i>Non-current liabilities</i>					
Lease liabilities	11, 12, 29	536,668	630,204	536,668	630,204
Debentures	12, 29	13,216,600	11,523,600	13,218,600	11,523,600
Non-current provisions for employee benefits	16	146,622	151,657	146,622	151,657
Decommissioning costs	4	-	269,607	-	269,607
Total non-current liabilities		13,899,890	12,575,068	13,901,890	12,575,068
Total liabilities		19,014,945	17,633,529	19,016,576	17,633,104

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TPI Polene Power Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
<i>(in thousand Baht)</i>					
Liabilities and equity					
Equity					
Share capital:					
Authorised share capital					
<i>(8,400 million ordinary shares, par value at Baht 1 per share)</i>		8,400,000	8,400,000	8,400,000	8,400,000
Issued and paid share capital					
<i>(8,400 million ordinary shares, par value at Baht 1 per share)</i>		8,400,000	8,400,000	8,400,000	8,400,000
Shares premium:					
Shares premium on ordinary shares		14,580,886	14,580,886	14,580,886	14,580,886
Retained earnings					
Appropriated					
Legal reserve	17	840,000	840,000	840,000	840,000
Unappropriated		7,743,538	7,030,754	7,743,538	7,030,754
Other component of equity		-	177	-	177
Equity attribute to owners of the Company		31,564,424	30,851,817	31,564,424	30,851,817
Non-controlling interests		4	4	-	-
Total equity		31,564,428	30,851,821	31,564,424	30,851,817
Total liabilities and equity		50,579,373	48,485,350	50,581,000	48,484,921

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

TPI Polene Power Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2022	2021	2022	2021
<i>(in thousand Baht)</i>					
Revenue					
Revenue from sale of power and goods	18, 26	6,588,032	6,104,727	6,588,032	6,104,727
Revenue from adders	18, 26	3,611,942	4,969,105	3,611,942	4,969,105
		10,199,974	11,073,832	10,199,974	11,073,832
Cost of sales of power and goods	7	(7,184,501)	(6,186,729)	(7,184,501)	(6,186,729)
Gross profit		3,015,473	4,887,103	3,015,473	4,887,103
Net foreign exchange gain		6,729	-	6,729	-
Investment income		52,325	43,846	44,817	36,669
Other income	19	366,467	240,582	366,467	240,582
Profit before expenses		3,440,994	5,171,531	3,433,486	5,164,354
Distribution costs	20	(64,573)	(65,443)	(64,573)	(65,443)
Administrative expenses	21	(459,194)	(581,808)	(454,208)	(576,519)
Net foreign exchange loss		-	(15,030)	-	(15,030)
Total expenses		(523,767)	(662,281)	(518,781)	(656,992)
Profit from operations		2,917,227	4,509,250	2,914,705	4,507,362
Finance costs	24	(90,286)	(207,786)	(90,318)	(207,786)
Share of profit of subsidiaries accounted for using equity method	9	-	-	2,054	1,534
Share of loss of joint venture accounted for using equity method	9	(106)	-	(106)	-
Profit before income tax expense		2,826,835	4,301,464	2,826,335	4,301,110
Tax expense	25	(14,051)	(110,134)	(13,551)	(109,780)
Profit for the year		2,812,784	4,191,330	2,812,784	4,191,330

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

TPI Polene Power Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2022	2021	2022	2021
<i>(in thousand Baht)</i>					
Other comprehensive income (expense)					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating foreign operations		(177)	353	-	-
Share of other comprehensive income (expense) of subsidiaries accounted for using equity method		-	-	(177)	353
Total items that will be reclassified subsequently to profit or loss		(177)	353	(177)	353
Other comprehensive income (expense) for the year, net of tax		(177)	353	(177)	353
Total comprehensive income for the year		2,812,607	4,191,683	2,812,607	4,191,683
Profit attributable to:					
Owners of the parent		2,812,784	4,191,330	2,812,784	4,191,330
Non-controlling interests		-	-	-	-
Profit for the year		2,812,784	4,191,330	2,812,784	4,191,330
Total comprehensive income attributable to:					
Owners of the parent		2,812,607	4,191,683	2,812,607	4,191,683
Non-controlling interests		-	-	-	-
Total comprehensive income for the year		2,812,607	4,191,683	2,812,607	4,191,683
Basic earnings per share (in Baht)	27	0.335	0.499	0.335	0.499

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

TPI Polene Power Public Company Limited and its Subsidiaries

Statement of changes in equity

	Consolidated financial statements							Total equity	
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other components	Equity attributable to owners of the parent		Non-controlling interests
				Legal reserve	Unappropriated	Translation reserve			
<i>(in thousand Baht)</i>									
Year ended 31 December 2021									
Balance at 1 January 2021		8,400,000	14,580,886	840,000	5,107,424	(176)	28,928,134	4	28,928,138
Transaction with owners, recorded directly in equity									
<i>Contributions by and distributions to owners</i>									
Dividends	28	-	-	-	(2,268,000)	-	(2,268,000)	-	(2,268,000)
Total transactions with owners, recorded directly in equity		-	-	-	(2,268,000)	-	(2,268,000)	-	(2,268,000)
Comprehensive income for the year									
Profit		-	-	-	4,191,330	-	4,191,330	-	4,191,330
Other comprehensive income		-	-	-	-	353	353	-	353
Total comprehensive income for the year		-	-	-	4,191,330	353	4,191,683	-	4,191,683
Balance at 31 December 2021		8,400,000	14,580,886	840,000	7,030,754	177	30,851,817	4	30,851,821

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

TPI Polene Power Public Company Limited and its Subsidiaries

Statement of changes in equity

	Consolidated financial statements							Total equity	
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other components	Equity attributable to owners of the parent		Non-controlling interests
				Legal reserve	Unappropriated	Translation reserve			
<i>(in thousand Baht)</i>									
Year ended 31 December 2022									
Balance at 1 January 2022		8,400,000	14,580,886	840,000	7,030,754	177	30,851,817	4	30,851,821
Transaction with owners, recorded directly in equity									
<i>Contributions by and distributions to owners</i>									
Dividends	28	-	-	-	(2,100,000)	-	(2,100,000)	-	(2,100,000)
Total transactions with owners, recorded directly in equity		-	-	-	(2,100,000)	-	(2,100,000)	-	(2,100,000)
Comprehensive income for the year									
Profit		-	-	-	2,812,784	-	2,812,784	-	2,812,784
Other comprehensive income (expense)		-	-	-	-	(177)	(177)	-	(177)
Total comprehensive income (expense) for the year		-	-	-	2,812,784	(177)	2,812,607	-	2,812,607
Balance at 31 December 2022		8,400,000	14,580,886	840,000	7,743,538	-	31,564,424	4	31,564,428

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

TPI Polene Power Public Company Limited and its Subsidiaries

Statement of changes in equity

	<i>Note</i>	Separate financial statements				Other components of equity	Total equity
		Issued and paid-up share capital	Share premium	Retained earnings			
				Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>							
Year ended 31 December 2021							
Balance at 1 January 2021		8,400,000	14,580,886	840,000	5,107,424	(176)	28,928,134
Transaction with owners, recorded directly in equity							
<i>Contributions by and distributions to owners</i>							
Dividends	28	-	-	-	(2,268,000)	-	(2,268,000)
Total contributions by and distributions to owners		-	-	-	(2,268,000)	-	(2,268,000)
Comprehensive income for the year							
Profit		-	-	-	4,191,330	-	4,191,330
Other comprehensive income		-	-	-	-	353	353
Total comprehensive income for the year		-	-	-	4,191,330	353	4,191,683
Balance at 31 December 2021		8,400,000	14,580,886	840,000	7,030,754	177	30,851,817

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

TPI Polene Power Public Company Limited and its Subsidiaries

Statement of changes in equity

	<i>Note</i>	Separate financial statements				Other components of equity	Total equity
		Issued and paid-up share capital	Share premium	Retained earnings			
				Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>							
Year ended 31 December 2022							
Balance at 1 January 2022		8,400,000	14,580,886	840,000	7,030,754	177	30,851,817
Transaction with owners, recorded directly in equity							
<i>Contributions by and distributions to owners</i>							
Dividends	28	-	-	-	(2,100,000)	-	(2,100,000)
Total contributions by and distributions to owners		-	-	-	(2,100,000)	-	(2,100,000)
Comprehensive income for the year							
Profit		-	-	-	2,812,784	-	2,812,784
Other comprehensive income (expense)		-	-	-	-	(177)	(177)
Total comprehensive income (expense) for the year		-	-	-	2,812,784	(177)	2,812,607
Balance at 31 December 2022		8,400,000	14,580,886	840,000	7,743,538	-	31,564,424

