

**PP PRIME PUBLIC COMPANY LIMITED**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

**31 DECEMBER 2022**

## Independent Auditor's Report

To the Shareholders of and the Board of Directors of PP Prime Public Company Limited

### Qualified opinion

In my opinion, except for the possible effects of the matter as explained in the basis for qualified opinion section, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of PP Prime Public Company Limited (the Company) and its subsidiaries (the Group) and separate financial position of the Company as at 31 December 2022, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2022;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

### Basis for qualified opinion

Refer to Note no. 25 to the financial statements, resulted in a dispute between a subsidiary of the Group in Japan and the buyer over 15 projects in the geothermal power plant sales contract dated 25 February 2019 (Contract No. 1). The dispute also included another power plant project asset sales contract for four plants, dated 5 April 2019 (Contract No. 2). Afterwards, the buyer made an offer to the subsidiary asking to negotiate to purchase 2 power plants. However, power plant purchase prices and other obligations in each contract are not yet agreed. As a result, another auditor expressed a qualified opinion for unable to finalise that any adjustments need to be made or whether not to the consolidated financial statements of the Group and the separate financial statements of the Company as at 31 December 2021, presented herein for corresponding figures. The case is still no progress from the date of the another auditor's report. In addition, there is uncertainty for the negotiation and the outcome of the dispute is not yet finalised. I was unable to examine the contract dispute outcome and other obligations in the contract and unable to determine whether any adjustments or any disclosures on this matter were necessary, which it is circumstance beyond the control of the Company. In case, I am able to obtain sufficient evidence to audit this matter, I might find any adjustments or any additional disclosures in the notes to the financial statements due to the binding of such contracts. Therefore, I also expressed the qualified opinion regarding the matter for the financial statements of the current period.

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

## Material uncertainty related to going concern

I draw attention to Note no. 3 to the financial statements which states that as of 31 December 2022, the Group and the Company had current liabilities exceeding current assets by Baht 231 million and Baht 249 million, respectively. In addition, the Group has continuing operating losses. Consequently, the Stock Exchange of Thailand (SET) has posted a C (Caution) sign on securities of the Company. Such events or situations indicate that there is a material uncertainty which may raise significant doubts to the Group's ability to continue as a going concern. My opinion is not modified in respect of this matter.

## Key audit matters

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

Key audit matter	How my audit addressed the key audit matter
<p><b>Impairment assessment of investments in subsidiaries</b></p> <p>Refer to Note 9 b) 'Accounting estimates for impairment of investments in subsidiaries' and Note 16 'Investments in subsidiaries and an associate' to the consolidated and separate financial statements.</p> <p>As of 31 December 2022, the Company has investments in subsidiaries, net in the separate financial statements at amounting to Baht 549.39 million, which some of the Group's subsidiaries have indicators of the possible impairment due to their inability to achieve the expected profits and having net loss continuously. In addition, during the year 2022, some subsidiaries which are in electricity generation and distribution segment in Japan have disposed all property, plant and equipment and are dormant entities, these might affect to the recoverable amounts of the investments in subsidiaries. Management considered these as impairment indicators of investments in subsidiaries.</p> <p>Management performed impairment testing on investments in subsidiaries in the separate financial statements and calculated the recoverable amount by comparing between the higher of the fair value less costs to sell and value-in-use. The assessment for the recoverable amount requires the management's significant judgement on the future operating results of business and projected cash inflows.</p> <p>From this impairment testing on the investments, the management found that the recoverable amount of the investments was lower than the carrying amount, therefore, allowance for impairment of investments in subsidiaries amounting to Baht 683.23 million was recognised in the year 2022.</p> <p>I focused on the recoverable amount of investments in subsidiaries due to its significant value and because of the subjectivity of management's judgement on the reasonableness of the key assumptions used in deriving the recoverable amount.</p>	<p>I carried out the following audit procedures to assess the impairment test of investments in subsidiaries in the separate financial statements prepared by management.</p> <ul style="list-style-type: none"><li>• Assessed the appropriateness of the indicators for impairment of investments in subsidiaries prepared by the management.</li><li>• Held discussions with the management to understand the basis for the assumptions applied to the cash flow projections.</li><li>• Challenged management's significant assumptions used in calculation of recoverable amount of the assets, especially in respect to the forecasted revenue and overhead costs. Including the consideration of the accounting balance of the net assets of the subsidiaries in electricity generation and distribution segment by adjusting with the items that affect the carrying amount to reflect the real value. My procedures included assessing the reasonableness of the forecasts by comparing them with actual results.</li><li>• Assessed the appropriateness of the impairment testing's result and recording for the impairment of investments in subsidiaries in the separate financial statements.</li></ul> <p>As a result of the procedures performed, I did not find any irregularity of the management's impairment testing and noted that the assessment for the recoverable amount and the key assumptions used were reasonable based on the available evidence.</p>

## Other matters

The consolidated and separate financial statements for the year ended 31 December 2022, presented for comparative purposes, were audited by another auditor. The report dated 28 February 2022 was expressed with qualified opinion on the following matters.

### The obligations of the sales contract of the geothermal power plants in Japan

On 26 February 2022, the auditor received the subsidiary's auditor's report. The subsidiary's auditor didn't draw a conclusion on the subsidiary's financial statements as of 31 December 2021. This is because the inability to find satisfactory audit evidence regarding the obligations of the power plant sales agreement dated 5 April 2019, and the obligations of the contract to sell geothermal power plants in Japan were uncertain and the results were not yet final. Also, the subsidiary's auditor was unable to find sufficient evidence to draw conclusions on the matter. Therefore, the auditor was unable to conclude that any adjustments need to be made as a result of the obligations of the agreements that may affect the financial statements. This is considered to be limited by circumstances.

### The obligation of the advanced payment contract for the construction of geothermal power plants

On 26 February 2022, the auditor received the report of the subsidiary's auditor. The auditor of the subsidiary stated that it was unable to find sufficient appropriate audit evidence as to the implications for the Japan Land Asset Transfer Agreement as of 27 November 2017. This is because they were uncertain and not yet finalised. Therefore, the subsidiaries' auditor couldn't conclude that any adjustments had been made or needed to be adjusted as a result of the said binding contract that may affect the financial statements. This conclusion is considered to be limited by circumstances.

There was the progress in the part of the obligation of the advanced payment contract for the construction of geothermal power plants during the third quarter of 2022. Referring Note no. 22 (1) to the financial statements, a subsidiary in Japan paid a land deposit of JPY 103 million to two private companies to construct two power plants. The private companies that received the deposit transferred ownership of the land to another private company. According to the agreement, the private companies that received the deposit is obliged to transfer the land to the subsidiary. On 5 September 2022, the Company assigned the lawyer to withdraw the case and on 14 September 2022, the court judged that the Company's claims were dismissed. Therefore, the case is finalised and completed. I have examined the legal evidence and the court judgement together with relating accounting treatments. My opinion regarding the obligation of the advanced payment contract for the construction of geothermal power plants disclosed in the financial statements as of 31 December 2022 has been changed from the opinion of the another auditor. I have not made a qualified opinion on this matter.

### Determination of the fair value of financial assets - equity instruments

The management is unable to determine the fair value of financial assets in the category of equity instruments because, as of 26 October 2021, these equity instruments were suspended. The reason for this is that the issuer of these equity instruments is subject to adjustments to its financial and operating positions. Therefore, the management used the closing price as of 25 October 2021 in calculating the fair value of the financial assets as of 31 December 2021 instead.

However, in the first quarter of 2022, the Company's management hired an independent appraiser to assess the fair value of the financial assets under the category of equity instruments. The value was recorded in the financial statements as of 31 December 2022. I have examined the independent appraisal report which included auditing the methods for calculating fair value and assessing the appropriateness of the assumptions used. My opinion regarding the fair value of the equity instruments presented in the financial statements as of 31 December 2022 has been changed from the opinion of the another auditor. I have not made a qualified opinion on this matter.

In addition, another auditor had drawn attention about material uncertainties related to going concern.

### **Other information**

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

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

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

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

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

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

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

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

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

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

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

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

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

PricewaterhouseCoopers ABAS Ltd.

**Sa-nga Chokenitisawat**  
Certified Public Accountant (Thailand) No. 11251  
Bangkok  
28 February 2023

PP Prime Public Company Limited  
Statements of Financial Position  
As at 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	12	45,319,052	77,640,666	33,605,998	72,126,982
Trade and other receivables, net	13, 34 (b)	232,318,039	108,310,486	166,700,010	53,393,655
Inventories, net	14	144,187,889	71,379,330	16,721,237	572,915
Deposits at banks as collateral	15	66,821,543	-	66,821,543	-
Short-term borrowings to related parties, net	34 (c)	-	-	-	-
Other current assets		8,289,694	11,003,824	689,351	1,648,653
<b>Total current assets</b>		<b>496,936,217</b>	<b>268,334,306</b>	<b>284,538,139</b>	<b>127,742,205</b>
<b>Non-current assets</b>					
Deposits at banks as collateral	15	7,807,457	7,795,880	-	-
Investment in subsidiaries and an associate, net	16	-	-	549,385,650	1,472,613,468
Financial assets measured at fair value through other comprehensive income		21,642,743	25,687,705	21,642,743	25,687,705
Long-term borrowings to related parties, net	34 (d)	-	-	-	165,423,766
Investment properties	17	239,270,365	107,493,810	111,600,790	107,493,810
Property, plant and equipment, net	18	572,240,284	1,106,225,646	1,124,903	4,185,410
Right-of-use assets, net	19	21,007,504	22,706,470	21,007,504	22,706,470
Intangible assets, net	20	5,041,122	6,698,116	10,854	18,872
Deferred tax assets, net	21	47,311,603	55,688,643	47,311,603	55,688,643
Advance payments, net	22	-	-	-	-
Other non-current assets		20,490,368	8,857,867	6,893,996	3,327,017
<b>Total non-current assets</b>		<b>934,811,446</b>	<b>1,341,154,137</b>	<b>758,978,043</b>	<b>1,857,145,161</b>
<b>Total assets</b>		<b>1,431,747,663</b>	<b>1,609,488,443</b>	<b>1,043,516,182</b>	<b>1,984,887,366</b>

Director \_\_\_\_\_

Date \_\_\_\_\_

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

PP Prime Public Company Limited  
Statements of Financial Position  
As at 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdraft and short-term borrowings					
from financial institutions	24	80,688,346	66,850,523	69,924,447	47,000,000
Short-term borrowings from a related party and others	24, 34 (e)	260,914	15,290,638	-	15,000,000
Trade and other payables	23, 34 (b)	136,836,821	158,043,112	117,192,194	480,865,623
Current portion of long-term borrowings					
from financial institutions	24	267,611,198	334,185,087	266,789,319	333,313,171
Current portion of debentures	24	78,000,000	45,840,000	78,000,000	45,840,000
Current portion of lease liabilities		217,154	268,681	217,154	268,681
Current portion of employee benefit obligations	27	437,130	-	437,130	-
Income tax payable		758,842	9,129,053	-	-
Advance received from sales of geothermal power plants	25	156,548,400	174,383,000	-	-
Other current liabilities		6,388,628	4,462,975	622,784	729,434
<b>Total current liabilities</b>		<b>727,747,433</b>	<b>808,453,069</b>	<b>533,183,028</b>	<b>923,016,909</b>
<b>Non-current liabilities</b>					
Long-term borrowings from financial institutions, net	24	5,922,748	10,390,326	-	-
Debentures	24	-	550,560,000	-	550,560,000
Convertible debentures	26	-	45,000,000	-	45,000,000
Lease liabilities, net		-	217,154	-	217,154
Deferred tax liabilities, net	21	59,348,487	59,324,334	-	-
Employee benefit obligations	27	31,496,589	35,853,988	13,202,302	15,654,150
Other non-current liabilities		1,101,700	861,700	1,101,700	861,700
<b>Total non-current liabilities</b>		<b>97,869,524</b>	<b>702,207,502</b>	<b>14,304,002</b>	<b>612,293,004</b>
<b>Total liabilities</b>		<b>825,616,957</b>	<b>1,510,660,571</b>	<b>547,487,030</b>	<b>1,535,309,913</b>

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



PP Prime Public Company Limited  
Statements of Financial Position  
As at 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Liabilities and equity (Cont'd)</b>					
<b>Equity</b>					
Share capital	28				
Authorised share capital					
14,975,241,114 ordinary shares					
at par value of Baht 1 each (31 December 2021:					
3,095,942,424 ordinary shares					
at par value of Baht 1 each)		14,975,241,114	3,095,942,424	14,975,241,114	3,095,942,424
Issued and paid-up share capital					
10,594,091,201 ordinary shares					
fully paid-up of Baht 1 each (31 December 2021:					
2,133,643,872 ordinary shares fully paid-up of					
Baht 1 each)		10,594,091,201	2,133,643,872	10,594,091,201	2,133,643,872
Premium on share capital		612,679,954	612,679,954	612,679,954	612,679,954
Discount on share capital		(8,776,721,033)	(1,263,172,717)	(8,776,721,033)	(1,263,172,717)
Share-based payment		41,479,200	41,479,200	41,479,200	41,479,200
Retained earnings (deficits)					
Appropriated					
- Legal reserve	30	56,845,152	56,845,152	56,845,152	56,845,152
Unappropriated		(2,016,996,282)	(1,535,939,388)	(1,954,611,956)	(1,054,111,779)
Other components of equity		94,752,514	53,291,799	(77,733,366)	(77,786,229)
<b>Total equity attributable to owners of the parent</b>		<b>606,130,706</b>	<b>98,827,872</b>	<b>496,029,152</b>	<b>449,577,453</b>
Non-controlling interests		-	-	-	-
<b>Total equity</b>		<b>606,130,706</b>	<b>98,827,872</b>	<b>496,029,152</b>	<b>449,577,453</b>
<b>Total liabilities and equity</b>		<b>1,431,747,663</b>	<b>1,609,488,443</b>	<b>1,043,516,182</b>	<b>1,984,887,366</b>

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

**PP Prime Public Company Limited**  
**Statements of Comprehensive Income**  
**For the year ended 31 December 2022**

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Revenues from sales		1,196,035,927	649,794,670	1,185,863,617	114,000,017
Cost of sales		(1,188,486,061)	(689,996,966)	(1,103,028,836)	(96,359,645)
<b>Gross profit (loss)</b>		7,549,866	(40,202,296)	82,834,781	17,640,372
Other income		17,057,596	12,237,756	23,554,224	24,797,531
Selling expenses		(52,099,555)	(34,337,794)	(52,099,555)	(34,337,794)
Administrative expenses		(151,267,362)	(157,550,382)	(95,496,989)	(87,263,150)
Reversal of expected credit (loss)		(16,031,312)	4,947,992	(164,632,159)	(8,087,032)
Gain (loss) on disposals of property, plant and equipment	18	(227,294,371)	32,975,159	2,210	33,072,350
Reversal of (loss) on impairment of assets	16, 18	552,100	-	(682,675,718)	-
Other gain (loss), net		(24,697,501)	60,070,733	34,123,435	18,069,738
Finance costs		(42,326,637)	(69,026,063)	(41,781,485)	(67,404,473)
<b>Loss before income tax</b>		(488,557,176)	(190,884,895)	(896,171,256)	(103,512,458)
Income tax (expense) benefit	32	671,884	4,616,473	(7,556,843)	5,907,547
<b>Loss for the year</b>		(487,885,292)	(186,268,422)	(903,728,099)	(97,604,911)
<b>Other comprehensive income (expense) :</b>					
Items that will not be reclassified subsequently to profit or loss, net of tax					
Remeasurements of post-employment benefit obligations		6,828,398	-	3,227,922	-
Gains on revaluation of land		529,160	59,650,131	529,160	17,129,842
Changes in fair value of equity investments at fair value through other comprehensive income		(476,297)	11,552,491	(476,297)	11,552,491
Total items that will not be reclassified subsequently to profit or loss, net of tax		6,881,261	71,202,622	3,280,785	28,682,333
Items that will be reclassified subsequently to profit or loss					
Currency translation differences		41,407,852	(41,570,365)	-	-
Total items that will be reclassified subsequently to profit or loss		41,407,852	(41,570,365)	-	-
<b>Other comprehensive income for the year, net of tax</b>		48,289,113	29,632,257	3,280,785	28,682,333
<b>Total comprehensive expense for the year</b>		(439,596,179)	(156,636,165)	(900,447,314)	(68,922,578)
<b>Loss attributable to:</b>					
Owners of the parent		(487,885,292)	(186,268,422)	(903,728,099)	(97,604,911)
Non-controlling interests		-	-	-	-
		(487,885,292)	(186,268,422)	(903,728,099)	(97,604,911)
<b>Total comprehensive expense attributable to:</b>					
Owners of the parent		(439,596,179)	(156,636,165)	(900,447,314)	(68,922,578)
Non-controlling interests		-	-	-	-
		(439,596,179)	(156,636,165)	(900,447,314)	(68,922,578)
<b>Loss per share</b>					
Basic loss per share	33	(0.075)	(0.135)	(0.139)	(0.071)

