



THACHANG GREEN ENERGY

Thachang Green Energy Public Company Limited

# ENERGY FOR SUSTAINABILITY



## ONE REPORT 2022

Annual Report 2022 / (Form 56-1 One Report)



August 19, 2022

## Thachang Green Energy Public Company Limited

The Company was listed in the Stock Exchange of Thailand (SET)  
under the energy resources sector

Stock Quote in SET

**“TGE”**

# Rewards and Recognitions during 2020-2022

Thachang Green Energy Public Company Limited (“the Company” or “TGE”) and its subsidiaries (collectively referred to as the “Group”) engages in the business of power generation and distribution from renewable energy derived from biomass and municipal solid waste. It also includes other related businesses that support the core business. Indeed its vision of being The leader of the renewable energy industry with social and environmental care The Group is proud to be one of the leaders in the renewable energy industry. (Renewable Energy) that is consistently along with Thailand’s energy security policy. During the year 2020-2022, the Group has received awards for achievements, and accomplished international industrial standards as follows:



## 1. Awards and Certificates

1

### Environmental Governance Award



The Company received a plaque for the establishment that passed the assessment criteria for environmental governance from the Ministry of Industry on September 30, 2021.



2

### ASEAN BUSINESS AWARDS 2020

an award given to honor successful family businesses that was outstanding and successful under a sustainable development basis from generation to generation.



3

### Certificate from the Department of Alternative Energy Development and Efficiency, Ministry of Energy.

The Company has participated in the Energy Efficiency Promotion Program by implementing the activity that increased the efficiency of thermal energy by the Demand-Side Management (DSM) method, on February 14, 2020.





## 4 Certificate from participation as an organization that drove the Surat Thani Business Center for Corporate Social Responsibility Promotion.

The Company received the certificate on March 23, 2022.



## 5 Certificate from the Department of Labor Protection and Welfare, Ministry of Labor (Gold Level)

This was to demonstrate that the Company's Occupational health, Safety and Environment at the workplace has been comprehensively implemented and managed . on April 30, 2019



## 2. International Standards

Standard	Description	TGE	TPG	TBP
1. ISO 9001:2015	Standard for quality management system	✓	✓	✓
2. ISO 14001:2015	Standard for environmental management system	✓	✓	✓
3. ISO 45001:2018	Standards for improving occupational health and safety management systems	✓	✓	✓
4. T-VER	Thailand Voluntary Emission Reduction Program (T-VER) according to Thailand standards by Thailand Greenhouse Gas Management Organization (Public Organization) or TGO under the supervision of the Ministry of Natural Resources and Environment.		✓	
5. ISO14064-1	Standard for verification, quantification and reporting of GHG emissions and reductions.	✓	✓	✓
6. CFO	Establishing the Carbon Footprint of the Organization	✓	✓	✓

Awards and international standards that the Group has received, are demonstrating our commitments and strong intention in operating the business to achieve the goals set forth in the mission. They also encourage the Group to step forward with stable and sustainable growth.

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# Vision

The **Leader** of the Renewable  
Energy Industry  
with **Social** and  
**Environmental Care**





# Mission

The company focuses on the production and management of renewable energy with important missions as follows:



To build energy security with leading technology integrated with quality resources.



To operate the business in accordance with good governance and friendliness to the community and environment.



To add value and increase the satisfaction of customers, shareholders, and stakeholders.



To make responsible investment with appropriate risk management.



To create sustainable growth.



## Message from the Chairman

### Dear All Shareholders

Thachang Green Energy Public Company Limited (TGE) became listed on the Stock Exchange of Thailand under the energy resources sector with its stocks initially traded on August 19, 2022. As a modern power producer and distributor from renewable energy sources, TGE owns and commercially operates 3 biomass power plants located in Tha Chang District, Surat Thani Province with a total installed capacity of 29.7 MW generated by the use of palm bunches, palm fiber, and other agricultural residues as the fuels. Another 3 municipal waste power plants with a total installed capacity of 39.9 MW are under development.

TGE's business is entirely developed and managed under the Sustainable Development Concept and pivotal principle of the societal development, environmental protection and conservation, and good governance or ESG due to the fact that its entire operations are totally free from fossil fuels, but relying on biomass and agricultural materials such as palm bunches, palm fibre, wood chips, chopped roots and other produces which are local goods of the communities. Sustainability and ESG framework are therefore not only our operating model, but are our holistic strategy and business principle. Our businesses inevitably help reduce the greenhouse gas emission and alternately increase carbon credit to the society and the country, as well as enhance and support the national policy on the Bio Economy, Circular Economy, and Green Economy, or the BCG Model, driving Thailand toward the net zero emission target.

With the passion and commitment to pursue its power business from renewable sources in balance with the community and public participation and stakeholders' satisfaction, as well as the sustainable environmental conservation, TGE is set grow continuously beginning with waste-to-energy power plants investment in Sa Kaeo, Ratchaburi, and Chumphon in the very short-term, and other renewable and alternative energy projects in Thailand and overseas in a more long-term plan. These business goals will be achievable through continuous energy research and development and partnership with strategic alliances specifically intended to generate power at the lowest possible cost. Our power generating capacity goal is beyond 200 MW by 2032. With this challenging goal, we modernized the Charter of the Nomination, Remuneration and Governance Committee to enhance efficiency and effectiveness on the development and improvement of the

organizational capability, human capital and succession planning to cope with the business and organizational growth. Similarly, the Board of Directors increased more responsibility on project investment determination to the Risk Management Committee to support the continual growth. In addition, TGE submitted its intention to join the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) with the purpose to demonstrate work transparency and increase investors and stakeholders' confidence.

On behalf of the Board of Directors, executives and all employees, I would like to thank all investors and all groups of stakeholders for a cooperation with and continual supports to TGE. It is our obligation to conduct our businesses toward the ambitious sustainable goals and continuous business growth under the good corporate governance.

**Mr. Kosit Fuangswasdi**

The Chairman of the Board of Directors







## Message from the Executive Chairman

### Dear All Shareholders

Thachang Green Energy Public Company Limited, or TGE, the clean energy company that produces and distributes power from renewable energy. The TGE is one of companies under ThaChang Industry Group, a major fully-integrated palm oil producer in the southern region of Thailand. Currently, we have planned to implement the biomass and municipal solid waste power plant projects, with a total installed capacity of 69.6 megawatts (MW). On top of that, 3 biomass power plants have been commercially operated, in which all of them are located in Tha Chang District, Surat Thani. Apart from the aforementioned projects, 5 municipal solid waste power plants are currently under development, together with other 2 projects that are under process for bidding in the near future.

With strong commitment to being a leader in developing power plant projects from renewable energy, along with our value of competitive advantage with raw materials's security and expertise in highly-performance technology for power production, it enables us to manage costs effectively. From the aforementioned reasons, the TGE therefore has formulated the strategy to expand its renewable energy businesses both domestically and internationally, with the goal to increase the total installed capacity for all types of power plants to reach over 100 megawatts by 2027, together with an intention to achieve more than 200 megawatts by 2032. In this regard, our business still focuses on investing in renewable energy power plant projects aligning with the government policy that requires an increase in the proportion of renewable energy production in forms of solar power, wind power, hydropower, biomass, biogas, and waste-to-energy.

In 2022, the TGE implemented the activities in order to respond to the 2032 goals as follows:

- The TGE entered into the bidding for 2 municipal solid waste power plant projects (Phase 2) with the Local Administrative Organizations (LOAs), namely the TES TCN power plant project, Samut Sakhon, with a total installed capacity of 9.9 megawatts and the TES CNT power plant project, Chainat, with a total capacity of 8.0 megawatts.
- The TGE was selected as an investor and implementer of the fully-integrated municipal solid waste management project of Tha Chin Municipality, Muang Samut Sakhon District, Samut Sakhon. This project was under the BOO model that allowed private operators to invest and manage all operations by themselves (Build-Own-Operate), with a project implementation time frame of 25 years.
- The TGE conducted feasibility study for the investment of power plant projects from biomass and biogas through the business model of acquisitions (M&A) and project management.
- The TGE selected and negotiated with business alliances to invest in new renewable energy projects, such as solar and wind energy, and is currently under a process for discussing about business model of joint-investment.
- The TGE adjusted the management structure into 2 functions - the Corporate Management Department and Strategic Planning and Business Development Department. This aims to increase the competitiveness and support current business operations according to the goals to accommodate the future growth covering diverse kinds of clean energy.
- The TGE was awarded by the Municipality of Nong Ma Mong Subdistrict, Nong Ma Mong District, Chai Nat as the winner of the bidding of the Chai Nat Municipal Solid Waste Power Plant Project (TES CNT), with an installed capacity of 8 megawatts (MW), and 6 MW of power produced was offered for sale under a contract (PPA). The TGE was ready to invest in this project for a duration of 25 years, under the term of Build Own and Operate (BOO).

In addition, TGE has set goals and missions in line with good corporate governance principles and sustainable development framework by emphasizing business resilience based on excellence in environmental management and excellence in stakeholder management. As a result, the TGE therefore has driven the strategy for new business development relating to the core business for the Company to achieve a continued and sustainable growth.

On behalf of the Executive Chairman, I would like to thank customers, suppliers, shareholders, and financial institutions for their tremendous support, as always—moreover, it also includes all employees who dedicated their strength and energy together with the Company in jointly pursuing the goals. As a result in 2022, the TGE business was able to unprecedentedly generate the rising performance. We sincerely hope to receive a continued and warm support from everyone for the Company to grow sustainably and further distribute best interests for all relevant sectors.

**Mr. Pongnarin Wanasuwanakul**  
Chairman of the Executive Committee







## Report of Audit Committee

### Dear All Shareholders

The Audit Committee of Thachang Green Energy Public Company Limited (TGE) consists of 3 independent directors who are qualified, knowledgeable, and expertise along with diverse experiences in law, taxation, administration, engineering, and accounting and finance. In summary, everyone is qualified as specified by the Stock Exchange of Thailand.

The Audit Committee has performed duties as assigned by the Board of Directors, and according to the charter of the audit committee of the TGE, in which it is in line with the rules and regulations of the Stock Exchange of Thailand including the Securities and Exchange Commission. However, the TGE policy focuses on compliance with good corporate governance principles, and conduct business in compliance with the laws, regulations, so that the Company has established the appropriate internal control and internal audit systems that are efficient and effective.

In 2022, the Audit Committee held a total of 6 meetings with the executives, internal auditor, and the external auditor on the following agendas which can be summarized as follows:

#### 1. Review of financial reports

The Audit Committee reviewed the key information of the quarterly financial statements and the 2022 annual financial statements, including related transactions and any transactions that might have conflicts of interest. In this regard, the external auditors and the executives who were responsible for accounting and finance were invited to attend the meeting on the agenda of considering the financial statements. This action was to clarify and reply to the Audit Committee's questions regarding the accuracy and completeness of the Company's financial statements, as well as to adjust important accounting entries that affected the financial statements, including sufficiency of information disclosed in the financial statements, and auditor's remarks. In summary, the Audit Committee addressed the opinions that the Company's financial statements were fully accurate. The financial entries were presented correctly as they should be in accordance with financial reporting standards.

#### 2. Review of internal control system

The Audit Committee reviewed the adequacy and appropriateness of the Company's internal control system to ensure that the TGE's business operations were effective and efficient, and able to achieve objectives and targets as well as to ensure that the Company implemented risk management that were adequate and appropriate. This was reviewed by considering from the audit reports of the internal auditor and the external auditor on the relevant agenda. It also included a monitoring performance report according to the recommendations in the audit work, as well as assessing the adequacy of the internal control system according to the internal control guidelines of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) to assess the internal control system, risk management system, and reliability of financial reports. The results of the assessment created reasonable confidence that the Company had a good and sufficient internal control system for business operations.

#### 3. Review and supervise the internal audit system

The Audit Committee oversaw the internal audit department to be independent and reported directly to the Audit Committee as specified in the Charter of the Internal Audit Department, which was reviewed on an annual basis. The Committee reviewed the internal audit performance in accordance with the audit policy and the approved internal audit plan, as well as considering the issues from the audit work and providing recommendations that were useful for the TGE's internal audit system. It also included performance monitoring according to the results of the audit work. Moreover, the Audit Committee had continuously focused on the development of personnel in the internal audit entity in order to enhance knowledge, ability and quality of audit work to be comparable to international professional standards.

#### 4. Review good corporate governance

The Audit Committee focused on ethical business operations by reviewing and giving opinions on the Company's significant connected transactions and related persons or companies to prevent conflicts of interest. It also included considering that whether it was in accordance with normal trade practices that were reasonable, pricing was set based on the appropriate market price, and trading conditions were not different from other parties. Moreover, the processes of complaints management and whistleblowing were also reviewed to comply with good corporate governance principles as well as ensuring complete information disclosure in accordance with the regulations of the Stock Exchange of Thailand.

#### 5. Consider, select and nominate the Company's auditor for the year 2023.

The Audit Committee was responsible for considering, selecting, nominating and proposing remuneration for the Company's auditor by considering the qualifications, competencies, and professional expertise including the independence in performing the duties of the auditor. When it was deemed appropriate, the Audit Committee therefore resolved to approve the appointment of PricewaterhouseCoopers ABAS Ltd. as the Company's auditor and presented to the Board of Directors before proposing to annual general shareholders meeting for further approval.

Referring to the performance summary in 2022, the Audit Committee actively performed duties independently with carefulness and cautiousness, as well as giving opinions and recommendations which were beneficial to the Company, to ensure that the Company's financial reports were accurate, complete, and reliable. Moreover, the Company operated its business under good corporate governance principle which were in line with the laws, along with risk management and internal control systems.

**Mr. Thoranit Tantikulwichit**

The Chairman of the Audit Committee





## Report of the Nomination, Remuneration and Corporate Governance Committee

The Nomination, Remuneration and Corporate Governance Committee (NRC) was appointed according to the guidelines of good corporate governance of listed companies. It consisted of qualified directors holding no prohibited characteristics, knowledge, ability, experience, understanding of duties, responsibilities, and corporate governance according to its Charter and under relevant laws. Moreover, they fully dedicated sufficient time to perform the duties to accomplish the goals.

In addition, the NRC Committee formulated criteria, guideline, and process for nomination. It also included determining appropriate remuneration for directors, other sub-committees, and senior executives, then presented them to the Board of Directors before further proposing to the shareholders' meeting for approval. In 2022, the NRC Committee convened 7 meetings to review various matters and report them to the Board of Directors. The significant matters are summarized as follows:

1. The NRC Committee reviewed and nominated qualified persons according to the laws and regulations relating to the Company's directorship in replacement of the retired directors. Those nominated persons were fully qualified, experienced, and knowledgeable which were beneficial and appropriate to the nature of the TGE's business—then proposed in the Board of Directors Meeting and the Annual General Meeting of Shareholders for further approval. However, the directors with conflicts of interest did not attend the meeting and had no right to vote.
2. Remuneration of the Board of Directors and sub-committees was thoroughly reviewed for assessing suitability in various respects including economic conditions and other companies from the same industry. It also included reviewing the suitability of the Charters of the Board of Directors and sub-committees to present it in the Board of Directors' meeting and the Annual General Meeting of Shareholders for further approval.
3. Shareholders was encouraged and supported to propose agenda for the 2023 Annual General Meeting of Shareholders and nominate qualified persons for election as a director according to the criteria disclosed by the Company.
4. Remuneration of the Chief Executive Officer was reviewed as appropriate to the assigned duties and responsibilities and considered along with the Company's performance, goals, and socioeconomic situation by comparing the remuneration rates with other companies in similar industry.

5. In 2022, performance evaluations in the forms of the Board of Directors, individual directors, and sub-committees were conducted. The results were also reported to the Board of Directors for further improving such performance and disclosing them in the Form 56-1 One Report as well.
6. The NRC Committee monitored and ensured that the Company had a suitable succession plan for senior management and key positions to align with the organization's continued growth.

In this regard, we would like to inform that we have fully performed the duties with care, prudence, transparency, and fairness. All opinions were independently expressed with honesty. Importantly, the directors who had stakes in the voting matters did not attend the session and had no right to express opinions or vote according to good corporate governance principles, as for the best interests of valuable shareholders, investors, and all relevant stakeholders.

### **Mrs. Pensri Meesuksabai**

Chairman of the Nomination, Remuneration and Corporate Governance Committee







## Report of the Risk Management and Investment Committee

ThaChang Green Energy Public Company Limited or “TGE” has strongly focused on managing risks, especially those that affect the achievement of the Company’s objectives and goals to be “The leader of the renewable energy industry with social and environmental care”. The goal of this action is to reduce the potential damages caused by those risks, and to further obtain business opportunities. This will lead to the creation of value-added to our valuable shareholders and all relevant stakeholders.

In 2022, the Risk Management and Investment Committee convened five (5) meetings in which significant matters were reviewed as follows;

1. The Risk Management Committee reviewed and approved the revision of its Charter including risk management policy to ensure that they are consistent, appropriate and support the Company in managing risks efficiently and effectively.

In addition, the Board of Directors approved the Risk Management Committee to oversee and govern risks arising from the Company’s investment and business operations. Later, on December 29, 2022, the Committee’s title was changed to the “Risk Management and Investment Committee”, by upholding the authority, duties, and responsibilities that were specified in the Risk Management and Investment Committee Charter dated November 14, 2022.

2. The TGE’s risk management framework was formulated. It also included expressing opinions on matters and the scope of enterprise risks, and reviewing risk factors and their impacts for the management to supervise significant risks in order to formulate a systematic risk management plan for 2022. This plan covered the matters in terms of strategy, finance, production and operation, corporate image, information technology, and ESG compliance so that the Company could systematically manage and control the risks into the appetite level, or further reduce the potential risks in the future.
3. Opinions and suggestions for risk assessment were expressed. It also included risk management measures for major investment projects as material for investment decisions.
4. Opinions towards enterprise risk factors for 2023 were expressed. This required being in line with the TGE’s business directions and goals.

5. It required reporting performance to the Board of Directors on a regular basis to ensure that the Company had implemented effective risk management aligned with internal control systems and good corporate governance guidelines.

It takes pride to report that we have actively performed duties as assigned by the Board of Directors and as specified in the Risk Management and Investment Committee Charter completely. This action includes formulating risk management policies to cover the entire organization, as well as screening opinions and practical suggestions carefully, concisely, and efficiently. Moreover, we have fully governed the Company’s performance to ensure the effective and sufficient risk management system, by reviewing and monitoring risk factors and their impacts that cover all risk matters, so that, the Company is able to achieve its objectives according to the plan. Moreover, this action leads to value-added creation that can be sustainably distributed to our shareholders and all stakeholders.

### Mr. Arthorn Sinsawad

Chairman of the Risk Management and Investment Committee







## Board of Directors



**Mr. Kosit Fuangwasdi**

Chairman of the Board of Directors  
Independent Director



**Mr. Pongnarin Wanasuwanakul**

Chairman of the Executive Committee  
Member of the Risk Management  
and Investment Committee



**Mr. Pongnarate Wanasuwankul**

Member of the Executive Committee  
Member of the Risk Management  
and Investment Committee



**Mrs. Phatcharin Lapharokij**

Member of Executive Committee  
Member of the Nomination,  
Remuneration and Corporate  
Governance Committee



**Ms. Laongtip Wanasuwannakul**

Member of Executive Committee  
Member of the Nomination,  
Remuneration and Corporate  
Governance Committee



**Mr. Thoranit Tantikulwichit**

Chairman of the Audit Committee  
Member of the Nomination, Remuneration  
and Corporate Governance Committee  
Independent Director



**Mr. Arthorn Sinsawad**

Chairman of the Risk Management and  
Investment Committee  
Audit Committee  
Independent Director



**Mrs. Pensri Meesuksabai**

Chairman of the Nomination,  
Remuneration and Corporate  
Governance Committee Audit Committee  
Independent Director



**Mr. Tanan Chub-uppakarn**

Member of the Nomination,  
Remuneration and Corporate  
Governance Committee  
Member of the Risk Management and  
Investment Committee  
Independent Director



**Mr. Sakda Siriphatrasophon**

Member of the Executive Committee  
Chief Executive Officer  
(Resigned, effective January 1, 2023)



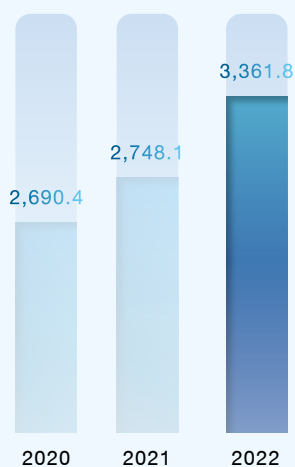
## Financial Highlights 2022

Period as of	2020 31/12/2020	2021 31/12/2021	2022 31/12/2022
<b>Financial Data</b>			
Assets	2,690.4	2,748.1	3,361.8
Liabilities	1,810.5	1,664.9	1,266.6
Equity	879.9	1,083.2	2,095.2
Paid-up Capital	800.0	800.0	1,100.0
Revenue	713.6	807.5	955.6
Net Profit	166.9	202.1	216.4
EPS (Baht)	0.10	0.13	0.12
<b>Financial Ratio</b>			
ROA (%)	6.8	7.4	7.1
ROE (%)	20.3	20.6	13.6
Net Profit Margin (%)	25.7	26	23.4



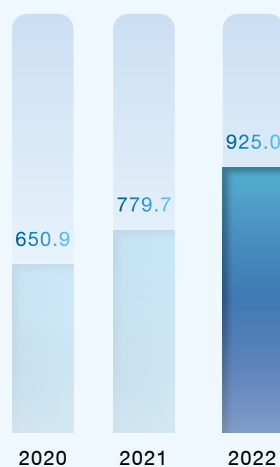
### Assets

(Million Baht)



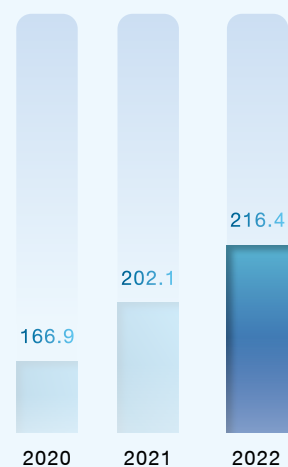
### Revenue from Sales

(Million Baht)



### Net Profit

(Million Baht)







## Important Development

**2015**

Thachang Bio Power Co., Ltd. ("TBP") (Thachang Industrial Group) 100% held by the Wanasuwankul Family, has a PPA agreement of 3.4 Megawatt to distribute the electricity with the provincial Electricity Authority of Thailand.