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

TPI Polene Power Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the year	2,812,784	4,191,330	2,812,784	4,191,330
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Depreciation	996,835	917,058	996,835	917,058
Interest income	(48,332)	(28,212)	(40,826)	(21,035)
Finance costs	90,286	207,786	90,318	207,786
Reversal of loss on inventories devaluation	(14,554)	(5,961)	(14,554)	(5,961)
Gain on disposal of equipment	(38)	(37)	(38)	(37)
Reversal of cancellation of provision for decommissioning	(75,550)	-	(75,550)	-
Unrealised (gain) loss on foreign exchange	(16,216)	3,964	(16,216)	3,964
Gain on fair value adjustment	-	(11,095)	-	(11,095)
Gain from the dissolution of subsidiary	-	-	(206)	-
Share of profit of subsidiaries				
accounted for using equity method	-	-	(2,054)	(1,534)
Share of loss of joint venture				
accounted for using equity method	106	-	106	-
Tax expense	14,051	110,134	13,551	109,780
	<u>3,759,372</u>	<u>5,384,967</u>	<u>3,764,150</u>	<u>5,390,256</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	986,690	(135,316)	986,690	(135,316)
Other receivables	(646)	(80,811)	(647)	(80,811)
Receivables and advances to related parties	(35,374)	(16,142)	(35,374)	(16,142)
Inventories	(325,404)	(335,979)	(325,404)	(335,979)
Other current assets	(25,638)	(4,254)	(25,664)	(4,258)
Other non-current assets	(5,124)	(22,035)	(5,124)	(22,035)
Trade accounts payable	312,778	(2,120)	312,778	(2,120)
Other payables	707,745	(488,342)	707,807	(488,344)
Payables and advances from related parties	130,592	(18,623)	130,626	(18,627)
Other current liabilities	(46,193)	4,193	(46,178)	4,174
Provisions for employee benefits	(5,035)	(1,048)	(5,035)	(1,048)
Net cash generated from operations	<u>5,453,763</u>	<u>4,284,490</u>	<u>5,458,625</u>	<u>4,289,750</u>
Taxes paid	<u>(46,010)</u>	<u>(125,393)</u>	<u>(45,577)</u>	<u>(125,052)</u>
Net cash from operating activities	<u>5,407,753</u>	<u>4,159,097</u>	<u>5,413,048</u>	<u>4,164,698</u>

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

TPI Polene Power Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	36,972	35,493	29,458	28,316
Acquisition of property, plant and equipment	(4,194,287)	(2,671,732)	(4,194,287)	(2,671,732)
Proceeds from sale of equipment	52	149	52	149
Advances payment for machine and equipment	(665,669)	(150,776)	(665,669)	(150,776)
(Increase) decrease in equity and debt instruments	2,558,271	(2,478,999)	2,555,837	(2,479,418)
Cash outflow on loan to related party	(700,000)	(2,138,960)	(700,000)	(2,138,960)
Proceeds from repayment of loans to related party	930,000	1,908,960	930,000	1,908,960
Proceeds from dissolution of subsidiary, net of cash received	-	-	3,505	-
Acquisition of interest in joint venture	(250,000)	-	(250,000)	-
Net cash used in investing activities	(2,284,661)	(5,495,865)	(2,291,104)	(5,503,461)
<i>Cash flows from financing activities</i>				
Repayment of short-term loans from financial institutions	-	(240,000)	-	(240,000)
Payment of lease liabilities	(44,191)	(16,821)	(44,191)	(16,821)
Finance costs paid	(598,214)	(523,649)	(598,234)	(523,649)
Proceeds from issuing debentures	4,693,000	7,523,600	4,695,000	7,523,600
Repayment of debentures	(4,000,000)	(4,000,000)	(4,000,000)	(4,000,000)
Dividends paid to owners of the Company	(2,100,000)	(2,268,000)	(2,100,000)	(2,268,000)
Net cash from (used in) financing activities	(2,049,405)	475,130	(2,047,425)	475,130

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

TPI Polene Power Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Net increase (decrease) in cash and cash equivalents,				
before effect of exchange rates changes	1,073,687	(861,638)	1,074,519	(863,633)
Effect of exchange rate changes	(166)	397	11	44
Net increase (decrease) in cash and cash equivalents	1,073,521	(861,241)	1,074,530	(863,589)
Cash and cash equivalents at 1 January	929,343	1,790,584	785,733	1,649,322
Cash and cash equivalents at 31 December	2,002,864	929,343	1,860,263	785,733
 <i>Non-cash transactions</i>				
Provision for decommissioning costs				
capitalised in assets	-	238,950	-	238,950
Other payables - plant and equipment	519,957	50,030	519,957	50,030
Advances for machine and equipment	529,616	131,814	529,616	131,814

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

TPI Polene Power Public Company Limited and its Subsidiaries
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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the audit committee, as appointed by the Board of Directors of the Company on 10 February 2023.

1 General information

TPI Polene Power Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 26/56, TPI Tower, Chan Tat Mai Road, Tungmahamek, Sathorn, Bangkok.

The Company was listed on the Stock Exchange of Thailand (“SET”) on 5 April 2017.

The ultimate parent company during the financial year was TPI Polene Public Company Limited, “parent company”, which is incorporated in Thailand and is the major shareholder and the parent of the Company and owned 70.24% of the Company’s issued and paid-up share capital.

The principal business of the Company are manufacturing and distributing electricity and refuse derived fuel (RDF), organics waste and distributing diesel and natural gas 12 stations. Details of the Company’s subsidiaries as at 31 December 2022 and 2021 are given in note 9.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in each notes have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in joint venture.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities, any related non-controlling interests and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value

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when control is lost. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group recognised investments in joint venture using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which joint control ceases.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, when the group ceases to have significant influence over an associate or joint control over a joint venture, it is accounted for as a disposal of the entire interest in that investee, with a resulting gain or loss being recognised in profit or loss. Any interest retained in that former investee at the date when significant influence or joint control is lost is recognised at fair value and this amount is regarded as the fair value on initial recognition of a financial asset.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised gains arising from transactions with joint venture are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Business combinations

The Group applies the acquisition method when the Group assess that the acquired set of activities and assets include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. The acquisition date is the date on which control is transferred to the Group, other than business combinations with entities under common control. Expenses in connection with a business combination are recognised as incurred.

The Group elect to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is an asset rather than a business acquisition when substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration, and equity interests issued by the Group. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured

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reliably. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group estimates provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

(b) *Investments in subsidiaries and joint venture*

Investments in subsidiaries and joint venture in the separate financial statements of the Company are accounted for using the equity method.

Interest in subsidiaries and joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the separate financial statements include the Company's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which control or joint control ceases.

Disposal of investments in the separate financial statements

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

If the Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(c) *Foreign currencies*

Transactions in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

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 operations 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 the extent that the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of in its entirety or partially such that 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.

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(d) Financial instruments

(d.1) Classification and measurement

Debt securities issued by the Group are initially recognised when they are originated. Other financial assets and financial liabilities (except trade accounts receivables (see note 3(f))) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

Debt investments measured at FVOCI are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and expected credit loss are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Group's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(d.2) Derecognition and offset

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

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The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d.3) Write offs

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(d.4) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

(f) Trade accounts receivable

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

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated as follows:

- 1) Finished goods: Diesel and natural gas are calculated using the first in first out principle.
- 2) Inventories other than those mentioned in 1) are calculated using the weighted average cost principle.

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Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(h) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and 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.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

Subsequent costs

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

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land, assets under construction and major spare parts have not been issued.

The estimated useful lives are as follows:

Buildings and other constructions	20 and 30 years
Machinery	5 - 30 years
Tools and factory equipment	3 - 20 years
Furniture, fixtures and office equipment	3 - 10 years
Vehicles	10 years

(i) Leases

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

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As a lessee

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property, the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases of low-value assets and short-term leases which are recognised as expenses on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other income in the accounting period in which they are earned.

(j) Impairment of non-financial assets

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

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

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss of asset recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(k) Employee benefits

Defined contribution plans

Obligations for contributions to the Group's provident funds are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

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(l) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(m) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

(n) Revenue from contracts with customers

Revenue recognition

Revenue is recognised when a customer obtains control of the goods in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax or other sales taxes and is after deduction of any trade discounts and volume rebates.

Sale of goods

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue and cost of sale for the estimated products to be returned.

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Sale of electricity

Income from the sale of electricity is recognised in profit or loss in accordance with delivery units supplied and price as stipulated in the contract. Incomes from the sale of electricity to Electricity Generating Authority of Thailand (“EGAT”) is entitled to receive ADDER for the period of 7 years from the commencement of commercial sales. Thereafter, subsequent to this initial period income from sale of electricity is recognised at normal rates.

(o) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint venture to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(p) Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(q) Related parties

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

(r) Segment information

Segment results that are reported to the Group’s the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly insert unallocated items, e.g. corporate assets.

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4 Related parties

Relationships with parent, ultimate parent, subsidiaries and joint venture are described in notes 1 and 9. Other related parties which the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation	Nature of relationships
Key management personnel	Thailand	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 Company.
TPI Polene Public Co., Ltd.	Thailand	Sister company
Pornchai Enterprise Co., Ltd.	Thailand	Some common directors
Bangkok Union Insurance Public Co., Ltd.	Thailand	Some common directors
Hong Yiah Seng Real Estates and Investment Co., Ltd.	Thailand	Some common directors
Saraburi Ginning Mill Co., Ltd.	Thailand	Some common directors
Leophairatana Enterprise Co., Ltd.	Thailand	Some common directors
Rayong Forest Co., Ltd.	Thailand	Some common directors
TPI Holding Co., Ltd.	Thailand	Some common directors