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

PP Prime Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2022

Consolidated financial statements															
Notes	Issued and paid-up share capital Baht	Premium on share capital Baht	Discount on share capital Baht	Share-based payment Baht	Retained earnings (deficit)			Other components of equity						Total equity Baht	
					Appropriated - Legal reserve Baht	Unappropriated Baht	Other comprehensive income (expense)						Total owners of the parent Baht		Non-controlling interests Baht
							Measurement of equity								
							Currency translation differences Baht	investment at fair value through other comprehensive income Baht	Assets revaluation surplus Baht	Total other components of equity Baht					
<b>Opening balance as at 1 January 2021</b>	688,066,476	612,679,954	-	41,479,200	56,845,152	(1,458,482,927)	(64,648,944)	(67,825,570)	264,946,017	132,471,503	73,059,358	-	73,059,358		
Ordinary shares issued	1,376,132,952	-	(1,238,658,273)	-	-	-	-	-	-	-	137,474,679	-	137,474,679		
Convertible debentures	69,444,444	-	(24,514,444)	-	-	-	-	-	-	-	44,930,000	-	44,930,000		
Total comprehensive income (expense) for the year	-	-	-	-	-	(186,268,422)	(41,570,365)	11,552,491	59,650,131	29,632,257	(156,636,165)	-	(156,636,165)		
Transfer to retained earnings (deficit)	-	-	-	-	-	108,811,961	-	(21,767,550)	(87,044,411)	(108,811,961)	-	-	-		
<b>Closing balance as at 31 December 2021</b>	<b>2,133,643,872</b>	<b>612,679,954</b>	<b>(1,263,172,717)</b>	<b>41,479,200</b>	<b>56,845,152</b>	<b>(1,535,939,388)</b>	<b>(106,219,309)</b>	<b>(78,040,629)</b>	<b>237,551,737</b>	<b>53,291,799</b>	<b>98,827,872</b>	<b>-</b>	<b>98,827,872</b>		
<b>Opening balance as at 1 January 2022</b>	2,133,643,872	612,679,954	(1,263,172,717)	41,479,200	56,845,152	(1,535,939,388)	(106,219,309)	(78,040,629)	237,551,737	53,291,799	98,827,872	-	98,827,872		
Ordinary shares issued	28 7,424,674,374	-	(6,682,586,361)	-	-	-	-	-	-	-	742,088,013	-	742,088,013		
Convertible debentures	26, 28 1,035,772,955	-	(830,961,955)	-	-	-	-	-	-	-	204,811,000	-	204,811,000		
Total comprehensive income (expense) for the year	-	-	-	-	-	(481,056,894)	41,407,852	(476,297)	529,160	41,460,715	(439,596,179)	-	(439,596,179)		
<b>Closing balance as at 31 December 2022</b>	<b>10,594,091,201</b>	<b>612,679,954</b>	<b>(8,776,721,033)</b>	<b>41,479,200</b>	<b>56,845,152</b>	<b>(2,016,996,282)</b>	<b>(64,811,457)</b>	<b>(78,516,926)</b>	<b>238,080,897</b>	<b>94,752,514</b>	<b>606,130,706</b>	<b>-</b>	<b>606,130,706</b>		

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

PP Prime Public Company Limited  
Statement of Changes in Equity  
For the year ended 31 December 2022

	Separate financial statements											
	Notes	Separate financial statements				Other components of equity						
						Retained earnings (deficit)			Other comprehensive income (expense)			
		Issued and paid-up share capital	Premium on share capital	Discount on share capital	Share-based payment	Appropriated - Legal reserve	Unappropriated	Measurement of equity investment at fair value through other comprehensive income	Assets revaluation surplus	Total other components of equity	Total equity	
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht		
<b>Opening balance as at 1 January 2021</b>		688,066,476	612,679,954	-	41,479,200	56,845,152	(1,065,318,829)	(67,825,570)	70,168,969	2,343,399	336,095,352	
Ordinary shares issued		1,376,132,952	-	(1,238,658,273)	-	-	-	-	-	-	137,474,679	
Convertible debentures		69,444,444	-	(24,514,444)	-	-	-	-	-	-	44,930,000	
Total comprehensive income (expense) for the year		-	-	-	-	-	(97,604,911)	11,552,491	17,129,842	28,682,333	(68,922,578)	
Transfer to retained earnings (deficit)		-	-	-	-	-	108,811,961	(21,767,550)	(87,044,411)	(108,811,961)	-	
<b>Closing balance as at 31 December 2021</b>		<u>2,133,643,872</u>	<u>612,679,954</u>	<u>(1,263,172,717)</u>	<u>41,479,200</u>	<u>56,845,152</u>	<u>(1,054,111,779)</u>	<u>(78,040,629)</u>	<u>254,400</u>	<u>(77,786,229)</u>	<u>449,577,453</u>	
<b>Opening balance as at 1 January 2022</b>		2,133,643,872	612,679,954	(1,263,172,717)	41,479,200	56,845,152	(1,054,111,779)	(78,040,629)	254,400	(77,786,229)	449,577,453	
Ordinary shares issued	28	7,424,674,374	-	(6,682,586,361)	-	-	-	-	-	-	742,088,013	
Convertible debentures	26, 28	1,035,772,955	-	(830,961,955)	-	-	-	-	-	-	204,811,000	
Total comprehensive income (expense) for the year		-	-	-	-	-	(900,500,177)	(476,297)	529,160	52,863	(900,447,314)	
<b>Closing balance as at 31 December 2022</b>		<u>10,594,091,201</u>	<u>612,679,954</u>	<u>(8,776,721,033)</u>	<u>41,479,200</u>	<u>56,845,152</u>	<u>(1,954,611,956)</u>	<u>(78,516,926)</u>	<u>783,560</u>	<u>(77,733,366)</u>	<u>496,029,152</u>	

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

**PP Prime Public Company Limited**  
**Statements of Cash Flows**  
**For the year ended 31 December 2022**

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Cash flows from operating activities</b>					
Loss before income tax		(488,557,176)	(190,884,895)	(896,171,256)	(103,512,458)
Adjustments to reconcile loss before income tax to net cash provided by operations:					
- Depreciation and amortisation		82,870,679	101,604,432	3,023,273	4,276,602
- (Reversal of) expected credit loss		16,031,312	(4,947,992)	164,632,159	8,087,032
- (Reversal of) allowance for declining in value of inventories	14	(3,665,067)	(3,055,511)	-	-
- (Reversal of) allowance for impairment of assets		(552,100)	-	682,675,718	-
- Interest income		(545,481)	(31,990)	(2,020,670)	(1,162,540)
- (Gain) on fair value measurement of investment property		(733,251)	(3,463,666)	(701,480)	(3,515,666)
- (Gain) loss on disposals of property, plant and equipment and intangible assets		227,294,371	(33,071,935)	(2,210)	(33,072,350)
- Loss on write-off of property, plant and equipment	18	1,512	2,363	-	-
- (Gain) on disposals of investment securities	8	(550,410)	(15,179,197)	(550,410)	(15,127,197)
- Unrealised (gain) on foreign exchange rate		(29,946,949)	(4,222,865)	(31,254,988)	(4,222,284)
- Finance costs		42,326,637	69,026,063	41,781,485	67,404,473
- Employee benefit expenses	27	4,565,110	841,972	2,300,185	(1,308,415)
Cash flows before changes in operating assets and liabilities		(151,460,813)	(83,383,221)	(36,288,194)	(82,152,803)
Changes in operating assets and liabilities					
- Trade and other receivables		(80,888,394)	89,739,926	(110,583,813)	67,195,620
- Inventories	14	(69,143,493)	10,594,122	(16,148,322)	10,764,315
- Other current assets		2,714,130	294,647	959,302	1,399,519
- Other non-current assets		(11,632,501)	3,124,662	(3,566,979)	(815,115)
- Trade and other payables		(7,067,520)	(95,782,506)	(109,510,021)	(105,492,383)
- Other current liabilities		1,925,653	601,281	(106,650)	(299,999)
- Employee benefit paid	27	(850,000)	(710,000)	(280,000)	(255,000)
- Other non-current liabilities		240,000	63,000	240,000	63,000
Cash (used in) operating activities		(316,162,938)	(75,458,089)	(275,284,677)	(109,592,846)
- Income tax received		-	-	-	3,556,531
- Income tax paid		(1,363,507)	(3,898,179)	-	-
- Interest paid		(55,190,548)	(58,274,048)	(54,874,311)	(56,437,018)
Net cash (used in) operating activities		(372,716,993)	(137,630,316)	(330,158,988)	(162,473,333)

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

**PP Prime Public Company Limited**  
**Statements of Cash Flows (Unaudited)**  
**For the year ended 31 December 2022**

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Cash flows from investing activities</b>					
Interest received		945,903	43,564	319,664	24,777
(Increased) decreased from deposits at banks as collateral		(66,821,543)	10,183,686	(66,821,543)	202,141
Proceeds from disposals of investment in securities		4,000,000	52,241,264	4,000,000	52,241,264
Purchases of investment in securities		-	(4,316,713)	-	(4,316,713)
Payments on short-term borrowings to related parties	34 (c)	(21,543)	-	-	-
Proceeds from long-term borrowings to related parties	34 (d)	-	-	18,042,272	10,181,256
Payments on long-term borrowings to related parties	34 (d)	-	-	(18,272,199)	(20,594,375)
Proceeds from disposals of property, plant and equipment and intangible assets		20,919,468	172,600,000	2,232	172,600,000
Purchases of property, plant and equipment and intangible assets		(4,848,075)	(1,508,942)	(403,562)	(89,865)
Net cash (used in) generated from investing activities		(45,825,790)	229,242,859	(63,133,136)	210,248,485
<b>Cash flows from financing activities</b>					
Increased (decreased) in bank overdraft and short-term borrowings from financial institutions		13,837,823	(17,450,175)	22,924,447	(13,000,000)
Proceeds from short-term borrowings from a related party and others		-	54,500,000	-	54,500,000
Payments on short-term borrowings from a related party and others		(15,000,000)	(49,500,000)	(15,000,000)	(49,500,000)
Payments on long-term borrowings from financial institutions	24	(39,837,421)	(188,303,226)	(36,383,638)	(187,938,848)
Payments of lease liabilities		(268,681)	(631,195)	(268,681)	(631,195)
Proceeds from ordinary shares issuance		742,467,437	137,613,293	742,467,437	137,613,293
Payments for ordinary shares issuance		(379,425)	(138,616)	(379,425)	(138,616)
Proceeds from convertible debentures issuance	26	159,811,000	89,930,000	159,811,000	89,930,000
Payments for redemption of debentures	24	(518,400,000)	(36,800,000)	(518,400,000)	(36,800,000)
Net cash generated from (used in) financing activities		342,230,733	(10,779,919)	354,771,140	(5,965,366)
<b>Net (decrease) increase in cash and cash equivalents before effect of exchange rate</b>					
		(76,312,050)	80,832,624	(38,520,984)	41,809,786
Effect of exchange rate on cash and cash equivalents		43,990,436	(41,584,226)	-	-
<b>Net (decrease) increase in cash and cash equivalents</b>					
		(32,321,614)	39,248,398	(38,520,984)	41,809,786
Opening balance		77,640,666	38,392,268	72,126,982	30,317,196
Closing balance		45,319,052	77,640,666	33,605,998	72,126,982
<b>Non-cash transactions</b>					
Account payables from purchase of property, plant and equipment		310,713	470,800	44,191	-
Subsidiary paid promissory notes for the Company		-	-	-	10,000,000
Subsidiary forgave debt to the Company	16	-	-	240,000,000	-
Conversion of debentures to ordinary shares	26	204,811,000	44,930,000	204,811,000	44,930,000
Transfer of property, plant and equipment to investment property	17, 18	130,845,669	-	3,405,500	-

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

## 1 General information

PP Prime Public Company Limited (the Company) is a public limited company which is listed on the Stock Exchange of Thailand on 24 February 1984, which is incorporated and resident in Thailand. The address of the Company's registered offices are as follows:

Head office: No. 62 and 62/1 Moo 2, Ror Por Chor U-tapao Road, Nong Chumphon, Khao Yoi, Phetchaburi 76140.

Branch office: (1) No. 98 Moo 13, Bang Rieng, Kuan Niang, Songkla 90220.  
(2) No. 2/50-51 Moo 2, Tha Chang, Mueang Chanthaburi, Chanthaburi 22000.  
(3) No. 32/19 Moo 3, Wat Pradu, Mueang Surat Thani, Surat Thani 84000.  
(4) No. 486 People Park Project Building, 3rd Floor E 1 Building, Onnuch Road, Onnuch, Suan Luang, Bangkok 10250.

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

The principal business operations of the Group are manufacturing and distribution of aquatic animal feed and pet food and power plant for electricity generation and distribution.

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 28 February 2023.

## 2 Significant events during the current period

The outbreak of Coronavirus Disease 2019 ("COVID-19") in early 2020 which continues to expand and the series of precautionary measures that continues to be implemented across regions, the economy slowed down both domestically and internationally which also results in uncertainties and adverse impact on the Group's operating results particularly on manufacturing and distribution of aquatic animal feed and pet food business. However, the Group's management has paid special attention to the outbreak of the COVID-19 situation and its impact on the operation, performing relevant assessments and taking proactive measures for remediation.

## 3 Financial status

As at 31 December 2022, the Group and the Company have current liabilities exceed current assets in the consolidated and separate financial statement of Baht 231 million and Baht 249 million, respectively, and the Group has continuous operating loss. Consequently, the Stock Exchange of Thailand (SET) has posted a C (Caution) sign on securities of the Company. These events or circumstances indicated that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. However, the Group's management have policies and procedures to manage its liquidity risk and other circumstances. Short-term borrowings from financial institutions are credit facilities for the Group's operation which can be rolled over.

In addition, during the year in 2022, the Group's management had performed the operations as follows:

- The Company disposed assets and collateral of the debentures, including investments in equity securities, and assets not used in operation in order to redeem the debentures and promissory notes from financial institutions and settle its loans from financial institutions and future obligations as they come due.
- The Company disposed property, plant and equipment under electricity generation and distribution in Japan, as disclosed in Note no. 18.
- The Company issued new ordinary shares for increasing in capital, as disclosed in Note no. 28. The Company used the proceeds from the issuance of new ordinary shares to redeem the debentures before their maturity date to reduce finance costs, as disclosed in Note no. 24.

On 14 February 2023, the Company amended the long-term borrowings from a financial institution agreement by extending the repayment term for current portion of long-term borrowings to be long-term borrowings which will due within three years. In addition, during the year 2023, the Company plans to extend the maturity period for redemption of current portion of debentures.

Management is confident that the Group will have sufficient working capital to operate and meet the Group's requirements and the Group can continue its operations for a period of next 12 months from the date of this report. Also, the Group is able to comply with the current and future financial obligations. Therefore, these consolidated and separate financial statement is prepared on the going concern basis.

#### 4 Basis of preparation

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

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

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note no. 9.

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

#### 5 Amended financial reporting standards

Commencing from 1 January 2022, the Group adopted the amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2022 and relevant to the Group. The adoption of these standards does not have significant impacts to the Group.

**Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2023 and relevant to the Group. The Group has not yet early adopted these standards.**

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

The Group’s management is currently assessing the impact of adoption of these standards.

#### 6 Accounting policies

##### 6.1 Principles of consolidation accounting

###### a) Subsidiaries

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

In the separate financial statements, investments in subsidiaries are accounted for using cost method.



**b) Associates**

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

In the separate financial statements, investments in associates are accounted for using cost method.

**c) Equity method**

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

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

When the Group's share of losses in associates equals or exceeds its interest in the associates included other long term interest, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates.

**d) Changes in ownership interests**

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

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

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

**e) Intercompany transactions on consolidation**

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

**6.2 Foreign currency translation**

**a) Functional and presentation currency**

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

**b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any gains and losses on a non-monetary item that recognised in other comprehensive income, all of gains and losses on foreign exchange components will also be recognised in other comprehensive income. On the other hand, if gains and losses on a non-monetary item is recognised in profit or loss, all gains and losses on foreign exchange components will be recognised in profit or loss.

**c) Group companies**

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

**6.3 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date.

In the statements of financial position, bank overdrafts are shown in current liabilities.

**6.4 Trade accounts receivable**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 7 days - 90 days and therefore are all classified as current.

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

The impairment of trade receivables are disclosed in Note no. 6.6 (f).

**6.5 Inventories**

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

Cost of finished goods is determined by the first-in, first-out method. Cost of raw materials, factory supplies and spare parts is determined by weighted average method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

**6.6 Financial asset**

**a) Classification**

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

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

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

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

**b) Recognition and derecognition**

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

**c) Measurement**

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

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

**d) Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. The measurement which the Group classifies its debt instruments is as follow:

- FVOCI: Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains (losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.

**e) Equity instruments**

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

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of comprehensive income.

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

**f) Impairment**

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

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

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

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

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

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

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

Impairment losses and reversal of impairment losses are recognised in profit or loss as a separate line item.

### **6.7 Investment property**

Investment properties, principally freehold land, office buildings and right-of-use assets recognised for office buildings under leases, are held for long-term rental yields or for capital appreciation and are not occupied by the Group.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Subsequently, they are carried at fair value. Changes in fair values are presented in profit or loss.

### **6.8 Property, plant and equipment**

Land is recognised at fair value based on periodic, but at least once a year, valuations by external independent valuers, less subsequent depreciation of buildings.

Increases in the carrying amounts arising on revaluation of land is recognised in other comprehensive income and accumulated in 'revaluation surplus' in shareholders' equity. To the extent that the decrease reverses an increase previously recognised in equity, the decrease is first recognised in other comprehensive income and accumulated in equity. The excess will then be recognised in profit or loss. The Group transfers any amounts included in revaluation surplus in respect of disposed asset to retained earnings when the revalued assets are sold.

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

The Group will recognise other repairs and maintenance to profit or loss when incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Building and building improvement	5 years - 20 years
Machinery and equipment	5 years - 15 years
Furniture, fixtures and office equipment	3 years - 5 years
Vehicles	5 years

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

Gains or losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in other gains or losses, net.

## **6.9 Goodwill**

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. It is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes, being the operating segments.

## **6.10 Intangible assets**

The acquired computer software, patent, hot spring rights, and power purchase agreement rights with limited useful life are subsequently measured at cost less accumulated amortisation and impairment losses. The amortisation is calculated using the straight-line method over their estimated useful lives, as follows:

Computer software	3 years - 10 years
Patent	8 years
Hot spring rights	15 years
Power purchase agreement rights	15 years

Cost associated with maintaining computer software are recognised as an expense as incurred.

## **6.11 Impairment of assets**

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

## **6.12 Leases**

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

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

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

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

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

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

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

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

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

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

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

The investment properties are leased to tenants under operating leases with rentals payable monthly. There are no variable lease payments that depend on an index or rate.