**2016**

TGE purchased 65 percent of TPG's shares from the Wannasuwankul family group.

**2017**

TGE accepted the transfer of the biomass power plant business and all related contracts from TCP, started selling electricity to the Provincial Electricity Authority (PEA) and earned revenue from the power generation business for the first time on December 29, 2017.

TGE purchased 35 percent of TPG's share from G7 Power Co., Ltd.

**2018**

TGE purchased shares of TBP from the Wanasuwankul Family by holding 99.99 percent of the total paid-up shares of TBP.

**2019**

Expanded investment in the municipal solid waste power plant project by starting its first project in Sa Kaeo province under TES SKW, In addition, the company later expanded its investment to Chumphon province under TES CPN and Ratchaburi province under TES, respectively.

TPG started to sell electricity to the Provincial Electricity Authority (PEA) and started earning revenue from the power generation business for the first time.

**2020**

Called for and increase in paid up of registered capital to 800 million baht. Restructured the shareholding structure of TGE from the original structure in which 100 percent of TGE's shares were held by TCGH with 40 percent of its shares being held by TCGH and 100 percent of its shares being held directly by the Wanasuwankul family group. TGE PRI was established to operate the MSW power generation project in Prachin Buri province and TES CPN was established for the same purpose in Chai Nat province. TGE sold the total shares of TPG2 and TBF to TCGH in order to restructure the group in which TPG2 was established in order to bid in an auction for biomass power generation license. As for TBF, it was established for the business operation of selling and distributing chopped wood, which the company views that this is not the main business of the TGE group. At that time, TBF had not started its operation.

TPG started selling electricity the Provincial Electricity Authority (PEA) and started earning revenue from the power generation business for the first time.

**2021**

TBP started selling electricity the Provincial Electricity Authority (PEA) and started earning revenue from power generation business.

TES UBN was established to operate to MSW power generation project Ubon Ratchathani province and TES TCN was established for the same purpose in the Samut Sakhon province. The Company was transformed to Public Company Limited, and the par value of its share was changed from 1,000 bath/ share to 0.50 baht/ share.

**2022**

TGE was listed in the Stock Exchange of Thailand on August 19, 2022 with registered capital at 1,100,000,000 Baht, dividend into 2,200,000,000 common shares with par value at 0.50 Baht each.

# 01



## Business Operations and Performance





## 1. Structure and operations of the Group of Companies

### 1.1. Policy and overview of business operations

Thachang Green Energy Public Company Limited (the “Company” or “TGE”) and its subsidiaries (collectively referred to as the “Group”) engage in the business of power generation and distribution, focusing on the production and distribution of power from renewable energy derived from biomass and municipal solid waste. It also includes the related businesses that support the core business, with the purpose to become a leader in the renewable energy industry in line with Thailand’s energy security policy.

At present, the Company has invested in two (2) primary business groups related to renewable energy power plants, classified by type of fuel used in the production process. Details are described as follows:

#### Group 1: Biomass Power Plant

The Group uses a variety of fuels from agricultural residues such as empty palm bunches, palm fiber, chopped roots and wood chips from the Thachang Industries Group, a palm oil extraction business, and the nearby communities as the primary fuel for electricity generation. Apart from applying the circular economy principle by consuming existing resources efficiently, it also results in lower production costs as well.

Currently, the Company has three (3) commercially operated (COD) power plants, which invest through shareholding in subsidiaries with a total installed capacity of 29.7 megawatts. Therefore, the Group can sell power to the Provincial Electricity Authority (PEA), according to the Power Purchase Agreement (PPA), in the form of Feed-in Tariff system at 4.5831 baht per unit, with a contract period of 20 years. Details are as follows:

Power Plant / Location	Operated by	Type / Fuel	Amount of power to be offered (Megawatt) <sup>1</sup>	Short-term offering (Megawatt)	Commercial operation date
TGE Biomass Power Plant Project (Amphoe Tha Chang, Surat Thani Province)	TGE	VSPP / Biomass	7.2	-	8 May 2014
TPG Biomass Power Plant Project (Amphoe Tha Chang, Surat Thani Province)	TPG	VSPP / Biomass	9.7	-	7 Nov 2019
TBP Biomass Power Plant Project (Amphoe Tha Chang, Surat Thani Province)	TBP	VSPP / Biomass	3.4	6.0 <sup>2</sup>	25 May 2021
<b>Total</b>			<b>20.3</b>	<b>6.0</b>	

Note:

<sup>1</sup> The specific amount of electricity offered to PEA under the long-term power purchase agreement, excluding approximately 8 megawatts provided to related companies.

<sup>2</sup> TBP biomass power plant project has entered into an annual power purchase agreement to sell power of 6.0 megawatts under a fixed power purchase system at a fixed selling rate of 2.20 baht per unit. It is a short-term contract with a maximum of two (2) years (signed on May 5, 2022), according to the Announcement of the Energy Regulatory Commission on Announcement on Invitation to Purchase Short-Term Electricity to Support Emergency Situations from Power Producers with Power Purchase Agreements with the Electricity Authority.

VSPP = Very small power producer with net output under 10 MW.



## Group 2: Municipal Solid Waste Power Plant

The projects have been established by having a purpose to manage municipal solid waste collected by municipalities adjacent to the power plant. Currently, there are five (5) under-development projects, which are all waste-to-energy (WTE) projects that generate power for the Local Administrative Organization (LAOs) under the LAOs contract to build the WTE power plant and to manage a municipal solid waste system from landfills. Further, the Company will submit a request for the sale of power to the PEA before entering into a power purchase agreement (PPA). Details of the project are as follows:

### 1) WTE Power Plant projects that are under-development

Power Plant / Location	Operated by	Type / Fuel	Installed Capacity (Megawatt)	Amount of power to be offered (Megawatt)	Expected Commercial Operation Date
WTE Power Plant Project (Amphoe Watthana Nakhon, Sa Kaeo)	TES SKW	VSPP / MSW	8.0	6.0	Within 2024
WTE Power Plant Project (Amphoe Mueang, Ratchaburi)	TES RBR	VSPP / MSW	8.0	6.0	Within 2024
WTE Power Plant Project (Amphoe Mueang, Chumphon)	TES CPN	VSPP / MSW	6.0	4.0	Within 2024
WTE Power Plant Project (Amphoe Mueang, Samut Sakhon)	TES TCN	VSPP / MSW	9.9	8.0	Within 2025
WTE Power Plant Project (Amphoe Nong Mamong, Chai Nat)*	TES CNT	VSPP / MSW	8.0	6.0	Within 2025
<b>Total</b>			<b>39.9</b>	<b>30</b>	

\*won the bidding as of January, 2023

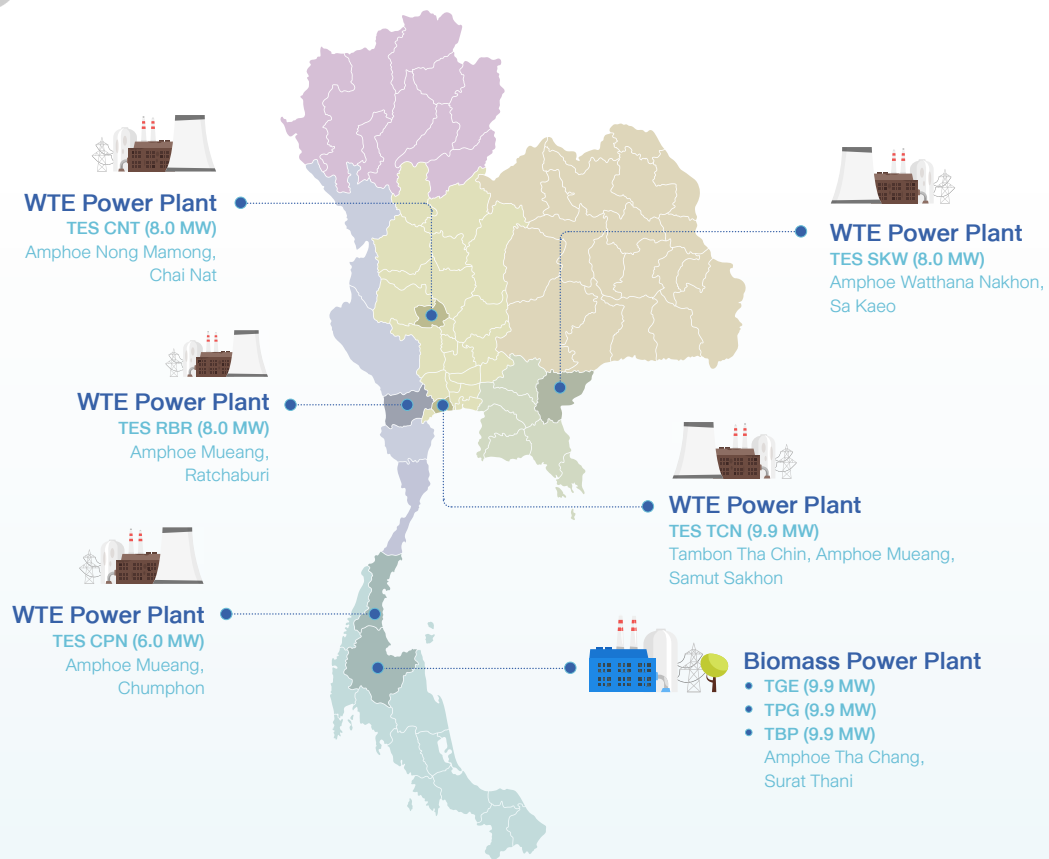
### 2) WTE Power Plant projects that are under the preparation to bid with the PAO

By 2023, the Group has two (2) projects located in the northeastern and eastern region of Thailand are under the preparation to bid with the LAOs

In this regard, the Company has stipulated the policy to monitor and supervise the operations of its wholly-owned subsidiaries, including future joint-venture companies to ensure that all businesses in which the Company holds shares will operate its business in the same direction as the Group of companies for the maximum interest of shareholders and investors. The details are according to the Corporate Governance Policy for subsidiaries and joint-venture companies.



## Projects locations



### 1.1.1 Vision, mission, goals and business strategies

#### Vision

**“The Leader of the Renewable Energy Industry with Social and Environmental Care”**

#### Missions

The Company focuses on producing power and managing renewable energy with the following key missions:

1. To build energy security with leading technology integrated with quality resources.
2. To operate the business in accordance with good governance and friendliness to the community and environment.
3. To add value and increase the satisfaction of customers, shareholders, and stakeholders.
4. To make responsible investment with appropriate risk management.
5. To Create sustainable growth.

#### Corporate values

By the vision of being a leader in the renewable energy industry that is environmentally-friendly, the Company therefore has set the corporate core values as follows.



**Technology**  
Continuous development and improvement in power generation technology with innovation.



**Governance**  
good governance, care for the organization, and friendliness to community and the environment.



**Excellence**  
Commitment to excellent outcome.

## Goals

The Company emphasizes investment in renewable energy power plant projects, focusing on power plants that use fuel from biomass, biogas, and municipal solid waste. It aims to continuously expand its investment both domestically and internationally. The Company has set the 5-year goals as follows:

1. By 2027, increase the installed capacity of all power plants in the Group to be more than 100 megawatts, in which it includes the power plants that are commercially operated (COD) and those under development, and increase to a minimum of 200 megawatts by 2032.
2. Expand business and its investments related to renewable energy and new alternative energy, including seeking new business alliances and energy technologies that help lower production costs. Moreover, the Company focuses on community and social engagement, together with environmentally-friendly approaches.

## Corporate strategies

Details are described as follows:

### 1. Expand power production capacity and enhance production efficiency

The Company is committed to expanding its power-generating capacity from renewable energy by planning to bid and invest in other potential renewable energy power plant projects, especially the potential biomass power plant and municipal solid waste power plant projects. It also includes expanding TGE business to foreign countries by comprehensively conducting a research and the project's feasibility study according to the procedures, regulations, and the defined investment policies.

### 2. Application of latest technology to enhance efficient work process

The Company has applied the corporate strategies that apply latest technology to enhance efficient work process in all power plant projects. In addition, it also includes the innovation and technology development that are related to the power generation process by setting an objective to enhance work process of the Group to be efficient, convenient, and speedy as well as to strengthen competitive advantages. The management guidelines are detailed as follows;

**1) Planning for systematic implementation of power plant projects** – Three (3) biomass power plant projects of the Group are designed to apply flexible production technology that supports various kinds of biomass raw materials, enabling the Group of companies to select appropriate raw materials. It also includes installing primary machinery and equipment in which spare parts can be shared, resulting in the storage cost to be reduced. As a result, the Group has effective cost management.

**2) Planning for applying modern and highly-efficient technology** – The production process is designed for applying a combustion system that can handle biomass fuels with high moisture content and low calorific value with effective pollution control capabilities. Moreover, with the design and technologies that provide flexibility to use a wide range of biomass fuels, it can combust fuel with a very high moisture content of up to 40-60% efficiently and up to 100% of chopped palm bunch without mixing fuels or other biomass raw materials. Therefore, the Group has more options to purchase and manage raw materials at a low cost compared to similar power plants.

The Group has chosen gasification technology for the WTE power plants. It enables to burn solid waste with higher humidity than biomass, with capability to adjust the heat according to the characteristics of the solid waste. Furthermore, the direct incineration innovation can function without going through the waste separation process, which differs from general WTE power plants. Instead, those plants must remove the incombustible part from the solid waste before producing it into the form of RDF (Refuse Derived Fuel). Therefore, direct incineration production will reduce power generation procedures and costs.

**3) Application of modern information technology systems for running operations and commands** – To ensure smooth monitoring of the Group's power plants' operations. The Company has arranged for the work collaboration between the officials at each power plant and central team to monitor operations at all times. Furthermore, the Company plans to establish a Central Monitor and Control Center to operate the Remote Control System (RCS) to remotely control the machine operating systems and power generation systems, which help detect problems and faults. In addition, it can conduct maintenance more efficiently.

**4) The Group has an action plan to control pollution such as air, dust, mist, water, and noise** – Including electrical systems, wastewater, and boilers, by installing





measurement systems, checking monitoring system, and establishing a maintenance plan on an annual basis or according to usage hours. There are also measures to manage fuel storage areas to reduce dispersion and fire incidents. On top of that, it also includes controlling fuel transport vehicles related to the accident mitigation measures, both internally and externally, according to measures to prevent and resolve environmental impacts and corporate sustainability management guidelines.

### 3. Availability of raw materials that are sufficient and sustainable

The Group's biomass power plants are located in the country's major palm plantation areas of more than 1.2 million rai. On top of that, the Group has entered into the purchasing contracts for empty palm bunches and palm fiber, and used them as biomass raw materials with Thachang Oil Palm Industries Co., Ltd. ("TCP"), which operates the extraction and processing of palm oil. In addition, the Group also purchases various types of biomass raw materials from Thachang Biofuel Company Limited ("TBF"), a company with the same major shareholders, which are used as the primary fuel for power generation of more than 30 percent. The other raw materials would be the chopped roots and chopped palm trees purchased from farmers around the power plant areas, which create extra income for farmers and the locals.

However, it is advantageous that the "Wanasuwankul Family" Group holds major shares in both TCP and TBF subsidiaries because it helps reduce the risk of raw material shortage and price fluctuations from biomass power generation. On the other hands, the WTE power plants are stable from the secured raw materials, production cost, and selling price because the Group has entered into the contracts of municipal solid waste disposal at the fixed-cost with municipalities, local markets, and large private companies. This practice also creates additional income for the Group.

### 4. Creating value of solid waste in production process

Concerning with the Circular Economy (CE) principle, the Group has initiated the project to convert the bottom ashes into brick blocks or to replace the cement in some applications, and to produce fertilizer for agricultural purpose. While the steam generated by the production process will be used in the palm steaming process and skim rubber drying for the affiliated companies of TCG Holding. The wastewater are also used to produce biogas, in which it will be further used as fuel for generating power as well.

### 5. TGE conducts its business based on good corporate governance principle and complied with sustainability (ESG)

The Company places great importance on business operations that consider the environment, society, and good governance by announcing the ESG: Environment, Social, and Governance Policy. The purpose of this policy mainly focuses striving to be the sustainable organization along with environmentally-friendly business conduct. Furthermore, the Company has integrated the sustainable practice into the corporate values, known as "TGE" (the meanings are described under the topic "Corporate Value"). So, it has been applied as the primary tool to drive corporate strategies and action plans in a connecting manner. On top of that, this practice aims to balance the economic, social, and environmental performance throughout the TGE value chain. It also helps strengthening the management system to grow continuously and being ready to become one of sustainable organizations. As a result, the Company, as one of many companies, is able to drive the economy and industry with clean energy. In addition, TGE also thrives to become a low-carbon and zero-waste organization, or an excellence organization in renewable energy business that is sustainable, in which it results in the TGE to create best interest to shareholders and all stakeholders involved.

### 6. Financial management

The TGE manages liquidity by not doing the funding mismatch or using short-term funds for long-term investment. Cash flow projections are also prepared along with the continual monitoring and review. It also includes preparing a cash reserve at a level sufficient to meet the needs of the business. If the Company's liquidity is exceeded, it should be considered to invest for generating appropriate returns complied with appetite risk by analyzing data and determining the investment framework appropriate to each financial institution. Moreover, the Company also prepares short-term cash flow and loans from financial institutions to support the Group's operations as appropriate.

In addition, the Company also manages credit terms by prescribing criteria and procedures for granting credit suitable for business operations with standards comparable to leading companies in the same business. Additionally, it also includes managing credits for maximum efficiency considering various risks that may cause doubtful debt and bad debt to the Company.

## 1.1.2 Major changes and developments

### Company background

On August 8, 2014, the Company was registered as a limited company to operate the power generation and distribution business. TGE started its business as a biomass power plant operated by Thachang Industrial Group, owned by the “Wanasuwankul Family” group, intended to expand the palm oil production businesses by using by-products from palm oil production to produce and sell power to the Provincial Electricity Authority (PEA) since 2014. Later in 2017, the “Wanasuwankul Family” group restructured the companies, aiming to separate the entire biomass power plant projects to be operated or held by the TGE. As a result, since December 29, 2017, the Company has started to earn commercial income from the power plant projects. Currently, the Company has three (3) commercially operated biomass power plant projects with a total installed capacity of 29.7 megawatts and the amount of power offered to the Provincial Electricity Authority (PEA) according to the power purchase agreement (PPA) of both short and long term, totaling 26.3 MW.

In 2019, the Company foresaw the opportunity and growth of the WTE power plant projects, so the TGE decided to expand its investment in the same business to other provinces, and accordingly participated in the bidding for the projects initiated by local administrative organizations that the Company considered worthy for investment. As a result, on November 11, 2021, it was considered the biggest milestone for TGE. The Company was converted itself into a public limited company. In addition, the par value of the Company's shares was changed from the original value of 1,000 baht/share to 0.50 baht/share, it resulted the registered capital increased to 1,100 million baht by issuing 600 million of newly issued ordinary shares for initial public offering (IPO).

In the past three (3) years (2020-2022), the Company had various vital developments along with the respective growth. The significant changes included the following details;

Year	Significant Changes
2020	<ul style="list-style-type: none"><li>In March 2020, Thachang Energy Solution (Chumphon) Company Limited (“TES CPN”) entered into a bid for WTE power plant project with Chumphon Municipality, and was awarded the contract.</li><li>In April 2020, Thachang Energy Solution (Prachin Buri) Company Limited (“TES PRI”) and Thachang Energy Solution (Chai Nat) Company Limited (“TES CNT”) were established to study the feasibility of implementing the WTE power plant projects with Prachin Buri and Chainat municipalities.</li><li>In June 2020, Thachang Energy Solution (Ratchaburi) Company Limited (“TES RBR”) entered into a bid for WTE power plant project with Ratchaburi Municipality, and was awarded the contract.</li><li>In September 2020, the Company called for a fully paid-up capital of 800 million baht and restructured its shareholding proportion that TCG Holdings Co., Ltd. (“TCGH”) held the whole. As a result, TCGH has 40%, and the Wanasuwankul family has 60% of the Company's shares.</li></ul>
2021	<ul style="list-style-type: none"><li>On May 25, 2021, Thachang Bio Power Company Limited (TBP) began selling power to the PEA and earning income from the power plant project for the first time.</li><li>In October 2021, the Company established two (2) subsidiaries, Thachang Energy Solution (Ubon Ratchathani) Company Limited (“TES UBN”) and Thachang Energy Solution (Tha Chin) Company Limited (“TES TCN”), to study a feasibility in the implementation of WTE power plant projects with Ubon Ratchathani and Samut Sakhon municipalities.</li><li>On November 3, 2021, the Extraordinary General Meeting of Shareholders No. 1/2021 resolved as follows:<ol style="list-style-type: none"><li>Approved the Company's conversion into a public limited company, changed the name to “Thachang Green Energy Public Company Limited”, and updated the par value of the Company's share from 1,000 baht/share to 0.50 baht/share.</li><li>Increased the Company's registered capital of 300 million baht from 800 million baht to 1,100 million baht by issuing 600 million of newly issued ordinary shares with a par value of 0.50 baht per share for initial public offering (IPO).</li></ol></li></ul>



Year	Significant Changes
2022	<ul style="list-style-type: none"> <li>On February 24, 2022, the Board of Directors resolved to increase the capital in TES PRI from the registered capital of 1 million baht to 50 million baht.</li> <li>On May 5, 2022, TBP entered into an agreement to amend the power purchase agreement with PEA to sell an additional 6 megawatts of power, which was a yearly purchase contract of not more than two (2) years, in the form of a non-firm, with a purchase price of 2.20 baht per unit.</li> <li>During April – May 2022, Thachang Power Green Company Limited (“TPG”) and TBP hired consultants to develop greenhouse gas reduction projects, as well as to register and obtain carbon credit certification of the Voluntary Emission Reduction Program according to the standard of Thailand.</li> <li>In October 2022, Tha Chin Municipality, Muang Samut Sakhon District, Samut Sakhon, awarded the contract to TES TCN to invest in and implement an fully-integrated municipal solid waste management project. The project expects an installed capacity of 9.9 megawatts and commences commercial operation by 2025.</li> </ul>
2023	<ul style="list-style-type: none"> <li>In January 2023, Nong Mamong Municipality, Nong Mamong District, Chainat, awarded the contract to TES CNT to invest in and implement a municipal solid waste management project. This project expects an installed capacity of 8.0 megawatts and commences commercial operation by 2025.</li> </ul>

## 1.2 Nature of business operations

According to the policy that supports the production and use of power from renewable energy of the Energy Policy and Planning Office, Ministry of Energy, it enables the Company to sell the total units of power produced which does not exceed the amount of power agreed to purchase according to the contract. Whereas, the customers of both biomass power plant and municipal solid waste power plant projects, are power purchasers from the public and private sectors, especially the Provincial Electricity Authority (PEA).