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<i>Significant transactions with related parties</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
<i>Year ended 31 December</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Parent company				
Sale of goods and electricity power	1,963,366	1,806,724	1,963,366	1,806,724
Purchase of goods and services fee	3,136,637	2,741,743	3,136,637	2,741,743
Other income	5,213	4,450	5,213	4,450
Shared service expense - cost of sale	93,779	93,779	93,779	93,779
Shared service expense - administrative expense	38,221	38,221	38,221	38,221
Interest income	2,920	1,922	2,920	1,922
Interest expense	14,969	15,518	14,969	15,518
Dividend paid	1,475,000	1,593,000	1,475,000	1,593,000
Subsidiaries				
Issued debenture	-	-	2,000	-
Interest expense	-	-	32	-
Joint venture				
Acquisition of investment	250,000	-	250,000	-
Other related parties				
Sale of goods	2,413	1,169	2,413	1,169
Purchase of goods	13,309	27,728	13,309	27,728
Issued debenture	310,400	210,400	310,400	210,400
Other income	1,246	64	1,246	64
Maintenance service expense	495	-	495	-
Dividend paid	343	370	343	370
Selling expense	5,288	4,868	5,288	4,868
Insurance premium	120,787	91,815	120,787	91,815
Administrative expenses	246	589	246	589
Interest income	2,851	1,955	2,851	1,955
Interest expense	14,509	16,175	14,509	16,175
Key management personnel				
Key management personnel compensation				
Short-term employee benefits <i>(including director's remuneration)</i>	55,176	52,337	55,176	52,337
Total key management personnel compensation	55,176	52,337	55,176	52,337

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<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Trade accounts receivable				
Parent company	262,060	994,489	262,060	994,489
Other related parties				
TPI Polene Bio Organics Co., Ltd.	3	3	3	3
TPI Concrete Co., Ltd.	1,127	55	1,127	55
TPI All Seasons Co., Ltd.	23	23	23	23
Thai Nitrate Co., Ltd.	1	1	1	1
Bangkok Union Insurance Public Co., Ltd.	33	13	33	13
BUI Life Insurance Public Co., Ltd.	-	7	-	7
Total	263,247	994,591	263,247	994,591
<i>Less allowance for expected credit loss</i>	-	-	-	-
Net	263,247	994,591	263,247	994,591

	Interest rate		1 January 2022	Separate financial statements		31 December 2022
	Year ended 31 December 2021	2022		Increase	Decrease	
	<i>(% per annum)</i>			<i>(in thousand Baht)</i>		
Short-term loans to related party						
Parent company	1.65, 1.50	1.45	-	700,000	(700,000)	-
Other related parties						
Thai Nitrate Co., Ltd.	1.65	1.65	230,000	-	(230,000)	-
			230,000	700,000	(930,000)	-
Accrued interest			624	5,77	(6,395)	-
Total			230,624	705,77	(936,395)	-
<i>Less allowance for expected credit loss</i>			-	-	-	-
Net			230,624			-

TPI Polene Power Public Company Limited and its Subsidiaries
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<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Receivables and advance to related parties				
Parent company	7,255	4,230	7,255	4,230
Joint venture				
E&T Renewable Energy Co., Ltd.	148	-	148	-
Other related parties				
TPI Polene Bio Organics Co., Ltd.	40	31	40	31
BUI Life Insurance Public Co., Ltd.	715	723	715	723
Bangkok Union Insurance Public Co., Ltd.	83,497	49,029	83,497	49,029
Pornchai Enterprise Co., Ltd.	-	2,268	-	2,268
Total	91,655	56,281	91,655	56,281
<i>Less allowance for expected credit loss</i>	-	-	-	-
Net	91,655	56,281	91,655	56,281

<i>Expected credit losses</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Trade accounts receivable	-	-	-	-
Short-term loans to related party	-	-	-	-
Receivables and advance to related parties	-	-	-	-

<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Trade accounts payable				
Parent company	406,099	151,820	406,099	151,820
Other related parties				
TPI Polene Bio Organics Co., Ltd.	187	266	187	266
TPI Healthcare Co., Ltd.	2,005	745	2,005	745
TPI Bio Pharmaceuticals Co., Ltd.	9	33	9	33
Total	408,300	152,864	408,300	152,864

<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Payables and advance from related parties				
Parent company	176,228	45,844	176,228	45,810
Other related parties				
TPI Polene Bio Organics Co., Ltd.	41	36	41	36
TPI Concrete Co., Ltd.	546	415	546	415
TPI All Seasons Co., Ltd.	3	-	3	-
Pornchai Enterprise Co., Ltd.	1,377	382	1,377	382
Bangkok Union Insurance Public Co., Ltd.	-	6	-	6
TPI Healthcare Co., Ltd.	1	921	1	921
Total	178,196	47,604	178,196	47,570

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<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Current portion of lease liabilities				
Parent company	5,198	4,319	5,198	4,319
Other related parties				
United Grain Industry Co., Ltd.	3,485	2,220	3,485	2,220
Pornchai Enterprise Co., Ltd.	4,785	2,766	4,785	2,766
Hong Yiah Seng Real Estates and Investment Co., Ltd.	1,219	1,173	1,219	1,173
Saraburi Ginning Mill Co., Ltd.	1,219	1,173	1,219	1,173
Leophairatana Enterprise Co., Ltd.	3,658	3,518	3,658	3,518
Total	19,564	15,169	19,564	15,169

<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Lease liabilities				
Parent company	417,853	449,776	417,853	449,776
Other related parties				
United Grain Industry Co., Ltd.	96,562	151,442	96,562	151,442
Pornchai Enterprise Co., Ltd.	3,641	4,511	3,641	4,511
Hong Yiah Seng Real Estates and Investment Co., Ltd.	1,920	3,139	1,920	3,139
Saraburi Ginning Mill Co., Ltd.	1,920	3,139	1,920	3,139
Leophairatana Enterprise Co., Ltd.	5,761	9,418	5,761	9,418
Total	527,657	621,425	527,657	621,425

Significant agreements with related parties

- (a) The Company entered into office building services agreement with related party for 3 years. The detail was as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Non-cancellable operating lease commitments				
Within one year	8,466	5,119	8,466	5,119
After one year but within five years	3,834	6,195	3,834	6,195
Total	12,300	11,314	12,300	11,314

- (b) Several land rental agreements specified that the Company has to decommission the assets from rental area at the end of contract, causing the Company to set up the decommissioning costs as at 31 December 2021 in amount of Baht 270 million. Subsequently, on 30 September 2022, both parties agreed to cancel the terms of the delivery of the leased assets and decommission of the agreements.

TPI Polene Power Public Company Limited and its Subsidiaries
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- (c) The Company entered into an electricity supply contract with parent company. The parent company will provide the waste heat to the Company that will be used in the manufacturing process for electricity. The Company shall supply the electricity solely to the parent company based on certain percentage as specified in the agreement. The agreement shall remain in full force and effect so long as, unless it is terminated by mutual agreement in writing of both parties.
- (d) On 1 April 2016, the Company entered into sale & purchase and service agreement with the parent company. The parent company will provide services related to infrastructure, human resources, purchase and sale of goods and resources and other services whereby the Company agree to pay fee as specified in agreement. The initial period of the contract is for 3 years which commenced on 1 April 2016 and shall continue for consecutive period of three years, unless earlier terminated by either party.

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
		<i>(in thousand Baht)</i>		
Cash on hand	401	550	401	550
Cash at banks - current accounts	59,268	29,399	58,999	25,692
Cash at banks - savings accounts	1,943,195	897,853	1,800,863	757,950
Cash at banks - savings accounts (Private Funds)	-	1,541	-	1,541
Total	<u>2,002,864</u>	<u>929,343</u>	<u>1,860,263</u>	<u>785,733</u>

TPI Polene Power Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

6 Trade account receivables

<i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Trade account receivables - related parties</i>				
Within credit terms	263,234	57,099	263,234	57,099
Overdue:				
1 - 30 days	13	186,103	13	186,103
31 - 60 days	-	37,041	-	37,041
61 - 90 days	-	128,339	-	128,339
More than 90 days	-	586,009	-	586,009
Total	263,247	994,591	263,247	994,591
<i>Less</i> allowance for expected credit loss	-	-	-	-
Net	263,247	994,591	263,247	994,591
<i>Trade account receivables - other parties</i>				
Within credit terms	1,310,412	1,565,865	1,310,412	1,565,865
Overdue:				
1 - 30 days	644	546	644	546
31 - 60 days	9	-	9	-
Total	1,311,065	1,566,411	1,311,065	1,566,411
<i>Less</i> allowance for expected credit loss	-	-	-	-
Net	1,311,065	1,566,411	1,311,065	1,566,411
Net total	1,574,312	2,561,002	1,574,312	2,561,002

7 Inventories

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Finished goods	24,344	23,641	24,344	23,641
Work in process	779,826	585,823	779,826	585,823
Raw materials, package and chemical	164,141	176,045	164,141	176,045
Spare parts and supplies	961,050	814,358	961,050	814,358
Goods in transit	1,397	5,487	1,397	5,487
	1,930,758	1,605,354	1,930,758	1,605,354
<i>Less</i> allowance for declining in value	-	(14,554)	-	(14,554)
Net	1,930,758	1,590,800	1,930,758	1,590,800
Inventories recognised as an expense in 'cost of sales of goods':				
- Cost	7,199,055	6,192,690	7,199,055	6,192,690
- Reversal of write-down	(14,554)	(5,961)	(14,554)	(5,961)
Net total	7,184,501	6,186,729	7,184,501	6,186,729

TPI Polene Power Public Company Limited and its Subsidiaries
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8 Marketable financial assets

<i>Marketable equity and debt securities</i>	Consolidated and Separate financial statements			
	At 1 January	Increase (decrease) <i>(in thousand Baht)</i>	Fair value adjustment	At 31 December
2022				
<i>Current financial assets</i>				
Debt securities measured at				
- FVTPL	2,045,797	(2,045,797)	-	-
Total	2,045,797	(2,045,797)	-	-
2021				
<i>Current financial assets</i>				
Debt securities measured at				
- FVTPL	1,296,382	738,320	11,095	2,045,797
Total	1,296,382	738,320	11,095	2,045,797

9 Investments in subsidiaries and joint venture

Investments in subsidiaries

<i>Subsidiaries</i>	Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
At 1 January	331,820	329,933
Derecognition of investment in subsidiary	(3,299)	-
Share of net profit of subsidiaries	2,054	1,534
Share of other comprehensive income (expense) of subsidiary	(177)	353
At 31 December	330,398	331,820

TPI Polene Power investment Co., Ltd. in Cambodia (“TPIPPPI”) has registered for dissolution. TPIPPPI has closed the bank account and transferred money to the parent company in Thailand in January 2022. Therefore, the parent company recognised profit from the investment.