### **6.13 Financial liabilities**

#### **a) Classification**

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

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

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

#### **b) Measurement**

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost. Except a financial liabilities with embedded derivative such as convertible bonds that the Group accounts for those financial liabilities at FVPL / that the Group separately recognises a) host debt initially at its fair value, which is determined using a market interest rate for an equivalent non-convertible bond and subsequently measured at amortised cost, and b) the remainder of the proceeds/fair value of the whole instrument is allocated to the conversion option in equity that will not be subsequently remeasured / as derivatives that will be measured at fair value to profit or loss.

#### **c) Derecognition and modification**

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

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

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

#### **6.14 Borrowing costs**

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

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

#### **6.15 Current and deferred income taxes**

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

##### *Current tax*

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

##### *Deferred income tax*

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

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

Deferred income tax is measured using tax rates and laws that have been enacted or substantially enacted by the end of the reporting period and is expected to apply when the related deferred tax asset is utilised or the deferred tax liability is settled.

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

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

#### **6.16 Employee benefits**

##### *a) Short-term employee benefits*

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, bonuses, and medical care of current employees that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

##### *b) Defined contribution plan*

The Group pays contributions to a separate fund on a fixed basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

*c) Defined benefit plans*

Amount of retirement benefits is defined by the agreed benefits which the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches with currency of the expected cash outflows and maturity of the bonds that matches with retirement benefits obligation repayment terms.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

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

*d) Other long-term benefits*

The Group gives money rewards to employees when they have worked for a specified period of time.

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

## **6.17 Share-based payment**

### *Employee options*

The Group receives services from employees as consideration for equity instruments (options) of the Group companies. The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity. The fair value of the options is determined by assumptions, including the entity's share price, term of the share options and dividend yield.

At the end of each reporting period, the Group reviews the number of options that are expected to vest. It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

The option granted by the Company to the employees of subsidiaries is treated as a capital contribution.

## **6.18 Provisions**

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

The Group measures provisions at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

## **6.19 Revenue recognition**

Revenue includes all revenues from ordinary business activities, all ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities.

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

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



**a) Sale of goods**

The Group's operation is manufacturing and distribution of aquatic animal feed and pet food. The revenue from agreements with customers is recognised when the Group has fulfilled its performance obligations by transferring the control over the product to the customers as the agreements at point in time.

The Group recognises revenue under the electricity sale and purchase agreements when delivered the products and the customers agree upon the delivery. The revenue is recognised based on quantity transferred and agreed price following the conditions specified in the agreements.

**b) Services**

The Group recognised revenue from other services rendered when services are provided to a customer. The Group satisfies a performance obligation over time. The Group recognised service contracts with a continuous service provision as revenue on a straight line basis over the contract term, regardless of the payment pattern.

**c) Interest income**

Interest income is recognised using the effective interest method.

**d) Other income**

Other income is recognised in the statement of income on an accrual basis.

**6.20 Financial guarantee contracts**

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under TFRS 9; and
- the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of TFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between a) the contractual payments required under the debt instrument; and b) the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

## **7 Financial risk management**

The group's exposure to financial risks and how these risks could affect the future financial performance are as follows:

**7.1 Financial risk**

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

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

### 7.1.1 Market risk

#### a) Foreign exchange risk

The Group has exposed to foreign currency risks in respect of financial assets and financial liabilities denominated in the currency which is not the functional currency of each entity in the Group. As at 31 December 2022 and 2021, the Group has not entered into any contracts to hedge the foreign exchange risk.

##### Exposure

The Group's exposure to foreign currency risk arises from the currency which is not the functional currency and material to the financial statements at the end of the reporting period, expressed in Baht are as follows:

As at 31 December	Consolidated / Separate financial statements	
	2022	2021
	Yen Thousand Baht	Yen Thousand Baht
Cash and cash equivalents	16,822	389
Long-term borrowings from financial institutions	266,789	333,313

The aggregate net foreign gains (losses) recognised in profit or loss were:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Net foreign exchange gain (loss) included in other gains (losses)	(11,735)	41,428	31,577	(573)

##### Sensitivity

As shown in the table above, the Group is primarily exposed to changes in Baht and Yen exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in Yen.

	Consolidated / Separate financial statements	
	Impact to net profit	
	2022	2021
	Thousand Baht	Thousand Baht
Baht to Yen exchange rate - increase 5%*	(9,999)	(13,317)
Baht to Yen exchange rate - decrease 5%*	9,999	13,317

\* Holding all other variables constant

#### b) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. As at 31 December 2022 and 2021, the Group has not entered into any contracts to hedge the variable interest rate risk. The Group's borrowings at variable rate were mainly denominated in Baht and Yen.

Regarding the interest rate benchmark (IBOR) reform, reference rates were ceased including LIBOR. However, the effects arising from the changes do not have impacts to the Group as at 31 December 2022.

The Group's borrowings and receivables are carried at amortised cost. The borrowings are periodically contractually repriced (see table below) and to that extent are also exposed to the risk of future changes in market interest rates.

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The exposure of the Group's borrowings to interest rate changes and the contractual repricing rate of the borrowings at the end of the reporting period are as follows:

As at 31 December	Consolidated financial statements			
	2022		2021	
	Thousand Baht	% of total borrowings	Thousand Baht	% of total borrowings
Variable rate borrowings	277,553	64	353,164	33
Fixed rate borrowings				
- repricing or maturity dates:				
Less than 1 year	822	-	-	-
1 - 5 years	3,131	1	3,488	-
Over 5 years	2,792	1	6,903	1
	284,298	66	363,555	34
As at 31 December	Separate financial statements			
	2022		2021	
	Thousand Baht	% of total borrowings	Thousand Baht	% of total borrowings
Variable rate borrowings	266,789	64	333,313	32

The percentage of total borrowings shows the proportion of borrowings that are currently at variable rates in relation to the total amount of borrowings. An analysis by maturities is provided in Note no. 7.1.3 (b).

**Sensitivity**

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

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	Impact to net profit		Impact to net profit	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interest rate - increase 3%*	(1,005)	(1,656)	(954)	(1,590)
Interest rate - decrease 3%*	1,005	1,656	954	1,590

\* Holding all other variables constant

**c) Price risk**

The Group's exposure to aquatic feed price fluctuation as its selling price is based on manufacturing cost which depending on supply and demand of consumers. In addition, the shrimp feed price has been controlled by the Thai Shrimp Association. However, the Group has no exposure to the price risk in relation to financial assets or financial liabilities, and the Group has no financial instruments used to hedge this risk of exposure to the price fluctuations.

**7.1.2 Credit risk**

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at fair value through other comprehensive income (FVOCI), as well as credit exposures to customers, including outstanding receivables and borrowings to.

**a) Risk management**

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of investment grade credit rating are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors and individual risk limits are set based on those assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

**b) Impairment of financial assets**

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

- Trade and other receivables
- Borrowings to related parties

While cash and cash equivalents and debt investments carried at FVOCI are also subject to the impairment requirements of TFRS 9, the Group has considered the identified impairment loss was immaterial.

The impairment of trade receivables and other receivables are disclosed in Note no. 13.

*Borrowings to related parties*

Borrowings to related parties measured at amortised cost and the loss allowance recognised during the year was therefore limited to 12 months expected losses for the borrowings that the credit risk is not significant increased. Lifetime expected credit losses is recognised for the borrowings that the credit risk is significant increased.

**7.1.3 Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group and the Company held deposits at call of Baht 45.32 million and Baht 33.61 million, respectively (2021: Baht 77.64 million and Baht 72.13 million, respectively) that are expected to readily generate cash inflows for managing liquidity risk.

Management monitors a) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and b) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining financing plans.

**a) Financing arrangements**

The Group has undrawn credit facilities as disclosure in Note no. 24

**b) Maturity of financial liabilities**

The tables below analyse the financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities As at 31 December 2022	Consolidated financial statements					Carrying amount Thousand Baht
	On demand Thousand Baht	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
Bank overdrafts and short-term borrowings from financial institutions and related interest	49,924	31,521	-	-	81,445	80,718
Short-term borrowings from a related party and others and related interest	269	-	-	-	269	292
Trade and other payables	-	127,297	-	-	127,297	127,297
Long-term borrowings from financial institutions and related interest	-	269,021	3,394	2,881	275,296	282,211
Debentures and related interest	-	79,931	-	-	79,931	78,015
Lease liabilities	-	225	-	-	225	217
<b>Total non-derivative financial liabilities</b>	<b>50,193</b>	<b>507,995</b>	<b>3,394</b>	<b>2,881</b>	<b>564,463</b>	<b>568,750</b>

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	Consolidated financial statements					
	On demand Thousand Baht	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount Thousand Baht
<b>Contractual maturities of financial liabilities As at 31 December 2021</b>						
Bank overdrafts and short-term borrowings from financial institutions and related interest	-	68,226	-	-	68,226	66,859
Short-term borrowings from a related party and others and related interest	299	15,000	-	-	15,299	15,316
Trade and other payables	-	135,308	-	-	135,308	135,308
Long-term borrowings from financial institutions and related interest	-	335,826	4,013	7,441	347,280	354,427
Debentures and related interest	-	47,201	597,443	-	644,644	609,246
Convertible debentures and related interest	-	45,063	-	-	45,063	45,000
Lease liabilities	-	300	225	-	525	486
<b>Total non-derivative financial liabilities</b>	<b>299</b>	<b>646,924</b>	<b>601,681</b>	<b>7,441</b>	<b>1,256,345</b>	<b>1,226,642</b>
	Separate financial statements					
	On demand Thousand Baht	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount Thousand Baht
<b>Contractual maturities of financial liabilities As at 31 December 2022</b>						
Bank overdrafts and short-term borrowings from financial institutions and related interest	49,924	20,075	-	-	69,999	69,954
Trade and other payables	-	110,808	-	-	110,808	110,808
Long-term borrowings from financial institutions and related interest	-	268,104	-	-	268,104	275,466
Debentures and related interest	-	79,931	-	-	79,931	78,015
Lease liabilities	-	225	-	-	225	217
<b>Total non-derivative financial liabilities</b>	<b>49,924</b>	<b>479,143</b>	<b>-</b>	<b>-</b>	<b>529,067</b>	<b>534,460</b>
	Separate financial statements					
	On demand Thousand Baht	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount Thousand Baht
<b>Contractual maturities of financial liabilities As at 31 December 2021</b>						
Short-term borrowings from financial institutions and related interest	-	47,216	-	-	47,216	47,008
Short-term borrowings from others	-	15,000	-	-	15,000	15,000
Trade and other payables	-	458,160	-	-	458,160	458,160
Long-term borrowings from financial institutions and related interest	-	334,889	-	-	334,889	343,164
Debentures and related interest	-	90,667	566,224	-	656,891	609,246
Convertible debentures and related interest	-	45,063	-	-	45,063	45,000
Lease liabilities	-	300	225	-	525	486
<b>Total non-derivative financial liabilities</b>	<b>-</b>	<b>991,295</b>	<b>566,449</b>	<b>-</b>	<b>1,557,744</b>	<b>1,518,064</b>

## 7.2 Capital management

### 7.2.1 Risk management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

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

Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing debt with equity.

During the year 2022, the Group's strategy, which remains unchanged, was to maintain the gearing ratio not over 2 times. The gearing ratios at 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Debt	825,617	1,510,661	547,487	1,535,310
Equity (including non-controlling interests)	606,131	98,828	496,029	449,577
<b>Debt to equity ratio</b>	<b>1.36 times</b>	<b>15.29 times</b>	<b>1.10 times</b>	<b>3.42 times</b>

As at 31 December 2022, the Group has been able to maintain financial ratios according to the Group's strategy with no financial covenants that the Group has to comply with under the terms and conditions specified in the loan agreement.

## 8 Fair value

The following table shows fair values of financial assets and liabilities by category, excluding those with the carrying amount approximates fair value.

	Consolidated financial statements				
	Fair value through profit or loss (FVPL) Thousand Baht	Fair value through other comprehensive income (FVOCI) Thousand Baht	Amortised cost Thousand Baht	Total carrying amount Thousand Baht	Fair value Thousand Baht
<b>As at 31 December 2022</b>					
<b>Financial assets measured at fair value</b>					
Financial assets measured at fair value through other comprehensive income	-	21,643	-	21,643	21,643
	-	21,643	-	21,643	21,643
<b>Financial liabilities not measured at fair value</b>					
Long-term borrowings from financial institutions	-	-	6,223	6,223	6,745
Debentures	-	-	78,000	78,000	78,298
	-	-	84,223	84,223	85,043

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	Consolidated financial statements				
	Fair value through profit or loss (FVPL) Thousand Baht	Fair value through other comprehensive income (FVOCI) Thousand Baht	Amortised cost Thousand Baht	Total carrying amount Thousand Baht	Fair value Thousand Baht
<b>As of 31 December 2021</b>					
<b>Financial assets measured at fair value</b>					
Financial assets measured at fair value through other comprehensive income	-	25,688	-	25,688	25,688
	-	25,688	-	25,688	25,688
<b>Financial liabilities not measured at fair value</b>					
Long-term borrowings from financial institutions	-	-	11,262	11,262	9,815
Debentures	-	-	596,400	596,400	614,854
	-	-	607,662	607,662	624,669
<b>Separate financial statements</b>					
	Fair value through profit or loss (FVPL) Thousand Baht	Fair value through other comprehensive income (FVOCI) Thousand Baht	Amortised cost Thousand Baht	Total carrying amount Thousand Baht	Fair value Thousand Baht
<b>As of 31 December 2022</b>					
<b>Financial assets measured at fair value</b>					
Financial assets measured at fair value through other comprehensive income	-	21,643	-	21,643	21,643
	-	21,643	-	21,643	21,643
<b>Financial liabilities not measured at fair value</b>					
Debentures	-	-	78,000	78,000	78,298
	-	-	78,000	78,000	78,298
<b>Separate financial statements</b>					
	Fair value through profit or loss (FVPL) Thousand Baht	Fair value through other comprehensive income (FVOCI) Thousand Baht	Amortised cost Thousand Baht	Total carrying amount Thousand Baht	Fair value Thousand Baht
<b>As of 31 December 2021</b>					
<b>Financial assets measured at fair value</b>					
Financial assets measured at fair value through other comprehensive income	-	25,668	-	25,688	25,688
	-	25,668	-	25,688	25,688
<b>Financial assets not measured at fair value</b>					
Long-term borrowings to related parties	-	-	165,424	165,424	158,203
	-	-	165,424	165,424	158,203
<b>Financial liabilities not measured at fair value</b>					
Debentures	-	-	596,400	596,400	614,854
	-	-	596,400	596,400	614,854

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The following financial assets and financial liabilities measured at amortised cost where their carrying amount approximates fair value.

<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
<b>Financial assets</b>	<b>Financial assets</b>
- Cash and cash equivalents	- Cash and cash equivalents
- Trade and other receivables, net	- Trade and other receivables, net
- Deposits at banks as collateral	- Deposits at banks as collateral
- Short-term borrowings to related parties, net	- Other non-current assets
- Other non-current assets	
<b>Financial liabilities</b>	<b>Financial liabilities</b>
- Trade and other payables	- Trade and other payables
- Bank overdraft and short-term borrowings from financial institutions	- Bank overdraft and short-term borrowings from financial institutions
- Short-term borrowings from a related party and others	- Short-term borrowings from a related party and others
- Long-term borrowings from financial institutions (float rate portion)	- Long-term borrowings from financial institutions (float rate portion)
- Other non-current liabilities	- Other non-current liabilities

The following table presents fair value of financial assets and liabilities recognised or disclosed by their fair value hierarchy, excluding those with the carrying amount approximates fair value.

	<b>Consolidated financial statements</b>									
	Level 1		Level 2		Level 3		Total fair value		Carrying amount	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
<b>Assets</b>										
<b>Financial assets at fair value through other comprehensive income</b>										
Equity investments	8,212	22,227	-	-	13,419	3,450	21,631	25,677	21,631	25,677
Debt investments	-	-	12	11	-	-	12	11	12	11
<b>Total Assets</b>	<b>8,212</b>	<b>22,227</b>	<b>12</b>	<b>11</b>	<b>13,419</b>	<b>3,450</b>	<b>21,643</b>	<b>25,688</b>	<b>21,643</b>	<b>25,688</b>
<b>Liabilities</b>										
<b>Financial liabilities not measured at fair value</b>										
Long-term borrowings from financial institutions	-	-	6,745	9,815	-	-	6,745	9,815	6,223	11,262
Debentures	-	-	78,298	614,854	-	-	78,298	614,854	78,000	596,400
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>85,043</b>	<b>624,669</b>	<b>-</b>	<b>-</b>	<b>85,043</b>	<b>624,669</b>	<b>84,223</b>	<b>607,662</b>
	<b>Separate financial statements</b>									
	Level 1		Level 2		Level 3		Total fair value		Carrying amount	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
<b>Assets</b>										
<b>Financial assets at fair value through other comprehensive income</b>										
Equity investments	8,212	22,227	-	-	13,419	3,450	21,631	25,677	21,631	25,677
Debt investment	-	-	12	11	-	-	12	11	12	11
<b>Financial asset not measured at fair value</b>										
Long-term borrowings to related parties	-	-	-	158,203	-	-	-	158,203	-	165,424
<b>Total assets</b>	<b>8,212</b>	<b>22,227</b>	<b>12</b>	<b>158,214</b>	<b>13,419</b>	<b>3,450</b>	<b>21,643</b>	<b>183,891</b>	<b>21,643</b>	<b>191,112</b>
<b>Liabilities</b>										
<b>Financial liabilities not measured at fair value</b>										
Debentures	-	-	78,298	614,854	-	-	78,298	614,854	78,000	596,400
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>78,298</b>	<b>614,854</b>	<b>-</b>	<b>-</b>	<b>78,298</b>	<b>614,854</b>	<b>78,000</b>	<b>596,400</b>

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of financial instruments is based on the current bid price / closing price by reference to the Stock Exchange of Thailand.
- Level 2: The fair value of financial instruments measured by valuation technique which is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of financial instruments measured by valuation technique which is not based on observable market data.