In the recent years, “TCP” and “TCR”, the subsidiaries of the Thachang Industrial Group, were also the Company’s customers. They purchased some power and steam to use in the production process after distributing the power to use in their own projects.

### 1.2.1 Revenue Structure during 2020–2022

The Group’s total revenue can be classified by sources of income as follows;

**1. Revenue from the sale of power** The Group’s primary income derived from the sale of power by the power plant projects, in which it was divided into two (2) groups according to the type of energy, used in production process.

**1.1 Biomass power plant projects** – The Group has generated income from selling power in the form of Feed-in Tariff (FiT) according to the power purchase

agreement of three (3) existing projects, totalling 26.3 MW. During 2020–2022, the biomass power plant projects were able to generate revenue up to 643.4 million baht, 716.3 million baht, and 812.9 million baht, respectively. Currently, the revenues are continually growing, with an increase in numbers of power plant projects that have commenced commercial operations.

**1.2 Municipal solid waste power plant projects** – In 2020, the Group began to earn revenue of 6 million baht from providing waste disposal services managed by the municipal solid waste power plant project located in Sa Kaeo at the rate of 550 baht per ton. During 2020 – 2022, TES SKW earned revenue from providing municipal solid waste disposal service in the amount of 6.0 million baht, 8.3 million baht, and 8.5 million baht, respectively. At present, the aforementioned projects are under the construction. Therefore, there is no any commercial operation made to the PEA.

### 2. Revenue from the sale of steam and water –

The Group began earning from selling steam and water to subsidiaries to use in factories and office buildings.

### 3. Revenue from the construction service of municipal solid waste power plants –

According to the power plant concession agreements to transfer the ownership of power plants after the end of the contract (Built-Own-Operate-Transfer: BOOT), the accounting will record the construction cost as the Company’s income.

**4. Other revenue** - income from interest, space rental, incentives from energy-saving program, and insurance compensation.

Consolidated financial statements	2020		2021		2022	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Revenue from sales	650.9	91.2	779.7	96.5	924.9	96.8
- Sale of Power	643.4	90.2	716.3	88.7	812.9	85.1
- Municipal solid waste disposal service	6.0	0.8	8.3	1.0	8.5	10.8
- Sale of steam and water	1.5	0.2	55.1	6.8	103.5	0.9
Revenue from construction service under <sup>1</sup> concession agreements	56.9	8.0	1.5	0.2	13.1	1.4
Others	5.7	0.8	26.3	3.3	17.5	1.8
<b>Total revenue</b>	<b>713.5</b>	<b>100.0</b>	<b>807.5</b>	<b>100.0</b>	<b>955.5</b>	<b>100.0</b>

#### The financial position ended December 31, 2020–2022

Unit: Million Baht	2020	2021	2022
<b>Assets</b>	2,690.4	2,748.1	3,361.8
<b>Liabilities</b>	1,810.5	1,664.9	1,266.6
<b>Shareholder's equity</b>	879.9	1,083.2	2,095.2

#### The corporate performance ended on December 31, 2020–2022

Unit: Million Baht	2020	2021	2022
<b>Revenue from sales<sup>1</sup></b>	650.9	779.7	924.9
<b>Cost of sales</b>	414.8	501.1	617.3
<b>Gross profit</b>	236.1	278.6	307.6
<b>Other income</b>	5.7	26.3	17.5
<b>Operating expenses</b>	30.7	54.8	57.3
<b>Finance cost</b>	44.9	47.6	50.6
<b>Income taxes</b>	(0.7)	0.4	0.8
<b>Net profits for the year</b>	166.9	202.1	216.4
<b>Earnings per share (baht/share)</b>	0.10	0.13	0.12

Note: <sup>1</sup> Excluding the revenue from construction service under concession agreements





### 1.2.2 Information about products and services

The Company can classify the products and services from the power generation process into two (2) categories; the production and distribution of power and steam, including the related and supporting businesses as well.

#### 1) Production and distribution of power and steam are described as follows:

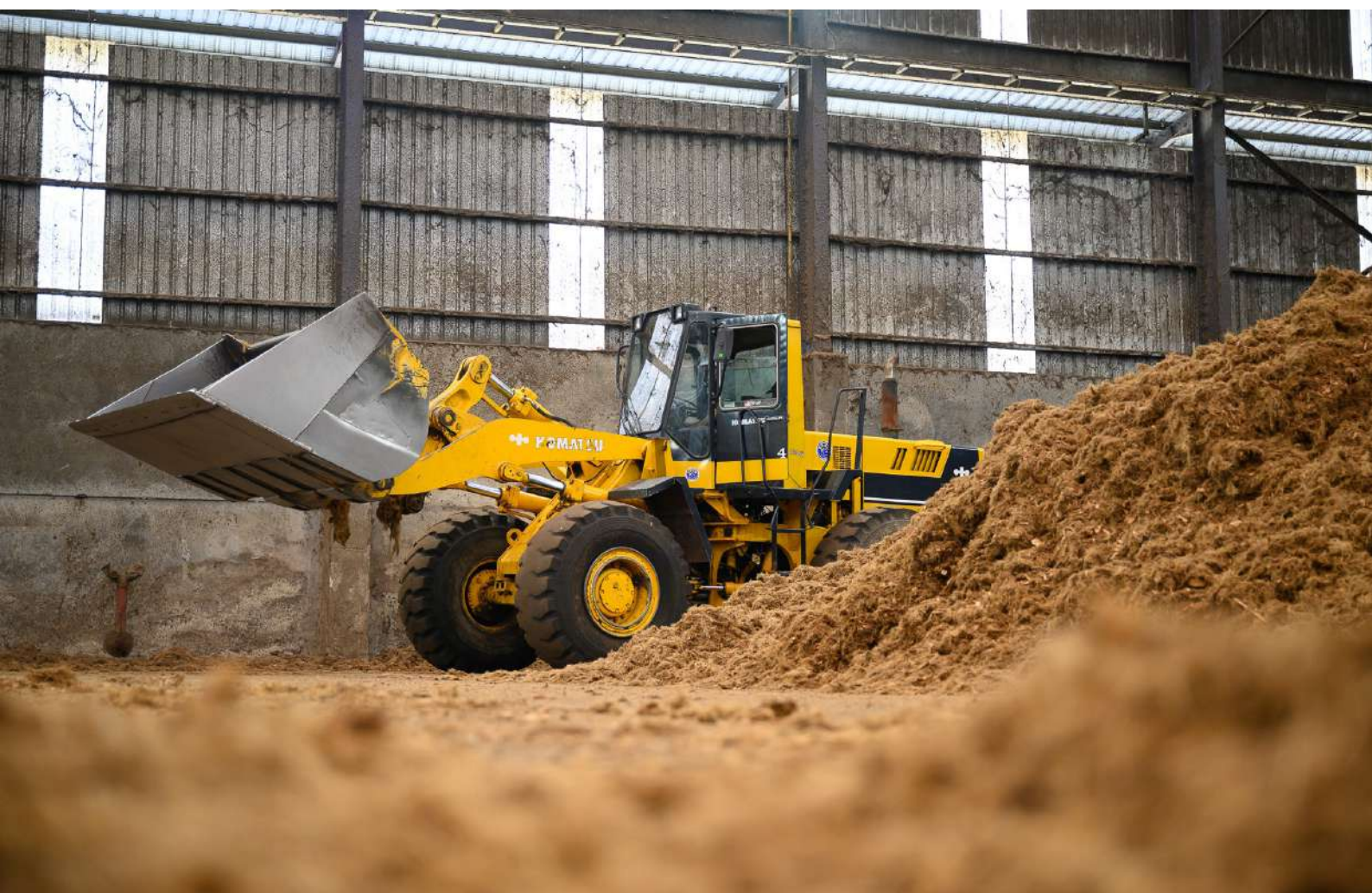
##### (1) Biomass power plant projects

As of December 31, 2022, the Group conducted three (3) projects of VSPP biomass power plants that were already in commercial operation with an installed capacity of 9.9 megawatts under the names “TGE”, “TPG”, and “TBP”, located in Tha Chang District, Surat Thani. In addition, the PEA is the primary customer that has signed a long-term power purchase agreement (PPA) in the form of FIT under the campaign of “FIT Premium”.

Furthermore, all three (3) biomass power plant projects are eligible for investment promotion certificates from the Board of Investment (BOI), to receive exemption of corporate income tax on net profits from all investments for eight (8) years starting from the commercial operation date (COD).

##### (2) Municipal solid waste power plant projects

The Group has operated five (5) municipal solid waste power plant projects which are currently under development (The Local Administrative Organization has selected all of them, and they are submitting applications for the sale of power to the PEA.) They are all operated through the Company’s subsidiaries under the names of TES SKW, TES RBR, TES CPN, TES CNT, and TES TCN. In addition, two (2) municipal solid waste power plant projects located in the northeastern and eastern region of Thailand are under the process of preparing for bidding with the Local Administration Organization.



Status	Biomass power plants that are commercially operated (COD)			Municipal solid waste power plants which are under development				
The operating power plant companies	TGE	TPG	TBP	TES SKW	TES RBR	TES CPN	TES TCN	TES CNT
Power generating/ regulated energy production license/ investment promotion certificate	Yes	Yes	Yes	In progress				
Purchasing format <sup>/1</sup> (FIT) /2 (FIT Bidding)	FIT + FIT Premium	FIT + FIT Premium	FIT + FIT Premium	FIT + FIT Premium	FIT + FIT Premium	FIT + FIT Premium	FIT + FIT Premium	FIT + FIT Premium
Contract model	-	-	-	BOOT <sup>/5</sup>	BOO <sup>/5</sup>	BOOT <sup>/5</sup>	BOO <sup>/5</sup>	BOO <sup>/5</sup>
COD	8 May 2014	7 Nov 2019	25 May 2021	Expected by 2024	Expected by 2024	Expected by 2024	Expected by 2025	Expected by 2025
Installed capacity (megawatts)	9.9	9.9	9.9	8	8	6	9.9	8
Amount of power offered (megawatts)	7.2	9.7	3.4/ 6.0 <sup>/4</sup>	6	6	4	8	6
Power purchase rate (2022) <sup>/3</sup> (baht/ kilowatts per hour)	4.2831 <sup>/3</sup>	4.5831 <sup>/1</sup>	4.5831 <sup>/1</sup>	5.78	5.78	5.78	5.78	5.78

Note:

- 1) In 2022, the pricing of power purchasing in the Feed-in Tariff system (FIT) for biomass power plants increased to 4.5831 baht/kWh according to the core inflation rate, consisting of (1) Fixed power purchase rate (FITF) equalling to 2.39 baht per unit; (2) Variable power purchase rate (FITV) equals to 1.8931 baht per unit (increasing according to the core inflation rate), and special power purchase rate (FIT Premium) 0.30 baht per unit (first eight years from COD date).
- 2) The Group's biomass power plants are eligible for FIT Premium rate for the first eight (8) years from COD.
- 3) TGE project's privilege for the FIT Premium rate ended on May 7, 2022.
- 4) TBP project has entered into an annual power purchase agreement, a short-term contract with a maximum of two (2) years (signed on May 5, 2022). The amount of 6.0 megawatts is under a fixed power purchase system at a fixed power selling rate of 2.20 baht per unit according to the Announcement of the Energy Regulatory Commission on Announcement on Invitation to Purchase Short-Term Power to Support Emergency Situations from Power Producers with Power Purchase Agreements with the Electricity Authority.
- 5) Types of contracts: (1) The BOOT (Build-Own-Operate-Transfer) agreement grants the promisee the right to construct various buildings, administration, and provide services during the specified period. At the end of the fixed term, the ownership of the assets will be transferred back to the promisor. (2) The BOO (Build-Own-Operate) agreement grants the promisee the right to construct various buildings, administration, and provide services during the specified period. At the end of the term, the ownership of the assets will remain with the promisee, the investor.

### (3) By-products from the power generation process of the Group

In addition to the production and distribution of power, the Group is also able to produce steam, a by-product of the power plant production, and RO water, a by-product in addition to the production capacity that the Group sells to TCP and TCR, a subsidiary of TCGH, via a direct pipeline system to customers. The steam purchase agreements generated income for the group of 55.1 million baht in 2021, and 103.5 million baht in 2022, an additional income from the excess production

capacity that the Company uses worthwhile and maximizes the interests of the Group.

### 2. Business supporting and related to power plant business

The Group of companies provides municipal solid waste management service to the Local Administration Organizations and private companies nearby. Currently, TES SKW can provide this disposal service up to 50 tons of municipal solid waste per day on average and will expand the average minimum capacity upto 350 tons



per day after the commercial operation, regarded as fuel cost management, which becomes another source of income for the Group.

### Privileges

The government's promotion measures to encourage the use of biomass fuel for "Very Small Power Producer" or "VSPP". As a result, all power plant projects of the Group are granted investment promotion certificates which provide tax privileges and others according to the conditions of the Board of Investment (BOI) as follows:

- i. Exemption of import duty on machinery used in production process.
- ii. Permission to deduct twice the costs of transportation,

electricity, and water supply costs for a period of ten (10) years from the commercial operation date.

- iii. The Group can use the annual loss incurred during the promotion period to deduct from the net profit incurred after the corporate income tax exemption period for a maximum period of five (5) years.
- iv. Exemption of corporate income tax on net profits from the commercial operation date for a period of eight (8) years, and TGE obtains additional reduction of corporate income tax at the rate of 50% of the normal rate for a period of five (5) years.
- v. Exemption from including dividends from promoted activities that are exempted from corporate income tax in the income tax calculation over the period of such exemption.

### Privileges that the Group receives from BOI

Power plant project	TGE	TPG	TBP
Privileges of corporate income tax	100% for 8 years and 50% for 5 years	100% for 8 years	100% for 8 years
Exemption 2 times of electricity and water supply transportation costs	Until 7/5/2024	N/A	N/A

## 1.3 The TGE structure and Business of its subsidiaries

### 1.3.1 Shareholder structure of the Company

As of December 22, 2022, Thachang Green Energy Public Company Limited (TGE) has the structure of the top 10 shareholders as follows:

No	List of shareholders	Number of shares	Percentage
1	TCG Holdings Company Limited	640,000,000	29.09
2	Ms. Laongtip Wanasuwanakul	139,400,000	6.34
3	Mrs. Santhira Chantaraseno	134,730,000	6.12
4	Mr. Pongnarin Wanasuwanakul	134,400,000	6.11
5	Mrs. Phatcharin Lapharokij	134,400,000	6.11
6	Ms. Thunchanok Wanasuwanakul	134,400,000	6.11
7	Mr. Pongnarate Wanasuwankul	134,400,000	6.11
8	Mr. Thanakorn Vanasuwanakul	96,000,000	4.36
9	Mrs. Phenphan Vanasuwanakul	57,600,000	2.62
10	Mr. Charoen Lapnarongchai	54,540,000	2.48



### 1.3.2 Shareholder structure of the subsidiaries

Information as of December 22, 2022.

Subsidiaries	Initial	Shareholding proportion (percentage)	Type of business
1) Thachang Power Green Energy Company Limited	TPG	100	Biomass power generation and distribution
2) Thachang Bio Power Company Limited	TBP	100	
3) Thachang Energy Solution Company Limited	TES SKW	99.99	Municipal solid waste power generation and distribution
4) Thachang Energy Solution(Ratchaburi) Company Limited	TES RBR	99.99	
5) Thachang Energy Solution(Chumphon) Company Limited	TES CPN	99.99	
6) Thachang Energy Solution(Prachin Buri) Company Limited	TES PRI	99.60	
7) Thachang Energy Solution(Chai Nat) Company Limited	TES CNT	99.90	
8) Thachang Energy Solution (Ubon Ratchathani) Company Limited	TES UBN	99.60	
9) Thachang Energy Solution (Tha Chin) Company Limited	TES TCN	99.99	

### 1.3.3 Relationship with TCG Holdings Company Limited – TCGH, a major shareholder.

The Group of companies is operated under the TCGH, whose major shareholder of TCGH is the “Wanasuwankul” family. TCGH has operated various businesses, including palm oil production and extraction, rubber, transport & logistics, and other businesses, such as real estate development, wood chip production, construction, production of steam boilers, and various chemical businesses. It also includes the production and distribution of power operated by the Group. Later, the TCGH has restructured the companies and merged the power generation and distribution projects to be under the TGE as a whole.

Therefore, the Group does not compete with other companies under the TCGH in any ways as stipulated in the relevant policies and measures to prevent conflicts of interest among the Group.



However, the Group operation is still related to businesses which are under the TCGH, in a manner to promote its power generation business operations, such as entering into contracts of fuel supply, power plant construction, and raw water supply. *(Those who are interested in details are able to study more about other businesses related to the Group in Section 9, “Internal control and related transactions”).*





## Structure of the TCGH as of December 31, 2022



\*Since PPP Green Complex Public Company Limited has planned to increase its capital by entering into IPO, then it results in the proportion of shares held by the TCGH to decrease.

Most companies operated by the TCGH are located in Tha Chang District, Surat Thani, including three (3) projects of the biomass power plant. As a result, all companies under the TCGH are able to operate their businesses with connection and support to each other well. For example, the procurement of biomass raw materials from Tha Chang Oil Palm Industries Company Limited (“TCP”) where operates a palm oil production and extraction business in which raw materials are from that production process; space leasing for the Group’s power plant projects; sale of power and steam which is a by-product of power plant to the TCP and

Tha Chang Rubber Company Limited (“TCR”). In addition, it also includes loan from the TCGH, the group holding company managed by the “Wanasuwankul” family, as the major shareholder of the Company. In addition, the Group may occasionally hire TD Power Company Limited or Rich Property and Development Company Limited to support engineering and construction works as well. All connected transactions incurred will be compared with other suppliers or at a price comparable to the market price or at a cost plus management fee, which the Audit Committee has already reviewed.

### 1.3.4 Shareholders' Agreement

-None-

### Marketing and competition

#### 1) Current situation of power generation industry and competition within the industry of Thailand

Thailand's electricity consumption tends to increase continuously based on the forecast of Thailand Power Development Plan 2018-2037 that the electricity demand will peak in 2037 at 53,997 megawatts or 367,458 million units. In the past ten (10) years, there have been various government measures to support and promote Thailand's power generation industry, especially renewable energy, focusing on solving social problems. For example, community waste problems are currently handled by technology using alternative energy sources from solid waste, biogas from agricultural waste, fuel from bagass, and biomass from palms, a material to replace natural energy sources, such as coal and natural gas that are likely to decrease in the future. In addition, it enables small entrepreneurs to enter the power generation and distribution business, unlike the past, there were only large capital groups. However, due to the government's support, many entrepreneurs are expected to invest and sign a power purchase agreement (PPA) during 2021-2023, especially in the form of VSPP – a very small power producer group with a maximum installed capacity of 9.9 megawatts. Furthermore, construction contractors, civil engineering/design suppliers, and equipment/solar cell technology manufacturers are also likely to expand their business to invest in power generation from renewable energy. In particular, producing power from biomass fuels and biogas has confronted the competitive bidding, which tends to increase gradually. Concerning with the Alternative Energy Development Plan (AEDP) 2018-2037, in which AEDP 2018 is the latest version, has set new power plant capacity targets for renewable energy and alternative energy, including municipal solid waste power plant projects for the fundamental economy, totalling at 18,696 megawatts. While the goal of cumulative capacity for producing power from renewable and alternative energy in 2037 has been changed from 19,684 megawatts to 29,411 megawatts.

Meanwhile, the large power producers (IPP/SPP groups) with potential in finance and technology tend to expand production capacity and invest more in new power plants from renewable energy, according to the country's latest Power Development Plan (PDP). The PDP requires the

establishment of major power plants in every region together with being equipped with power transmission lines, and also opens the opportunity to purchase power from the private sector, especially the one who uses fuel from renewable energy. However, the types of power producer and distributor in the power plant industry listed on the stock exchange are summarized as follows:

- (a) Producers in the biomass power plant industry are classified into two (2) main groups:
  - (1) Producers who use fuels that are waste or by-products from the production process of their main products.
  - (2) Producers in the power plant industry whose biomass power plants are part of the power plant business
- (b) Producers in the waste-to-energy industry or operate waste-to-energy plants as a part of the power plant business.
- (c) Producers in other types of power plants, such as solar and wind energy.