TPI Polene Power Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

Investments in subsidiaries as at 31 December 2022 and 2021, dividend income from those investments for the years then ended, were as follows:

	Type of business	Ownership interest		Separate financial statements						Dividend Income for the year	
		2022	2021	Paid-up capital		Cost		At equity method		2022	2021
			(%)	2022	2021	2022	2021	2022	2021		
Subsidiaries											
TPI Polene Power Investment Co., Ltd.	Generate and distribute electricity in Cambodia*	-	100.00	-	3,957	-	3,957	-	3,476	-	-
TPI Biomass Power Co., Ltd. (Formerly: TPI Polene Power (On Nut) Co., Ltd.)	Generates electricity from waste and biomass (dormant)	99.99	99.99	187,500	187,500	187,500	187,500	191,603	190,166	-	-
TPI Polene Power (International) Co., Ltd.	Investing in alternative energy business (dormant)	99.99	99.99	100,000	100,000	105,988	105,988	107,744	107,179	-	-
TPI Deep Sea Port Co., Ltd.	Port business operation (dormant)	99.99	99.99	25,000	25,000	24,999	24,999	25,005	24,999	-	-
TPI Distribution Center Co., Ltd. (Formerly: TPI Olefins Co., Ltd.)	Operates business about collecting, storing, and distributing products to consumers (dormant)	99.99	99.99	1,000	1,000	2,959	2,959	3,200	3,122	-	-
TPI Smart City Co., Ltd. (Formerly: TPI Polene Power (Songkhla) Co., Ltd.)	Operates all types of communities and industrial estates (dormant)	99.97	99.97	1,000	1,000	1,000	1,000	949	960	-	-
TPI Solar Power Co., Ltd.	Generate electricity from solar energy (dormant)	99.97	99.97	1,000	1,000	1,000	1,000	948	959	-	-
TPI Wind Power Co., Ltd.	Generate electricity from wind energy (dormant)	99.97	99.97	1,000	1,000	1,000	1,000	949	959	-	-
Total						324,446	328,403	330,398	331,820	-	-

None of the Company's subsidiaries are publicly listed and consequently do not have published price quotations.

*TPI Polene Power Investment Co., Ltd. has transferred the money to the parent company, therefore the parent company recognised profit from investment.

TPI Polene Power Public Company Limited and its Subsidiaries
Notes to the financial statements
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Investment in joint venture

	Consolidated and Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Joint venture</i>		
At 1 January	-	-
Acquisition	250,000	-
Share of loss of joint venture accounted for using equity method	(106)	-
At 31 December	<u>249,894</u>	<u>-</u>

On 1 October 2022, the Company entered into a memorandum of understanding with Electricity Generating Public Co., Ltd. (“EGCO”) are incorporated in Thailand, in order to invest in E&T Renewable Energy Co., Ltd., a new joint venture established in Thailand. The purpose of the joint venture are manufacturing and distributing electricity. The Company and EGCO equally invested 49.99% in the joint venture and paid an initial authorised share capital in 25% of the authorised share capital of Baht 500 million.

TPI Polene Power Public Company Limited and its Subsidiaries
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Investment in joint venture as at 31 December 2022 and 2021, dividend income from those investments for the years then ended, were as follows:

	Type of business	Consolidated and Separate financial statements								Dividend			
		Ownership interest		Paid-up capital		Cost		At equity method		Income for the year			
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021		
		(%)		(in thousand Baht)									
Joint venture													
E & T Renewable Energy Co., Ltd.	Generate electricity from renewable energy	49.99	-	250,000	-	250,000	-	249,894	-	-	-		
Total						250,000	-	249,894	-	-	-		

No dividend distribution from investments in joint venture held by the Group and the Company during years ended 31 December 2022 and 2021.

None of the Group's and the Company's joint venture are publicly listed and consequently do not have published price quotations.

Joint venture was incorporated in Thailand.

TPI Polene Power Public Company Limited and its Subsidiaries
Notes to the financial statements
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10 Property, plant and equipment

	Consolidated financial statements									
	Land	Plants	Machinery	Tools and factory equipment	Furniture, fixtures and office equipment	Vehicles	Major spare parts	Assets under construction and installation	Decommissioning assets	Total
	<i>(in thousand Baht)</i>									
Cost										
At 1 January 2021	9,545,228	1,584,640	24,290,109	242,849	53,099	584	200,510	3,729,753	239,423	39,886,195
Additions	1,486,369	-	20,445	16,539	4,029	61	-	1,556,117	-	3,083,560
Transfers	-	23,681	3,013,168	-	2,420	-	(144,852)	(2,894,417)	-	-
Disposal	-	-	-	(10)	(1,038)	-	-	-	(473)	(1,521)
At 31 December 2021 and 1 January 2022	11,031,597	1,608,321	27,323,722	259,378	58,510	645	55,658	2,391,453	238,950	42,968,234
Additions	725,627	10	49,387	20,326	5,644	247	4,278	4,192,460	-	4,997,979
Transfers	290	8,374	335,171	-	181	-	-	(344,016)	-	-
Disposal	-	-	-	(69)	(313)	-	-	-	(238,950)	(239,332)
At 31 December 2022	11,757,514	1,616,705	27,708,280	279,635	64,022	892	59,936	6,239,897	-	47,726,881
Depreciation										
At 1 January 2021	-	146,643	3,957,468	121,954	27,467	116	-	-	26,935	4,280,583
Depreciation charge for the year	-	53,565	799,527	13,881	4,721	60	-	-	8,034	879,788
Disposals	-	-	-	(10)	(926)	-	-	-	-	(936)
At 31 December 2021 and 1 January 2022	-	200,208	4,756,995	135,825	31,262	176	-	-	34,969	5,159,435
Depreciation charge for the year	-	54,191	874,528	15,915	5,576	77	-	-	6,009	956,296
Disposals	-	-	-	(55)	(313)	-	-	-	(40,978)	(41,346)
At 31 December 2022	-	254,399	5,631,523	151,685	36,525	253	-	-	-	6,074,385

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	Consolidated financial statements									
	Land	Plants	Machinery	Tools and factory equipment	Furniture, fixtures and office equipment	Vehicles	Major spare parts	Assets under construction and installation	Decommissioning assets	Total
	<i>(in thousand Baht)</i>									
<i>Net book value</i>										
At 31 December 2021	<u>11,031,597</u>	<u>1,408,113</u>	<u>22,566,727</u>	<u>123,553</u>	<u>27,248</u>	<u>469</u>	<u>55,658</u>	<u>2,391,453</u>	<u>203,981</u>	<u>37,808,799</u>
At 31 December 2022	<u>11,757,514</u>	<u>1,362,306</u>	<u>22,076,757</u>	<u>127,950</u>	<u>27,497</u>	<u>639</u>	<u>59,936</u>	<u>6,239,897</u>	<u>-</u>	<u>41,652,496</u>

TPI Polene Power Public Company Limited and its Subsidiaries
Notes to the financial statements
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	Separate financial statements									
	Land	Plants	Machinery	Tools and factory equipment	Furniture, fixtures and office equipment	Vehicles	Major spare parts	Assets under construction and installation	Decommissioning assets	Total
	<i>(in thousand Baht)</i>									
Cost										
At 1 January 2021	9,545,228	1,584,640	24,290,109	242,849	53,099	584	200,510	3,725,379	239,423	39,881,821
Additions	1,486,369	-	20,445	16,539	4,029	61	-	1,556,117	-	3,083,560
Transfers	-	23,681	3,013,168	-	2,420	-	(144,852)	(2,894,417)	-	-
Disposals	-	-	-	(10)	(1,038)	-	-	-	(473)	(1,521)
At 31 December 2021 and 1 January 2022	11,031,597	1,608,321	27,323,722	259,378	58,510	645	55,658	2,387,079	238,950	42,963,860
Additions	725,627	10	49,387	20,326	5,644	247	4,278	4,192,460	-	4,997,979
Transfers	290	8,374	335,171	-	181	-	-	(344,016)	-	-
Disposals	-	-	-	(69)	(313)	-	-	-	(238,950)	(239,332)
At 31 December 2022	11,757,514	1,616,705	27,708,280	279,635	64,022	892	59,936	6,235,523	-	47,722,507
Depreciation										
At 1 January 2021	-	146,643	3,957,468	121,954	27,467	116	-	-	26,935	4,280,583
Depreciation charge for the year	-	53,565	799,527	13,881	4,721	60	-	-	8,034	879,788
Disposals	-	-	-	(10)	(926)	-	-	-	-	(936)
At 31 December 2021 and 1 January 2022	-	200,208	4,756,995	135,825	31,262	176	-	-	34,969	5,159,435
Depreciation charge for the year	-	54,191	874,528	15,915	5,576	77	-	-	6,009	956,296
Disposals	-	-	-	(55)	(313)	-	-	-	(40,978)	(41,346)
At 31 December 2022	-	254,399	5,631,523	151,685	36,525	253	-	-	-	6,074,385
Net book value										
At 31 December 2021	11,031,597	1,408,113	22,566,727	123,553	27,248	469	55,658	2,387,079	203,981	37,804,425
At 31 December 2022	11,757,514	1,362,306	22,076,757	127,950	27,497	639	59,936	6,235,523	-	41,648,122

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The original cost of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2022 amounted to Baht 953 million (2021: Baht 947 million).