During the year 2022, the Group transferred equity instrument financial assets of a listed company on the Stock Exchange, which has been suspended for trading since 26 October 2021 and has possibility to be delisted, from level 1 to level 3 as the Company's management was able to determine the fair value at the end of the period of such investment instead of using the closing price on 25 October 2021 in calculating the fair value.

**Valuation techniques used to measure fair value level 2**

Fair value of debt instruments is determined from contractual cash flows, discounted at the rate derived from observable market price of other quoted debt instruments of the counterparties.

The fair value of long-term borrowings was calculated based on contractual cash flows discounted using a market lending rate which is an observable input.

**Valuation techniques used to measure fair value level 3**

**Equity instruments**

Changes in level 3 financial assets for the year ended 31 December 2022 is as follows:

	<b>Consolidated / Separate financial statements Thousand Baht</b>
<b>Opening balance as at 1 January 2022</b>	3,450
Transfer from level 1	13,419
Disposal of investment <sup>(1)</sup>	(4,000)
Gain recognised in profit or loss	550
<b>Closing balance as at 31 December 2022</b>	<b>13,419</b>

<sup>(1)</sup> On 5 August 2022, the Company entered into the agreement to transfer and dispose all its shareholding in Thai Fabric Printing and Dyeing Factory Public Company Limited at the amount of 50,000 shares with a par value of Baht 100 per share to the buyer at price of Baht 80 per share. The Company already received money from the disposal of the investment, totaling Baht 4 million.

**The valuation processes**

Equity investments are valued by using Adjusted Book Value Approach, which is a valuation method by adjusting the accounting balance of the net assets of the entity with the items that affect the carrying amount to reflect the real value.

**9 Critical accounting estimates, assumptions and judgements**

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During the year ended 31 December 2022, the Group makes estimates and assumptions concerning the future. The result of accounting estimates will, by definition, seldom equal the related actual results. The critical accounting estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next fiscal year are outlined below.

**a) Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

**b) Impairment of property, plant and equipment, investments in subsidiaries and investment in an associate**

The Group tests impairment of property, plant and equipment, investments in subsidiaries and investment in an associate whenever events or changes in circumstances indicate that the carrying amount of asset is greater than its estimated recoverable amount which calculated by using the higher of the fair value less costs to sell and value-in-use. Value in use involves the future operating results of business, projected cash flows, discount rate to be applied to the projected cash flows. The Group has engaged an independent appraiser in deriving the fair value of underlying assets.

**c) Property, plant and equipment and intangible assets**

Management determines the estimated useful lives and residual values for the Group's Property, plant and equipment and intangible assets. Management will revise the depreciation or amortisation charge where useful lives and residual values are different to the previously estimation, or it will write off or write down technically obsolete or assets that have been abandoned or sold. The Group reviews for impairment whenever events or changes in circumstances indicate that the carrying amount may not be greater than its recoverable amount.

**d) Fair value of certain financial assets and derivatives**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are included in Note no. 8.

**e) Provision for employee benefits**

The present value of the provision for employee benefits depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note no. 27.

**10 Segment information**

Chief Operating Decision Maker (CODM) is Chief Executive Officer of the Group who makes decisions about resource allocation and assesses the segment performance.

For the managerial purpose, Chief Operating Decision Maker considers the reporting segment of its business to examine the Group's performance by product lines as below:

- 1) Manufacturing and distribution of aquatic animal feed
- 2) Manufacturing and distribution of pet food
- 3) Power plant for electricity generation and distribution

Chief Operating Decision Maker considers performance of reporting segments from profit from operating segments.

Unallocated costs mainly represent corporate expenses.

**Geographic information**

Revenue from external customers based on locations of customers for the year ended 31 December are as follows;

	<b>2022</b>	<b>2021</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Thailand	1,185,864	614,020
Japan	10,172	35,775
<b>Total</b>	<b>1,196,036</b>	<b>649,795</b>

**Major customer**

For the year ended 31 December 2022, the Group and the Company earned revenue from a single customer from manufacturing and distribution of pet food business amounting to Baht 644 million of the Group's total revenue (2021 : Baht 538 million).

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Operating segments of the Group are as follows:

	Unit: Thousand Baht											
	Domestic				Overseas		Total	Eliminated entries	Consolidated financial statements			
	Aquatic animal feed		Pet food		Electricity generation and distribution							
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021		
Revenue from external customers	1,027,195	146,628	1,274,491	570,453	17,669	35,775	2,319,355	752,856	(1,123,319)	(103,061)	1,196,036	649,795
Total	1,027,195	146,628	1,274,491	570,453	17,669	35,775	2,319,355	752,856	(1,123,319)	(103,061)	1,196,036	649,795
Profit (loss) from operating segments	36,212	(14,491)	14,191	13,297	(24,662)	(7,562)	25,741	(8,756)	(18,191)	(31,446)	7,550	(40,202)
Other income											17,058	12,238
Selling and administrative expenses											(203,367)	(191,888)
Reversal of expected credit (loss)											(16,031)	4,948
Gain (loss) on disposals of property, plant and equipment											(227,294)	32,975
Reversal (loss) on impairment of assets											552	-
Other gain (loss), net											(24,698)	60,071
Finance costs											(42,327)	(69,026)
Income tax											672	4,616
Loss for the year											(487,885)	(186,268)
<b>Timing of revenue recognition</b>												
At a point in time	1,027,195	146,628	1,274,491	570,453	17,669	35,775	2,319,355	752,856	(1,123,319)	(103,061)	1,196,036	649,795
Total revenue	1,027,195	146,628	1,274,491	570,453	17,669	35,775	2,319,355	752,856	(1,123,319)	(103,061)	1,196,036	649,795

Disaggregation of revenue from contracts with customers for the separate financial statements are as follows;

	Unit: Thousand Baht					
	Domestic				Separate financial statements	
	Aquatic animal feed		Pet food			
2022	2021	2022	2021	2022	2021	
Revenue from external customers						
Total	542,012	83,308	643,851	30,692	1,185,863	114,000
	542,012	83,308	643,851	30,692	1,185,863	114,000
<b>Timing of revenue recognition</b>						
At a point in time	542,012	83,308	643,851	30,692	1,185,863	114,000
Total revenue	542,012	83,308	643,851	30,692	1,185,863	114,000

## 11 Reclassification

The comparative figures have been reclassified to conform to changes in presentation in the current period.

The effect on the reclassifications in the statement of the financial position for the year ended 31 December 2021 are as follows:

	Consolidated financial statements		
	Before reclassification Baht	Reclassification increase (decrease) Baht	After reclassification Baht
Other current financial assets	11,418	(11,418)	-
Other non-current financial assets	3,449,590	(3,449,590)	-
Financial assets measured at fair value through other comprehensive income	-	25,687,705	25,687,705
Property, plant and equipment, net	864,232,169	241,993,477	1,106,225,646
Property, plant and equipment not used in operations, net	241,993,477	(241,993,477)	-
Deferred tax assets	61,637,771	(5,949,128)	55,688,643
Non-current non-cash financial assets pledged as collateral	22,226,697	(22,226,697)	-
Other current liabilities	178,845,975	(174,383,000)	4,462,975
Advanced received from sales of geothermal power plants	-	174,383,000	174,383,000
Deferred tax liabilities	65,273,462	(5,949,128)	59,324,334
	Separate financial statements		
	Before reclassification Baht	Reclassification increase (decrease) Baht	After reclassification Baht
Other current financial assets	11,418	(11,418)	-
Other non-current financial assets	3,449,590	(3,449,590)	-
Financial assets measured at fair value through other comprehensive income	-	25,687,705	25,687,705
Property, plant and equipment, net	3,537,510	647,900	4,185,410
Property, plant and equipment not used in operations, net	647,900	(647,900)	-
Deferred tax assets	61,637,771	(5,949,128)	55,688,643
Non-current non-cash financial assets pledged as collateral	22,226,697	(22,226,697)	-
Deferred tax liabilities	5,949,128	(5,949,128)	-

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The effect on the reclassifications in the statement of comprehensive income for the year ended 31 December 2021 are as follows;

	<b>Consolidated financial statements</b>		
	<b>Before</b>	<b>Reclassification</b>	<b>After</b>
	<b>reclassification</b>	<b>increase</b>	<b>reclassification</b>
	<b>Baht</b>	<b>(decrease)</b>	<b>Baht</b>
		<b>Baht</b>	<b>Baht</b>
Other income	105,335,648	(93,097,892)	12,237,756
Gain (loss) on disposals of property, plant and equipment	-	32,975,159	32,975,159
Other gain (loss), net	-	60,070,733	60,070,733
Administrative expenses	152,167,251	5,383,131	157,550,382
Finance costs	74,461,194	(5,435,131)	69,026,063

  

	<b>Separate financial statements</b>		
	<b>Before</b>	<b>Reclassification</b>	<b>After</b>
	<b>reclassification</b>	<b>increase</b>	<b>reclassification</b>
	<b>Baht</b>	<b>(decrease)</b>	<b>Baht</b>
		<b>Baht</b>	<b>Baht</b>
Other income	76,564,744	(51,767,213)	24,797,531
Other expense	13,576,974	(13,576,974)	-
Gain (loss) on disposals of property, plant and equipment	-	33,072,350	33,072,350
Other gain (loss), net	-	18,069,738	18,069,738
(Reversal of) expected credit loss	(4,916,817)	13,003,849	8,087,032
Administrative expenses	81,971,912	5,291,237	87,263,149
Finance costs	72,747,710	(5,343,237)	67,404,473

## 12 Cash and cash equivalents

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>	<b>Thousand</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Cash on hand	48	58	23	43
Deposits held at call with banks	45,271	77,583	33,583	72,084
<b>Total</b>	<b>45,319</b>	<b>77,641</b>	<b>33,606</b>	<b>72,127</b>

As at 31 December 2022, the weighted average effective interest rate of deposits held at call with banks was 0.26% per annum (2021: 0.11% per annum).

13 Trade and other receivables, net

As at 31 December	Consolidated financial statement		Separate financial statement	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
<u>Trade receivables - third parties, net</u>				
Not yet due	132,228	12,751	121,688	734
Within 3 months	16,124	4,022	16,124	4,022
3 months - 6 months	660	380	660	380
6 months - 12 months	-	7,880	-	7,880
Over 12 months	76,704	93,112	72,373	88,288
	225,716	118,145	210,845	101,304
<u>Less</u> Expected credit loss	(76,924)	(98,159)	(76,924)	(98,159)
	148,792	19,986	133,921	3,145
<u>Trade receivables - related parties, net</u>				
Not yet due	23,388	30,692	23,388	30,692
Within 3 months	7,909	-	7,909	-
	31,297	30,692	31,297	30,692
<u>Less</u> Expected credit loss	(1,173)	-	(1,173)	-
	30,124	30,692	30,124	30,692
<u>Other receivables, net</u>				
Other receivables - third parties	86,824	56,219	3,813	4,032
Other receivables - related parties	2,174	1,927	4,320	3,663
	88,998	58,146	8,133	7,695
<u>Less</u> Expected credit loss	(35,803)	(519)	(5,680)	(519)
	53,195	57,627	2,453	7,176
<u>Accrued interest income, net</u>				
Accrued interest income - third parties	609	365	202	-
Accrued interest income - related parties	5,656	6,301	88,994	87,495
	6,265	6,666	89,196	87,495
<u>Less</u> Expected credit loss	(6,058)	(6,661)	(88,994)	(75,114)
	207	5	202	12,381
Total trade and other receivables, net	232,318	108,310	166,700	53,394

**Fair values of trade receivables**

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

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**Impairments of trade receivables and other receivables and accrued interest income**

The loss allowance for trade receivables, other receivables and accrued interest income are determined as follows:

<b>Consolidated financial statements</b>						
<b>As of 31 December 2022</b>	<b>Not yet due Thousand Baht</b>	<b>Up to 3 months Thousand Baht</b>	<b>3 - 6 months Thousand Baht</b>	<b>6 - 12 months Thousand Baht</b>	<b>More than 12 months Thousand Baht</b>	<b>Total Thousand Baht</b>
<b>Third parties</b>						
Gross carrying amount						
- Trade and other receivables	136,400	35,164	18,639	27	122,310	312,540
- Accrued interest income	-	123	123	39	324	609
Loss allowance	(2,149)	(2,045)	(1,032)	(66)	(107,726)	(113,018)
<b>Related parties</b>						
Gross carrying amount						
- Trade and other receivables	23,387	7,970	50	863	1,201	33,471
- Accrued interest income	-	-	-	-	5,656	5,656
Loss allowance	(412)	(761)	-	-	(5,767)	(6,940)
<b>Consolidated financial statements</b>						
<b>As of 31 December 2021</b>	<b>Not yet due Thousand Baht</b>	<b>Up to 3 months Thousand Baht</b>	<b>3 - 6 months Thousand Baht</b>	<b>6 - 12 months Thousand Baht</b>	<b>More than 12 months Thousand Baht</b>	<b>Total Thousand Baht</b>
<b>Third parties</b>						
Gross carrying amount						
- Trade and other receivables	12,751	4,471	380	7,880	148,882	174,364
- Accrued interest income	-	26	285	-	54	365
Loss allowance	(15)	(1,705)	(578)	(7,880)	(88,860)	(99,038)
<b>Related parties</b>						
Gross carrying amount						
- Trade and other receivables	30,692	109	197	211	1,410	32,619
- Accrued interest income	-	-	-	-	6,301	6,301
Loss allowance	-	-	-	-	(6,301)	(6,301)
<b>Separate financial statements</b>						
<b>As of 31 December 2022</b>	<b>Not yet due Thousand Baht</b>	<b>Up to 3 months Thousand Baht</b>	<b>3 - 6 months Thousand Baht</b>	<b>6 - 12 months Thousand Baht</b>	<b>More than 12 months Thousand Baht</b>	<b>Total Thousand Baht</b>
<b>Third parties</b>						
Gross carrying amount						
- Trade and other receivables	123,169	17,189	1,203	27	73,070	214,658
- Accrued interest income	-	101	101	-	-	202
Loss allowance	(2,150)	(2,026)	(1,013)	(27)	(73,070)	(78,286)
<b>Related parties</b>						
Gross carrying amount						
- Trade and other receivables	23,388	8,522	99	117	3,491	35,617
- Accrued interest income	-	393	377	729	87,495	88,994
Loss allowance	(412)	(1,765)	(476)	(846)	(90,986)	(94,485)

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	Separate financial statements					Total Thousand Baht
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	More than 12 months Thousand Baht	
<b>As of 31 December 2021</b>						
<b>Third parties</b>						
Gross carrying amount						
- Trade and other receivables	734	4,724	1,015	8,964	89,899	105,336
- Accrued interest income	-	-	-	-	-	-
Loss allowance	(15)	(1,683)	(293)	(7,880)	(88,807)	(98,678)
<b>Related parties</b>						
Gross carrying amount						
- Trade and other receivables	30,692	-	-	60	3,603	34,355
- Accrued interest income	-	-	-	-	87,495	87,495
Loss allowance	-	-	-	-	(75,114)	(75,114)

The reconciliations of loss allowance for trade receivables, other receivables and accrued interest income for the years ended 31 December are as follow;

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
<b>Opening loss allowance as at 1 January</b>	105,339	103,625	173,792	103,594
Increase in loss allowance recognised in profit or loss during the year	14,619	1,714	-	70,198
Reversal of loss allowance	-	-	(1,021)	-
<b>Closing loss allowance as at 31 December</b>	119,958	105,339	172,771	173,792

#### 14 Inventories, net

	Consolidated financial statement		Separate financial statement	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
<b>As at 31 December</b>				
Raw materials	95,512	46,149	-	-
Work-in-process	1,529	-	-	-
Finished goods	22,219	1,674	16,721	573
Spare parts	25,905	24,583	-	-
Factory supplies	6,138	9,754	-	-
	151,303	82,160	16,721	573
<u>Less</u> Allowance declining in value for obsolescence and damaged of inventories				
- Raw materials	(194)	(485)	-	-
- Spare parts	(5,357)	(6,133)	-	-
- Factory supplies	(1,564)	(4,163)	-	-
	(7,115)	(10,781)	-	-
	144,188	71,379	16,721	573



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The cost of inventories for the years ended 31 December recognised as expenses in cost of sales are as follow:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Cost of sale	1,102,713	541,499	1,102,713	541,499
Reversal of allowance for declining in value of inventories	(3,666)	(3,055)	-	-

### 15 Deposits at banks as collateral

As at 31 December 2022, a current portion of deposits at banks as collateral represents fixed deposits with a local commercial bank with maturity of twelve-month term and saving deposits with local commercial banks amounting to Baht 50.00 million and 16.82 million, respectively (2021: Nil). The deposits are pledged as security for bank overdraft facilities and long-term borrowings from a financial institution (Note no. 24). A non-current portion of deposits at banks as collateral represents fixed deposits with maturity of more than twelve-month term which the Group pledged as a security of bank guarantees for electrical usage.

### 16 Investment in subsidiaries and an associate, net

As at 31 December	Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht
Investment in subsidiaries (16.1)	549,385	1,472,613
Investment in an associate (16.2)	-	-
Total Investment in subsidiaries and an associate	549,385	1,472,613

#### 16.1 Investment in subsidiaries, net

The movements of investment in subsidiaries, net for the years ended 31 December are as follows:

	Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht
Opening net book balance	1,472,613	1,472,613
Allowance for impairment	(683,228)	-
Decrease from debt restructuring	(240,000)	-
Closing net book balance	549,385	1,472,613

On 4 February 2022, the Board of Directors Meeting No. 2/2022 resolved to approve the debt restructuring between the Company and Thai Luxe Enterprise (Thailand) Co., Ltd. The subsidiary forgave the debt of Baht 240 million, which the transaction was considered as a capital reduction of investment in the subsidiary.