Most competition among power plant operators occurs when the Energy Regulatory Commission (ERC) opens for the private sector to submit a power purchase offer, which usually intends to purchase limited power in each period of time. Therefore, ERC will consider various factors regarding the availability of funds and raw materials, adequacy of the power grids around the power plant's location. It also includes the reliability of the technology, the capability to build power plants, and other conditions as specified by the ERC to purchase power at each time as well (in the case of non-competitive bidding). Moreover, suppose it is open for proposals in the form of competitive bidding, in that case, the ERC will consider the discount on the power purchase price offered by producers as an important selection factor. As a result, there will be no direct competition between power plant producers during the power generation operation after ERC has announced the award results and signed PPA due to the producers will have fixed customers and be able to sell power according to the produced amount at a price specified throughout the power purchase agreement. Therefore, the three (3) groups of producers are considered competitors of the Group because they have competitive potential and experience in power plant project management, and are able to enter into power plant project bidding as the Group's. However, each producer may have different experience and expertise in managing each type of power plant project.



Municipal solid waste and biomass power plants have become one of the more popular energy sources, indicating that the public sector participates more in power generation. So, it is considered an essential step towards a Circular Economy and Electricity for All of the Country in a sustainable manner.

## 2) Investment and competition

Thailand has a large number and variety of agricultural products resulting in a large amount of biomass wasted raw materials. In addition, the garbage overflow in the city has become a significant problem at the national level. As a result, the government has prepared measures in determining Thailand's Power Development Plan (PDP) for 2012-2030 regarding the use of renewable and alternative energy to replace fossil fuels which are in a state of diminishing production day by day. Furthermore, the government's support allows the private sector to invest in alternative energy production to meet the yearly increasing electricity demand. Therefore, this business is attractive to investors when considering trends and market opportunities to invest in the power generation business as well.

Major revenue of the Group comes from the sale of power to the system of the purchasers, the Provincial Electricity Authority (PEA) as the only major customer. Therefore, it is necessary to consider the components and factors related to the biomass power generation business in detail. For example, the operational risk of fuel prices that may fluctuate, solid waste disposal approach as fuel in the production process efficiently as much as possible, project delays, impacts derived from communities nearby a project location, project site selection, ability to manage raw materials, power plant technology, government policy and support, and all involved parties.

When analyzing the feasibility of generating power from biomass and waste fuels based on the assumption that the cost of production and project management is equal to twenty (20) years, the benefits throughout the business's life are higher than the costs with high financial feasibility. Moreover, it generates an average payback period (PB) of only 96 months, a benefit/cost ratio (BCR) equal to 2.54, and an internal rate of return: IRR as high as 12.25%. Concerning with the aforementioned analysis, it shows that the renewable energy power

plant from biomass and municipal solid waste has excellent financial potential, with a relatively high and continuous amount of fuel and waste per day entering into the process. In addition, as a very small power plant (VSPP) with a PPA from the PEA of not more than 9.9 megawatts, the subsidiaries benefit from PEA since the commercial operation date in addition to other income from operating businesses related to power generation. If considered in parallel with the future demand for power generation from biomass energy of PEA, it is a cost-effective, stable, and economically viable energy investment despite the relatively high competition in the energy market.

## 3) Procurement of products and services

### 3.1) Procurement of products and services before project execution

The Company needs to conduct an analysis and feasibility study before submitting a project to the Board of Directors. In addition, the success of a power plant project depends on investing in potential projects at reasonable costs. Therefore, before taking any action to acquire the right to sell power, the Company considers various factors in the project to be invested in thoroughly, prudently, and cautiously by conducting a feasibility study in various dimensions. It also includes production capacity, power purchase rate, types of raw materials, procurement of raw materials, technology, and construction costs. Furthermore, it also includes considering the availability of funding sources, readiness to acquire various licenses, and project risk assessment, as well as considering the impact on the community and the environment according to the standards set by relevant agencies. Then present the results of feasibility study to the Management Committee, Risk Management and Investment Committee, and the Board of Directors to consider participating in the auction of rights or commence operations to obtain rights or the PPA from relevant authorities.

### Sourcing space for power plant projects

In procuring space for a power plant project, the Company considers all-around relevant factors, especially the number of raw materials in the surrounding areas that must be sufficient to meet the demand of the project. In addition, to maintain stability and raw material security, the project site should not be located near existing power plant projects nor be the same type. The purpose is to prevent competition in purchasing

raw materials that are used in business operations. Moreover, the Company must verify the utilization of the land used as the power plant's operating site under the regulatory requirements. It also includes the sufficiency of the power grid and the distance between the power connection points, which are the connected networks for the sale of power to the PEA, the TGE's primary customer. Finally, it is to ensure that the Group operates the power plant projects correctly without problems in raw materials and production capacity.

Currently, the Company's three (3) biomass power plant projects, TGE, TPG, and TBP, are located close to each other in Tha Chang District, Surat Thani. Therefore, this area is suitable for power plant projects since it is a source of raw materials, especially palm biomass for power production.

Concerning with the municipal solid waste power plant projects, the operating site of a power plant project will be determined by the Local Administrative Organization (LAO), the project owner. However, it may be the land owned by the LAO or an appropriate land owned by a private person.

## Application for permissions and entering into primary contracts for power plants

In the past, the Company has appropriately acquired licenses and entered into primary agreements to establish biomass power plants for commercial purposes. In this regard, the Company is required to prepare information and assess preparedness in various aspects of the projects that are going to invest, in which it requires to meet the criteria set by the Company. There are three (3) projects of biomass power plants that are in operation, Thachang Green Energy Public Company Limited ("TGE"), Thachang Power Green Company Limited ("TPG"), and Thachang Bio-Power Company Limited ("TBP"). On top of that, there are five (5) other projects which are municipal solid waste power plant projects. All of them have been licensed and are under development - Thachang Energy Solution (Sa Kaeo) Company Limited ("TES SKW"), Thachang Energy Solution (Chumphon) Company Limited ("TES CPN"), and Thachang Energy Solution (Ratchaburi) Company Limited ("TES RBR"). They are still in the process of submitting documents for the PPA with PEA.

## Procedures in developing a power plant project before operation

Procedures for obtaining important licenses related to the operation of power plant projects can be summarized as follows

Relevant licenses	Governing agencies
1. Power Purchase Agreement" or PPA	Provincial Electricity Authority ("PEA")
2. Electricity Generating License	Energy Regulatory Commission ("ERC")
3. Factory License (Ror Ngor. 4)	"ERC" and Department of Industrial Works
4. Regulated Energy Production License (Por Kor. 2)	ERC
5. Electricity Distribution System Licence	ERC
6. Construction Permit (Aor. 1)	ERC and DLA in the area
7. Building Certificate (Aor. 6)	ERC and DLA in the area
8. Investment Promotion Certificate (depending on the case, for example, exemption of corporate income tax from COD for eight (8) years, exemption of import duty on machinery deduction of investment costs for electricity and water supply, according to specified conditions)	Board of Investment (BOI)

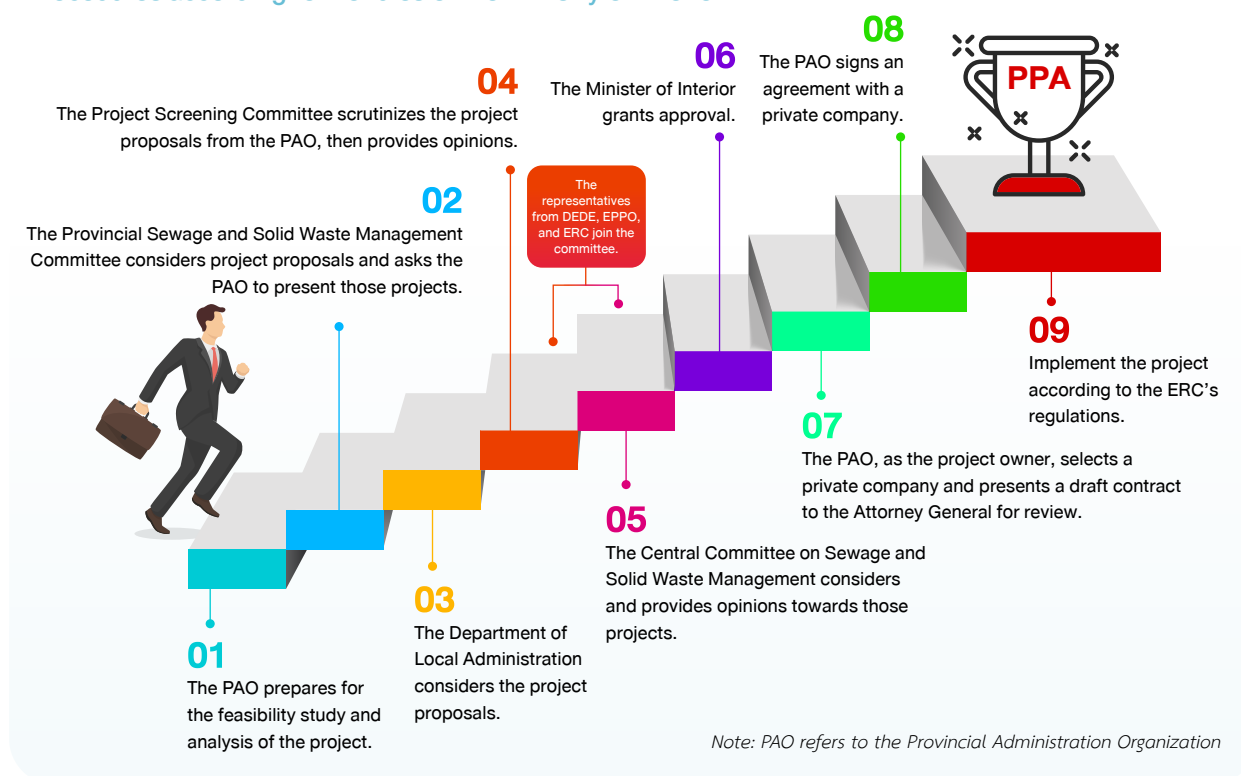
*Note: Since all power plant projects of the Group are VSPP projects (not exceeding 10 MW), the EIA is not required.*





## Guidelines for the development of community solid waste power plants at present

### Procedures according to the rules of the Ministry of Interior



### Construction and procurement of machinery and equipment for power plant projects

The Company realizes the importance of hiring contractors to construct power plant projects by considering the selection of contractors with expertise, reliabilities, and acceptable performance in VSPP power plant construction. The purpose is to ensure that the Company's power plants can be completed within the specified timeframe and efficiently generate power throughout the purchase agreement period. By the aforementioned factors, the Company hired Bioenertec SDN BHD (Malaysia) to supervise the construction of biomass power plant projects. But for TPG and TBP biomass power plant projects, the Company is responsible for controlling all construction work. In other parts, the Company has hired contractors with experience and expertise in constructing factory buildings, fuel storage buildings, and related systems, such as boiler systems and steam turbines. In addition, the Company also uses efficient machinery and equipment to reduce the amount of fuel that is the production cost in another way. It also includes the design of machinery in the combustion room system to efficiently support a variety of biomass fuels even though they contain high humidity.

Generally, a VSPP project will take approximately 18 – 24 months to complete, including the time for the test run and the commissioning test about 3 – 6 months.

### 3.2) Procurement of products and services during the project operation

#### Fuel supply

##### 1) Biomass raw materials

The large quantities of primary raw materials that are used in power production process, are empty palm bunches, palm fibers, chopped palm trees, residues from waste, and agricultural residues. It is a significant advantage for the Group to access the main sources of raw materials because TCHG, a major shareholder, owns the fuel source. At the same time, the Company has conducted a survey of fuel reserves in the transportation radius around the plants to see whether the quantity is adequate for the operation of all three (3) power plants. Since the beginning of the project survey to reduce the risk of raw material shortage, the Company has issued a biomass raw material procurement policy aligning with the harvest season of that biomass crops, as well as to monitor the changes

in the raw materials prices. Moreover, there is a long-term purchase contract with Thachang Palm Oil Industry Company Limited “TCP” and announcements to purchase from small farmers. It also includes preparing the written criteria for purchasing biomass raw materials as well. Furthermore, the power plant area has a large fuel storage facility and a wide open courtyard to collect large amounts of fuel for backup. Moreover, the Company has invested in various machinery and technology to produce electricity from biomass fuel. All of actions are to build confidence towards the sufficient and continuous fuel supply at a low cost. As a result, the Group has grown in revenue and profits continuously.

### Examples of biomass raw materials used by the Group in biomass power plant projects



#### 2) Municipal solid waste raw materials

Municipal solid waste is another primary raw material used in the power generation process. The Company has surveyed the amount of municipal solid waste in each cluster and entered into contracts for providing a disposal service of municipal solid waste with municipalities, Sub-district Administrative Organizations, and Provincial Administrative Organization, including local markets, large private companies, and industrial plants in nearby areas to effectively manage waste disposal systematically to prepare for further development as a municipal solid waste power plant project working for investment. The solid waste disposal service fee is determined at a fixed cost as agreed in the contract in each area, which is a long-term contract of 20 – 25 years.

The Company has invested in high-technology production machinery that can handle various types of solid waste using direct combustion technology without any process of sorting and compressing solid waste into Refuse Derived Fuel or RDF to generate power.

#### 3) Raw water

The power generation process requires using raw water to make demineralized water to produce steam for passing through the generator or to reduce the temperature of machinery and equipment in power plants for biomass power plant projects. The Group has assessed the water consumption of each plant according to the production plan. More than 200,000 cubic meters of rainwater are collected within the projects, and it has a long-term raw water purchase agreement with TCP in Thachang Industrial Group. In the past, the Group did not encounter any problem of shortage of raw water for use in the municipal waste power plant projects. The Group will build raw water storage ponds in the area with sufficient capacity to meet the water demand of each project throughout the year in order not to affect the water sources of communities surrounding the power plant.

#### Material inventory management

The Company has advantages in managing transportation, conveying, and storing fuel materials of biomass power plants. Since the project area is located in the same area as the Group “Tha Chang Industrial Group” with businesses that facilitate each other.

The Company has established rules for storing raw materials, fuel acceptance, measure moisture and heat before use. Arrange for personnel to handle the raw material pile within 24 hours. Install warning signs prohibiting using materials that may cause a fire, no smoking, and area warning signs for relevant individuals, by focusing on the area's safety and controlling the moisture standard before bringing it to the incinerator to control the combustion efficiency and reduce the amount of pollution.

The heavy ashes will be transported by truck, and light ashes will be kept in storage entirely, including spraying water periodically. All three (3) projects have palm trees planted around the factory area, material storage, office buildings, staff housing, and raw water storage ponds to block the wind and reduce the spread of dust.

Ensure to arrange the complete covers on the top, side, and rear while conveying fuel, ashes, and sewages in and out of the areas, and limit the speed. After storing at the warehouse, the contractors must have a request from the Department of Industrial Works to bring unused waste out of the area for disposal.

## Process of power generation

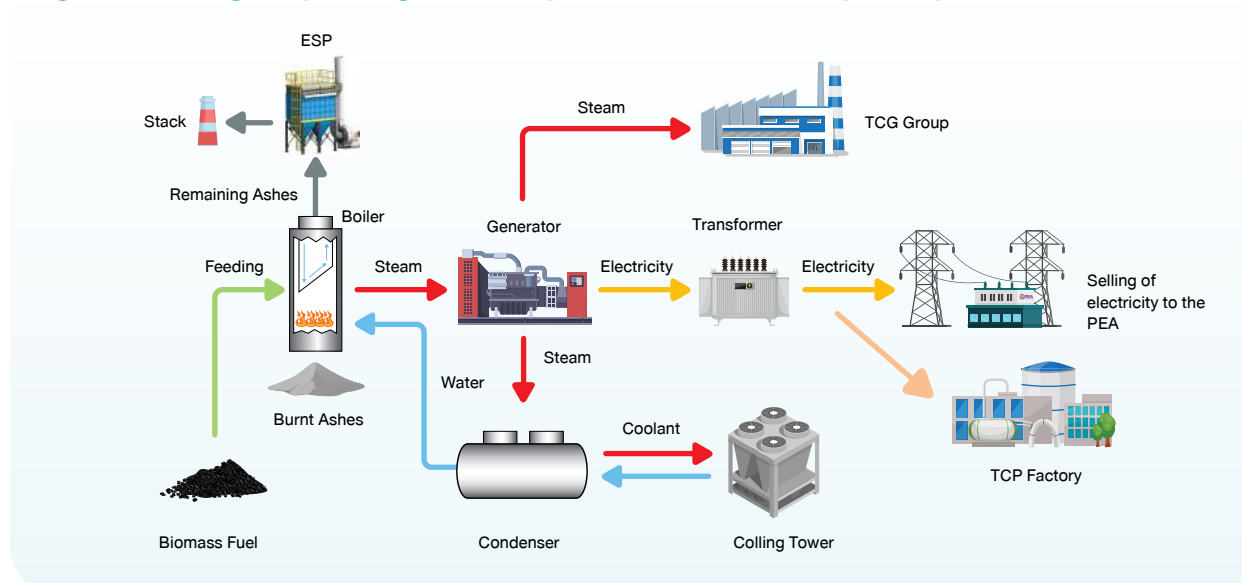
### 1) Biomass power plant

The power generation process of a biomass power plant starts with procuring biomass raw materials that will be the fuel for combustion, which are the abundant agricultural wastes nearby the plant—for example, empty palm bunches, roots, palm trees, and other energy crops. Then,

the process starts with mixing the biomass raw materials that will be used as fuel to have the appropriate moisture or heating value before sending them out of the fuel storage warehouse through the conveyor to the combustion chamber. The heated gas from the combustion chamber will be sent to the boiler to demineralize water in the steam boiler, which will turn into superheated steam. This superheated steam will be sent to spin the steam turbine generator to generate electricity. The residual steam from the production will be sent to the condenser to be converted back into clean water for further circulation in the boiler. The gas generated from combustion and heat exchange with demineralized water will be collected and sent to the air cleaning and dust filtration systems before being released into the atmosphere. Finally, the heavy ash generated from the combustion process of biomass raw materials in the combustion chamber will be transported to a landfill for further processing.

All three (3) biomass power plant projects of the Group are equipped with high-efficiency combustion chambers that can simultaneously burn several types of biomass raw materials that are used as fuel. It also includes being able to efficiently burn biomass raw materials with a moisture content of up to 40-60% and can burn up to 100% of palm bunches without the need to mix other fuels or biomass raw materials. As a result, the Group's biomass power plant projects are more flexible in fuel management than general biomass power plants and help the Group to manage raw material costs more efficiently.

## Diagram showing the power generation process of a biomass power plant.



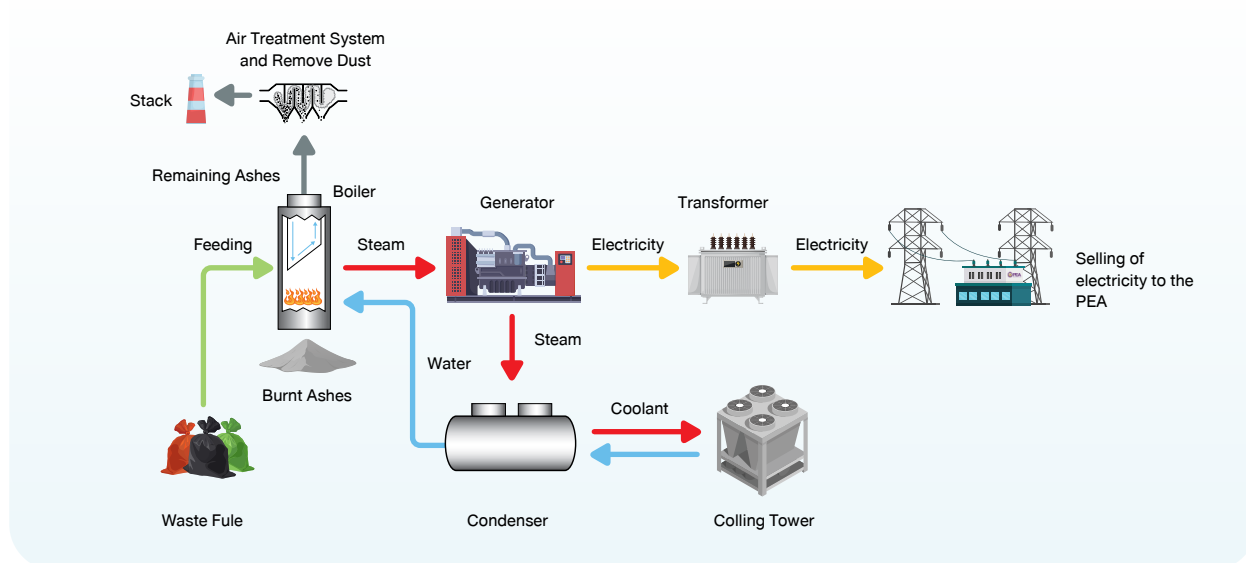
## 2) Municipal solid waste power plant

The power generation process of a municipal solid waste power plant starts with transferring the solid waste from the nearby municipalities or private contractors' waste transfer station to the closed waste storage bunker. And let the solid waste accumulate in the storage bunker for 3 -7 days to reduce the waste's humidity and increase the overall heat value before sending them into the combustion chamber with a temperature higher than 1,000 degrees Celsius. Next, the heated gas from the combustion chamber will be sent to the boiler to demineralize water in the steam boiler, which will turn into superheated steam. This superheated steam will be sent to spin the steam turbine generator to generate power. The residual steam from the production will be sent to the condenser to be converted back into clean water for further circulation in the boiler. The gas generated from combustion and heat exchange with

demineralized water will be collected and sent to the air cleaning and dust filtration systems before being released into the atmosphere. In addition, the water from the waste collection process in the clarifier will be taken through the water treatment process to become clean water and be reused in the power plant. Finally, the bottom ash generated from the combustion process of municipal solid waste in the combustion chamber will be transported to a landfill for further disposal.