Capitalised borrowing costs relating to the acquisition of the land and the construction of the new factory of the Group and the Company as at 31 December 2022 are amounted to Baht 536 million and Baht 536 million, respectively (2021: Baht 334 million and Baht 334 million, respectively), with a capitalisation in the consolidated and separate financial statements of 3% - 4.1% (2021: 2% - 3.9%).

11 Leases

<i>Right-of-use assets</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Land	496,627	600,170	496,627	600,170
Buildings	7,672	7,019	7,672	7,019
Vehicles	14,025	13,396	14,025	13,396
Total	518,324	620,585	518,324	620,585

In 2022, additions to the right-of-use assets of the Group and the Company were Baht 11.88 million and Baht 11.88 million, respectively (2021: Baht 7.23 million and Baht 7.23 million, respectively).

The Group leases a number of land, buildings and vehicles for 2 - 30 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

Extension options

The Group has extension options on property leases exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Amounts recognised in profit or loss				
Depreciation of right-of-use assets:				
- Land	29,996	30,463	29,996	30,463
- Buildings	4,542	1,928	4,542	1,928
- Vehicles	6,001	4,879	6,001	4,879
Interest on lease liabilities	20,553	25,508	20,553	25,508
Expenses relating to short-term leases	2,303	3,113	2,303	3,113

In 2022, total cash outflow for leases of the Group and the Company were Baht 47.20 million and Baht 47.20 million, respectively (2021: Baht 42.35 million and Baht 42.35 million, respectively).

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12 Interest-bearing liabilities

	Consolidated financial statements					
	Secured	2022 Unsecured	Total	Secured	2021 Unsecured	Total
			<i>(in thousand Baht)</i>			
Current						
Current portion of lease liabilities	-	25,290	25,290	-	20,241	20,241
Current portion of debentures	-	3,000,000	3,000,000	-	4,000,000	4,000,000
Non-Current						
Lease liabilities	-	536,668	536,668	-	630,204	630,204
Debentures	-	13,216,600	13,216,600	-	11,523,600	11,523,600
Total interest-bearing liabilities	-	16,778,558	16,778,558	-	16,174,045	16,174,045
			Separate financial statements			
	Secured	2022 Unsecured	Total	Secured	2021 Unsecured	Total
			<i>(in thousand Baht)</i>			
Current						
Current portion of lease liabilities	-	25,290	25,290	-	20,241	20,241
Current portion of debentures	-	3,000,000	3,000,000	-	4,000,000	4,000,000
Non-Current						
Lease liabilities	-	536,668	536,668	-	630,204	630,204
Debentures	-	13,218,600	13,218,600	-	11,523,600	11,523,600
Total interest-bearing liabilities	-	16,780,558	16,780,558	-	16,174,045	16,174,045

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
			<i>(in thousand Baht)</i>	
Within 1 year	3,025,290	4,020,241	3,025,290	4,020,241
1 - 5 years	13,281,570	11,586,283	13,283,570	11,586,283
After 5 years	471,698	567,521	471,698	567,521
Total	16,778,558	16,174,045	16,780,558	16,174,045

As at 31 December 2022 and 2021, the Group and the Company have no unutilised credit facilities.

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Debentures

As at 31 December 2022, the Group and the Company had the unsecured, unsubordinated debentures in registered form with debentures holders' representative, payable quarterly totalling Baht 16,217 million and Baht 16,219 million, respectively (2021: Baht 15,524 million and Baht 15,524 million, respectively) as follows:

Consolidated financial statements								
Issued Date	The period to maturity within one year		The period to maturity over one year		Total		Interest Rate (% p.a.)	Term
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021		
	<i>(in thousand Baht)</i>							
9 August 2019	-	4,000,000	-	-	-	4,000,000	3.50	3 years 3 months
19 August 2020	-	-	4,000,000	4,000,000	4,000,000	4,000,000	3.90	3 years 11 months
10 June 2021	3,000,000	-	-	3,000,000	3,000,000	3,000,000	3.00	2 years 6 months
12 November 2021	-	-	4,523,600	4,523,600	4,523,600	4,523,600	3.55	4 years 3 months
11 August 2022	-	-	4,693,000	-	4,693,000	-	4.10	5 years
Total	<u>3,000,000</u>	<u>4,000,000</u>	<u>13,216,600</u>	<u>11,523,600</u>	<u>16,216,600</u>	<u>15,523,600</u>		
Separate financial statements								
Issued Date	The period to maturity within one year		The period to maturity over one year		Total		Interest Rate (% p.a.)	Term
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021		
	<i>(in thousand Baht)</i>							
9 August 2019	-	4,000,000	-	-	-	4,000,000	3.50	3 years 3 months
19 August 2020	-	-	4,000,000	4,000,000	4,000,000	4,000,000	3.90	3 years 11 months
10 June 2021	3,000,000	-	-	3,000,000	3,000,000	3,000,000	3.00	2 years 6 months
12 November 2021	-	-	4,523,600	4,523,600	4,523,600	4,523,600	3.55	4 years 3 months
11 August 2022	-	-	4,695,000	-	4,695,000	-	4.10	5 years
Total	<u>3,000,000</u>	<u>4,000,000</u>	<u>13,218,600</u>	<u>11,523,600</u>	<u>16,218,600</u>	<u>15,523,600</u>		

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13 Trade accounts payable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Related parties	4	408,300	152,864	408,300	152,864
Other parties		334,874	277,532	334,874	277,532
Total		<u>743,174</u>	<u>430,396</u>	<u>743,174</u>	<u>430,396</u>

14 Other payables

		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Retention payable		418,296	116,468	418,296	116,468
Other payables - Machine		204,412	34,722	204,412	34,722
Accrued expenses		279,513	104,939	279,366	104,794
Deposit from sales and guarantee		4,674	3,789	4,674	3,789
Others		91,527	46,964	91,527	46,900
Total		<u>998,422</u>	<u>306,882</u>	<u>998,275</u>	<u>306,673</u>

15 Other current liabilities

		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Payable to Revenue Department		-	30,615	-	30,615
Suspend output tax		85,149	101,896	85,149	101,896
Others		11,908	10,739	11,904	10,720
Total		<u>97,057</u>	<u>143,250</u>	<u>97,053</u>	<u>143,231</u>

16 Non-current provisions for employee benefits

		Consolidated financial statements		Separate financial statements	
<i>At 31 December</i>		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Post-employment benefits					
Defined benefit plan		<u>146,622</u>	<u>151,657</u>	<u>146,622</u>	<u>151,657</u>

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Defined benefit plan

The Group and the Company operate defined benefit plans based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
At 1 January	151,657	152,705	151,657	152,705
<i>Recognised in profit or loss</i>				
Current service cost and interest on obligation	-	-	-	-
<i>Recognised in other comprehensive income:</i>				
Actuarial loss	-	-	-	-
Other				
Benefit paid	(5,035)	(1,048)	(5,035)	(1,048)
At 31 December	146,622	151,657	146,622	151,657

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Discount rate	3.61	2.88	3.61	2.88
Future salary growth	3.50	2.35	3.50	2.35

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

At 31 December 2022, the weighted-average duration of the defined benefit obligation was 24 years (2021: 25 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

<i>Effect to the defined benefit obligation At 31 December</i>	Consolidated and separate financial statements			
	1% increase in assumption 2022	1% decrease in assumption 2021	1% increase in assumption 2022	1% decrease in assumption 2021
Discount rate	(13,744)	(9,574)	16,352	11,176
Future salary growth	14,058	9,011	(12,039)	(7,794)

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17 Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

18 Segment information and disaggregation of revenue

Management determined that the Group has two reportable segments which are the Group’s strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group’s reportable segments.

- Energy & Utilities
- Petrol and gas stations

Each segment's performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group’s CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm’s length basis.

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(a) Reportable segment results

<i>Year ended 31 December</i>	Consolidated financial statement						Reportable segment profit (loss) before interest, tax and depreciation	
	Revenue from external customers		Inter-segment revenue		Total segment revenue		2022	2021
	2022	2021	2022	2021	2022	2021		
	<i>(in thousand Baht)</i>							
Energy & Utilities	9,618,401	10,557,354	-	-	9,618,401	10,557,354	3,878,373	5,413,022
Petrol and gas stations	581,573	516,478	-	-	581,573	516,478	35,583	13,286
Total	<u>10,199,974</u>	<u>11,073,832</u>	<u>-</u>	<u>-</u>	<u>10,199,974</u>	<u>11,073,832</u>	<u>3,913,956</u>	<u>5,426,308</u>
Finance costs							(90,286)	(207,786)
Depreciation							(996,835)	(917,058)
Profit before income tax expense for the year							<u>2,826,835</u>	<u>4,301,464</u>

The Group was incorporated domestic. There are no material revenues derived from, or assets located in, foreign countries, and timing of revenue recognition of the Group is at a point in time.

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<i>Year ended 31 December</i>	Consolidated financial statements	
	Reportable segment	
	profit (loss) before tax	
	2022	2021
	<i>(in thousand Baht)</i>	
Energy & Utilities	2,812,574	4,334,902
Petrol and gas stations	14,261	(33,435)
Total	2,826,835	4,301,467
Elimination of inter-segment (profit) loss	-	(3)
Profit (loss) before income tax expense for the year	2,826,835	4,301,464

(b) Reportable segment financial position

	Segment assets	
	2022	2021
	<i>(in thousand Baht)</i>	
Energy & Utilities	46,493,705	42,956,956
Petrol and gas stations	77,590	74,742
	46,571,295	43,031,698
Unallocated assets	4,008,078	5,453,652
Total assets	50,579,373	48,485,350

(c) Geographical segments

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

(d) Major customer

Revenues from 2 customers of the Group's represents approximately Baht 9,644 million (2021: Baht 10,580 million) of the Group's total revenues.