#### Impairment assessment of investments in subsidiaries

As of 31 December 2022, some of the Group's subsidiaries had indicators of possible impairment due to their inability to achieve expected profits. Tluxe Power Co., Ltd., has invested in electricity generation and distribution segment which during the year 2022 are dormant entities and some subsidiaries in Japan have disposed all property, plant and equipment as disclosed in Note no. 18 as well as having continuous net losses. The Group's management considered these as impairment indicators of investments in subsidiaries of Tluxe Power Co., Ltd. and might affect their recoverable amounts. The recoverable amount was estimated to be lower than its carrying amount, therefore, the allowance for impairment of investments in those subsidiaries were recognised in the separate financial statements at amount of Baht 683.23 million.

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The details of investment in subsidiaries are as follows:

Entity name	Country of incorporation	Nature of business	Separate financial statements									
			Issued and paid-up share capital		% Ownership interest		Cost method		Impairment of investment		Net book value - Cost method - net	
			2022 Thousand Baht	2021 Thousand Baht	2022 %	2021 %	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
<b>Direct subsidiaries</b>												
Fluxe Global Business Co., Ltd.	Thailand	Distribution of raw material for aquatic animals and pet feed	3,000	3,000	100	100	3,000	3,000	(3,000)	(3,000)	-	-
Fluxe Power Co., Ltd.	Thailand	Invest in energy business	1,100,000	1,100,000	100	100	1,100,000	1,100,000	(1,100,000)	(416,772)	-	683,228
Thai Luxe Enterprises (Thailand) Co., Ltd.	Thailand	Manufacturing and distribution of feeds for aquatic animals and pets	789,385	789,385	100	100	549,385	789,385	-	-	549,385	789,385
Investments in subsidiaries directly held by the Company - net							1,652,385	1,892,385	(1,103,000)	(419,772)	549,385	1,472,613
<b>Indirect subsidiaries</b>												
Subsidiaries held through Fluxe Power Co., Ltd.												
Fluxe Investments Limited	Mauritius	Invest in energy business	10*	10*	100	100	-	-	-	-	-	-
Origin Power Investment Co., Ltd.	Mauritius	Invest in energy business	0.1*	0.1*	100	100	-	-	-	-	-	-
Subsidiaries held through Fluxe Investments Limited												
Fluxe Holdings Limited	Hong Kong	Invest in energy business	10*	10*	100	100	-	-	-	-	-	-
Geothermal Power A Co., Ltd.	Hong Kong	Invest in energy business	10*	10*	100	100	-	-	-	-	-	-
Geothermal Power B Co., Ltd.	Hong Kong	Invest in energy business	10*	10*	100	100	-	-	-	-	-	-
Subsidiaries held through Origin Power Investment Co., Ltd.												
Wind Power A Co., Ltd.***	Hong Kong	Invest in wind energy business	-	0.1*	-	100	-	-	-	-	-	-

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Entity name	Country of incorporation	Nature of business	Issued and paid-up share capital		% Ownership interest		Cost method		Impairment of investment		Separate financial statements Net book value - Cost method - net	
			2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
			Thousand Baht	Thousand Baht	%	%	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Subsidiaries held through Tluxe Holdings Limited												
Sumo Power Co., Ltd.	Japan	Geothermal power generation business	1,000**	1,000**	100	100	-	-	-	-	-	-
Beppu Tsurumi Onsen Geothermal Power Station No. 1 Liaison Company	Japan	Geothermal power generation business	10**	10**	100	100	-	-	-	-	-	-
P Green Energy Co., Ltd.	Japan	Consulting and management business	1,000**	1,000**	100	100	-	-	-	-	-	-
Subsidiaries held through Geothermal Power A Co., Ltd.												
Fino Binary Power Plant LLC.	Japan	Geothermal power generation business	10**	10**	100	100	-	-	-	-	-	-
NIS Binary Power Plant LLC.	Japan	Geothermal power generation business	10**	10**	100	100	-	-	-	-	-	-
Lena Power Station No. 1 LLC.	Japan	Geothermal power generation business	5,000**	5,000**	100	100	-	-	-	-	-	-
Subsidiaries held through Geothermal Power B Co., Ltd.												
PPSN Co., Ltd.	Japan	Geothermal power generation business	12,000**	12,000**	100	100	-	-	-	-	-	-
SNS Power Co., Ltd.	Japan	Geothermal power generation business	500**	500*	100	100	-	-	-	-	-	-
Dual Energy Binary - Power Plant No. 1 LLC.	Japan	Geothermal power generation business	100**	100**	100	100	-	-	-	-	-	-
Subsidiaries held through Sumo Power Co., Ltd.												
Otomeyama Energy Co., Ltd.	Japan	Geothermal power generation business	500**	500**	100	100	-	-	-	-	-	-
S - Power Co., Ltd.	Japan	Geothermal power generation business	500**	500**	100	100	-	-	-	-	-	-
Total investment in subsidiaries - net							1,652,385	1,892,385	(1,103,000)	(419,772)	549,385	1,472,613

\* Unit: Thousand US dollar

\*\* Unit: Thousand Yen

\*\*\* On 4 February 2022, Wind Power A Co., Ltd. has registered for completion of the dissolution.

## 16.2 Investment in an associate

Detail of investment in an associate is as follows:

Entity name	Country of incorporation	Nature of Business	% of ownership interest		Consolidated financial statements		Separate financial statements	
			2022 %	2021 %	Equity method		Cost method	
					2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
<b>Indirect associate</b>								
M-Luxe Energy Co., Ltd.	Japan	The land development to construct geothermal power plant	25	25	-	-	-	-
Total					-	-	-	-

The Company recognised share of losses from the investment in an associate until the value of the investment by equity method approached to zero. Subsequent losses incurred by an associate has not been recognised since the Company has no obligation whether legal or constructive to make any payments to the associate.

### Individual immaterial associates

The table below is the carrying amount of its interests, in aggregate, all individual immaterial associates that are accounted for using equity method.

	2022 Thousand Baht	2021 Thousand Baht
<b>Aggregate carrying amount of individually immaterial associate</b>		
<b>Aggregate amounts of the Group's share of:</b>		
Loss from continuing operations	(4,009)	(3,161)
Other comprehensive expense	-	-
Total comprehensive expense	(4,009)	(3,161)

17 Investment property

	Consolidated financial statements			
	Right of use assets - building Thousand Baht	Land and land improvement Thousand Baht	Building and building improvement Thousand Baht	Total Thousand Baht
<b>Opening balance as at 1 January 2021</b>	47,645	61,088	25,917	134,650
Disposals	-	(19,592)	(11,080)	(30,672)
Net gain (loss) from fair value adjustment	(965)	4,029	452	3,516
<b>Closing balance as at 31 December 2021</b>	46,680	45,525	15,289	107,494
<b>Opening balance as at 1 January 2022</b>	46,680	45,525	15,289	107,494
Transfer from property, plant and equipment (Note no. 18)	-	125,301	5,545	130,846
Net gain (loss) from fair value adjustment	(137)	343	724	930
<b>Closing balance as at 31 December 2022</b>	46,543	171,169	21,558	239,270
	Separate financial statements			
	Right of use assets - building Thousand Baht	Land and land improvement Thousand Baht	Building and building improvement Thousand Baht	Total Thousand Baht
<b>Opening balance as at 1 January 2021</b>	47,645	61,088	25,917	134,650
Disposals	-	(19,592)	(11,080)	(30,672)
Net gain (loss) from fair value adjustment	(965)	4,029	452	3,516
<b>Closing balance as at 31 December 2021</b>	46,680	45,525	15,289	107,494
<b>Opening balance as at 1 January 2022</b>	46,680	45,525	15,289	107,494
Transfer from property, plant and equipment (Note no. 18)	-	3,406	-	3,406
Net gain (loss) from fair value adjustment	(137)	343	495	701
<b>Closing balance as at 31 December 2022</b>	46,543	49,274	15,784	111,601

During the year 2022, the Group and the Company has classified land and buildings at the net book value of Baht 130.03 million and Baht 2.39 million, respectively to be an investment property at the fair value of Baht 130.85 million and Baht 3.41 million, respectively since the Group and the Company intend to hold certain lands for speculative purposes and they also entered into a lease agreement for the land and buildings with a private company.

The fair value of investment properties is assessed by an independent appraiser. The fair value of the land not being used in operation has been determined based on the comparative market value method. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size and the locations.

The fair value of land with office buildings has been determined based on the cost approach for the construction cost of the building following the construction cost basis and depreciation of the Association of Property Valuers of Thailand.

The fair value of land and office buildings for rental has been determined based on the income approach. The key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate, and long-term rental growth rate.

The fair value of investment property is within level 2 of the fair value hierarchy.

As at 31 December 2022, the Company has investment property at the fair value of Baht 183.60 million to pledged as collaterals for short-term borrowings, long-term borrowings from financial institutions and debentures (2021: Baht 60.81 million to pledged as collaterals for short-term borrowings and long-term borrowings from financial institutions) (Note no.24).

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Amounts recognised in profit and loss that are related to investment property are as follows:

<b>For the year ended 31 December</b>	<b>Consolidated / Separate financial statements</b>	
	<b>2022 Thousand Baht</b>	<b>2021 Thousand Baht</b>
Rental income from operating lease	3,639	7,369
Direct operating expense that generated rental income for the year	2,739	2,448

Minimum lease payments receivable on lease of investment properties are as follows:

	<b>Consolidated / Separate financial statements</b>	
	<b>2022 Thousand Baht</b>	<b>2021 Thousand Baht</b>
Due within 1 year	5,148	2,872
Due within 2 years	4,539	726
Due within 3 years	3,135	-
Due within 4 years	16	-
	12,838	3,598

As at 31 December, the Group and the Company has right-of-use assets for the leases of office building that are classified as investment properties as follows:

	<b>Consolidated / Separate financial statements</b>	
	<b>2022 Thousand Baht</b>	<b>2021 Thousand Baht</b>
Net book value of right-of-use assets	46,543	46,680

During the year 2022 and 2021, the Group and the Company has no addition to the right-of-use asset that is included in the investment properties in consolidated and separate financial statements.

18 Property, plant and equipment, net

	Consolidated financial statements						Total Thousand Baht
	Revaluation	Cost					
	Land and land improvement Thousand Baht	Building and building improvement Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Vehicles Thousand Baht	Assets under construction Thousand Baht	
<b>As at 1 January 2021</b>							
Cost or fair value	483,850	579,513	1,769,739	66,858	23,339	-	2,923,299
<u>Less</u> Accumulated depreciation	-	(345,678)	(966,555)	(57,909)	(20,640)	-	(1,390,782)
<u>Less</u> Accumulated allowance for impairment	(7,863)	(2,300)	(262,346)	-	-	-	(272,509)
Net book amount	475,987	231,535	540,838	8,949	2,699	-	1,260,008
<b>For the year ended 31 December 2021</b>							
Opening net book amount	475,987	231,535	540,838	8,949	2,699	-	1,260,008
Revaluation	52,750	-	-	-	-	-	52,750
Additions	-	-	64	44	-	390	498
Transfer in (out)	-	-	390	-	-	(390)	-
Disposals, net	(101,140)	(7,639)	(13)	(64)	-	-	(108,856)
Write-off, net	-	-	-	(2)	-	-	(2)
Depreciation charge	-	(19,991)	(72,625)	(3,771)	(1,799)	-	(98,186)
Translation differences	(9)	-	23	-	-	-	14
Closing net book amount	427,588	203,905	468,677	5,156	900	-	1,106,226
<b>As at 31 December 2021</b>							
Cost or fair value	435,451	472,957	1,634,182	29,907	23,319	-	2,595,816
<u>Less</u> Accumulated depreciation	-	(269,052)	(904,917)	(24,751)	(22,419)	-	(1,221,139)
<u>Less</u> Accumulated allowance for impairment	(7,863)	-	(260,588)	-	-	-	(268,451)
Net book amount	427,588	203,905	468,677	5,156	900	-	1,106,226

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	Consolidated financial statements						Total Thousand Baht
	Revaluation	Cost					
	Land and land improvement Thousand Baht	Building and building improvement Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Vehicles Thousand Baht	Assets under construction Thousand Baht	
<b>For the year ended 31 December 2022</b>							
Opening net book amount	427,588	203,905	468,677	5,156	900	-	1,106,226
Revaluation	202	-	-	-	-	-	202
Additions	-	40	3,911	659	-	-	4,610
Disposals, net	(46,762)	(177)	(258,845)	-	-	-	(305,784)
Write-off, net	-	-	-	(2)	-	-	(2)
Transfer to investment property, net (Note no. 17)	(124,290)	(5,742)	-	-	-	-	(130,032)
Depreciation charge	-	(19,675)	(55,864)	(3,056)	(840)	-	(79,435)
Translation differences	-	-	(23,545)	-	-	-	(23,545)
Closing net book amount	256,738	178,351	134,334	2,757	60	-	572,240
<b>As at 31 December 2022</b>							
Cost or fair value	256,738	465,630	985,672	29,004	23,320	-	1,760,364
<u>Less</u> Accumulated depreciation	-	(287,279)	(761,471)	(26,247)	(23,260)	-	(1,098,257)
<u>Less</u> Accumulated allowance for impairment	-	-	(89,867)	-	-	-	(89,867)
Net book amount	256,738	178,351	134,334	2,757	60	-	572,240

As at 31 December 2022, the building and equipment are fully depreciated but still in use with costs value of Baht 595.41 million (2021: Baht 531.24 million).



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	Separate financial statements					Total Thousand Baht
	Revaluation	Cost				
	Land Thousand Baht	Building and building improvement Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Vehicles Thousand Baht	
<b>As at 1 January 2021</b>						
Cost or fair value	104,285	109,528	5,945	4,785	20,987	245,530
<u>Less</u> Accumulated depreciation	-	(99,136)	(5,705)	(3,525)	(18,288)	(126,654)
<u>Less</u> Accumulated allowance for impairment	(552)	(2,300)	-	-	-	(2,852)
Net book amount	103,733	8,092	240	1,260	2,699	116,024
<b>For the year ended 31 December 2021</b>						
Opening net book amount	103,733	8,092	240	1,260	2,699	116,024
Revaluation	(401)	-	-	-	-	(401)
Additions	-	-	-	20	-	20
Disposals, net	(101,140)	(7,639)	(12)	(64)	-	(108,855)
Depreciation charge	-	(337)	(113)	(354)	(1,799)	(2,603)
Closing net book amount	2,192	116	115	862	900	4,185
<b>As at 31 December 2021</b>						
Cost or fair value	2,744	2,972	610	3,415	20,987	30,728
<u>Less</u> Accumulated depreciation	-	(2,856)	(495)	(2,553)	(20,087)	(25,991)
<u>Less</u> Accumulated allowance for impairment	(552)	-	-	-	-	(552)
Net book amount	2,192	116	115	862	900	4,185

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	Separate financial statements					Total Thousand Baht
	Revaluation	Cost				
	Land Thousand Baht	Building and building improvement Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Vehicles Thousand Baht	
<b>For the year ended 31 December 2022</b>						
Opening net book amount	2,192	116	115	862	900	4,185
Revaluation	202	-	-	-	-	202
Additions	-	-	-	448	-	448
Disposals, net	-	-	-	-( <sup>(1)</sup> )	-	-( <sup>(1)</sup> )
Transfer to investment property, net (Note no. 17)	(2,394)	-	-	-	-	(2,394)
Depreciation charge	-	(18)	(97)	(361)	(840)	(1,316)
Closing net book amount	-	98	18	949	60	1,125
<b>As at 31 December 2022</b>						
Cost or fair value	-	2,972	610	3,763	20,987	28,332
Less Accumulated depreciation	-	(2,874)	(592)	(2,814)	(20,927)	(27,207)
Net book amount	-	98	18	949	60	1,125

As at 31 December 2022, the building and equipment are fully depreciated but still in use with costs value of Baht 12.75 million (2021: Baht 13.02 million).

<sup>(1)</sup> The balance is below Baht 1 thousand

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As at 31 December 2022, the land of the Group and the Company are stated at the revalued amounts according to the appraisal reports of independent appraisers of 2022. The fair value of land is Baht 256.74 million (2021: Baht 427.59 million). The revaluation surplus net with applicable deferred income taxes was recognised to other comprehensive income and is shown as “Gains on asset revaluation” in equity.

The fair value of land is based on the comparative market value method. Sales prices of comparable land in close proximity are adjusted for differences in key attributes such as property size and the locations. The fair value is within level 2 of the fair value hierarchy.

As at 31 December 2022, the Group and the Company has property, plant and equipment at the net book value of Baht 528.40 million (2021: Baht 674.16 million) to pledged as collaterals for long-term borrowings from financial institutions and debentures (Note no. 24).

During the year 2022, some subsidiaries in Japan have entered into sales agreements of property, plant and equipment under electricity generation and distribution segment to private companies at total selling price of JPY 293 million, equivalent to Baht 78 million. Net book value of JPY 1,245 million, equivalent to Baht 306 million. As a result, the Group recognised loss on disposals of the assets of JPY 952 million, equivalent to Baht 228 million as expenses in the consolidated statement of comprehensive income during the year.

As at 31 December 2022, the Group has no property, plant and equipment not used in operation (2021: net book value of Baht 242 million) which comprise of geothermal power plants that have ceased operations during the year 2020, as a result of the sale of property, plant and equipment of the subsidiaries as mentioned above.

As at 31 December 2022, partial of property, plant and equipment transferred by the Company to a subsidiary from the Partial Business Transfers are not yet able to transfer the legal ownership to the subsidiary. However, the subsidiary has the ability to command for usage and get the benefit from such assets from the normal production of the subsidiary.