The Company's municipal solid waste power plant projects use a direct incineration process to incinerate municipal solid waste without a process of sorting and compressing the waste into refuse-derived fuel (RDF). This technology reduces the number of steps and employees required to sort waste and reduces the risk of mistakes in waste sorting, that may cause damage to the power generation process.

### Diagram showing the power generation process of a municipal solid waste power plant.



## 4. Price determination of electricity supply

The Company determines the selling price of power based on the resolution of the Energy Policy Executive Committee Meeting No. 12/2021 on November 1, 2021, classified by types of power purchasers as follows:

1. If the state is the purchaser, for example, PEA, it will be determined according to the electricity tariff calculation structure set by the Energy Regulatory Commission (ERC), which will vary according to the type of power plant project specified in the power purchase agreement. If the Group bids or is open for bidding by analyzing various factors related and possibly cost to assess the project's feasibility before entering the competition.





2. In the case of selling to other private entities, the Company will refer to the electricity tariff or determine a discount from the electricity tariff of the PEA, depending on the case. Currently, the Group sells power to only two (2) private customers, "TCP" and "TCR", which are companies under the TCGH, major common shareholders (*Details are available in Section 9, "Internal Control and Related Transactions"*).

In this regard, the power purchase rate for biomass and municipal solid waste power plant projects sold to PEA will be in the form of a Feed-in Tariff ("FIT") announced by the ERC. The determination of the FIT rate is based on the usual cost of electricity generation and the reasonable profit margin that the power producers expect to receive, which may vary according to the type of renewable energy or fuel. The components of the FIT power purchase rate consist of three (3) parts:

1. The FIT fixed: FiTF rate is 2.39 baht per unit, calculated from the power plant construction cost, lifetime operation, and maintenance costs, which will remain constant throughout the project's life.
2. The FIT variable: FiTV rate is at 2.69 baht per unit derived from the cost of raw materials used in electricity generation, which changes over time and will increase in line with the core inflation rate every year.
3. The FIT Premium rate is in addition to the regular FiT rate to create investment incentives for projects under government policies. It applies to certain types of power plants, such as waste, biomass, and biogas, or projects in the southern border provinces with a rate of 0.70 baht per unit (for eight years from the COD date). Details are as shown in the table below:

Name / Type	Total FIT (baht/unit)			FIT Premium (baht/unit)	Present total FIT (baht/unit)
	FIT	FIT/ v.2565 <sup>/1</sup>	FIT	Biomass power group (8 years from COD)	
Biomass power plants					
TGE	2.39	1.8931	4.2831	0.30	4.2831
TPG	2.39	1.8931	4.2831	0.30	4.5831
TBP	2.39	1.8931	4.2831	0.30	4.5831
Community waste power plants (under development)					
Group of TES	2.39	2.69	5.08	0.70 (depending on the projects)	5.78

The Company sets the selling price of steam and R.O. water, by-products from the power production produced for the companies under the TCGH, with the selling price at cost plus management fees according to the Company's policy.

## 5. Distribution

The Company produces power for sale to government agencies that are the major purchaser. The power is distributed to government agencies, such as PEA, and it must go through various processes and procedures according to relevant regulations and methods to obtain the power purchase agreement (PPA). It can be by bidding for eligibility to sell or submitting a proposal to be selected as an administrator or a co-investor in power plant projects under the various procedures of relevant agencies according to the nature and type of power plant projects. It has a policy for existing or newly established subsidiaries to participate in acquiring rights or contracts to sell power as appropriate.

## 6. Supervision and monitoring of the production and operation of the Company's power plant projects

The Company will closely manage all subsidiaries with control measures, production supervision, and administration by considering various critical information reports to solve problems and follow up promptly and systematically. For example, daily reports on the daily amount of power generated, fuel consumption in production process, fuel trading data, and important events that affect the operation.

## 7. Power plant maintenance process

The Company has over seven (7) years of experience operating biomass power plants. The Group performs all maintenance through a team of experienced engineers and technicians. Including having the policy to control the annual operation and maintenance plan to ensure that the Company's power plant projects can operate the machine continuously and efficiently. The Group's power plant maintenance plan can be summarized as follows:

Annual Maintenance Plan	Process / Work Duration
Annual Maintenance Schedule	<b>Process:</b> maintenance of the entire system according to the power plant maintenance standards, including the combustion chamber's fuel conveying system, ash conveying system, Water heating system into the boiler (Economizer), ID Fan & Primary Fan, and various valve systems. It also includes calibration instrument adjustment. <b>Duration:</b> Approximately 18 working days (approximately 432 hours)
Minor Maintenance (every 2 years)	<b>Process:</b> maintenance of the steam turbine system <b>Duration:</b> Approximately 5 working days (approximately 120 hours)
Major Maintenance (every 5 years)	<b>Process:</b> maintenance and replacement of parts used in the steam turbine system, the air preheater system, and the cooling system. <b>Duration:</b> approximately 7 working days (approximately 168 hours). )

## 8. Environmental impact management

### 8.1 Management guidelines

All of the Group's power plant projects have prepared reports on measures for corrective and preventive environmental impact and safety (ESA) and Code of Practice: CoP from the start of project development until the commercial operation date. Furthermore, it hired an external company to inspect the environmental quality in the power plant areas and surrounding communities as required by law. Therefore, the Company has measures to correct and prevent environmental impacts and monitor the environment's quality as well as applying

them as the practice for employees and related parties to follow, along with a safety manual for the use of equipment, machines, and the environment in the factory. In addition, it also includes providing the training on occupational safety, health, and working environment for employees.

It is also strict on pollution prevention and control to reduce the environmental impact by issuing measures to control the impact under the announcement of the Ministry of Natural Resources and Environment as follows:



Quality control measures	Corrective and preventive plan
<b>Water resource management</b>	<ul style="list-style-type: none"> <li>To collect wastewater from office buildings and staff houses into prefabricated wastewater treatment tanks before draining them into a sewage clarifier to water the project's green areas with zero discharge.</li> <li>Collect and treat water from the production system at the neutralization tank before accumulating with the effluent from other parts.</li> <li>To provide water/oil separator tanks to accommodate rainwater that may be contaminated for treatment before discharging the clear upper water into the rainwater gutter (if any).</li> <li>To provide personnel with knowledge and ability to control and manage the project's wastewater.</li> <li>Wastewater from the project's production process, consisting of sewage from boilers, water from cooling towers, and water from the water quality improvement system, will be collected into the project's wastewater holding pond. If the pond cannot store much rainwater, the project will adjust the water quality to meet the law before discharging the water to the public water source.</li> </ul>
<b>Air quality control and management of dust, mist, soot, and ash emissions</b>	<ul style="list-style-type: none"> <li>Controlling the emission rate from the chimney of the steam generator so that the concentration of TSP, SO<sub>2</sub>, and NO<sub>2</sub> does not exceed the specified standards.</li> <li>To provide multi-cyclone dust collectors and electrostatic precipitator systems before venting out of the chimneys.</li> <li>To provide a preventive maintenance program for air pollution control machinery and equipment within the combustion chamber according to the period of use.</li> <li>To prepare enough equipment and spare parts for the air pollution treatment system to support when they fail.</li> <li>To provide covers to prevent dust diffusion from fuel or waste transportation, especially ashes.</li> <li>There is a clear action plan when the pollution value is higher than the control value of the project, such as urgently stopping the machine for repairs.</li> </ul>
<b>Noise pollution control</b>	<ul style="list-style-type: none"> <li>To determine the areas with a noise level exceeding 85 decibels that must wear the noise reduction device and set up the warning sign.</li> <li>To provide adequate personal sound protective kits, such as earmuffs and earplugs, to workers in areas with a loud noise.</li> <li>To arrange for employees to work in air-controlled rooms to avoid direct exposure to noise.</li> <li>To determine operational guidelines to improve operations and reduce noise levels from sources, such as regular measurements and maintenance of noise-producing machinery.</li> <li>To arrange for the construction of noise barriers by using concrete fences and planting trees around the power plants after they begin to sell power to the PEA system.</li> </ul>
<b>Odor pollution</b>	<ul style="list-style-type: none"> <li>To design a closed community solid waste storage system for the power plant.</li> <li>Installing the exhaust fans above the waste pits and hoppers reduces the spread of odors.</li> <li>To reduce leachate leakage from trucks, and must clean the floors immediately when it spills.</li> <li>Biomass power plants</li> </ul>

Quality control measures	Corrective and preventive plan
<b>Waste disposal from the production process</b>	<ul style="list-style-type: none"> <li>All types of waste shall be collected and separated in appropriate containers before the Department of Industrial Works' authorized agency dispose of them by the proper methods. For example, lubricant from machine maintenance or request permission to bring waste from combustion outside the project, such as heavy ash and fly ash.</li> </ul>
<b>Electrical safety in the plant</b>	<ul style="list-style-type: none"> <li>To prepare a 6-month plan for the Preventive Maintenance Program for the electrical system of the equipment and machinery to function safely and at total efficiency during the service life according to the manufacturer's specifications that meet technical, engineering, and safety standards.</li> </ul>
<b>Fire safety</b>	<ul style="list-style-type: none"> <li>There is a monthly plan to check the operation of the fire protection system, including fire extinguishers, fire pump systems, and pressure-controlled pump cabinets. Including setup the stairs, emergency exits, signs, escape routes, and warning signs, as well as fire prevention measures and fire suppressions inside and outside the buildings, such as organizing a training course on fire drills, checking equipment regularly, and annual fire evacuation drills.</li> </ul>

The Energy Regulatory Commission, Environmental Policy and Planning Committee, Ministry of Natural Resources and Environment, and Department of Industrial Works, Ministry of Industry supervise the Group's environmental management. The air quality standards must comply with the National Environment Board's Announcement No. 24 (2004) regarding air quality standards in the general atmosphere and the standard criteria of the Ministry of Industry's announcement regarding determining the number of contaminants in the air emitted from the factory, 2006.

## 8.2 Environmental performance

Until December 31, 2022, the Group has no any environmental disputes, whether it is a biomass power plant project or a municipal waste power plant project under development.

The Group of companies has implemented safety, occupational health, and working environment as specified by the authorities and prepared an environmental audit report according to the Code of Practice (COP) following the Energy Regulatory

Commission (ERC) requirements in power plant operation and submitted reports regarding air pollution according to the Department of Industrial Works requirements within the specified period.

## 1.4 Issuance of other securities

- None -

## 1.5 Dividend payment policy

The Group has the policy to pay dividends to shareholders of the Company and its subsidiaries at a minimum of 30 percent of net profits after deducting corporate income taxes, legal reserve allocation, and obligations under the terms of the loan agreement considering from the Company's separate financial statements. However, the Company may consider paying dividends differently from the policy mentioned above depending on business performance, financial status, financial liquidity, and the necessity of using money to manage the business and business expansion, including the economic conditions. The dividend payment shall be approved by the Company and its subsidiaries' Board of Directors and the Shareholders' Meetings.





## 2. Risk Management

### 2.1 Policy and plan for risk management and investment

Board of Directors has been established a to cover the TGE operations and its subsidiaries. In this regard, a risk management and investment manual has been prepared as a work practice according to the principles of risk management under the COSO standard, which consists of eight (8) elements as follows:

1. Internal Environment
2. Objective Environment
3. Event Identification
4. Risk Assessment
5. Risk Responses
6. Control Activities
7. Information & Communication
8. Monitoring

A risk management and investment structure has been established consisting of the following details:

1. **Board of Directors** – Able to understand the risks that may cause serious impacts towards the Company, as well as being ready to support, promote, supervise risk management, and approve the policy. It also includes providing actions to ensure that the Company and its subsidiaries have implemented and managed risks that may cause severe impacts adequately and appropriately.
2. **Audit Committee** – Responsible for verifying the internal control system to ensure that the Company and its subsidiaries have adequately and appropriately managed the enterprise risks.
3. **Risk Management Committee** – Responsible for supervising and monitoring risk management independently, as well as communicating with the Management Committee to handle the critical risks connected to internal controls and audits.
4. **Management Committee** – Responsible for considering and approving the risk management policy and presenting it to the Board of Directors for approval. It also includes considering the approval of the risk management framework and

management plan, as well as monitoring the development of the risk management framework, and risk identification and assessment processes. It also includes communicating and coordinating with the audit committee on important risk matters, and reporting it to the Board of Directors.

5. **Risk Management Working Group** – Responsible for preparing and reviewing the Company's risk management policy and regulations in line with the changing situations, then presenting it to the Management Committee for approval. In addition, it also includes monitoring the Company's significant risks in order to report it in the Management Committee's meeting for acknowledgment and to ensure that the Company has formulated an adequate risk management plan. Along with supporting, promoting, and implementing the risk management policy to ensure that risk management processes are implemented throughout the Company. It also includes monitoring the development of the risk management framework, risk identification, and assessment process as well.
6. **Persons in charge of risk management at department level** – Responsible for arranging a framework, plan, and process for risk management at department level and presenting them to the Chief Executive Officer, Board of Directors, and Risk Management and Investment Committee for approval. It requires to be ready to support and monitor the risk management of the departments under their responsibilities, as well as to promote and motivate employees to realize the importance of risk management until it becomes one of the TGE Corporate Culture.
7. **Supervisors and employees** – Responsible for identifying, measuring, controlling, and monitoring the risks and reporting the risks related to operations to the department's responsible person of risk management. In addition, it requires jointly formulating a risk management plan and implement the plan as well.

8. **Internal auditors** – To ensure that the Company has appropriately applied and implemented the risk management system thoroughly and has sufficient internal control appropriate to risk management and internal control system for everyone to effectively comply. It also includes reviewing risk management practices and communicating with executives and auditees to plan risk-oriented audits.
9. **Other related persons** – Responsible for cooperating and complying with the risk management policy, the Company's regulations, including risk management and investment practice.

The Company has established a risk management policy as a guideline and framework for operating all departments within the Group of companies. Details are as follows:

**Objectives of the Company's risk management are summarized as follows:**

- To implement the risk management system for execution in the same direction as an entire organization and define risk management as part of decision-making in formulating strategies, plans, and operations in various areas of the organization.
- To determine guidelines for managing remaining risks to an appetite level by considering measures to effectively reduce the chance and the impact of potential risks in order to achieve the operational goals at department level.
- To enable directors, executives, risk management working groups, and employees to receive essential risk information, including the trend of risk and overall risk to support decision-making and effective risk governance.

## 2.2 Risk factors towards the TGE business operations

### 2.2.1 Risks towards the current TGE business operations

In 2022, at the Board of Director Meeting No. 7/2022, held on November 14, 2022, the risk management policy and guidelines were reviewed, resulting in the Group to adjust the risk levels. Details are summarized as follows:

#### (1) Risk of reliance on major customers

As known, the Group is a very small power producer (VSPP). As of December 31, 2022, the Group operated three (3) biomass power plant projects under the supervision of the Company and its subsidiaries. The power was sold to the PEA, a party that entered into the long-term power purchase agreement with the Group, by offering a total of 20.3 megawatts. Moreover, it also included 6 megawatts of power that were offered to the PEA under a short-term contract (with the total installed capacity of 29.7 megawatts). According to the financial statements of 2021 and 2022, the Group generated revenue from sale of power to the PEA at 690.3 and 753.89 million baht, respectively, representing 88% and 80% of the revenue from all power sales. Therefore, the Group considered it as a risk of relying on the PEA, an only major customer.

In the case that the PEA is unable pay the Group in full by the due date specified in the power purchase agreement, or if it incurs the event of non-compliance with the terms or obligations in such contract, it is considered the Company's risk. So, both events are regarded to a significant impact towards the operations and performance of the Group.

Therefore, to analyze and assess large customers' qualifications and financial history before making investment decisions are the Company's risk management approach. Moreover, the Group found that the PEA is the only government agency that controls the wholesale power distribution system outside Bangkok and its vicinity of the country, considered the largest power purchaser in Thailand. On top of that, the PEA also purchases power produced by the private sector according to the Power Development Plan (PDP) set by the government. In the recent years, the PEA had no any troubles in the bill's payments according to the PPA. In addition, the power purchase agreement with PEA is a long-term contract of over ten (10) years, enabling the Group to estimate revenue throughout the contract period and to plan additional actions in case the contract is nearing expiration as well.



## (2) Risk from uncertainty in acquiring the right to develop power plant projects in the future

Acquiring the right to develop all power plant projects is related to the bidding round according to the government's policy and administration, operation history, technical and engineering features, and availability of funds and assets. In addition, it may consider the bidders' price conditions as well (Price Competitive Bidding).

According to the government's policy and administration, the bidding round depends on the consideration made by the Energy Regulatory Commission (ERC), the Electricity Generating Authority of Thailand (EGAT), and other relevant government agencies. However, the exact time and the amount of power purchased for each round are unpredictable. Moreover, for the price condition, other developers may have access to lower-cost funding sources or be able to accept more risks in project operations. Therefore, it will result in the Group not to have the right to develop future power plant projects, which may significantly affect the business growth.

The Company's risk management guidelines are summarized as follows:

1. The Company has studied and monitored the situation of the Thailand Power Development Plan 2018 – 2037, Revision 1 (PDP2018 Rev.1), and the Alternative Energy Development Plan 2018 – 2037 (AEDP 2018) and found that the government still supported power generation from renewable energy considered an alternative energy to replace fossil fuels. Furthermore, the government has set the policy to increase the proportion of power generation from renewable energy even more, resulting in the TGE to have strong confidence. Therefore, the Group has prepared to participate in bidding to acquire the right to develop new power plant projects, especially the waste-to-energy power plant project. Currently, the Local Administration Organization of Thailand has selected three (3) projects of the Group, which are waiting for the relevant authorities to announce the purchase of power and to enter into power purchase

agreements. Additionally, two (2) projects have passed the bidding, and another two (2) projects are in the process of bidding preparation with local authorities as well.

2. In this regard, the Company has prepared to build expertise and experience in operating the business of power generating and distributing of the Group, especially biomass power plant projects, to support the development plan of waste-to-energy power plants in the future. Additionally, the Company has studied project feasibility to evaluate the returns and potential risks that may arise from investment before bidding for every project in order to ensure that the investment will generate appropriate returns for the best interests of shareholders. On top of that, it requires increasing alternative funding sources to improve the Group's competitiveness in the future.

## (3) Risk of malfunction or interruption of machinery according to the maintenance plan or unplan

The performance of the Group's power plant business depends on the number of operating hours of the machines to generate power. If a machine malfunctions or has to be stopped, whether it is according to the maintenance plan or unplan (unplanned maintenance), it will directly affect the power generation process. If there is a malfunction or interruption of the machine for a more extended period, the Company will be more vulnerable and affected by such events.

The TGE risk management guidelines are summarized as follows:

1. The Company has set a plan for the annual maintenance of biomass power plants. There is a detailed inspection of all machinery involved in the power generation process for approximately 18 days, a plan for minor maintenance every two (2) years for about five (5) days, and a plan for major maintenance every five (5) years for seven (7) days.
2. The Company has assigned personnel in the production line to monitor the active machine's condition on a regular basis. And if there is a problem or defect, immediately notify the relevant factory department to fix the problem.

3. The Company has set an operational goal to avoid emergency and unplanned machinery stops throughout the year.
4. Suppose there is an unexpected event that requires halting the machine. In that case, the Group has technician and engineer teams at each power plant on standby to inspect and fix preliminary problems and liaise with external experts to solve the problem as soon as possible to make the interruption as short as possible.
5. The Company has set for all power plants in the Group to have the same production technology to make it possible to apply backup power plant equipment to resolve outages immediately.
6. The Company has insured business interruption insurance for all three (3) operating biomass power plant projects to cover additional expenses from damage to business interruption and loss of revenue from the inability to produce and sell power.

#### (4) Risk in raw materials

The Group's business consists of producing and distributing power from biomass and municipal solid waste fuel, which uses a large amount of primary raw materials for power generation. The biomass raw materials are empty palm bunches and palm fibers, the by-products from the extraction and processing of palm oil. Other raw materials are agricultural waste, such as wood chips, chopped roots, and municipal solid waste collected from the clusters.

As a result, it requires supplying adequate raw materials for power generation poses a significant risk. In addition, the seasonal factors of harvesting crops affect the price fluctuations of biomass raw materials that differ from municipal solid waste. This results in the Group to have more problems in raw material supply with price fluctuations, while the price of waste disposal service is fixed according to the pricing criteria set by local authorities. In this regard, both types of raw materials require to be collected in the open yard, it may cause heat and unexpected circumstances.

So, it is necessary to control the humidity that affects the calorific value of the raw materials regarding the quality of the raw materials, which has become a

significant raw material risk for the Company.

The TGE risk management guidelines are summarized as follows:

1. The Company surveyed the types and quantities of raw materials available in the nearby areas to ensure that they are sufficient and suitable for use in the newly established biomass power plants of the Group.
2. The Company has channels to source raw materials from major operators in the area to enter into long-term contracts for purchasing additional raw materials.
3. The Company has set a production plan and estimated monthly usage of biomass raw materials in order to plan for the purchase and storage for a year and prepared a facility for biomass fuel storage to support continual power production for a maximum of 180 days.
4. The Company has set a policy to procure biomass raw materials in line with the harvest season of that biomass crops by monitoring the changes in the price of biomass raw materials on a regular basis.
5. To ensure sufficient raw materials for power production, the Company surveyed and has entered into a contract for providing solid waste disposal service to the Municipality, Subdistrict Administrative Organization, and Local Government Organizations that are cluster groups, including large private companies, local markets, and industrial factories nearby that requires service of solid waste disposal.
6. The Company has chosen high-technology machines for production process that can support many types of biomass raw materials and is designed to support combustion systems that can handle biomass fuels with high moisture content and low calorific value.
7. The Company has jointly researched with leading educational institutions in developing and improving the biomass fuel combustion process for empty palm bunch to be more efficient. In addition, it enhances efficiency in using biomass raw materials and reduces the risk of shortages including price fluctuations of the primary raw materials used for power generation.