19 Other income

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Revenue from machine rental	216,756	183,155	216,756	183,155
Waste disposal service income	58,823	14,997	58,823	14,997
Others	90,888	42,430	90,888	42,430
Total	366,467	240,582	366,467	240,582

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20 Distribution costs

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Personnel expenses	29,737	29,059	29,737	29,059
Utilities expenses	9,107	7,857	9,107	7,857
Rental	1,300	1,425	1,300	1,425
Depreciation	9,161	9,210	9,161	9,210
Others	15,268	17,892	15,268	17,892
Total	64,573	65,443	64,573	65,443

21 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Personnel expenses	95,068	81,485	95,068	81,485
Shared service expenses	51,852	46,579	51,724	46,451
Professional fees	13,926	25,823	9,090	20,674
Registration fees	44,144	33,423	44,137	33,418
Depreciation	37,997	4,286	37,997	4,286
Insurance expenses	9,831	659	9,831	659
Donation	48,556	143,465	48,553	143,465
Others	157,820	246,088	157,808	246,081
Total	459,194	581,808	454,208	576,519

22 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Management				
Wages and salaries	28,038	27,666	28,038	27,666
Others	27,138	24,671	27,138	24,671
	55,176	52,337	55,176	52,337
Employee				
Wages and salaries	589,986	542,709	589,986	542,709
Others	48,188	43,018	48,188	43,018
	638,174	585,727	638,174	585,727
Total	693,350	638,064	693,350	638,064

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Defined contribution plans

The defined contribution plans comprise provident funds established by the Company for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging 3% of their basic salaries and by the Company at rates ranging 3% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

23 Expenses by nature

The statements of comprehensive income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Included in cost of sales of goods:</i>				
Changes in inventories of finished goods and work in progress	194,706	111,263	194,706	111,263
Raw materials and consumables used	4,741,224	3,964,705	4,741,224	3,964,705
Employee benefit expenses	568,545	527,520	568,545	527,520
Depreciation	949,677	903,562	949,677	903,562
<i>Included in distribution costs:</i>				
Employee benefit expenses	29,737	29,059	29,737	29,059
Depreciation	9,161	9,210	9,161	9,210
<i>Included in administrative expenses:</i>				
Employee benefit expenses	95,068	81,485	95,068	81,485
Depreciation	37,997	4,286	37,997	4,286

24 Finance costs

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
<i>Interest expense:</i>					
Short-term loans from financial institutions		-	375	-	375
Debentures		601,643	510,442	601,675	510,442
Lease	11	20,553	25,508	20,553	25,508
Total interest expense		622,196	536,325	622,228	536,325
Other		3,914	5,145	3,914	5,145
		626,110	541,470	626,142	541,470
<i>Less amounts included in the cost of qualifying assets:</i>					
- Construction contracts work in progress	10	(535,824)	(333,684)	(535,824)	(333,684)
Net		90,286	207,786	90,318	207,786

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25 Income tax

<i>Income tax recognised in profit or loss</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	500	115,964	-	115,610
Adjustment for prior years	1,782	5,921	1,782	5,921
	<u>2,282</u>	<u>121,885</u>	<u>1,782</u>	<u>121,531</u>
Deferred tax expense				
Movements in temporary differences	11,769	(11,751)	11,769	(11,751)
Total income tax expense	<u>14,051</u>	<u>110,134</u>	<u>13,551</u>	<u>109,780</u>

<i>Reconciliation of effective tax rate</i>	Consolidated financial statements			
		2022		2021
	Rate (%)	<i>(in thousand Baht)</i>	Rate (%)	<i>(in thousand Baht)</i>
Profit before income tax expense		2,826,835		4,301,464
Income tax using the Thai corporation tax rate	20	565,367	20	860,293
Double allowance and deduction		(42,365)		(22,297)
Profit was derived from promoted activities		(541,197)		(744,126)
Expenses not deductible for tax purposes		3,121		10,343
Current year losses for which no deferred tax asset was recognised		27,343		-
Under provided in prior years		1,782		5,921
Total	<u>0.5</u>	<u>14,051</u>	<u>2.6</u>	<u>110,134</u>

<i>Reconciliation of effective tax rate</i>	Separate financial statements			
		2022		2021
	Rate (%)	<i>(in thousand Baht)</i>	Rate (%)	<i>(in thousand Baht)</i>
Profit before income tax expense		2,826,335		4,301,110
Income tax using the Thai corporation tax rate	20	565,267	20	860,222
Double allowance and deduction		(42,365)		(22,297)
Profit was derived from promoted activities		(541,197)		(744,126)
Expenses not deductible for tax purposes		2,721		10,060
Current year losses for which no deferred tax asset was recognised		27,343		-
Under provided in prior years		1,782		5,921
Total	<u>0.5</u>	<u>13,551</u>	<u>2.6</u>	<u>109,780</u>

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<i>Deferred tax assets and liabilities</i> <i>At 31 December</i>	Consolidated and Separate financial statements			
	Assets		Liabilities	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Total	82,244	94,033	-	(20)
Set off of tax	-	(20)	-	20
Net deferred tax assets	82,244	94,013	-	-

Movements in deferred tax balances are as follows:

	Consolidated and Separate financial statements			
	At 1 January 2022	(Charged) / Credited to		At 31 December 2022
		Profit or loss	Other comprehensive income	
	<i>(in thousand Baht)</i>			
Deferred tax assets				
Property, plant and equipment	47,940	2,499	-	50,439
Inventories	2,911	(2,911)	-	-
Provisions for employee benefits	24,085	(1,007)	-	23,078
Provisions for decommissioning costs	13,125	(13,125)	-	-
Lease liabilities	5,972	2,755	-	8,727
Total	94,033	(11,789)	-	82,244
Deferred tax liabilities				
Revaluation on fair value of financial assets	(20)	20	-	-
Total	(20)	20	-	-
Net	94,013	(11,769)	-	82,244

	Consolidated and Separate financial statements			
	At 1 January 2021	(Charged) / Credited to		At 31 December 2021
		Profit or loss	Other comprehensive income	
	<i>(in thousand Baht)</i>			
Deferred tax assets				
Property, plant and equipment	46,656	1,284	-	47,940
Inventories	4,103	(1,192)	-	2,911
Provisions for employee benefits	24,294	(209)	-	24,085
Provisions for decommissioning costs	5,387	7,738	-	13,125
Lease liabilities	1,882	4,090	-	5,972
Total	82,322	11,711	-	94,033
Deferred tax liabilities				
Revaluation on fair value of financial assets	(60)	40	-	(20)
Total	(60)	40	-	(20)
Net	82,262	11,751	-	94,013

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Deferred tax assets arising from unused tax losses that has not been recognised in the consolidated and separate financial statements as at 31 December 2022 amounting to Baht 27 million and Baht 27 million, respectively.

The tax losses expire in 2027. The deductible temporary differences do not expire under current tax legislation. The Group has not recognised these items as deferred tax assets.

26 Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, the Company has been granted privileges by the Board of Investment relating to natural gas stations, power plants and fuel production from garbage and waste. The privileges granted include:

- (a) exemption from payment of import duty on machinery and equipment approved by the Board;
- (b) exemption from payment of corporate income tax for certain operations for a period of 8 years from the dates on which the income is first derived from such operations;
- (c) a 50% reduction in the normal income tax rate on the net profit derived from certain operations for a period of 5 years, commencing from the expiry date in (b) above;
- (d) a deduction of twice the actual transportation, electrical and water supply expenses for a period of 10 years from the respective revenues and a 25% reduction of the capital expenditure for the installation or the construction of the facilities in addition to the normal depreciation; and
- (e) losses occur during the period could be carried forward 5 years commencing from the expiry date of the privileges to deducted from the profit that occur after the period of exemption of cooperate income tax.

As a promoted company, the Company must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenue from promoted and non-promoted businesses:

	Consolidated and Separate financial statements					
	2022			2021		
	Promoted businesses	Non- promoted businesses	Total	Promoted businesses	Non- promoted businesses	Total
	<i>(in thousand Baht)</i>					
Domestic sales	9,185,600	1,014,374	10,199,974	9,439,078	1,634,754	11,073,832
Total	9,185,600	1,014,374	10,199,974	9,439,078	1,634,754	11,073,832

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27 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2022 and 2021 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	<u>2,812,784</u>	<u>4,191,330</u>	<u>2,812,784</u>	<u>4,191,330</u>
Weighted average number of ordinary shares outstanding (basic) at 31 December	<u>8,400,000</u>	<u>8,400,000</u>	<u>8,400,000</u>	<u>8,400,000</u>
Earnings per share (basic) (in Baht)	<u>0.335</u>	<u>0.499</u>	<u>0.335</u>	<u>0.499</u>

28 Dividends

At the annual general meeting of the shareholders of the Company held on 21 April 2021, the shareholders approved the appropriation of 2020 annual dividend at Baht 0.27 per share for the 8,400 million common shares, amounting to Baht 2,268 million. After a deduction of the interim dividends of Baht 0.12 per share which were paid to the Company's shareholders in 2020, the remaining dividends of Baht 0.15 per share, totalling Baht 1,260 million. The dividend was paid to the Shareholders on 7 May 2021.