Depreciation charge for the years ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Cost of sales	72,243	88,445	-	-
Administrative expenses	7,192	9,741	1,316	2,603
	79,435	98,186	1,316	2,603

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

	Consolidated / Separate financial statements
	Building Thousand Baht
<b>Balance as at 1 January 2021</b>	23,775
Additions	549
Depreciation	(1,618)
<b>Balance as at 31 December 2021</b>	22,706
<b>Balance as at 1 January 2022</b>	22,706
Depreciation	(1,699)
<b>Balance as at 31 December 2022</b>	21,007

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The expense relating to leases that not included in the measurement of lease liabilities and right-of-use and cash outflows for leases for the years ended 31 December is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Expense relating to leases of low-value assets	25	42	25	42
Expense relating to short-term leases	131	795	30	707
Total cash outflow for leases	456	1,137	355	1,049

**20 Intangible assets, net**

	Consolidated financial statements				
	Computer software Thousand Baht	Patent Thousand Baht	Hot spring rights Thousand Baht	Power purchase agreement rights Thousand Baht	Total Thousand Baht
<b>As at 1 January 2021</b>					
Cost	23,031	470	121,717	274,315	419,533
<u>Less</u> Accumulated amortisation	(14,085)	(423)	(20,656)	(49,141)	(84,305)
<u>Less</u> Accumulated allowance for impairment	(494)	-	(101,061)	(225,174)	(326,729)
Net book amount	8,452	47	-	-	8,499
<b>For the year ended 31 December 2021</b>					
Opening net book amount	8,452	47	-	-	8,499
Write-off, net	-(1)	-	-	-	-(1)
Amortisation charge	(1,754)	(47)	-	-	(1,801)
Closing net book amount	6,698	-	-	-	6,698
<b>As at 31 December 2021</b>					
Cost	18,248	470	121,717	274,315	414,750
<u>Less</u> Accumulated amortisation	(11,550)	(470)	(20,656)	(49,141)	(81,817)
<u>Less</u> Accumulated allowance for impairment	-	-	(101,061)	(225,174)	(326,235)
Net book amount	6,698	-	-	-	6,698
<b>For the year ended 31 December 2022</b>					
Opening net book amount	6,698	-	-	-	6,698
Additions	79	-	-	-	79
Disposals, net	-	-	-(1)	-(1)	-(1)
Amortisation charge	(1,736)	-	-	-	(1,736)
Closing net book amount	5,041	-	-	-	5,041
<b>As at 31 December 2022</b>					
Cost	18,327	470	-	-	18,797
<u>Less</u> Accumulated amortisation	(13,286)	(470)	-	-	(13,756)
Net book amount	5,041	-	-	-	5,041

(1) The balance is below Baht 1 thousand

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	Separate financial statements		
	Computer software Thousand Baht	Patent Thousand Baht	Total Thousand Baht
<b>As at 1 January 2021</b>			
Cost	81	470	551
<u>Less</u> Accumulated amortisation	(53)	(423)	(476)
Net book amount	28	47	75
<b>For the year ended 31 December 2021</b>			
Opening net book amount	28	47	75
Amortisation charge	(9)	(47)	(56)
Closing net book amount	19	-	19
<b>As at 31 December 2021</b>			
Cost	81	470	551
<u>Less</u> Accumulated amortisation	(62)	(470)	(532)
Net book amount	19	-	19
<b>For the year ended 31 December 2022</b>			
Opening net book amount	19	-	19
Amortisation charge	(8)	-	(8)
Closing net book amount	11	-	11
<b>As at 31 December 2022</b>			
Cost	81	470	551
<u>Less</u> Accumulated amortisation	(70)	(470)	(540)
Net book amount	11	-	11

Amortisation recognised in profit and loss for the years ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Administrative expenses	1,736	1,801	8	56

## 21 Deferred income taxes, net

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
<b>As at 31 December</b>				
Deferred tax assets	56,295	61,638	56,295	61,638
Deferred tax liabilities	(68,332)	(65,273)	(8,983)	(5,949)
<b>Deferred income taxes, net</b>	<b>(12,037)</b>	<b>3,635</b>	<b>47,312</b>	<b>55,689</b>

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

	Consolidated financial statements					
	Employee benefits obligations	Expected credit loss	Impairment of assets	Tax losses	Remeasurement of financial assets at fair value	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Deferred tax assets</b>						
At 1 January 2021	3,444	20,719	-	10,492	23,050	57,705
Charged (credited) to profit or loss	1,644	(983)	121	1,724	-	2,506
Charged (credited) to other comprehensive income	-	-	-	-	1,427	1,427
At 31 December 2021	5,088	19,736	121	12,216	24,477	61,638
At 1 January 2022	5,088	19,736	121	12,216	24,477	61,638
Charged (credited) to profit or loss	(1,553)	(2,980)	(121)	-	-	(4,654)
Charged (credited) to other comprehensive income	(807)	-	-	-	118	(689)
At 31 December 2022	2,728	16,756	-	12,216	24,595	56,295

	Consolidated financial statements				Total Thousand Baht
	Deferred fee for loan and debentures issuance	Gain on fixed asset revaluation	Remeasurement of investment property		
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
<b>Deferred tax liabilities</b>					
At 1 January 2021		(200)	(66,238)	(10,541)	(76,979)
(Charged) credited to profit or loss		200	-	4,655	4,855
(Charged) credited to other comprehensive income		-	6,851	-	6,851
At 31 December 2021		-	(59,387)	(5,886)	(65,273)
At 1 January 2022		-	(59,387)	(5,886)	(65,273)
(Charged) credited to profit or loss		-	(25)	(2,902)	(2,927)
(Charged) credited to other comprehensive income		-	(132)	-	(132)
At 31 December 2022		-	(59,544)	(8,788)	(68,332)

	Separate financial statements					
	Employee benefits obligations	Expected Credit Loss	Impairment of assets	Tax losses	Remeasurement of financial assets at fair value	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Deferred tax assets</b>						
At 1 January 2021	3,444	20,719	-	10,492	23,050	57,705
Charged (credited) to profit or loss	1,644	(983)	121	1,724	-	2,506
Charged (credited) to other comprehensive income	-	-	-	-	1,427	1,427
At 31 December 2021	5,088	19,736	121	12,216	24,477	61,638
At 1 January 2022	5,088	19,736	121	12,216	24,477	61,638
Charged (credited) to profit or loss	(1,553)	(2,980)	(121)	-	-	(4,654)
Charged (credited) to other comprehensive income	(807)	-	-	-	118	(689)
At 31 December 2022	2,728	16,756	-	12,216	24,595	56,295

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	Separate financial statements			
	Deferred fee for loan and debentures issuance Thousand Baht	Gain on fixed asset revaluation Thousand Baht	Remeasurement of investment property Thousand Baht	Total Thousand Baht
<b>Deferred tax liabilities</b>				
At 1 January 2021	(200)	(17,544)	(10,541)	(28,285)
(Charged) credited to profit or loss	200	-	4,655	4,855
(Charged) credited to other comprehensive income	-	17,481	-	17,481
At 31 December 2021	-	(63)	(5,886)	(5,949)
At 1 January 2022	-	(63)	(5,886)	(5,949)
(Charged) credited to profit or loss	-	-	(2,902)	(2,902)
(Charged) credited to other comprehensive income	-	(132)	-	(132)
At 31 December 2022	-	(195)	(8,788)	(8,983)

Deferred income tax assets are recognised for tax loss and carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group does not recognise deferred tax asset of the Company and subsidiaries in Thailand at amount of Baht 107.74 million (2021: Baht 97.25 million) from tax losses of Baht 538.70 million (2021: Baht 486.26 million), to carry forward against future taxable income; these tax losses of Baht 538.70 million will expire during 2023 to 2027 (2021: Baht 486.26 million will expire during 2022 to 2026). Also, the Group does not recognise deferred tax asset of foreign subsidiaries which have tax losses at amount of JPY 1,733.98 million (2021: JPY 964.67 million), to carry forward against future taxable income; these tax losses of JPY 1,733.98 million will expire during 2024 to 2032 (2021: JPY 964.67 million will expire during 2024 to 2031).

## 22 Advance payment, net

Details of advance payment are as follows;

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
<b>As at 31 December</b>				
1. Advance payment for construction of geothermal power plants	26,874	29,936	-	-
2. Advance payment for hot spring rights	31,310	34,877	-	-
3. Advance payment for Riverside project	12,997	12,997	12,997	12,997
4. Advance payment for wind power plant	60,599	67,503	-	-
Total	131,780	145,313	12,997	12,997
<u>Less</u> Expected credit loss	(131,780)	(145,313)	(12,997)	(12,997)
Advance payment, net	-	-	-	-

1. Advanced payment for construction of geothermal power plants

The advanced payment is a deposit for land to build geothermal power plants. Sumo Power Company Limited, a subsidiary of the Company, paid a deposit of JPY 103 million for land to construct two power plants to two private companies.

Then, Sumo Power Company Limited entered a land transfer agreement for a plot of land located in Beppu, Oita, Japan with the first private company. The first private company transferred the plot of land to the second private company. However, the first private company was obligated to transfer this plot of land to Sumo Power Company Limited. The total asset transfer price was JPY 300 million. Sumo Power Company Limited has already paid to the private company of JPY 50 million.

On 26 May 2020, Sumo Power Company Limited took legal action against the second private company regarding the transfer of ownership of the land and a claim for JPY 1 million in damages from the first private company.

On 5 September 2022, the Company assigned the lawyer to withdraw the case and on 14 September 2022, the court judged that the Company's claims were dismissed. Therefore, the case is finalised and completed

2. Advanced payment for hot spring rights

The advanced payment is a deposit for the royalties from four units of hot spring from the construction of geothermal power plants project, worth JPY 120 million. S-Power Company Limited and Otomeyama Energy Co., Ltd., the subsidiaries, paid the deposit in June 2016.

3. Advanced payment for the Riverside project

The advanced payment is a deposit of JPY 210 million, for a joint venture in a mixed-use real estate project under the Riverside Tower Project ("Riverside Project") in Da Nang, Vietnam. The Company will invest in the amount not exceeding JPY 3,100 million, as part of a joint investment in the project. The Company would have the right to sell and receive all returns from the sale of the project's condominium units, which accounted for at least 50% of the project's total residential area. The Company would be guaranteed a minimum investment return of 6% per year of the Company's total investment. The Company would pay the rest of the investment when the conditions specified in the investment contract were met. However, if the conditions weren't completely fulfilled within the specified period, the Company would have the right to request the deposit be paid back in full.

On 2 July 2018, the Company entered a memorandum of understanding with the joint investment company's shareholders. The shareholders agreed to transfer all their shares to the Company at its par value (JPY 10 million) as collateral for the Company's JPY 210 million deposit payment. The Company has already paid JPY 10 million for the shares used as collateral.

On 30 July 2019, the Company issued a letter to cancel the investment and requested for the deposit to be refunded in full. This is due to the delay in the development of the project and the higher cost of developing such a project.

In November 2019 and May 2020, the Company received JPY 171 million and JPY 5 million of the deposit, respectively, as a refund with JPY 44 million remaining. The Company was in the process of collecting the rest of the money and would continue to take legal action.

4. Advanced payment for wind power plant

The advanced payment is for investment in the construction of seven units of wind power plants in Japan, with a total value of JPY 247 million. In 2017, the Group's subsidiary paid the advance payment of JPY 232 million to Aura Green Energy Co., Ltd. (a Japanese juristic person joint venture with PPSN Co., Ltd.). The seven wind power plants were in operation and have made sales revenue since 2017.

In December 2019, the Company assigned its legal advisor to send a notice to Aura Green Energy Co., Ltd. regarding the transfer of ownership in the wind power plants but Aura Green Energy Co., Ltd. opposed that the power plants had been handed over to the subsidiary, which doesn't match the facts. As at 30 May 2022, the Company filed Aura Green Energy Co., Ltd., the contracting party, to hand over the power plants and any electricity charges received earlier to the Group's subsidiary.

Subsequently, on 24 October 2022, Aura Green Energy Co., Ltd. filed a counter argument by referring to a memorandum of understanding dated 25 June 2022 which specified that PPSN Co., Ltd. does not have any claims against Aura Green Energy Co., Ltd. and will withdraw the lawsuit. However, the Company's legal advisor gave the opinion to file a counter argument for the validity of the memorandum of understanding. The court scheduled for the next hearing on 29 March 2023.



### 23 Trade and other payables

As at 31 December	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Trade payables - third parties	71,800	56,152	78	78
Trade payables - related parties	239	13,380	61,719	403,954
Other payables - third parties	20,258	25,020	5,266	6,363
Other payables - related parties	1,678	1,409	9,787	9,787
Accrued interest expenses - third parties	8,722	22,706	8,722	22,706
Accrued interest expenses - related parties	35	30	-	224
Accrued expenses - third parties	10,521	15,762	8,036	14,170
Accrued specific business tax	23,584	23,584	23,584	23,584
	136,837	158,043	117,192	480,866

### 24 Borrowings and debentures

As at 31 December	Notes	Consolidated financial statements		Separate financial statements	
		2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
<b>Current</b>					
Bank overdraft		60,688	19,851	49,924	-
Short-term borrowings from a financial institution	a)	20,000	47,000	20,000	47,000
Short-term borrowings:					
- Other		-	15,000	-	15,000
- A related party (Note no. 34 (e))		261	291	-	-
Current portion of long-term borrowings:					
- Financial institutions	b)	267,611	334,185	266,789	333,313
- Debentures	c)	78,000	45,840	78,000	45,840
Total current borrowings and debentures		426,560	462,167	414,713	441,153
<b>Non-current</b>					
Long-term borrowings from financial institutions, net	b)	5,923	10,390	-	-
Debentures, net	c)	-	550,560	-	550,560
Total non-current borrowings and debentures		5,923	560,950	-	550,560
<b>Total borrowings and debentures</b>		432,483	1,023,117	414,713	991,713

#### a) Short-term borrowings from a financial institution

The details of short-term borrowings from a financial institution which are borrowings in Thai Baht as of 31 December are as follows:

No.	Currency in agreement	Interest rate	Principal repayment term	Consolidated financial statements		Separate financial statements	
				2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
1	THB	Fixed interest rate	Repayment within 30 days from the date of the promissory note	20,000	47,000	20,000	47,000

As at 31 December 2022, the Group and the Company had short-term borrowings from a financial institution which have not been fully drawn down totaling Baht 201.31 million and Baht 200.08 million, respectively (2021: Baht 5.15 million).

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**b) Long-term borrowings from financial institutions**

The details of long-term borrowings from financial institutions which are all borrowings in Yen as of 31 December are as follows:

No.	Currency in agreement	Interest rate	Principal repayment term	Consolidated financial statements		Separate financial statements	
				2022	2021	2022	2021
				Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
1	JPY	JPY TIBOR 3 months plus a certain margin (2021 : JPY LIBOR 3 months plus a certain margin)	Repayment every month from November 2017 until February 2023	(1) 266,789	333,313	266,789	333,313
2	JPY	Fixed interest rate	Repayment every month from August 2021 until November 2029	2,166	2,761	-	-
3	JPY	Fixed interest rate	Repayment every month from August 2021 until August 2032	4,579	8,501	-	-
				273,534	344,575	266,789	333,313

(1) During the year ended 31 December 2022, the Company has signed an amendment to the long-term borrowings from a financial institution agreement by amended the repayment term and changing reference interest rate from JPY LIBOR to JPY TIBOR.

As at 31 December 2022 and 2021, borrowings comprise of Thai Baht currency and Yen currency.

As at 31 December 2022, bank overdrafts, short-term borrowings, long-term borrowings from financial institutions, and debentures were secured by pledge of deposits bank account of Baht 66.82 million (Note no.15) and investment properties at a fair value of Baht 183.60 million (2021: Baht 60.81 million) (Note no.17) and property, plant and equipment at a net book value of Baht 528.40 million (2021: Baht 674.16 million) (Note no. 18).

The movements of long-term borrowings for the years ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Opening balance	344,575	537,102	333,313	525,474
Repayment	(39,837)	(188,303)	(36,384)	(187,939)
Unrealised gain on exchange rate	(30,140)	(4,223)	(30,140)	(4,222)
Translation differences	(1,064)	(1)	-	-
Closing balance	273,534	344,575	266,789	333,313

The interest rate risks on long-term borrowings and debentures are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Long-term borrowings and debentures				
- At fixed rates	84,745	607,662	78,000	596,400
- At floating rates	266,789	333,313	266,789	333,313
Total	351,534	940,975	344,789	929,713

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The weighted average effective interest rates at the statements of financial position date are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2022 %	2021 %	2022 %	2021 %
Bank overdrafts	4.02	5.84	1.70	-
Short-term borrowings from a financial institution	6.85	5.99	6.85	5.99
Short-term borrowings :				
- Third party	-	10.00	-	10.00
- Related party	3.00	3.00	-	-
Long-term borrowings from financial institutions	1.39	1.34	3.06	2.92
Debentures	7.06	7.83	7.06	7.83

Maturity of long-term borrowings are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Within 1 year	267,611	334,185	266,789	333,313
Later than 1 year but not later than 5 years	3,131	3,488	-	-
Later than 5 years	2,792	6,902	-	-
	273,534	344,575	266,789	333,313

As at 31 December 2022 and 2021, the Group had financial credit facilities of long-term borrowings from a local financial institution totalling JPY 2,205 million, which have been fully drawn down.

The carrying amounts of short-term borrowings with fixed interest rate approximate their fair values due to the short-term maturity period. The long-term borrowings from financial institutions with floating interest rates has the fair values approximate their carrying amounts. The fair values of the long-term borrowings from financial institutions with fixed interest rates approximate their carrying amounts because the current interest rates of the similar terms of borrowings as the Group's approximate the fixed interest rates per the agreement.