8. The Company has entered into a solid waste disposal contract with the Municipality, Subdistrict Administrative Organization, Local Government Organizations, and large private companies by setting a fixed price for waste disposal service covering the period of power distribution, resulting in the Group to have no raw material costs.
9. The Company has established written criteria for the quality of biomass raw materials purchased. The fuel acceptance process includes testing moisture value per the criteria set by the Group. It requires a routine work to check biomass raw materials' quality, moisture, and heat values before use.
10. The Company has set a raw material disbursement policy using raw materials purchased first (first in, first out). It also includes controlling the purchase of raw materials according to usage. If a pile of raw materials is left over for more than six (6) months, it must be reversed to reduce heat accumulation.
11. The Company assigns staff to handle the biomass material pile 24 hours daily.
12. If the weather is too hot for more than three (3) days, the Company requires the staff to spray water on the pile of raw materials to reduce heat accumulation. In addition, it requires organizing fire extinguishing system testing every seven (7) days to ensure preparedness.
13. The Company has arranged trainings for fire prevention and extinguishing drills from agencies certified by the Department of Labor Protection and Welfare according to the work plan and as required by law.
14. The Company provides fire prevention and suppression systems for firefighting equipment, storage of flammable materials, lightning protection, installation of a fire alarm system, and arranging fire escape routes. Furthermore, it requires regularly checking the kits on a monthly basis to ensure their readiness for use in an emergency.
15. The Company has arranged for an organization to store fuel and put a no-smoking sign in the flammable raw material storage area.
16. The Company has arranged monthly inspections of the fire pump system by the staff and annually by an external agency.



#### (5) Risk of project development delays

Since the TGE's business is specialized, there is a chance that there may be delays in the development of power plant projects for several reasons, including 1) delay in the licensing process of government agencies; 2) delay in the preparation of environmental impact assessment reports; and 3) delay in construction, procurement, and installation of equipment and machinery, which may affect operations and financial status of the Company in the future significantly.

The TGE's risk management guidelines are summarized as follows;

1. Before developing a new power plant project, the Company provides knowledge and understanding to the communities surrounding the power plant and applies for relevant permits so that it can carry out the preparation of environmental impact assessment reports within the specified time frame.
2. The Company has selected contractors who will perform the construction, procurement, and installation of equipment and machinery with credibility, expertise, and work experience related to the project.

#### (6) Risk of public opposition to environmental impact

Due to the nature of business operations of the Group, there are municipal solid waste power plants selected by the Local Government Organization ("DLA") or waiting for the Energy Regulatory Commission ("ERC") to announce the power purchase and to enter into a power purchase agreement. Therefore, there may be a risk of opposing opinions from the locals in the project area or complaints to government agencies. As a result, the Group has to extend the project development period or adjust the operational plan to mitigate the impact. Additionally, it may result in higher expenses for the Group and affect the operations.

The TGE's risk management guidelines are summarized as follows;

1. The Company has provided standardized and efficient municipal solid waste management, including to comply with relevant regulations in all aspects and to prepare environmental impact

assessment reports as a guideline for operating and reducing environmental problems.

2. The Company has organized activities to educate the community about waste-to-fuel power plants and activities for local communities to visit the Group's power plants, as well as to hold meetings with community representatives to listen to their opinions that may arise from the operation regularly throughout the project period. Plus, it requires allocating public relations budgets for engaging in communities' development in the area where the Group operates.

#### (7) Risk of non-compliance with the requirements or remedy or renew the necessary licenses to operate the business on time

In generating and distributing power from biomass fuels, the Group must apply for licenses and comply with various measures aligning with the laws required by many government agencies. For example, a 1-year factory license (Ror. Ngor.4), a 10-year electricity generation license, and a 5-year license to operate power distribution and distribution systems. However, if the Group is unable to comply with the specified measures or change in the law, it may affect the acquisition of necessary licenses by the Group in the future.

The TGE's risk management guidelines are summarized as follows;

1. The Company assigns the secretary to keep track of changes in laws and regulations related to business operations, as well as monitoring operations under the terms and conditions of the license, and regularly renewing various permits. In addition, it requires appointing a secretary to monitor, control, and supervise the Group to comply with government contracts and the law at every step throughout the contract period.

#### (8) Risk of reliance on funding sources from financial institutions (FI)

The primary source of funds for the investment in the development of biomass power plant projects of the Group is loans from financial institutions. The financial



institutions will provide credit for the Company to use as working capital for the operation, including loans in the form of project finance in the proportion of 70 -75 percent of the total project investment. This practice is considered to be highly reliant on external funding sources, which may result in the Company obligated to repay loans and interest as specified by banks. It also includes the risk in maintaining the financial status according to the conditions or requirements established by those financial institutions, for example, dividend payments, shareholding control, and actions on various matters. Therefore, if the performance of the power plant projects is negatively affected by any circumstance significantly, the Group may be at risk of being unable to repay its debts or unable to comply with the conditions specified by the financial institutions resulting in the Group to repay some of its loans or all immediately, in which it may affect liquidity and ability to conduct business.

The TGE's risk management guidelines are summarized as follows;

1. The Company has defined prudent and concise financial management and planning and paid attention to repaying entirely and on time.
2. The Company has set the policy to focus on managing power plants to produce power continually and at total capacity to ensure that the Group has sufficient cash flow to repay loans and complies with other conditions specified by the bank.

#### (9) Risk of being unable to maintain financial ratios as specified by financial institutions (FI)

Project loan agreements of the Group with various financial institutions have entered into a condition requiring the Group, as a power plant project developer, to maintain a debt-to-equity ratio and debt service coverage ratio according to the requirements set by financial institutions. If the Group is unable to maintain financial ratios according to the terms of the loan agreements, there may be a risk of being recalled for all loans. It also includes the loss of the right to withdraw the remaining loans that will affect the liquidity and ability of the Company's business operations.

The TGE's risk management guidelines are summarized as follows;

1. The Company has set the policy to monitor and control the operations and financial status on a quarterly basis to ensure that it can maintain various financial ratios as specified by financial institutions.
2. The Company has established a suitable capital structure and followed the conditions for requesting project credit from the FI to operate each power plant project. In addition, the nature of the Group's business is required to have consistent, stable, and continual income and profits.
3. The Company also analyzes and reports its operating results and financial status on a quarterly basis to ensure that it will maintain various financial ratios as specified. However, if projecting that the financial ratios in any year will not be as defined in the contract, the Company will request a waiver with the relevant banks to maintain financial ratios as soon as possible.

#### (11) Risk of interest rate fluctuation

As of December 31, 2022, the Group has a total interest-bearing debt of 1,042.24 million baht, all floating interest-bearing liabilities. The fixed interest-bearing liabilities consist of loans from related parties. For floating interest-bearing debt, it consists of long-term loans from the FI to support the development of the three (3) biomass power plants. All floating interest-bearing debts are loans from the FI, and the interest rates are referenced to the MLR and THBFIX interest rates of the lending FI. Therefore, if the reference interest rate increases due to economic conditions or government policies, it will affect the Group to have higher interest expenses, directly reflected in the Group's performance. On the other hand, if the reference interest rates decrease, it will benefit the Group by reducing the cost of finance and positively affecting the Company's performance.

The TGE's risk management guidelines are:

1. The Company has established a policy to manage interest rate risk by assigning the Accounting and Finance Department to monitor interest rate movements, including tracking the government's

financial policy closely so that the Group is able to assess the financial management approach effectively.

### 2.2.2 TGE Emerging risks

Risks that may occur now and in the next 2-5 years were analyzed. They may be both opportunities and negative impacts that affect directly or indirectly on the Company's performance, in which most of the emerging risks are those come from external factors. Details are summarized as follows:

#### (1) Risk from climate change

The climate change has affected most of business worldwide and becomes more apparent from natural disasters and seasonal changes such as seasonal fluctuations, droughts, and floods. So, the impacts arising from climate change is considered one of the factors that increase the risk level in raw materials supply since biomass raw materials are related to agricultural products that depend on the seasons, in which the event of flooding in the southern region may incur. It may result in the factory's machinery to stop its operation as well.

The TGE's risk management guidelines are summarized as follows:

1. The Company has systematically provided a raw material risk management approach and regularly implement its performance monitoring.
2. The Company has established measures to prevent flooding and set up an emergency plan, as well as to implement regular practice for a specified period.

#### (2) Risk of cyber threats

According to work processes of all companies nowadays, it requires relying on technology and information systems as essential tools in driving businesses performance to be progressive and speedy. It also includes adaptation to digital transformation that causes the Company to handle more risks from cyber threats. So, the enterprise risk management in terms of human resources management, work processes development, and IT infrastructure has become an issue needed to be handled in order to

lower the chance of interruption in the use of those essential data in conducting business through online systems. So, the Company has established preventive measures for data's breaches, theft, and destruction, which can affect the operations and service. Such events may be in the forms of attacking data, files, and documents within the target information system through ransomware. It also includes stealing data and causing damage through various malware.

The TGE's risk management guidelines are summarized as follows:

1. The Company has set policies and security measures against cyber threats that are concise to such risk levels. For example, it requires using well-known international standards and copyrighted programs, organizing training for operators to introduce risks that may lead to data leakage, reviewing and revising the technology and information system policy to align with the newly issued law. It also includes implementing to install uninterruptible power supplies in computer equipment, and establishing business continuity management plan in terms of technology and information systems.
2. The Company determines step-by-step access rights for users and admins by setting up a closed system that does not connect to the Internet, conducting a data-backup on a regular basis, and establishing a data link system to the Center Control. For example, it requires not allowing the system to be online to prevent external attacks, implementing to set up a real-time backup during redundancy, as well as configuring data on a monthly basis, and backing up data on a quarterly basis.

### 2.2.3 Investment risks of securities holders

#### (1) The risk that major shareholders may have conflicts of interest

The "Wanasuwankul" family is a major shareholder of the Company through direct and indirect shareholding. They hold 100% of shares in TCG Holdings Company Limited (TCGH), and have invested in PPP Green Complex Company Limited (PPP) of 41% by holding shares through TCGH and sent two (2) directors to





manage the PPP, namely Mr. Pongnarin Wanasuwanakul and Mr. Pongnarate Wanasuwankul, who are also the TGE's directors.

To avoid conflicts of interest in the future, the "Wanasuwankul" family, comprising Mr. Thanakorn Wanasuwankul, Mrs. Penphan Wanasuwankul, Mr. Pongnarin Wanasuwanakul, Mr. Pongnarate Wanasuwankul, Mrs. Phatcharin Lapharokij, Ms. Laongthip Wanasuwannakul, Mrs. Santhira Chantaraseno, and Ms. Thunchanok Wanasuwannakul are required to sign a memorandum of agreement not to engage in competing or similar businesses.

On top of that, the "Wanasuwankul" family has agreed that they will not conduct any businesses or actions that competes with or is similar to the business of the TGE or cause other benefits that may directly and indirectly conflict with the Company's best interests throughout the period of holding the positions of shareholder, director, and executive of TGE. Furthermore, according to the joint venture agreement between the TCGH and the PTG (consisting of PTG Energy Public Company Limited and RD Kasetsattana Company Limited), it has stated that the shareholders' voting on special resolutions shall obtain at least three-fourths of the votes. It also requires providing those special resolutions covering capital increase, capital reduction, mergers and acquisitions, significant purchase and sale transactions, creating critical encumbrances on any assets related to business operations, and investments in important assets or businesses. If PPP needs to commence a business of power generation and distribution for third parties or any businesses that may have conflicts of interest, the "Wanasuwankul" family (a major shareholder through TCGH) shall disapprove such actions at the Board of Directors' Meeting and the Shareholders' Meeting.

## (2) Risk from the major shareholder of more than 50 percent

As of December 31, 2022, the "Wanasuwankul" family was the major shareholder in the Company, holding 1,605.33 shares, represented 72.97 percent of the total shares sold. Therefore, the "Wanasuwankul" family has the power to control and influence almost all decisions of the Company. No matter it is the appointment of

directors or requesting resolutions on other issues that require the majority of the shareholders' meeting, except for matters required by law or the Company's regulations which require a vote of not less than 3 in 4 of shareholders attending the meeting and having the right to vote. Therefore, other shareholders would be at the risk that are unable to collect sufficient votes to examine and balance matters proposed by major shareholders in the Shareholders' Meeting.

The TGE's risk management guidelines are summarized as follows:

1. The Company has established the structure of the Board of Directors, with ten (10) qualified directors, comprising five (5) independent directors, with three (3) independent directors serving as audit committees to inspect and verify the Company's transactions. Furthermore, to avoid future transactions that may cause conflicts of interest for transparency in operations and a balance of voting in considering various matters. Moreover, it helps the Company's administration performing its business appropriately and most effectively.
2. Suppose there is a transaction within the Group that will fall into the category of a connected transaction that requires compliance with significant relevant criteria with the "Wanasuwankul" family, in that case, the Company is required to present such matter to the Board of Directors Meeting for approval before further approval at the shareholders' meeting. However, the directors and shareholders with stakes will not have the right to vote on such matter.
3. In case of a minor or insignificant transaction, such transaction is required to be reviewed and approved by the Audit Committee, and disclosed in the Annual Report (Form 56-1). So, minor shareholders who are interested in the transactions related to the "Wanasuwankul" family, are able to study details of such matters.



## 3. Driving Business for Sustainability

### 3.1 Sustainable Development Policy and Goals

The Group of Companies recognizes the importance of good corporate governance, and has determined one crucial goal that strives for sustainable development. In this regard, the Group has established a policy for sustainable development covering the ESG practice (Environment, Social, and Governance) and being integrated into business operations. This also includes strengthening the corporate structure and management system, with a strong purpose to grow and develop into a stable and sustainable organization any further.

Accordingly, the Group has put the sustainable development concept as a core driving force into the operational process. And it is also integrated into the operational plans in a connecting manner to balance the economy & governance, social, and environmental performance throughout the business value chain, aiming to achieve sustainable development goal that will benefit all stakeholders. Therefore, the Group has established a strategy for sustainable development to create shared-value in the business value chain, along with a strategy for strengthening the corporate competitiveness. This covers three (3) areas: environmental development, social development, and economic development and good governance, namely:

#### Environmental Development Practice

The Group aims to operate an environmentally-friendly business that significantly concerns the environmental impact. Therefore, the Company pays attention to operations according to the following guidelines:

1. To optimize resources consumption and seek ways to reduce resource and energy consumption, as well as to prevent pollution and reduce greenhouse gas emissions, aiming to decrease the impacts arising from activities within the business value chain that cause an effect towards the environment, community, and society.
2. To apply machinery and production processes that produce the least waste by setting standards according to legal requirements and seeking new ways to enhance management efficiency and

better control environmental quality according to international standards.

3. To focus on conducting business by emphasizing energy conservation and environmental responsibility to create added-value and sustainability for all stakeholders. This also aims to raise awareness of the preservation of environmental resources by applying various innovations that use resources efficiently, and meet international standards to achieve sustainability development goal of the Company.

#### Social Development Practice

The Group aims to create stability for society and communities by developing skills and competence of employees to produce quality personnel for society. This also includes creating jobs and careers, which are able to distribute income to them, striving to further build up a sustainable society under the following guidelines:

1. Concerning the principles of human rights and dignity by taking care of and treating employees and personnel in the community fairly and equally.
2. To care for the health and safety of employees and workers of the Group of companies. It also includes protecting personal data as required by law.
3. To promote the competency development of employee at all levels by providing internal and external training and seminars and having a performing evaluation system that meets criteria as set by the Company. The purpose of this action is to create quality personnel to the community and society, as well as providing the customers with quality products and services according to international standards.
4. To emphasize the importance of community engagement practice, aiming to continually develop it among the Group of companies, communities, and society together.

#### Economic and Governance Development Practice

The Group is committed to improving the production



quality and providing quality services for the best interest towards all relevant stakeholders. This aims to create a standard for efficient renewable energy power plant business under the following guidelines:

1. To conduct business under the principles of good corporate governance and business ethics. This also includes compliance with policies, regulations, announcements, and orders of relevant government agencies and the Company.
2. Adhering to morality and transparency in operating its business, along with complying with laws, regulations, methods, and standards set by regulators and international standards.
3. To keep seeking ways to develop and improve operational efficiency in all work processes by inventing innovation and technology to enable the Group to have the potential as a business leader that grows sustainably together with the community, society, and the country.
4. To encourage and support business development with suppliers and stakeholders throughout the supply chain according to the corporate sustainable development guidelines.
5. To focus on compliance with the principles of business ethics and anti-corruption. It also includes establishing a monitoring process that ensures compliance with policy consistently, aiming to encourage relevant stakeholders to comply.

## Corporate Sustainability Development Goals

### Environmental Development Goals

1. To promote and develop knowledge and competency of employee in the environmental development of the Group.
2. To decrease resources and energy consumption in order to prevent pollution and reduce greenhouse gas emissions of the Group.
3. Reduce waste generation by processing waste for recycling.

### Social Development Goals

1. To develop personal data protection procedures related to business operations of the Group as required by law.
2. To develop business alliances, suppliers, and relevant stakeholders throughout supply chain in term of good corporate governance.
3. To develop good relationships with employees and communities to create wealth, happiness, and good

quality of life. This also includes encouraging youth to have equal opportunity for education, especially vocational training in communities surrounding the power plant projects' areas.

## Economic and Good Governance Development Goals

1. To create knowledge and understanding of good governance principles and business ethics among personnel in the Group.
2. To increase the efficiency of work processes to become a leader in biomass and municipal solid waste power generation. It also includes producing power from other renewable energy sources as well.
3. To develop sustainability programs together with business alliances, suppliers, and all relevant stakeholders throughout supply chain.
4. To engage in the economic development of communities surrounding the power plant projects' areas, aiming them to be sustainably self-reliant.

The Company has developed a sustainable development policy and goals aligned with business direction and corporate strategy. This practice aligns with laws and regulations related to the materiality on sustainability covering 3 dimensions- economic and corporate governance, social, and environmental (ESG). In addition, the Company also has set policies in line with the Sustainable Development Goals: SDGs of the United Nations as well.

In 2022, the Company established a corporate sustainable development framework to drive the corporate ESG performance, targeting a success by 2027. Three (3) strategic frameworks are summarized as follows:

- **Economic strategy:** This strategy regards to the development of mega-trend businesses in response to global changes and government policies (Business Resilience) that consists of material topics as follows:
  - **Corporate Governance:** To create and embed corporate culture to employees in term of the principles of good corporate governance.
  - **Risk Management:** To manage enterprise risk and create business continuity.
  - **Supply Chain Management:** To manage an efficient and effective supply chain throughout the business value chain.

- **Customer and Product Stewardship:** To build customer's confidence and satisfaction towards product and service of the Company.
- **Innovation and Process Excellence:** To select environmentally-friendly technologies and innovations.
- **ESG Compliance:** To ensure ESG Compliance, respect business-related laws, and monitor the work performance throughout the value chain.

- **Environmental strategy:** It includes environmental management excellence in the power generation process. This refers that the Company will appreciatively manage the environment and resource consumption in the supply chain, along with reducing emissions of greenhouse gases and air pollution. This also includes promoting environmental protection in the community and society. This strategy covers material topics as follows:

- **GHG Emission:** To lower GHG emissions from any activities related to business and develop work process that enables the Group to reduce them.
- **Energy Management:** To establish energy management procedure that increases its efficiency in production process and promotes the use of renewable raw materials.
- **Water Management:** To promote efficient water consumption in the organization and production processes.



- **Waste Management:** To reduce waste generated by production processes and promote waste management in the organization according to the 3Rs principle.
- **Biodiversity:** To elevate the quality of the environment and ecosystem to create biodiversity in the community and society surrounding the projects' areas where the Group operates.

- **Social strategy:** This strategy regards to ensure the practice of stakeholder management excellence. It refers to the Company focuses on practice of upskilling and reskilling for employees to create customer satisfaction towards valueable products and services. This also includes employee care in term of the quality of life of and suppliers in term of work process improvement to grow together. The material topics are summarized as follows:

- **Employee Management:** This regards to employee performance excellence.
- **Employee Development:** This regards to employee's competency excellence through trainings of reskills and upskills.
- **Occupational Health and Safety:** This regards to an occupational health and safety at workplace, aiming to become a "Zero Accident Organization".
- **Community Engagement:** This regards to promote good relationship and strong engagement among community and the Group.
- **Human Rights:** This regards to a respect of human rights that requires employees to admit the diversity and coexistence for all sectors with equality.

In 2022, the Company organized a corporate sustainability development training program that emphasized building a fundamental understanding within the organization. It also includes workshop for initiating sustainability projects at the executive level. In addition, workshop for employees was also held, with a purpose to understand the reporting criteria for Sustainability projects according to the Global Reporting Initiative (GRI) standards.





## Sustainability Strategy of TGE

### Business Resilience

To develop mega-trend businesses that respond to global changes and government policies

### Environmental Management Excellence

Environmental management excellence in Power Generation

### Stakeholder Management Excellence

Stakeholder management excellence and enhance employees' competencies and skills



## Sustainable Development of TGE

### Corporate Governance

Corporate Governance  
To create and embed a corporate culture to employees in term of good corporate governance principles

### GHG Emission

To reduce emissions of greenhouse gases generated by business operations and develop work process that lowers GHG emission

### Employee Management

Employee management for excellent performance

### Risk Management and Business Continuity Management

To manage enterprise risk to create a business continuity

### Energy Management

To enhance the efficiency of energy consumption in the production process and promote the use of renewable raw materials

### Employee Development

To enhance competency and working skills in human resources

### Supply Chain Management

To efficiently and effectively manage suppliers throughout the business value chain

### Water Management

To promote responsible water consumption in the organization and production process

### Occupational Health and Safety

To create a safe operation with a goal to become a zero accident organization

### Customer and Product Stewardship

To build confidence and satisfaction in delivering the value of products and services

### Waste Management

To reduce waste from the production process and promote waste management in the organization according to the 3Rs principle

### Community Engagement

To promote strong community engagement through all sectors

### Innovation and Process Excellence

To select environmentally-friendly technologies and innovations for production processes excellence and business opportunities

### Biodiversity

To raise the quality of the environment and ecosystem for the community and society surrounding the projects' areas where the Group operates.