At the Board of Director's meeting of the Company held on 27 August 2021, the Board of Director's meeting passed a resolution to declare the interim dividend payment from retained earnings as of 30 June 2021, in amount of Baht 0.12 per share for the Baht 8,400 million common shares, amounting to Baht 1,008 million. The dividend was paid to the shareholders on 22 September 2021.

At the annual general meeting of the shareholders of the Company held on 19 April 2022, the shareholders approved the appropriation of 2021 annual dividend at Baht 0.25 per share for the 8,400 million common shares, amounting to Baht 2,100 million. After a deduction of the interim dividends of Baht 0.12 per share which were paid to the Company's shareholders in 2021, the remaining dividends of Baht 0.13 per share, totalling Baht 1,092 million. The dividend was paid to the shareholders on 12 May 2022.

At the Board of Director's meeting of the Company held on 26 August 2022, the Board of Director's meeting passed a resolution to declare the interim dividend payment from retained earnings as of 30 June 2022, in amount of Baht 0.12 per share for the Baht 8,400 million common shares, amounting to Baht 1,008 million. The dividend was paid to the shareholders on 23 September 2022.

29 Financial instruments

(a) 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, but 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.

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		Carrying amount		Consolidated financial statements				Total
		Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	
<i>At 31 December</i>	<i>Note</i>							
2022								
Financial assets								
Other current financial assets								
Investment in debt securities	8	-	185,030	185,030	-	185,088	-	185,088
Other non-current financial assets								
Investment in debt securities		-	486,173	486,173	-	439,598	-	439,598
Total financial assets		-	671,203	671,203				
Financial liabilities								
Debentures	12	-	16,216,600	16,216,600	-	16,177,195	-	16,177,195
Total financial liabilities		-	16,216,600	16,216,600				

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	Note	Carrying amount		Consolidated financial statements				Total
		Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	
<i>At 31 December</i>								
2021								
Financial assets								
Other current financial assets								
Investment in debt securities (Private funds)	8	43,292	-	43,292	-	43,292	-	43,292
Investment in debt securities	8, 35	2,002,505	2,000	2,004,505	2,002,505	2,029	-	2,004,534
Other non-current financial assets								
Investment in debt securities	35	-	670,890	670,890	-	656,182	-	656,182
Total financial assets		2,045,797	672,890	2,718,687				
Financial liabilities								
Debentures	12	-	15,523,600	15,523,600	-	15,602,098	-	15,602,098
Total financial liabilities		-	15,523,600	15,523,600				

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	Note	Carrying amount		Separate financial statements			Total
		Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	Total	Level 1	Level 2	
<i>At 31 December</i>							
2022							
Financial assets							
Other current financial assets							
Investment in debt securities	8	-	5,017	5,017	-	5,045	5,045
Other non-current financial assets							
Investment in debt securities		-	486,173	486,173	-	439,598	439,598
Total financial assets		-	491,190	491,190			
Financial liabilities							
Debentures	12	-	16,218,600	16,218,600	-	16,179,195	16,179,195
Total financial liabilities		-	16,218,600	16,218,600			

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		Carrying amount		Separate financial statements				Total
		Financial instruments measured at FVTPL	Financial instruments measured at amortised cost	Total	Level 1	Level 2	Level 3	
<i>At 31 December</i>	<i>Note</i>							
				<i>(in thousand Baht)</i>				
2021								
Financial assets								
Other current financial assets								
Investment in debt securities (Private funds)	8	43,292	-	43,292	-	43,292	-	43,292
Investment in debt securities	8, 35	2,002,505	-	2,002,505	2,002,505	-	-	2,002,505
Other non-current financial assets								
Investment in debt securities	35	-	490,443	490,443	-	474,181	-	474,181
Total financial assets		2,045,797	490,443	2,536,240				
Financial liabilities								
Debentures	12	-	15,523,600	15,523,600	-	15,602,098	-	15,602,098
Total financial liabilities		-	15,523,600	15,523,600				

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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	Thai Bond Market Association Government Bond Yield Curve as of the reporting date.
Corporate debt securities (Private funds)	<i>Market comparison/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.
Debenture	A valuation technique incorporating observable market data which is adjusted with counterparty credit risk (excluding own credit risk) and other risks to reflect true economic value.

(b) Financial risk management policies

Risk management framework

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

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

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

(b.1) Credit risk

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

(b.1.1) Trade accounts receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 18(d).

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The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's commercial terms and conditions are offered. The Group's review includes financial statements, industry information and in some cases bank references. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the risk management committee.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 30 days. 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 groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade accounts receivables disclosed in note 6.

(b.1.2) Investment in debt securities

The Group considers that all debt investments measured at amortised cost have low credit risk. Then the credit loss allowance assessed during the year was therefore limited to 12 months expected losses or 'low credit risk'. Marketable bonds are considered to be an investment grade credit rating published by external credit rating agencies. The credit risk of other instruments are considered to be low when the risk of default is low and the issuer has a strong capacity to meet its contractual cash flow obligations.

(b.1.3) Cash and cash equivalent

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

(b.2) *Liquidity risk*

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

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The following table shows the remaining contractual maturities of financial liabilities at the reporting date.

Consolidated financial statements					
Contractual cash flows					
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>					
2022					
<i>Non-derivative financial liabilities</i>					
Trade payables	743,174	741,216	1,953	5	743,174
Lease liabilities	561,958	48,179	143,493	673,379	865,051
Debentures	16,216,600	3,000,000	13,216,600	-	16,216,600
Total	<u>17,521,732</u>	<u>3,789,395</u>	<u>13,362,046</u>	<u>673,384</u>	<u>17,824,825</u>
2021					
<i>Non-derivative financial liabilities</i>					
Trade payables	430,396	427,269	3,127	-	430,396
Lease liabilities	650,445	45,293	153,863	833,358	1,032,514
Debentures	15,523,600	4,000,000	11,523,600	-	15,523,600
Total	<u>16,604,441</u>	<u>4,472,562</u>	<u>11,680,590</u>	<u>833,358</u>	<u>16,986,510</u>
Separate financial statements					
Contractual cash flows					
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>					
2022					
<i>Non-derivative financial liabilities</i>					
Trade payables	743,174	741,216	1,953	5	743,174
Lease liabilities	561,958	48,179	143,493	673,379	865,051
Debentures	16,218,600	3,000,000	13,218,600	-	16,218,600
Total	<u>17,523,732</u>	<u>3,789,395</u>	<u>13,364,046</u>	<u>673,384</u>	<u>17,826,825</u>
2021					
<i>Non-derivative financial liabilities</i>					
Trade payables	430,396	427,269	3,127	-	430,396
Lease liabilities	650,445	45,293	153,863	833,358	1,032,514
Debentures	15,523,600	4,000,000	11,523,600	-	15,523,600
Total	<u>16,604,441</u>	<u>4,472,562</u>	<u>11,680,590</u>	<u>833,358</u>	<u>16,986,510</u>

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(b.3) Market risk

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

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases of spare parts, supplies, machines and equipment.

<i>Exposure to foreign currency</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
United States Dollars				
Cash and cash equivalents	-	3,600	-	90
Other payables	(484,552)	(41,400)	(484,552)	(41,400)
	<u>(484,552)</u>	<u>(37,800)</u>	<u>(484,552)</u>	<u>(41,310)</u>
EURO				
Cash and cash equivalents	7	7	7	7
Other payables	(33,370)	(8,630)	(33,370)	(8,630)
	<u>(33,363)</u>	<u>(8,623)</u>	<u>(33,363)</u>	<u>(8,623)</u>
Others				
Cash and cash equivalents	332	336	332	336
Other payables	(2,035)	-	(2,035)	-
	<u>(1,703)</u>	<u>336</u>	<u>(1,703)</u>	<u>336</u>
Net exposure	<u>(519,618)</u>	<u>(46,087)</u>	<u>(519,618)</u>	<u>(49,597)</u>

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because debt securities and loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowings (see note 12). The Group mitigates this risk by ensuring that the majority of its debt securities and borrowings are at fixed interest rates.

30 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

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31 Commitments with non-related parties

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Capital commitments				
Agreements for construction, machine and equipment	<u>7,624,521</u>	<u>3,190,500</u>	<u>7,583,117</u>	<u>3,149,096</u>
Other commitments				
Short-term lease commitments	400	500	400	500
Unused letters of credit	-	57,131	-	57,131
Bank guarantees	<u>818,413</u>	<u>117,283</u>	<u>818,413</u>	<u>117,283</u>
Total	<u>818,813</u>	<u>174,914</u>	<u>818,813</u>	<u>174,914</u>

Power Purchase Agreement

The Company entered into Power Purchase Agreements, which uses garbage as fuel and waste heat from the cement production process as a fuel supplement, in term of “Non-firm” with Electricity Generating Authority of Thailand (“EGAT”) for the period of 5 years since start trading month. The contracts can be extended for a period of 5 years subject to the provision of written notice to the counterparty not less than 30 days before the contracts expired. Regarding to the agreements, the Company obtained adder from base tariff of electricity for period of 7 years since start trading date. The Company has to comply with conditions as specified in the Power Purchase Agreements. At present, the Company has agreements with Electricity Generating Authority of Thailand as follows:

Power Purchase Agreement	Contracted Capacity	Start trading date
1 st agreement (7 November 2014 - 31 December 2019)	18 Megawatt	16 January 2015
1 st agreement (extended) (1 January 2020 - 31 December 2024)		
2 nd agreement (13 November 2013 - 31 July 2020)	55 Megawatt	6 August 2015
2 nd agreement (extended) (1 August 2020 - 31 July 2025)		
3 rd agreement (17 August 2017 - 31 March 2023)	90 Megawatt	5 April 2018

32 Litigation

On 16 December 2019, individuals in total of 222 people sued Energy Regulatory Commission (ERC) et al to the Central Administrative Court which the Company was listed as the 5th Defendant. The Plaintiffs requested that the approval of Environmental and Health Impact Assessment (EHIA) report for the project of 150 megawatts thermal power plant, the license to operate electricity generating business and the construction approval of the Company be revoked. The Plaintiffs also requested that the Court take evidence out of Court and issued an interim measure and ordering that the electricity generating system be temporarily stopped until the final decision is reached.