**c) Debentures**

The movements of debentures for the years ended 31 December are as follows:

	Consolidated / Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht
Opening balance	596,400	633,200
Redemption of debentures	(518,400)	(36,800)
Closing balance	78,000	596,400

As at 31 December, the balance of the debentures issued by the Company has been offered to investors by private placement. The interest of the debentures, which is registered holders, shall be paid every 6 months. Significant details are as follows:

No.	Issue date	Maturity date	Par value per unit (Baht)	2022		2021		Interest rate (% per annum)	Condition
				Units (Thousand units)	Total value (Thousand Baht)	Units (Thousand units)	Total value (Thousand Baht)		
1/2018	8 May 2018	8 May 2023	1,000	78.00	78,000	138.00	138,000	7.06	Unsubordinated, secured, and with a debenture holders' representative
2/2018	2 August 2018	2 July 2023	1,000	-	-	250.80	250,800	7.83	
1/2019	21 March 2019	18 March 2023	1,000	-	-	207.60	207,600	8.59	
				78.00	78,000	596.40	596,400		

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Debentures No. 1/2018

Guaranteed by pledge shares of equity investments which measured at fair value through other comprehensive income of two listed companies on the Stock Exchange of Thailand with 6.62 million shares (carrying amount of Baht 8.21 million) and 18.90 million shares (carrying amount of Baht 13.42 million), respectively. The Company has also pledged land which classified as an investment property measured at fair value of Baht 121.90 million. In addition, the machines at the net book value of Baht 67.25 million (2021: Baht 78.34 million) were pledged as collaterals for debentures.

On 8 August 2022, the Company redeemed debentures PPPM213A (No. 1/2019) and TLUXE198A (No. 2/2018) before their maturity date by paying the principal amount of Baht 187 million and Baht 226 million, respectively, plus interests of Baht 6 million and Baht 2 million, respectively, and an early redemption fee for the debentures at the rate of 0.25% of the principal repaid to each debenture holder, totaling the amount of Baht 193 million and Baht 228 million, respectively, already. The early redemption of the two debentures was in accordance with the terms of the redemption rights of the debentures before maturity by the debenture issuer.

Maturity of debentures are as follows:

As at 31 December	Consolidated / Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht
Within 1 year	78,000	45,840
Later than 1 year but not later than 5 years	-	550,560
	78,000	596,400

**25 Advance received from sales contract of geothermal power plants**

The movements of advance received from sales contract of geothermal power plants during the years ended 31 December are as follows :

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Opening balance	174,383	174,408	-	-
Translation differences	(17,835)	(25)	-	-
Closing balance	156,548	174,383	-	-

On 21 June 2018, the Company entered a preliminary agreement on the sale of 15 geothermal power plants, which are commercially operated. The total purchase price was approximately JPY 4,800 million and was paid to Relocation House Corporation (Relocation Group), a company established under Japanese law (the buyer). The Company considered disposing the power plant projects by either selling shares in the Company's subsidiary who owned the power plant projects or disposing of the assets of the power plant projects. The Company received a deposit of JPY 200 million. According to a preliminary agreement (Memorandum of Understanding), the buyer (Relocation Group), was required to pay the remaining amount of JPY 4,600 million by February 2019.

Subsequently, in February 2019, Relocation Group transferred its rights and obligations under the preliminary agreement to Beppu Forest Power Co., Ltd. (BF Power), who shared directors with the asset seller subsidiary until 30 June 2019, and PPSN Co., Ltd. (PPSN), a subsidiary. BF Power entered a contract to purchase 15 power plant projects ("Power Plant Project") (Contract No. 1) on 25 February 2019. It was agreed that BF Power would pay a deposit of JPY 400 million and transfer 25% of BF Power's shares to PPSN on 15 March 2019. PPSN would transfer ownership of four power plants (part of the 15 plants above) to BF Power within 15 days of completing the payment.

On 5 April 2019, PPSN entered a contract to sell four power plants (Contract No. 2) to BF Power at a total price of JPY 800 million. This involved JPY 400 million to be paid within two weeks of the contract date and another JPY 400 million to be paid within one year of the contract date. PPSN has already received the deposit of JPY 400 million. The Group received a total deposit of JPY 600 million, represented as deposit received, and the transfer must be approved by the Board of Directors. The memorandum stated that BF Power has the right to terminate the contract if the transfer wasn't approved by the Board of Directors. The contract was created for four parties: BF Power, PPSN, Lena Power Station No.1 LLC (LENA) and the Company. BF Power and PPSN were the only party to sign the contract. The Company's legal advisor gave the following opinions on the second contract as follows :

1. If LENA could prove that it didn't authorise PPSN to sign the contract on its behalf, LENA wouldn't be bound to the contract.
2. If the Company could prove that it didn't authorise PPSN to sign the contract on its behalf, the Company wouldn't be bound to the contract.

The second former director at that time confirmed he didn't sign the contract, but the first former director signed it on his behalf. The legal advisor in Japan advised that this is a matter of true intention of entering a contract, according to Japanese law. If it conflicted with the intention of a signatory, this contract would be void. If it could be proven that the second former director didn't sign this contract, but the first former director signed it, this contract wouldn't be binding for PPSN.

In December 2019, the Company sent a notice requesting BF Power to pay the remaining amount of JPY 4,200 million to the Company by 31 January 2020. If BF Power failed to pay the rest of the money, the Company would exercise their right to terminate the contract and confiscate the deposit of JPY 600 million. The Company confirmed that they would sell the power plants at JPY 320 million each and didn't accept the contract that BF Power made later to buy the four power plants at JPY 200 million each.

During January 2020, PPSN and LENA were notified by the electricity buyers of subsidiaries in the electricity generating group totaling four power plants that the electricity charges paid to the subsidiaries for the period of January 2020 onwards has been placed at the Oita Legal Affairs Bureau, which currently has money deposited in the amount of JPY 11,383,944 and JPY 16,599,528.

On 18 June 2020, PPSN received a letter from BF Power referring to the second contract dated 5 April 2019 by BF Power to cancel the purchase of two power plants owned by LENA, a subsidiary of the Company. On 17 July 2020, PPSN received "a summons to report on the date of the first verbal statement and a request letter for a response letter" from BF Power. It demanded that PPSN should pay BF Power JPY 40,540,542 plus 3% of accrued interest per year, starting from 2 May 2020 until the payment was completed, and the cost of litigation. However, "the summons to report on the date of the first verbal statement and a request letter for a response letter" required PPSN to submit the testimony on 27 August 2020.

On 6 August 2020, PPSN received two copies of an order for a temporary seizure of assets from the Tokyo District Court in Japan. The orders are summarised below.

1. According to order no. 1 for the temporary seizure of assets, the court ordered the temporary seizure of two of PPSN's plots of land where one power plant is located (power plant unit B). BF Power was required to place a guarantee of JPY 300,000. If PPSN could pay a security deposit of JPY 1,404,131, PPSN could request to suspend or withdraw the order.
2. According to order No. 2 on the temporary seizure of assets, the court ordered the temporary suspension of revenue from the sale of electricity generated by power plant unit B from 17 July 2020 to 16 July 2021. It also required BF Power to pay a guarantee of JPY 7.90 million. If PPSN could pay a security deposit of JPY 39,433,306, PPSN could request to suspend or withdraw the order.

In response, the Company assigned a lawyer to the case to file a petition to counter the two orders.

On 8 June 2021, an offset of debt and expenses of JPY 40.5 million was added with the next hearing date scheduled on 26 July 2021, which BF Power didn't file a counter argument as it was in the process of settlement negotiations. The next hearing date was scheduled on 20 January 2022.

During the year 2022, BF Power didn't file a counter argument because it was still in the process of settlement negotiations and the Company has negotiated with BF Power for the sale of 2 power plants of PPSN. However, the conditions and obligation of the mentioned purchase will be presented for the settlement negotiations as the court scheduled for the next hearing on 29 March 2023.

## 26 Convertible debentures

At the Extraordinary General Meeting of Shareholders No.3/2021 held on 24 November 2021, shareholders approved the issuance and offering of convertible debentures not exceeding Baht 300 million divided into three tranches, as follows:

- Convertible Debentures Tranche 1 has a value not exceeding Baht 100 million divided into 20 sets. Baht 5 million per set.
- Convertible Debentures Tranche 2 has a value not exceeding Baht 100 million divided into 20 sets. Baht 5 million per set
- Convertible Debentures Tranche 3 has a value not exceeding Baht 100 million divided into 10 sets. Baht 10 million per set.

By allocate specific investors i.e., Advance Opportunities Fund (AO Fund) and Advance Opportunities Fund 1 (AO Fund 1). In the issuance and offering of convertible debentures, the Company will gradually issue convertible bonds in batches, one by one in order and in issuing convertible debentures in each series, the Company will gradually divide into each series of sub-sets. According to the Company's financial needs each time until the Baht 300 million limit is reached. However, the conversion timeframe is within one year from the date of the shareholders' meeting that approved the issuance of convertible debentures. If the Company does not issue all convertible debentures within one year, the Company may request a resolution at the shareholders' meeting to issue the unissued convertible debentures, depending on the Company's financial needs and has a resolution to approve the increase of the registered capital of the Company to support the exercise of the conversion rights of convertible bonds.

During the year ended 31 December 2022, the Company issued convertible debentures which is the type that can be converted to new ordinary shares of the Company which is unsubordinated and unsecured, with a face value of Baht 1,000 per 1 convertible debenture, bearing the interest rate of 1% per annum. The interest payment date is on 31 December and 30 September, and the maturity date of the redemption is 3 years from the date of issuance of the first tranche of debentures (21 December 2024). The conversion price of the debentures is the weighted average price of the Company's shares on the SET for not less than 7 consecutive business days but not exceeding 15 consecutive business days prior to the date of conversion by the convertible debenture holders.

Details of convertible debentures for the year ended 31 December 2022 are as follows:

					Consolidated / Separate financial statements
No.	Issuance date	Offering price (Baht million)	Number of convertible debentures	Conversion ratio	Conversion date
1/2022	21 January 2022	20	20,000	1 convertible debentures : 2,062 ordinary shares	31 January - 18 February 2022
2/2022	18 February 2022	40	40,000	1 convertible debentures: 2,620 ordinary shares	28 February - 5 April 2022
3/2022	17 March 2022	10	10,000	1 convertible debentures : 3,024 ordinary shares	22 March - 25 April 2022
4/2022	1 April 2022	10	10,000	1 convertible debentures : 3,367 ordinary shares	25 April 2022
5/2022	12 April 2022	10	10,000	1 convertible debentures : 3,570 ordinary shares	22 April - 25 April 2022
6/2022	9 May 2022	20	20,000	1 convertible debentures : 7,249 ordinary shares	19 May - 4 July 2022
7/2022	16 June 2022	10	10,000	1 convertible debentures : 8,798 ordinary shares	22 June - 1 August 2022
8/2022	12 July 2022	10	10,000	1 convertible debentures : 9,622 ordinary shares	14 July - 8 August 2022
9/2022	3 October 2022	20	20,000	1 convertible debentures : 6,634 ordinary shares	5 October - 4 November 2022
10/2022	3 November 2022	10	10,000	1 convertible debentures : 7,386 ordinary shares	7 November - 30 November 2022
11/2022	11 November 2022	10	10,000	1 convertible debentures : 7,918 ordinary shares	11 November - 9 December 2022
12/2022	21 November 2022	10	10,000	1 convertible debentures : 8,692 ordinary shares	25 November - 22 December 2022

The convertible debenture's liability component is stated at amortised cost until conversion to ordinary shares or maturity of the debentures. The convertible debenture's equity component is determined on the issuance date and there will be no change in the next accounting period.

During the year ended 31 December 2022, the convertible debenture holders exercised their rights to convert into ordinary shares in accordance with the terms and conditions of the convertible debentures, with a principal of Baht 230 million or 100% of the convertible debentures offered for sale. This represented 1,036 million ordinary shares which increased the Company's share capital from Baht 2,134 million to Baht 3,169 million and the discount on ordinary shares increased from Baht 650 million to Baht 1,481 million (Note no. 28), also have conversion convertible debentures of Baht 280 million or 100% of the convertible debentures offered for sale.

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The movements of convertible debentures during the years ended 31 December are as follows :

	<b>Consolidated / Separate financial statements</b>	
	<b>Convertible debenture - the liability component</b>	
	<b>2022</b>	<b>2021</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Opening balance	45,000	-
Convertible debentures issuance	180,000	100,000
<u>Less</u> Convertible debenture issuance expense	(20,189)	(10,070)
Conversion to ordinary shares (Note no. 28)	(204,811)	(44,930)
Closing balance	-	45,000

## 27 Employee benefit obligations

<b>As at 31 December</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>Statements of financial position</b>				
Employee benefit obligations	31,934	35,854	13,639	15,654

The movements in the defined benefit obligation for the years are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
As at 1 January	35,854	35,722	15,654	17,218
Current service cost	4,691	4,418	2,297	2,343
Past service cost	-	(4,065)	-	(3,888)
Interest expense	503	489	220	236
<u>Remeasurements:</u>				
(Gain) from change in financial assumptions recognised in other comprehensive income	(4,255)	-	(1,793)	-
(Gain) from change in financial assumptions recognised in profit or loss	(629)	-	(217)	-
(Gain) from experience	(3,380)	-	(2,242)	-
<u>Payment from plans:</u>				
Benefit payment	(850)	(710)	(280)	(255)
As at 31 December	31,934	35,854	13,639	15,654

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The significant actuarial assumptions used are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Discount rate	1.45% - 5.43%	0.53% - 2.97%	1.45% - 5.43%	0.53% - 2.97%
Salary increase rate	5.00%	5.00%	5.00%	5.00%
Turnover rate	0.00% - 35.00%	0.00% - 35.00%	0.00% - 35.00%	0.00% - 35.00%
Mortality rate	100% of the Thai Mortality Act B.E. 2560	100% of the Thai Mortality Act B.E. 2560	100% of the Thai Mortality Act B.E. 2560	100% of the Thai Mortality Act B.E. 2560

Sensitivity analysis for each significant assumption used is as follows:

	<b>Consolidated financial statements</b>					
	<b>Impact on defined benefit obligation</b>					
	<b>Change in assumption</b>		<b>Increase in assumption</b>		<b>Decrease in assumption</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Discount rate	1.0%	1.0%	Decrease by 8.3%	Decrease by 10.2%	Increase by 9.4%	Increase by 11.7%
Salary increase rate	1.0%	1.0%	Increase by 8.3%	Increase by 11.3%	Decrease by 7.4%	Decrease by 9.9%
Turnover rate	20.0%	20.0%	Decrease by 4.8%	Decrease by 7.8%	Increase by 5.8%	Increase by 9.8%
Mortality rate	1.0%	1.0%	Increase by 0.4%	Increase by 0.4%	Decrease by 0.4%	Decrease by 0.5%

  

	<b>Separate financial statements</b>					
	<b>Impact on defined benefit obligation</b>					
	<b>Change in assumption</b>		<b>Increase in assumption</b>		<b>Decrease in assumption</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Discount rate	1.0%	1.0%	Decrease by 8.2%	Decrease by 10.9%	Increase by 9.4%	Increase by 12.4%
Salary increase rate	1.0%	1.0%	Increase by 8.5%	Increase by 12.4%	Decrease by 7.6%	Decrease by 11.0%
Turnover rate	20.0%	20.0%	Decrease by 4.0%	Decrease by 7.0%	Increase by 4.8%	Increase by 8.7%
Mortality rate	1.0%	1.0%	Increase by 0.3%	Increase by 0.4%	Decrease by 0.3%	Decrease by 0.4%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method which is the present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period has been applied as when calculating the pension liability recognised within the consolidated statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.

The weighted average duration of the defined benefit obligation is 12.0 years - 14.3 years (2021: 12.6 years - 15.9 years).

Expected maturity analysis of undiscounted retirement benefits are as follows:

	<b>Consolidated financial statements</b>			
	<b>Less than a year</b>	<b>Between 1 - 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Retirement benefits - 2021	1,086	13,265	90,077	104,428
Retirement benefits - 2022	1,287	13,651	87,792	102,730

  

	<b>Separate financial statements</b>			
	<b>Less than a year</b>	<b>Between 1 - 5 years</b>	<b>More than 5 years</b>	<b>Total</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Retirement benefits - 2021	422	5,502	42,054	47,978
Retirement benefits - 2022	802	4,044	40,006	44,852



**28 Share capital**

	<b>Issued and fully paid-up capital</b>				
	<b>Authorised share capital Thousand Share</b>	<b>Number of ordinary shares Thousand Share</b>	<b>Ordinary shares Thousand Baht</b>	<b>Premium on share capital Thousand Baht</b>	<b>Discount on share capital Thousand Baht</b>
As at 1 January 2021	916,901	688,066	688,066	612,680	-
Increase from conversion on convertible debentures (Note no. 26)	-	69,445	69,445	-	(24,515)
Ordinary shares issued	2,179,041	1,376,133	1,376,133	-	(1,238,658)
As at 31 December 2021	3,095,942	2,133,644	2,133,644	612,680	(1,263,173)
Increase from conversion on convertible debentures (Note no. 26)	-	1,035,773	1,035,773	-	(830,962)
Decrease in authorised share capital	(1,275,078)	-	-	-	-
Ordinary shares issued	13,154,377	7,424,674	7,424,674	-	(6,682,586)
As at 31 December 2022	14,975,241	10,594,091	10,594,091	612,680	(8,776,721)

At the Company's Annual General Meeting of Shareholders for 2022 held on 29 April 2022, shareholders approved for the increase of the Company's registered capital of Baht 135,000,000 from the existing registered capital of Baht 3,095,942,424 to the new registered capital of Baht 3,230,942,424 by issuing not exceeding 135,000,000 newly issued ordinary shares with the par value of Baht 1 per share to accommodate the exercise of convertible debentures. The Company registered the increased share capital with the Ministry of Commerce on 2 May 2022.

At the Company's Extraordinary General Meeting of Shareholders no. 1/2022 held on 11 May 2022, shareholders approved for the following significant resolutions.