### Human Rights

Creating the awareness of diversity and coexistence for all sectors with equality

### ESG Compliance

To comply with laws relevant to the business operations and monitor the performance throughout value chain



### Community Engagement

To promote participation in community and social care activities through all sectors

## 3.2 Managing the impacts towards stakeholders in value chain

### 3.2.1 Value chain

The Company is aware of the importance of the stakeholders' relationship, which is critical towards upstream to downstream activities related to business operations. In this regard, the Company has established guidelines for managing the impacts towards stakeholders in value chain, in order to achieve a corporate sustainable development goal throughout supply chain. There are two (2) main activities: primary and support, summarized as follows;

#### Primary activities

The following five (5) primary activities in value chain of the Company's business are continuously connected so that the Company can deliver the value of products and services to customers.

#### 1. Inbound logistics

- Business development and site selection for power plant establishments.
- Preparation of project proposals to request government agencies' measures to promote the purchase of electricity from renewable energy source.
- Listening and exchanging opinions of communities surrounding the power plant projects' sites.
- Management of power purchase agreements (PPA) and other contracts related to business.
- Preparation for the reports of environmental site assessment (ESA) in the project area.
- Preparation for the code of practice to obtain power generation licenses.
- Treasuring funding sources from financial institutions.
- Applying for project finance.
- Seeking power generation technologies.
- Seeking utilities and facilities.

#### 2. Operations

- Power plant design and construction.
- Planning for the installation and development of power transmission and distribution systems.
- Applying for permission to attach poles for cabling.
- Applying for building permits, building certifications, and power plant business licenses.
- Procurement of raw materials for power generation.
- Commercial Operation Date (COD).
- Power generation transmitted to the PEA's distribution system.
- Promote the responsible raw materials consumption and production process excellence.
- Environmental management and preparation for the code of practice (COP) to obtain electricity generation licenses.
- Occupational health and safety management.
- Machine maintenance.

#### 3. Outbound logistics

- Management of power transmission and distribution systems.
- Maintenance of the power transmission lines for power distribution system.

#### 4. Business development

- To study business opportunities for various forms of renewable energy power plant projects.
- To respond to customer needs and expectations efficiently.

#### 5. Customer services

- To improve the quality of power in terms of both production process and power transmission and distribution systems.
- Managing customer relationships.
- Protecting customer personal data.



## Support activities

The following entities handle the support activities to support operations of the primary activities: accounting management; financial management; procurement of goods, raw materials, and services; human resource management; good corporate governance; risk management and investment; occupational health and safety; information technology system; investor relations; environmental management; and social activities; and internal audit

Value Chain					
Inbound logistics	Operations	Outbound logistics	Business Development	Customer services	Support activities
<ul style="list-style-type: none"> <li>Business development and site selection for power plant establishments.</li> <li>Preparation of project proposals to request government agencies' measures to promote the purchase of electricity from renewable energy.</li> <li>Listening and exchanging opinions of communities surrounding the power plant.</li> <li>Management of power purchase agreements (PPA) and other contracts related to business.</li> <li>Preparation for the reports of environmental site assessment (ESA) in the projects' area.</li> <li>Preparation for the code of practice (COP) for obtaining electricity generation licenses.</li> <li>Treasuring funding sources from financial institutions.</li> <li>Applying for project finance.</li> <li>Seeking power generation technologies.</li> <li>Seeking utilities and facilities.</li> </ul>	<ul style="list-style-type: none"> <li>Power Plant design and construction</li> <li>Planning for the installation and development of power transmission and distribution systems.</li> <li>Applying for permission to install poles for cabling.</li> <li>Applying for building permits, building certifications, and power plant business licenses.</li> <li>Procurement of raw materials for power generation.</li> <li>Commercial Operation Date (COD).</li> <li>Power generation transmitted to the PEA's distribution system.</li> <li>Promote the responsible raw materials consumption and production process excellence.</li> <li>Environmental management and preparation for the code of practice to obtain electricity generation licenses.</li> <li>Occupational health and safety management.</li> <li>Machine maintenance.</li> </ul>	<ul style="list-style-type: none"> <li>Management of power transmission and distribution systems.</li> <li>Maintenance of power transmission line for power distribution system.</li> </ul>	<ul style="list-style-type: none"> <li>To study business opportunities for various forms of renewable energy power plant projects.</li> <li>To respond to customer needs and expectations efficiently.</li> </ul>	<ul style="list-style-type: none"> <li>To improve the quality of energy in production and transmission and distribution systems;</li> <li>Managing customer relationships.</li> <li>Protecting customer personal data.</li> </ul>	<ul style="list-style-type: none"> <li>Accounting and finance</li> <li>Procurement</li> <li>Human resource management</li> <li>Good corporate governance</li> <li>Risk and investment management</li> <li>Occupational health and safety</li> <li>Information technology system</li> <li>Investor relations</li> <li>Internal audit</li> </ul>

### 3.2.2 Stakeholders' Engagement Analysis in value chain

The company has set the procedures for the Stakeholders' Engagement Analysis according to guidelines specified in the GRI standard, in which it is the standard used in corporate sustainability development worldwide. In this regard, the Company has conducted a stakeholders' engagement analysis, assessing stakeholder expectations through hearing opinions, satisfaction surveys, and setting up the meetings for understanding the impacts and related issues towards the Company and stakeholders of both positive and negative ways. Later, the results will be applied for analysis in order to develop as a guideline for the stakeholders' engagement.

According to the Stakeholders' Engagement Analysis in 2022, there are two (2) types of stakeholders - the internal and the external and classified into nine (9) groups as follows:

1. Internal Stakeholders include employees and shareholders.
2. External stakeholders include customers, suppliers, communities and society, creditors, government agencies and state enterprises, mass media, and trade competitors.

Stakeholders	Definition	Sub-stakeholders	Participation Channels	Stakeholders	Sustainable Development
<b>Employees</b>	<ul style="list-style-type: none"> <li>Persons that the Company pays monthly remuneration and have details according to a permanent employment contract under the law, including the Labor Protection Act.</li> <li>Persons with yearly and daily hires</li> </ul>	<ul style="list-style-type: none"> <li>Full-time employees</li> <li>Daily hire employees</li> <li>Annual contract employees</li> </ul>	<ul style="list-style-type: none"> <li>Communication between the HR department and employees</li> <li>Monthly departmental employee meetings</li> <li>Online communication via LINE</li> <li>Welfare committee meetings</li> <li>Annual employee engagement survey</li> <li>Whistleblowing channels for receiving complaints through the feedback box and the website</li> </ul>	<ul style="list-style-type: none"> <li>Business direction and the performance of the Company</li> <li>Business ethics</li> <li>Quality of life for employees</li> <li>Appropriate compensation, welfare, and benefits</li> <li>Progress and stability in work</li> <li>Good working environment</li> <li>Development of competency and knowledge</li> </ul>	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Challenges and opportunities</li> <li>Business ethics</li> <li>Anti-corruption</li> <li>Innovation and Process Development</li> <li>Employee care</li> <li>Human resource development</li> <li>Occupational health and safety at workplace</li> </ul>
<b>Customers</b>	<ul style="list-style-type: none"> <li>Companies, individuals, state enterprises, and government agencies that the Company delivers goods and services</li> </ul>	<ul style="list-style-type: none"> <li>Provincial Electricity Authority</li> <li>Local administrative organizations</li> <li>Related companies that are connected</li> <li>Private companies</li> </ul>	<ul style="list-style-type: none"> <li>Annual customer satisfaction survey</li> <li>Customer relations activities</li> <li>Marketing activities</li> <li>Direct meetings with customers</li> <li>Online communication via LINE</li> </ul>	<ul style="list-style-type: none"> <li>After-sales service</li> <li>Environmental management</li> <li>Response to customer complaints</li> <li>Risk and crisis management</li> </ul>	<ul style="list-style-type: none"> <li>Customer and product stewardship</li> <li>GHG emission and energy management</li> <li>Environmental management, such as resources, water, energy, and waste</li> <li>Risk and crisis management</li> </ul>





Stakeholders	Definition	Sub-stakeholders	Participation Channels	Stakeholders	Sustainable Development
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>Companies, individuals, state enterprises, and government agencies that the Company pays for goods, services, and fees related to business operations</li> </ul>	<ul style="list-style-type: none"> <li>Farmers</li> <li>Companies or agents handling raw materials</li> <li>Palm oil operators</li> <li>Provincial Electricity Authority</li> <li>Regulatory agencies that require fees</li> <li>Contractors and service providers, such as transportation systems, public utilities</li> <li>Consulting, audit, and certification companies</li> <li>Public organizations</li> </ul>	<ul style="list-style-type: none"> <li>Site Survey</li> <li>Site Audit</li> <li>Relationship building between the Company and its suppliers</li> <li>Knowledge development for suppliers</li> <li>Online communication via LINE</li> <li>Channels for receiving advice or complaints</li> </ul>	<ul style="list-style-type: none"> <li>Good corporate governance and business ethics</li> <li>Fair business operation</li> <li>Transparent procurement process</li> <li>Anti-corruption</li> <li>Legal compliance</li> </ul>	<ul style="list-style-type: none"> <li>Supply chain management</li> <li>Corporate governance</li> <li>Anti-corruption</li> <li>Human rights</li> <li>Occupational health and safety at workplace</li> <li>ESG Compliance</li> </ul>
<b>Communities and Societies</b>	<ul style="list-style-type: none"> <li>Those affected by the Company's operations, both positively and negatively.</li> </ul>	<ul style="list-style-type: none"> <li>Communities within three (3) kilometers distance</li> <li>Societies within three (3) kilometers distance</li> </ul>	<ul style="list-style-type: none"> <li>Organize community relations activities</li> <li>Online communication via LINE</li> <li>Other communication channels to receive advice or complaints</li> </ul>	<ul style="list-style-type: none"> <li>Good relationship with the communities</li> <li>ESG compliance</li> <li>Community economy</li> <li>Improving the quality of life of the community and society</li> <li>Creating a collaborative network to develop communities and society jointly</li> </ul>	<ul style="list-style-type: none"> <li>Community engagement</li> <li>Social activities</li> <li>ESG compliance</li> </ul>

Stakeholders	Definition	Sub-stakeholders	Participation Channels	Stakeholders	Sustainable Development
<b>Stakeholders</b>	<ul style="list-style-type: none"> <li>Individuals, juristic persons, and government agencies that invest in the Company</li> </ul>	<ul style="list-style-type: none"> <li>Related companies that are connected</li> <li>Private companies</li> <li>Financial institutions and securities companies, such as NVDR</li> <li>General persons</li> <li>Social Security Office</li> </ul>	<ul style="list-style-type: none"> <li>Annual General Meeting of Shareholders</li> <li>Presentation of investment information at the Stock Exchange of Thailand</li> <li>Quarterly investor briefing meeting</li> <li>Communications via online/e-mail/magazine</li> <li>channels for receiving advice or complaints</li> </ul>	<ul style="list-style-type: none"> <li>Stable and profitable business performance and growth</li> <li>New business development</li> <li>Innovation and technology development</li> <li>Risk management</li> </ul>	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Economic value distributed to stakeholders</li> <li>Risk management and business continuity management</li> <li>Innovation and process development</li> <li>ESG Compliance</li> </ul>
<b>Creditors</b>	<ul style="list-style-type: none"> <li>Those who provide financial support to the Company</li> </ul>	<ul style="list-style-type: none"> <li>Financial institutions</li> <li>Banks</li> <li>Related companies</li> </ul>	<ul style="list-style-type: none"> <li>Analyst meetings</li> <li>Meetings with creditors</li> <li>Business visits</li> <li>Online/email communications</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with the terms of the loan</li> <li>Risk management</li> <li>Corporate performance disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Business ethics</li> <li>Economic value, distributed to stakeholders</li> <li>Risk management and business continuity management</li> </ul>
<b>Government Agencies and State Enterprises</b>	<ul style="list-style-type: none"> <li>Government agencies that help supervise and support the Company's operations</li> </ul>	<ul style="list-style-type: none"> <li>Government agencies</li> <li>Local administrative organizations</li> </ul>	<ul style="list-style-type: none"> <li>Co-sponsor projects organized by the government sector</li> <li>Participation in working groups of government agencies</li> <li>Business visits</li> <li>Disclosures and reports as required</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with relevant laws and regulations</li> <li>Corporate performance disclosure</li> <li>Economic and social value</li> </ul>	<ul style="list-style-type: none"> <li>Involvement in communities and social activities</li> <li>Legal compliance</li> <li>Corporate governance</li> <li>Anti-corruption</li> <li>Occupational health and safety at workplace</li> </ul>



Stakeholders	Definition	Sub-stakeholders	Participation Channels	Stakeholders	Sustainable Development
<b>Mass Media</b>	<ul style="list-style-type: none"> <li>The agencies that convey the Company's information to the public</li> </ul>	<ul style="list-style-type: none"> <li>Public relations agencies</li> </ul>	<ul style="list-style-type: none"> <li>Press releases</li> <li>Exclusive interviews, as requested by the media</li> <li>Disclosures and reports as required</li> </ul>	<ul style="list-style-type: none"> <li>Receive complete, accurate, and timely information</li> <li>Disclose information that is accurate and correct</li> <li>Treat the media with good relations</li> </ul>	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Anti-corruption</li> <li>Community engagement and social activities</li> </ul>
<b>Competitors</b>	<ul style="list-style-type: none"> <li>Those who run businesses in the same industry</li> </ul>	<ul style="list-style-type: none"> <li>Power plants that produce power from biomass and municipal solid waste</li> </ul>	<ul style="list-style-type: none"> <li>Meetings with the industry-related organizations</li> <li>Mutually work as a network according to government policies</li> </ul>	<ul style="list-style-type: none"> <li>Fair competition under the laws</li> </ul>	<ul style="list-style-type: none"> <li>Corporate governance</li> <li>Challenges and opportunities</li> <li>Business ethics</li> <li>Anti-corruption</li> </ul>

### 3.3 Environmental sustainability management

#### 3.3.1 Environmental policies and practices

TGE is aware of the necessity to involve in solving global climate change problems, including supporting and promoting greenhouse gas management for the interest of all stakeholders, including society, and the country's environment. The Company believes that this will lead to become a low-carbon organization in response to the national policy of greenhouse gas reduction which is in line with government policies and international environmental agreements for climate change that Thailand has expressed its intention to reduce greenhouse gas emissions to the State Parties, United Nations Convention on Climate Change. However, the followings are the greenhouse gas management policy and intentions established by the Company and its subsidiaries:

1. Committing to reducing greenhouse gas emissions in the power generation process using clean, appropriate, and efficient technology aligned with the long-term greenhouse gas management plan.
2. Promoting government policies and measures to manage greenhouse gases at the national and regional levels.
3. In 2022-2023, the Company started collecting greenhouse gas emissions data of the Group to use as a base year for setting targets to reduce greenhouse gas emissions in 2024.
4. Committing to taking action to participate in voluntary greenhouse gas reduction projects according to the standards of Thailand Voluntary Emission Reduction Program: T-VER.
5. To promote and support activities to increase energy efficiency and the efficient natural resources consumption from the activities made by the Group's personnel throughout the organization.
6. To promote research and development of technology and innovation for power generation, such as energy from biomass, bioenergy, waste-to-energy, and energy that does not increase greenhouse gas emissions to achieve sustainable greenhouse gas reduction in line with an adaptation to climate change.
7. To educate the personnel and stakeholders of the organization about reducing greenhouse gas emissions.

In terms of environmental preservation, the Company and its subsidiaries operate and control the production processes to strictly comply with the laws related to environmental preservation with the following guidelines:

1. The Company assigns responsible persons to ensure that the impacts towards the environment does not exceed the standard and must control the natural resources consumption to be most efficient.
2. The Company has set the policy to reduce the generation of garbage or waste and cooperate in the proper disposal of that waste.
3. The Company has assessed risks and impacts in environmental, occupational health, and safety matters before investing or co-investing in any business. The Company operates its business under the concept of the environmental care.
4. The Company embeds and campaigns for employees to use natural resources, materials, and equipment efficiently.

#### 3.3.2 Environmental Performance

##### (1) Energy Management

The Company has set up an energy management working group with the Chief Operations Officer (COO) as the working group's chairman.

In 2022, the Company consumed power for a total of 9,667,133 kWh. The most consumed factors were from production, followed by office's air conditioners, and building lightings. Even though, all buildings and plants consumed power internally generated by the Group, but it still adheres to the efficient resources consumption and appreciative energy acquisition. The Group initiated an energy management project in 2021, which saved the power consumption by 0.903 percent compared to the previous year, namely;

1. To define the leading machinery/equipment that consumes high energy, record the lifespan,





the amount of power consumption, and the percentage of loss in order to set as energy conservation measures such as ID FAN, FEED WATER PUMP, and BOILER.

2. Replacement of the halide bulbs 400 W of spotlights with LED 200 W, a total of sixty (60) lamps.
3. Replacement of four (4) motors with the new high-efficiency model (IE2).
4. To control the use of air in the combustion system appropriately.
5. Labeling the warning signs around the light switches, “Please, turn off the lights when not in use” and near the air conditioner control buttons, “Do not turn on the air conditioner before working hours and please, turn off 15 minutes before the lunch break and end of operating hours.”
6. Installing a time control system for automatically turning on-off air conditioners in the production process area which can reduce power consumption.
7. Installing a sensor installation system for automatic on-off to receive natural light in various areas,

including the Company’s fence, along the canal promenade, and surrounding building areas which can reduce power consumption.

8. Preparation of plans and processes for daily and monthly maintenance of machinery.

## (2) Water management

In 2022, the Company’s surface water consumption was approximately 419,750 cubic meters per year. A campaign sign was installed around the sinks and washrooms, including maintenance and inspection of the condition of the water supply system within the production process to meet standards continuously. The sinks’ and sanitary wares’ water flow rate was adjusted for office buildings, along with efficient wastewater management according to the Zero Discharge principle or no discharge of treated water outside the factory. It also includes reusing of the treated water to water the plants in the green areas of the Company. As a result, it was able to save surface water consumption in the amount of 65,700 cubic meters or 15.6 percent.



## (3) Waste management

The Company places importance of waste management for reducing environmental impact under the law by adhering to the principles of waste management according to the 3Rs, which are to reduce, reuse, and recycle. Most of the waste generated by the production process, is classified as industrial waste under the Factory Act B.E. 2535 (1992), and waste generated by the operations in office and common areas, is classified as general waste that must comply with relevant laws and regulations, the Public Health Act B.E. 2535 (1992).

The landfill method is selected by the Company for general waste management by hiring SRT Power Green Company Limited, a contractual partner under Tha Chang OilPalm Industry Company Limited, where the Company receives the joint service and pays for the transportation cost from the factory to the site of landfill. For industrial waste management, it is operated through a licensed disposal company under the factory code 105 and 106 as required by law. Currently, the Company focuses on reducing the waste generated at the source, waste sorting, waste collecting, and proper waste disposal as corporate waste management approach. The Company’s waste management methods include:

1. Arrange the general waste bins, sorted by type of waste generated in the factory area, both inside and outside the buildings, with labels to indicate that they are classified as general waste, recyclable waste, organic waste, and hazardous waste.
2. Industrial waste management, the Company has classified waste into two (2) types, non-hazardous and hazardous industrial waste, which are disposed of through waste processors licensed by the Department of Industrial Works. In addition, recyclable industrial waste will be sold out.



#### (4) Management guidelines to reduce greenhouse gas emission

The Company's greenhouse gas emissions come from the combustion process, an essential process in power generation, which is the Company's core business.

The Company has chosen environmentally-friendly technology and innovation for biomass power plants to generate clean power, which can reduce carbon dioxide emissions that causes greenhouse gases into the atmosphere, compared to conventional power plants that use fossil fuels for production. In addition, the Company is committed to participating in one of the country's critical goals to reduce greenhouse gas emissions. Therefore, a consulting firm was hired to develop and register TPG and TBP biomass power plants as Thailand's Voluntary Greenhouse Gas Reduction Program (T-VER) for installing a new cogeneration system using biomass fuel. As a result, the project will fully benefit from carbon credits. Accordingly, the Company expected to submit documents for certification of carbon credits for both projects in August 2022. Currently, the Greenhouse Gas Management Organization has already notified the opening of accounts in the carbon credit registration

system. However, participating in the project will also allow the Company to earn additional income from the sale of carbon credits, depending on the number of carbon credits each power plant can reduce carbon emissions and the market price, which is also consistent with the Company's business philosophy in a concrete way.

To manage greenhouse gas emissions, the Company is in the early stages of collecting data for using it in planning operations according to the Carbon Footprint of Organization Assessment Guidelines in line with the principles of the Thailand Greenhouse Gas Management Organization (Public Organization).