On 25 December 2019, the Court inquired both Parties in considering the request for interim measure and rendered its decision on 28 January 2020 denied the request for interim measure due to the lack of reason to believe that the license to operate electricity generating business of the Company is unlawful.

Subsequently, On 31 January 2020, the Court ordered to accept the complaint and request the Company to file the answers within the time limit. The lawyer submitted the answer to the Court on 1

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July 2020. On 7 December 2020, the Court sent the objection to the answer of the 5th Defendant (the Company) and requested the Company to submit additional answer to the Court within the prescribed period.

The Company submitted the additional answer to the Court on 12 March 2021, the case is under the Court consideration.

The Company's legal consultant considered the complaint and its appendixes and hereby opines that the Company lawfully received the license to operate the electricity generating business and the construction approval from the competent authorities. The complaint of the Plaintiffs is untrue. As the case is in the preparation for answer, the Company has causes to relieve itself of any liability generated from the complaint depending on the Central Administrative Court Decision. Moreover, the Company has pressed charges against the 222 Plaintiffs to the Muak Lek police station, Saraburi, for taking the false information to charge the person in the Court. The case is under the investigation of the police.

33 Other

- 1) The Company purchased plots of land in Chana district, Songkhla province, to develop the Security, Prosperity, Sustainability Triangle Model City 4 project, in Chana district, Songkhla Province, as the Future Industrial City, according to the Thai Government Policy to develop and administer the southern border provinces for peace and security of the country with the cabinet approval following the motion from Southern Border Provinces Administrative Center (SBPAC) requesting the government to include Chana district, Songkhla province, specifically to be a part of southern special economic zone under Southern Border Provinces Administration Act, B.E. 2553, and the Company to propose investment plan worth Baht 396,000 million to extend prosperity to the provinces by creating employment for the people and economic benefits to such area. On May 7, 2019, the cabinet approved the development of such projects and assigned the SBPAC and other relevant authorities to proceed with the project without delay.

On March 6, 2020, the SBPAC sent a letter to the Company informing the Company that the SBPAC has proposed such issues to the Southern Corridor Strategy Development Committee (the "SCSDC") meeting no.1/2562 on October 31, 2019, in which the SCSDC approved the proposal, and thereafter on January 21, 2020 the cabinet has acknowledged and approved the SCSDC resolution. The SBPAC also coordinated with the relevant authorities involved with the private sector investment plan, i.e., the Department of Public Works and Town & Country Planning, Ministry of Interior, and Songkhla Provincial Administration Organization, to consider the change of the city plan color for the project benefits of usage, to comply with the urgent investment plan as proposed by the private sector and to have the Ministry of Energy to consider and support the production of electricity from new power plant to cope with the industrial development under the Country Power Development Plan (PDP), to be revised according to the cabinet approval allowing the private sector i.e. TPIPP, to invest and sell 3,700 MW of electricity to government enterprise (EGAT) in this Model Futuristic Advanced Industrial City, which has received approval to change the city plan color in Chana District Songkla with the proper approval from authority (Office of the energy regulatory commission) including the proposed condition for the private sector to conduct feasibility study on the Environmental Impact Assessment : EIA) and/or the Environmental and Health Impact Assessment : EHIA), as the case may be, so that the project developments could run in parallel from the year 2021 onwards.

The SBPAC has made "Strategic Environment Assessment (SEA)" according to Nation Economic Development Board (the "NEDB") which is an analytical and particularly process to support the formulation of development policies, plans and programs. The goal of which is to balance and optimize economic social and environment considerations based on the principles of sustainable development. The SCSDC, whereby the Prime Minister is the Chairman, and the Deputy Prime

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Minister, Gen Pravit Wongsuwan, as the authorized person to act on behalf of the Prime Minister to implement the SEA plan, approved the project of TPIPP, and the Cabinet resolved to acknowledge the resolution deemed as the Cabinet's approval of the project in accordance with the plan and policy of the Security, Prosperity, Sustainability Triangle Model City 4 project of the SBPAC. In addition, the SCSDC has resolved to expedite the Department of Public Works to change the City Plan color from green zone to purple zone, and that the Ministry of Energy, Energy Regulatory Commission ("ERC"), and state-owned enterprises to complete the PPA as soon as possible and it is the Company's responsibility to complete the Environmental Impact Assessment ("EIA") and Environmental and Health Impact Assessment ("EHIA").

In case of mass coordination, public and civil society in 3 sub-districts of Chana District, Songkhla Province, the Company was requested to coordinate and work closely with the working group as established by the SBPAC, under the proposals of local residents to support working process of the private sector through public sector to reinforce unity of the task force to be beneficial for the economic development and the quality of local people genuinely to be in line with the objectives of the project in Chana District, Songkhla Province, as an exclusive perfect fully-integrated economic zone, which is an important mechanism to drive the development of the entire fully-integrated economy of the lower southern region, which can link to the southern border provinces and other regions of Thailand and neighboring countries, as well as to link economic development to other countries around the world. This will make the southern border provinces to be safer and be a vital part to support the solution to the unrest in the southern border provinces and to accommodate the future economic and social development, similar to other regions of Thailand in the long run. The SBPAC also requested that the Company to carry on with all related issues to strictly comply with the relevant legal issues, cabinet resolution, rules and government agencies' processes.

On January 25, 2021, Songkhla Provincial Administration Organization announced the Company as the winner of the bidding for jointly private procurement in the construction and management of solid waste disposal system, Songkhla Provincial Administration Organization by Tender Method. The winner of the bidding will receive tipping fee from waste disposal of Baht 400 per ton (adjustable upward by 10% in every 3 year) and receive revenue from electricity sales derived from waste disposal under a power purchase agreement of 7.92 MW for the period of 20 years, at the rate of Baht 5.78 per unit for the first 8 years and Baht 5.08 per unit for the next consecutive 12 years respectively.

Subsequently, on September 29, 2021, the Company signed the contract for private investment in construction and waste management with Songkhla Provincial Administrative Organization.

- 2) The Company is a power company that produces electricity by turning community municipal solid waste to energy, which is clean and green energy. The Company has participated in the Thailand Voluntary Emission Reduction Program, according to Thai standards, which is a waste management project ("T-VER"), with the Thailand Greenhouse Gas Management Organization ("TGO").

At the end of year 2021, the Company registered with the TGO to apply for the reduction of greenhouse gases, which subsequently TGO has certified the reduction of greenhouse gases (carbon credit) for the Company's project of 82,056 tons of carbon dioxide equivalent, and after sale of 34,690 tons of carbon dioxide equivalent, the Company has the balance of 47,366 tons of carbon dioxide equivalent.

Subsequently, on 24 May 2022, TGO has certified the reduction of greenhouse gases (carbon credit) for the Company's project for the period from 1 May 2017 to 31 December 2020, increased

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by 717,931 tons of carbon dioxide equivalent. As a result, the Company has the balance of 765,297 tons of carbon dioxide equivalent.

In 2022, the Company used approximately 2.73 million tons of all types of waste as fuel in the Company's power plants and Cement Plants of TPI Polene Public Company Limited, which can reduce greenhouse gas emissions or carbon reductions by approximately 6.34 million tons of carbon dioxide equivalent. The Company is currently applying to TGO for approval for the reduction of greenhouse gases (carbon credit) for these new projects.

34 Subsequent Event

- 1) On 18 January 2023, the Company issued the unsecured, unsubordinated debentures in registered form with debenture holders' representatives in the total amount of Baht 6,000 million, which was comprised of Tranche 1, with the maturity term of 3 years 6 months together with a fixed interest rate at 4.15% per annum, payable quarterly, in the amount of Baht 3,000 million and Tranche 2, with the maturity term of 5 years together with a fixed interest rate at 4.60% per annum, payable quarterly, in the amount of Baht 3,000 million.
- 2) At the Board of Director's meeting of the Company held on 26 January 2023, the Board of Director's meeting passed a resolution to declare the interim dividend payment from retained earnings as of 30 September 2022, in amount of Baht 0.09 per share for the Baht 8,400 million common shares, amounting to Baht 756 million and the dividend payment is scheduled on 23 February 2023.

35 Adjustment of accounts

Other current financial assets disclosed in the statement of financial position as at 31 December 2021 have been adjusted to conform with the remaining period and the objective of the Company's business model.

Consolidated financial statements			
31 December 2021			
	Before adjustment	Adjustment <i>(in thousand Baht)</i>	After adjustment
<i>Statement of financial position</i>			
Other current financial assets	3,980,578	(485,341)	3,495,237
Other non-current financial assets	185,549	485,341	670,890
		-	
			=
Separate financial statements			
31 December 2021			
	Before adjustment	Adjustment <i>(in thousand Baht)</i>	After adjustment
<i>Statement of financial position</i>			
Other current financial assets	3,978,578	(485,341)	3,493,237
Other non-current financial assets	5,102	485,341	490,443
		-	
			=