- 1) Approved for the increase of the Company's registered share capital of Baht 10,719,376,743 from the existing registered capital of Baht 3,230,942,424 to Baht 13,950,319,167 by issuing not exceeding 10,719,376,743 newly issued ordinary shares with the par value of Baht 1 per share and the amendment of the Company's Memorandum of Association Clause 4. The Company registered the increased share capital with the Ministry of Commerce on 18 May 2022.
- 2) Approved the allocation of newly issued ordinary shares of the Company at the amount of, not exceeding, 10,719,376,743 shares at the par value of Baht 1 per share as follows:
  - To issued and offer to existing shareholders in proportion to their shareholding (Right Offering), which will not be allocated to shareholders that will impose duties on the Company under foreign laws at the amount of, not exceeding, 8,517,598,284 shares at the ratio of 1 existing ordinary share to 3 new ordinary shares with the offering price of Baht 0.10 per share during 13 - 17 June 2022 (5 business days in total). The existing shareholders purchased the newly issued ordinary shares in proportion to their shareholding of 7,424,674,374 shares, totaling of Baht 742,467,437 received for the paid-up shares.
  - To accommodate the exercise of Warrant PPPM-W5 at the amount of, not exceeding, 1,419,599,714 shares.
  - To accommodate the adjustment of rights of Warrant PPPM-W4 at the amount of, not exceeding, 652,178,745 shares, and
  - To accommodate the exercise of convertible debentures issued and offered in accordance to the resolution of the Extraordinary General Meeting of Shareholders no. 3/2021 on 24 November 2021 at the amount of, not exceeding 130,000,000 shares including the delegation of relevant power of attorney.

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At the Company's Extraordinary General Meeting of Shareholders no. 2/2022 held on 23 September 2022, shareholders approved for the following significant resolutions.

- 1) Approved for the decrease of the Company's registered share capital of Baht 1,275,078,053 from the existing registered capital of Baht 13,950,319,167 to Baht 12,675,241,114 by canceling the unsold registered share capital of 1,275,078,053 shares with the par value of Baht 1 per share and the amendment of the Company's Memorandum of Association Clause 4. The Company registered the increased share capital with the Ministry of Commerce on 27 September 2022.
- 2) Approved for the increase of the Company's registered share capital of Baht 2,300,000,000 from the existing registered capital of Baht 12,675,241,114 to Baht 14,975,241,114 by issuing not exceeding 2,300,000,000 newly issued ordinary shares with the par value of Baht 1 per share and the amendment of the Company's Memorandum of Association Clause 4. The Company registered the increased share capital with the Ministry of Commerce on 28 September 2022.
- 3) Approved the allocation of newly issued ordinary shares of the Company at the amount of, not exceeding, 2,300,000,000 shares at the par value of Baht 1 per share to accommodate the exercise of convertible debentures issued and offered to specific investors i.e. AO Fund and AO Fund 1, by divided into (a) 730,000,000 shares, to accommodate the exercise of convertible debentures issued and offered in accordance to the resolution of the Extraordinary General Meeting of Shareholders no. 3/2021 on 24 November 2021, and (b) 1,570,000,000 shares, to accommodate the exercise of convertible debentures issued and offered in accordance to the resolution of the Extraordinary General Meeting of Shareholders no. 2/2022.

## 29 Warrants

The Group has allocated warrants to subscribe for ordinary shares to the existing shareholders of the Company through the approval of the shareholders' meeting as follows.

Issued by	Allocated to	Approval date	Issuance and Offering date	Determined exercising date		Outstanding warrants Million unit	Increase during the year Warrants Million unit	Decrease during the year Exercise ratio for ordinary share per 1 warrant	Issue of ordinary share during the year Million share	Exercise price Baht	Amount Million Baht	Outstanding warrants Million unit
				First exercise	Last exercise							
Company	Existing shareholder (PPPM-W4)	10 June 2019	23 September 2019	31 October 2019	31 July 2024	229	-	5.03	-	0.199	-	229
Company	Existing shareholder (PPPM-W5)	11 May 2022	1 July 2022	31 January 2023	30 June 2023	-	1,238	-	1.00	0.100	-	1,238
						229	1,238	-	-	-	-	1,467

On 19 May 2022, the Company has notified the adjustment of the exercise price of PPPM-W4 warrants to subscribe for the ordinary shares from Baht 0.439 to Baht 0.199 per share, and the exercise ratio from 2.280 ordinary shares to 5.030 ordinary shares per 1 unit of warrant. The adjustment has been effective since 20 May 2022.

At the Company's Extraordinary General Meeting of Shareholders no. 1/2022 held on 11 May 2022, shareholders approved the issuance and offering of Warrant to Purchase Ordinary Shares of PP Prime Public Company Limited No. 5 (PPPM-W5) at the amount of, not exceeding, 1,419,599,714 units to existing shareholders of the Company who subscribed and have been allotted the newly issued ordinary shares offered to existing shareholders in proportion to their shareholding, which will not be allocated to shareholders that will impose duties on the Company under foreign laws, Free of charge (zero Baht) at the allocation ratio of 6 newly issued ordinary shares to 1 unit of warrant (if a fraction occurs from the calculation according to the allocation ratio, round off). The warrants have a term of 1 year from the issuance date and an exercise ratio of 1 unit of warrant per 1 ordinary share at an exercise price of Baht 0.10 per share. The Company issued and offered the warrants on 1 July 2022. The Company reported the results of the sale of warrants which 1,237,445,571 units of warrants were subscribed.

## 30 Legal reserve

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

### 31 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Changes in inventories of finished goods and work in process	22,074	(15,336)	16,148	10,764
Raw materials and supplies used	978,185	467,268	-	-
Staff costs	131,754	127,858	56,404	61,386
Depreciation and amortisation	82,871	101,604	3,023	4,276
Expected credit loss	35,252	-	179,534	13,003
Loss on impairment of assets	-	-	683,228	-
Loss on disposals of property, plant and equipment and intangible assets	228,267	-	-	-
Bad debts	9,733	6,840	9,733	6,840
Transportation expenses	15,623	2,724	13,159	1,686

### 32 Income tax expense

Income tax expense for the year comprises the following:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Current tax:				
Current tax on profits for the year	530	2,571	-	1,280
Adjustments in respect of prior year	(8,783)	174	-	174
<b>Total current tax</b>	<b>(8,253)</b>	<b>2,745</b>	<b>-</b>	<b>1,454</b>
Deferred income tax:				
(Increase) decrease in deferred tax assets (Note no. 21)	4,654	(2,506)	4,654	(2,506)
Increase (decrease) in deferred tax liabilities (Note no. 21)	2,927	(4,855)	2,902	(4,855)
<b>Total deferred tax</b>	<b>7,581</b>	<b>(7,361)</b>	<b>7,556</b>	<b>(7,361)</b>
<b>Income tax (benefit) expense</b>	<b>(672)</b>	<b>(4,616)</b>	<b>7,556</b>	<b>(5,907)</b>

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

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Loss before tax	(488,557)	(190,885)	(896,171)	(103,512)
Tax calculated at a tax rate of 20% (2021 : 20%)	(97,711)	(38,177)	(179,234)	(20,702)
Tax effect of:				
Additional income subject to tax	15,040	15,465	14,737	15,119
Income not subject to tax	(6)	-	-	-
Expenses not deductible for tax purpose	2,704	701	178,857	47
Expenses deductible at the greater amount	(5,812)	(12,608)	(1,892)	(5,229)
Utilisation of previously unrecognised tax losses	(4,912)	-	(4,912)	-
Tax losses for which no deferred income tax asset was recognised	26,522	30,310	-	4,684
Difference in overseas tax rate	72,286	(481)	-	-
Adjustment in respect of prior year	(8,783)	174	-	174
Income tax (benefit) expense	(672)	(4,616)	7,556	(5,907)

The tax (charge)/credit relating to component of other comprehensive income is as follows:

For the year ended 31 December	Consolidated financial statements					
	2022			2021		
	Before tax Thousand Baht	Tax (charge) credit Thousand Baht	After tax Thousand Baht	Before tax Thousand Baht	Tax (charge) credit Thousand Baht	After tax Thousand Baht
Revaluation surplus - Land and buildings	(661)	132	(529)	(52,802)	(6,849)	(59,651)
Remeasurements of:						
- Financial assets measured at fair value through other comprehensive income	594	(118)	476	(8,845)	(2,707)	(11,552)
Remeasurement on retirement benefit obligations	(7,635)	807	(6,828)	-	-	-
<b>Other comprehensive income</b>	<b>(7,702)</b>	<b>821</b>	<b>(6,881)</b>	<b>(61,647)</b>	<b>(9,556)</b>	<b>(71,203)</b>

For the year ended 31 December	Separate financial statements					
	2022			2021		
	Before tax Thousand Baht	Tax (charge) credit Thousand Baht	After tax Thousand Baht	Before tax Thousand Baht	Tax (charge) credit Thousand Baht	After tax Thousand Baht
Revaluation surplus - Land and buildings	(661)	132	(529)	349	(17,479)	(17,130)
Remeasurements of:						
- Financial assets measured at fair value through other comprehensive income	594	(118)	476	(8,845)	(2,707)	(11,552)
Remeasurement on retirement benefit obligations	(4,035)	807	(3,228)	-	-	-
<b>Other comprehensive income</b>	<b>(4,102)</b>	<b>821</b>	<b>(3,281)</b>	<b>(8,496)</b>	<b>(20,186)</b>	<b>(28,682)</b>

### 33 Basic loss per share

Basic loss per share is calculated by dividing the net loss attributable to shareholders of the Company by the weighted average number of ordinary shares issued during the year.

Basic loss per share for the years ended 31 December calculation details are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Loss for the year attributable to shareholders of the parent company (Thousand Baht)	(487,885)	(186,268)	(903,728)	(97,605)
Weighted average number of ordinary shares during the year (Thousand shares)	6,516,093	1,383,310	6,516,093	1,383,310
Basic loss per share (Baht per share)	(0.075)	(0.135)	(0.139)	(0.071)

For the purpose of calculating diluted loss per share, the weighted average number of ordinary shares is adjusted to assume conversion of all dilutive potential ordinary shares. The Company has diluted ordinary shares, which is warrants to purchase ordinary shares. The Company calculates the equivalent of the dilutive shares by considering the fair value based on the value of the share option price accompanying the warrants to purchase the ordinary shares. (The calculation is based on the weighted average price of ordinary shares issued during the year). This calculation is made to determine the number of ordinary shares to be added to ordinary shares held by third parties in the calculation of diluted loss per share without any improvement in net loss. However, the Company does not calculate diluted loss per share for the year ended 31 December 2022, although the fair value of ordinary shares is more than the exercise price because weighted average number of ordinary shares which adjusted with dilutive potential ordinary shares resulted in an increase in earnings per share. (2021: the Company does not calculate diluted loss per share since the fair value of ordinary shares is lower than the exercise price of ordinary shares.)

### 34 Related party transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

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

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The following material transactions were carried out with related parties:

a) **Business transactions with related parties**

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
<b>Transaction with Subsidiaries</b>				
Service income	-	-	16,911	14,709
Interest income	-	-	1,499	1,138
Purchase of goods	-	-	1,121,880	85,652
Finance costs	-	-	-	224
<b>Transaction with Related parties</b>				
Revenue from sales	643,851	538,442	643,851	30,692
Purchase of raw materials	418,528	405,765	-	-
Other income	1,448	484	-	-
Finance costs	8	9	-	-

b) **Outstanding balances arising from sales/purchases of goods/services**

As at 31 December	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
<b>Trade receivables, net</b>				
Related parties	31,297	30,692	31,297	30,692
<u>Less</u> Expected credit loss	(1,173)	-	(1,173)	-
	30,124	30,692	30,124	30,692
<b>Other receivables and accrued interest income, net</b>				
Subsidiaries	-	-	93,314	91,158
Related parties	7,830	8,228	-	-
<u>Less</u> Expected credit loss	(5,767)	(6,820)	(93,314)	(75,633)
	2,063	1,408	-	15,525
<b>Trade payables</b>				
Subsidiaries	-	-	61,719	403,954
Related parties	239	13,380	-	-
	239	13,380	61,719	403,954
<b>Other payables, accrued interest expenses and accrued expenses</b>				
Subsidiaries	-	-	9,787	10,011
Associate	782	-	-	-
Related parties	931	1,439	-	-
	1,713	1,439	9,787	10,011

**c) Short-term borrowings to related parties, net**

As at 31 December	Consolidated financial statements	
	2022 Thousand Baht	2021 Thousand Baht
Related parties	144,698	161,159
<u>Less</u> Expected credit loss	(144,698)	(161,159)
Short-term borrowings to related parties, net	-	-

The movements of short-term borrowings to related parties are as follows:

For the year ended 31 December	Consolidated financial statements	
	2022 Thousand Baht	2021 Thousand Baht
Opening balance	-	-
Additions	22	-
Loss allowance	(22)	-
Closing balance	-	-

The reconciliations of loss allowance for short-term borrowings to related parties for the years ended 31 December are as follow:

	Consolidated financial statements	
	2022 Thousand Baht	2021 Thousand Baht
<b>Opening loss allowance as at 1 January</b>	161,159	161,182
Increase in loss allowance recognised in profit or loss during the year	22	-
Translation differences	(16,483)	(23)
<b>Closing loss allowance as at 31 December</b>	144,698	161,159

As at 31 December 2022 and 2021, short-term borrowings to related parties bear interest at the rate 3% - 6% per annum.

**d) Long-term borrowings to related parties, net**

As at 31 December	Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht
Subsidiaries	721,407	721,177
<u>Less</u> Expected credit loss	(721,407)	(555,753)
Long-term borrowings to related parties, net	-	165,424

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The movements of long-term borrowings to related parties are as follows:

<b>For the year ended 31 December</b>	<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Opening balance	165,424	168,015
Additions	18,272	20,594
Repayments received	(18,042)	(10,181)
Loss allowance	(165,654)	(13,004)
Closing balance	-	165,424

The reconciliations of loss allowance for long-term borrowings to related parties for the years ended 31 December are as follow:

	<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
<b>Opening loss allowance as at 1 January</b>	555,753	542,749
Increase in loss allowance recognised in profit or loss during the year	165,654	13,004
<b>Closing loss allowance as at 31 December</b>	721,407	555,753

As at 31 December 2022 and 2021, long-term borrowings to related parties bear interest at the rate 3% - 8% per annum.

During the year ended 31 December 2022, the Group's management has assessed the expected credit loss of long-term borrowings to subsidiaries by considering the ability to pay the debt of those related parties which are in electricity generation and distribution segment and are dormant entities. Also, some subsidiaries in Japan have disposed all property, plant and equipment as disclosed in Note no. 18 as well as having continuous net losses. As a result, the Company has a risk for uncollectible borrowings in the total amount. Therefore, the loss allowance for long-term borrowings to related parties were recognised in the separate financial statements at amount of Baht 165.65 million.

**e) Short-term borrowings from related parties**

<b>As at 31 December</b>	<b>Consolidated financial statements</b>	
	<b>2022</b>	<b>2021</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Related parties	261	291

The movements of short-term borrowings from related parties are as follows:

<b>For the year ended 31 December</b>	<b>Consolidated financial statements</b>	
	<b>2022</b>	<b>2021</b>
	<b>Thousand Baht</b>	<b>Thousand Baht</b>
Opening balance	291	291
Translation differences	(30)	-
Closing balance	261	291

As at 31 December 2022 and 2021, short-term borrowings from related parties bear interest at the rate 3% per annum.



f) **Directors' and management's remuneration**

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Short-term benefits	16,073	15,602	13,031	13,472
Post-retirement benefits	1,194	1,395	1,152	1,395
Other long-term benefits	18	22	18	22
	17,285	17,019	14,201	14,889

Director's and management's remuneration represent salaries, meeting fees and other benefits.

**35 Promotional privileges**

The Company and a local subsidiary has been granted privileges by the Board of Investment relating to manufacturing and distribution of aquatic animal feed. The Company and the subsidiary has received several tax privileges and exemptions. The summary of privileges granted are as follows:

- an exemption from payment of import duty and tax on machinery and equipment as approved by the Board of Investment,
- an exemption from payment of corporate income tax for promoted operations for periods of 8 years from the dates on which the income is received, and
- In case of loss from operation incurred during tax exemption period in (b), the loss carry forward can be offset with profits from operations after tax exemption period for the period of 5 years from the expiration date of the granted privileges in (b).

As a promoted company, a subsidiary must comply with certain conditions and restrictions provided for in the promotional certificates.

The details of each privilege are as follows:

Certificate	Privilege section	Date	Nature of privilege business	First derived income date	Expiry date
2091(2)/2554	25, 26, 28, 31, 34	31 August 2011	Manufacture of animal feeds or animal feed ingredients	1 June 2012	1 June 2020
1856(2)/2556	25, 26, 28, 31, 34, 35	19 June 2013	Manufacture of animal feeds or animal feed ingredients	16 May 2018	16 May 2026
1131(2)/2558	25, 26, 28, 31, 34, 35, 37	4 February 2015	Manufacture of animal feeds or animal feed ingredients	30 April 2015	30 April 2023

On 16 July 2018, the Extraordinary General Meeting of Shareholders No.1/2018 of PP Prime Public Company Limited, approved the transfer rights in the investment promotion certificate No. 2091(2)/2554, No.1856(2)/2556, and No.1131(2)/2558 category 1.6: Manufacture of animal feeds or animal feed ingredients of the company to Thai Luxe Enterprises (Thailand) Co., Ltd.

**36 Commitments and contingent liabilities**

a) **Capital commitments**

Capital expenditure contracted for at the statements of financial position date but not recognised in the financial statements are as follows:

As at 31 December	Consolidated financial statements	
	2022 Thousand Baht	2021 Thousand Baht
Property, plant and equipment	613,513	683,409

**b) Commitments under service agreements**

Power plant operation and maintenance agreement

As at 31 December 2022, an oversea subsidiary has commitments in respect of power plant operation and maintenance agreements made with a company, amounting to approximately JPY 0.10 million per month per power plant for 5 years starting from a project awarded date, which can be extended every 5 years, and has maximum duration of 15 years, under the same conditions.

**c) Commitments under Electricity sale/purchase agreements**

As at 31 December 2022, the Group entered into Power Purchase Agreement (PPA) with a company. The PPA is effective for a period of 15 years starting from scheduled commercial operation date. The sales quantity and electricity price must be complied with the agreement.

**d) Bank guarantees**

As at 31 December 2022, the Group had outstanding letters of guarantee of Baht 7.42 million issued by local financial institutions as collaterals of Provincial Electricity Authority for electrical usage (2021: Baht 7.65 million).