For 2022, the Company collected energy and fuel consumption data to calculate basic data about the amount of greenhouse gas emissions. In addition, the guidelines for assessing the organization's carbon footprint of the Thailand Greenhouse Gas Management Organization (Public Organization) have set an objective to evaluate the organization's significant sources of greenhouse gas emissions, in which details are summarized as follows;



Areas	Activities		
	Scope 1	Scope 2	Scope 3
Head office	Mobile combustion	Power consumption in the head office	White paper consumption
Factory buildings, warehouse, and common areas	Stationary combustion Mobile combustion Use of refrigerants	Power consumption in factory buildings, warehouses, and common areas – guardhouses, public lights, cafeterias	White paper consumption Water consumption

Sources of greenhouse gas emissions	Unit	2022
Scope 1 Direct GHG Emission	Ton CO2e	19,972
Scope 2 Indirect GHG Emission	Ton CO2e	411
Scope 3 Other Indirect GHG Emission	Ton CO2e	2,534

In 2022, the GHG emission management was emphasized to be lower and the Company started to prepare the base line value. As a result, direct greenhouse gas emissions were 19,972 tonnes of carbon dioxide equivalent, and indirect greenhouse gas emissions were 2,945 tonnes of carbon dioxide equivalent, a total of 22,917 tons of carbon dioxide equivalents. In addition, the Company prepared a plan to reduce greenhouse gas emissions through energy conservation and energy-saving projects, such as energy-saving campaigns, machine maintenance, and controlling the on/off of the air conditioning system in the office and fuel consumption from corporate vehicles. Therefore, the Company has set measures to continuously maintain air conditioners and machinery according to the energy conservation plan as well.

## (5) Biodiversity

The Company realizes the importance of biodiversity that affects the overall environment of the project. The objective of Company biodiversity management is to reduce the negative impacts towards biodiversity caused by activities and to increase biodiversity in existing projects, in which management guidelines are summarized as follows:

1. To study the projects' sites conditions and biodiversity of these areas to understand the basis of biodiversity in the areas.
2. To evaluate risks and potential impacts that may arise from the Company's operating activities towards biodiversity.
3. To determine measures to prevent and mitigate impacts towards biodiversity or biodiversity development plans of each project area.
4. To establish a collaborative network with communities and stakeholders in the Company's value chain along with regularly communicating and building strong relationships with communities to gain and build trust from the communities and relevant stakeholders.
5. To implement activities or initiatives to conserve and develop sustainable biodiversity in the projects.





On December 16, 2022, the Company initiated a project to plant 500 trees at Thung Cho Reservoir, Sawiat Subdistrict, Tha Chang District, Surat Thani, with a purpose to increase green space in the community adjacent to the factory. The executives and employees of the Company and its subsidiaries together with community leaders participated in planting Ta Khian Thong and Mahogany, the selected local plants. The goal was set to implement a long-term project with a plan to nourish the planted trees and to grow them more, in order to expand the reservoir area to become as green as possible.



### 3.4 Sustainability management in a social dimension

#### 3.4.1 Social policy and guidelines

The Company strives to develop the business with social responsibility and comply with laws and other requirements, including relevant international practices, with a purpose to establish a foundation for expressing continual and sustainable commitments to a social responsibility policy. Details are summarized as follows:

#### 1. Operating business in compliance with business ethics and good governance principles

1.1 The Company conducts business with honesty, fairness, and ethics. It commits to operating business following the law, business ethics, fair trade competition principles, and paying taxes

correctly and on time. In this regard, the Company promotes and create awareness among its personnel at all levels to realize the importance of social responsibility.

1.2 The Company operates under the principles of good corporate governance with the responsibility towards shareholders by respecting the rights of shareholders, treating shareholders equitably, as well as providing sufficient information for making investment decisions or relating to significant changes in the Company. Accordingly, the Company shall not disclose inside information to anyone that may cause a conflict of interest, damage, and disadvantage to shareholders. Furthermore, the nomination and remuneration for directors and executives are transparent and auditable. The financial reports and non-financial





information are prepared and disclosed accurately, completely, and timely according to the generally accepted standard format.

## 2. Anti-corruption

The Company operates the business based on transparency, ethics, and compliance with policies and laws relating to the prevention and anti-corruption, giving or accepting bribes or inappropriate benefits to government officials or the private sector. The Company has established an organizational structure with divided responsibilities, work processes, and lines of command in each department to be transparent, aiming to balance the authority and be conciseness in checking each other appropriately. In addition, the Company has prepared a manual on anti-corruption measures that compose policy, codes of conduct, rules, regulations, and procedures for directors, executives, and employees. Moreover, the Company has expressed its determination to combat corruption by declaring its intention to the Private Sector Collective Action Coalition Against Corruption (CAC) in 2022. The Company is expected to be certified as a member of the Private Sector Collective Action Coalition Against Corruption in Thailand within 2023.

## 3. Respect for human rights

The Company has set the policy to support and respect the protection of human rights by treating related parties, regardless employees, surrounding communities, and societies, with respect for human values, considering equality and equal freedom without violating fundamental rights, and does not discriminate in terms of race, nationality, religion, language, skin color, gender, age, education, physical condition, and social status. On top of that, it also includes supervising the Company not to be involved in human rights violations, such as child labor, forced labor, and sexual harassment. Also, the Company has promoted human rights compliance surveillance by providing participation in expressing opinions and complaint channels for those who got rights violations arising from the business operations of the Company and performing remedies for them. Furthermore, the Company has trained and disseminated human rights knowledge and raised awareness for its personnel to comply with human rights principles.

## 4. Fair labor treatment

The Company is aware of the importance of human resource development and fair labor practices, which are factors to increase corporate value and enhance competitiveness and sustainable growth in the future. The Company has established policies and guidelines as follows:

- 4.1 Respect the rights of employees according to labor laws and human rights principles.
- 4.2 Providing fair employment process and conditions, including determining remuneration and considering meritorious under a proper performance evaluation process.
- 4.3 To promote personnel development by organizing training, conferences, and workshops, including sending personnel to attend seminars and academic training in various related fields to develop knowledge, competency of personnel. It also includes embedding good attitudes, morality, ethics, and teamwork among personnel.
- 4.4 Providing welfare and benefits for employees as required by law, such as social security and provident fund, including various types of assistance to employees, such as scholarships for children and funeral aids assistance.
- 4.5 To promote health care and provide annual health check-up services to personnel at all levels of the Company, considering risk factors based on the level, age, gender, and work environment of each individual.
- 4.6 To ensure that employees work safely and have good sanitary in the workplace by providing measures to prevent accidents and strengthening employees' safety awareness. It also includes training and encouraging employees to have proper sanitary and keep the workplace hygienic and safe at all times.
- 4.7 Providing opportunities for employees to express their opinions or complain about unfair practices and wrongdoings in the Company. It also includes protecting employees who report such matters.

## 5. Customer Stewardship

The Company is committed to developing products and services to build confidence and satisfaction for customers by adhering to treating customers with accountability and honesty under the following policies:

- 5.1 The Company considers the quality and standards of products and services as a priority. Therefore, the Company focuses on producing and distributing power according to the standards set by customers and improving the service on a regular basis so that customers receive products and services with the highest quality and efficiency.
- 5.2 The Company keeps customer data confidential and does not misuse such data.

## 6. Accountability towards suppliers, creditors, and competitors

The Company adheres to fair contractual practices with suppliers, complies with the specified anti-corruption measures, and respects property rights or proprietary rights of suppliers. It requires not taking any advantages of suppliers, and encourages them to carry out social responsibility activities together.

Moreover, the Company complies with the agreements it has with creditors in various areas. In the case that the Company cannot pay debts as scheduled, the creditors will be notified in order to find solutions jointly.

The Company conducts business competition fairly without bullying and discouragement or performs any action prohibited by law to prevent fair competition.

## 7. Community engagement or social development

The Company is aware of its responsibility towards the community and society to strengthen the community and society to be better. Therefore, the policy has been set to provide social assistance and development by engaging in various activities with surrounding communities where the Company operates to conduct business as appropriate to the case and encourage local workers to have the opportunity to work in the organization. It also requires responding to the incident

that has affected the communities, societies, and the environment resulting from the Company's operations promptly and efficiently. In addition, the Company has encouraged its employees to have awareness and responsibility towards the environment and society. Therefore, the Company will cooperate with other groups and networks to develop the community or society as a goal each year.

## 8. Promoting innovation that meets social responsibility

The Company encourages its employees to develop innovations that meet various social responsibility policies, such as the cost-effective water and energy resources consumption, waste management according to the 3Rs principle, and wastewater discharge control. Accordingly, the Company emphasizes using innovations that can improve or develop work processes to produce more efficient or effective performance. And innovations that benefit society and the environment as appropriate will be disclosed in order to encourage further innovation development.

### 3.4.2 Social performance

#### (1) Employee care and employment

The Company has set the policy to treat all employees equally, which extends to employees in subsidiaries.

In 2022, the Group had a total of 139 employees and had no any complaints regarding labor practices among employees related to the Company and its subsidiaries (*details of channels for receiving suggestions and complaints are available in Section 6, "Corporate Governance"*).

#### Compensation

The Company has reasonably determined remuneration for employees per the conditions of work, professional qualifications, knowledge, competence, and performance. Accordingly, employees will receive compensation in the form of regular salary and other income including overtime payment, bonus, and provident fund contributions.

#### Employee care for the quality of life

The Company focuses on taking good care of



employees' lives and well-being by providing social security as required by law to alleviate the burden of expenses during illness and the provident fund for employees to have savings upon retirement as well as welfare or other benefits.

In addition, the Company also recognizes the importance of proper time management at work and living with family. Therefore, the Company allows employees to work no more than 48 hours a week to create a culture of happiness and an excellent work atmosphere.

Therefore, the Company has appointed a Welfare Committee as a representative of employees to jointly give advice, discuss, and suggest ideas to the employer on welfare management, inspect, control, and supervise the welfare provided by the employer. In addition, it shall offer opinions and guidelines for welfare management beneficial to the employees, whereby the Welfare Committee will have joint discussions on welfare/benefits/regulations affecting the employees. The meeting resolutions will be reported or proposed following the procedures to consider all relevant stakeholders' best interests.

### Termination/non-termination

The Company regards employees as the organization's most valuable resource and focuses on promoting a good work culture and environment and equal treatment towards employees. Therefore, the Company will not terminate any employee without reasonable causes unless the employee commits a severe disciplinary breach according to the Company's regulations or such reason is specified in the rules and regulations relating to the work of the Company. As a result, the Company has set clear rules and practices with transparency, fairness, and legality without discrimination.

### Building employee engagement towards organization

The Company places great importance on building a good bond between employees and the organization. Therefore, it has set up activities and actions to encourage employees to bond with the Company on the following matters:

1. Activities that create bonds with employees, such as a New Year's party, making merit in important Buddhist festivals, water pouring ceremony for executives, and making merit on the day of Buddhist Lent.
2. Publicizing various news for employees to understand and providing the most appropriate channels to reach employees. So that employees are thoroughly aware of various information and feel that the Company emphasizes giving information and open channels for employees to ask for details at any time.
3. To continually establish employee engagement surveys to inquire about employees' opinions towards the organization on various matters and use the information received from the questionnaire to develop and improve employee care for better engagement on a continued basis.

During 2021 - 2022, employee engagement surveys towards the organization have been conducted and the results taken from those surveys were used for formulating in the plan to get more engagement from employees organization, in which such a survey will be conducted on an annual basis.

In 2022, employee engagement towards the organization survey was also conducted by setting the evaluation criteria based on the turnover rate of employees in the Group. This action is to establish measures to maintain quality employees in each department and encourage them to deliver best performance, for example-

- On the Job Training for new employees
- human resources development
- annual job training
- an Individual Development Plan (IDP)
- Career Path Development
- Leadership Development programs for executive level in accordance with the nature of leadership defined by the Company

### Summary of Employee Engagement Survey

In 2021, the TGE employee engagement survey was conducted, covering the following key areas:

1. Compensation and welfare
2. Engagement in work and policy management
3. Work environment
4. Security in work
5. Career path
6. Engagement towards organization

From the survey conducted in 2021, the average score of all 6 areas was 3.33 points (out of 5), in which the Company was in the process of taking survey results and suggestions for further improvement.

For the survey conducted in 2022, the survey was conducted, covering the following key areas:

1. Responsibility
2. TGE's culture
3. Corporate Leadership
4. Welfare
5. Work environment

6. Human resources development and career path
7. Employee engagement towards organization
8. Employee retaining ratio

According to the survey results in 2022, the average score of all 8 areas was 3.56 points (out of 5), in which the Company was in the process of taking those results and suggestions for further improvement.

### (2) Staff training

The Company gives importance to the development of work skills of all employees in the Group of companies according to their level of knowledge and position in the organization to enhance the competency of employees to work efficiently through on-the-job training, in-house and public training.

In 2022, the Company was preparing a plan to develop employees' work skills that focused on developing competency profiles to be connected with functional competency, which would lead to planning an annual training for employees in the form of upskilling or re-skilling.





In this regard, the Company has arranged 23 training courses for employees to uplift their skills and competence, with an average of 16 hours of training per person per year.

### (3) Occupational safety, health, and environment at workplace

Safety is the most important matter for every employee, including other stakeholders related to business operations. The Company still considers safety at workplace becomes a crucial risk that must be controlled because the Group of companies has storage space for biomass raw materials, including hazardous chemicals used in the power generation process. Therefore, the Group has established annual measures and targets for supervision of occupational health and safety referring to the law under the Hazardous Substances Act B.E. 2535 (1992) and Amendments. It also includes the practices of related industry groups in the occupational health and safety management for the Group of companies. It consists of the following details:

- 1. Hazard identification and risk assessment -**  
Using hazard identification tools that cover routine and non-routine risks as required by law, such as Job Safety Environmental Analysis.
- 2. Determination of risk management measures according to the hierarchy of controls -** As well as establishing communication plans, surveillance, and monitoring of risks. The supervisors are responsible for assessing the risks and communicating them to all workers before starting work by using hazard identification tools as mentioned above. In addition, all employees and operators are able to stop working if witnessing an event that may cause danger or safety risks.
- 3. Environmental control in the workplace -** Regularly measuring and assessing the environment at workplace, such as air quality and lighting intensity measurement, to ensure that all operators work in a suitable environment and are not harmful to health. Accordingly, the measurement results in

2022 were within the standards required by law. Moreover, the Company also provides personal protective equipment, emergency equipment, and basic first aid kits to the operators appropriate to the nature of the job, adequate for use, and easy to access.

- 4. Incident reporting and investigation -** In the event of an accident during work, employees or witnesses must notify the supervisor to assess the severity of the incident and report it to the relevant parties in a hierarchical manner through the established channels. In addition, the Company also set up an incident investigation committee of experienced and knowledgeable persons to analyze the cause of severe accidents, which will determine measures to prevent, eliminate, and reduce the risk. Furthermore, the committee will report the investigation of the incident, measures to prevent re-incidents and the status of remediation to the monthly management meeting.
- 5. Preparation and response to the emergency -** by preparing fire extinguishers or fire extinguishers and chemicals necessary for extinguishing fires in the business premises of the Group 24 hours a day.





6. **Communication** – this must be through participation from all levels of operators, such as establishing a committee for occupational safety, health, and environment at workplace, which consists of representatives at the supervisory level and employee representatives, to jointly explore unsafe working conditions and consider safety plans. It also includes communication to prevent and reduce accidents or illnesses arising from work through various channels, such as sending occupational health information and security via electronic mail, morning-talk, safety knowledge sharing activities, and occupational health and safety activities.



7. **Knowledge and competency development** – the Company supports and provides training on occupational health and safety for executives and employees according to the necessity of each job following the law, such as fire evacuation training, basic firefighting, chemical spill training, and occupational hazard analysis.



8. **Health promotion** - by providing health check-ups for employees, annual health checks for all employees according to job risk factors, and monitoring the impact that may occur from work, such as pulmonary function tests and hearing tests, under the health and illness database system of employees.



In 2022, the Company continually developed and improved the efficiency of safety operations to reduce the risk of illness, injury, and death, as well as taking care of the quality of life of employees or workers appropriately.

However, during 2020-2022, there were no any cases of work-related injuries that resulted in lost time.



#### (4) Customer relationship management and Customers stewardship

The Company has established guidelines for taking care and treating customers by emphasizing on providing services, as well as transmitting and distributing power to customers in responsible manners. Details are summarized as follows:

- The transmission and distribution of power must be of quality that meets the needs of customers.
- Power transmission must be safe from when it leaves the power grid to the customer.
- The power preparation must be sufficient to meet the customer's needs as agreed.
- Providing services from knowledgeable staff, ready to solve customer problems accurately and promptly.
- Operations throughout value chain must meet the Company's standards and customer expectations.
- To comply with the code of business ethics and good corporate governance.

In addition, the Company also has defined a variety of approaches to building relationships with customers that are suitable for the context of the nature of business, such as regularly visiting, holding meetings, developing collaborative processes for flexibility, sending staff to provide information, and solving problems that arise in order to ensure and create customer satisfaction.

#### (5) Community engagement and social development

The Company is committed to conducting business with community and social responsibility by giving importance to reducing environmental impacts and avoiding any operations that may harm the quality of life of the communities surrounding the establishments. In 2022, the communities had no any significant complaints regarding social or environmental issues. However, during 2020-2022, the Company had engaged in improving the quality of life and promoting community engagement by conducting the following activities;

##### 1) Activities in 2020



- TGE offered masks and alcohol to government agencies, such as Subdistrict Administrative Organizations, to distribute to those in need urgently.
- TGE donated the budget for purchasing desks and chairs for early childhood and elementary students at Ban Kachathan School, Tha Chang District, Surat Thani, including recreational chairs for events.
- TGE offered scholarships to well-studied students who lacked of funds at Wat Chantharam Community School, Tha Chang District, Surat Thani.
- On National Children's Day, TGE offered well-studied students scholarships and sponsored prizes and activities to Wat Bo Mapring School, Tha Chang Subdistrict, Surat Thani.
- TGE offered scholarships and bicycles to support the National Children's Day activities to government agencies, such as Viet Subdistrict Administrative Organization, Tha Chang Sub-district Administrative Organization, Tha Chang Municipality.
- TGE donated consumer goods and set up an almshouse to help COVID-19-affected families and at-risk groups at the Department of Industry, Surat Thani.
- TGE handed over the outdated calendars to make Braille teaching materials for the Southern Blind School, Surat Thani.



## 2) Activities in 2021



- TGE donated survival bags containing fresh and dried food to those affected by COVID-19 and lived around the Company.
- TGE donated COVID protection masks through the Surat Thani Provincial Industrial Office to deliver to the general public.
- TGE procured and offered hand sanitizer gels to government agencies in Tha Chang District.
- TGE donated money for developing local and preserving religion by gathering for the Phapa Buddhism ceremony at Nawa Village in Tha Chang Sub-district.
- TGE offered candles and necessary supplies to Wat Than Nam Lai and Wat Klang Wanaram Rattanaom (Wat Kaew) in Tha Chang District and Chaiya District, Surat Thani, to jointly inherit traditions and cultures and maintain Buddhism.
- TGE offered healthy gift baskets to government agencies, community, and private stakeholders on New Year's Day.
- TGE offered Educational Phapa at Wat Bo Mapring School, Tha Chang Subdistrict, Surat Thani.
- TGE organized CSR Safety activities for the community and engaged in cleaning and painting the main hall of Wat Bang Khayaram.
- TGE supported the Sufficiency Economy Project at Ban Kachathan School, Tha Chang Subdistrict, Surat Thani.
- TGE donated survival bags to flood victims around the Company.

## 3) Activities in 2022



- TGE gathered for a Phapa Buddhism ceremony to offer 40,000 baht to build a chapel at Piyathamman Temple (Khlong Wua Monastery) in Tha Khoei Subdistrict Community, Tha Chang District, Surat Thani, to inherit Buddhism.
- TGE organized a reforestation activity to expand green space at Thung Jo Reservoir, Sawiat Sub-district, Tha Chang District, Surat Thani and adjacent areas by planting 500 trees, such as Ta Khian Thong and Mahogany.
- TGE organized a safety officer activity at Ban Suchon School, Makham Tia Sub-district, Mueang District, Surat Thani, to offer equipment and its necessary supply.



## 4. Management Discussion and Analysis

Thachang Green Energy Public Company Limited (the “Company” or “TGE”) and its subsidiaries (collectively called the “Group”) has analyzed and explained the Company’s performance according to the consolidated financial statements for 2022, which ended December 31, 2022. The content is divided into two (2) main topics as follows:

1. Summary of business overview and industry trends
2. Financial performance analysis

### 4.1 Summary of business overview and industry trends

The Company and its nine (9) subsidiaries engage in the business of producing and distributing power from the biomass power plant and municipal solid waste power plant projects. As of December 31, 2022, the

Group has established biomass power plant projects in Tha Chang District, Surat Thani. Currently, there are three (3) commercially operated projects with a total installed capacity of 29.7 megawatts, with a total of 20.3 megawatts of power sold to the Provincial Electricity Authority (PEA) under a long-term power purchase agreement (PPA) in the form of Feed-in Tariff (FiT) power purchase system throughout the contract period. It also includes an annual short-term power purchase agreement with a maximum of two (2) years (signed in May 2022), with a total of 6.0 megawatts. Moreover, there are four (4) municipal solid waste power plants (WTE Power Plant), located at Sa Kaeo, Chumphon, Ratchaburi, and Samut Sakhon. Currently, the Group is preparing to bid for three (3) other municipal solid waste power plant projects with relevant local administrative organizations as follows:

#### 1) Commercially operated biomass power plant projects (COD).

As of December 31, 2022

Power Plant / Location	Operated by	Type / Energy Source	Amount of power offered (Megawatt) <sup>1</sup>	Amount of power offered for short-term (Megawatt) <sup>1</sup>	Commencement of Commercial Operation Date
Biomass power plant project TGE (Tha Chang District, Surat Thani)	TGE	VSPP / Biomass	7.2	-	8 May 2014
Biomass power plant project TPG (Tha Chang District, Surat Thani)	TPG	VSPP / Biomass	9.7	-	7 Nov 2019
Biomass power plant project TBP (Tha Chang District, Surat Thani)	TBP	VSPP / Biomass	3.4	6 <sup>2</sup>	25 May 2021
<b>Total</b>			<b>20.3</b>	<b>6</b>	

Note:

<sup>1</sup> The specific amount of power offered to PEA under a long-term power purchase agreement, excluding power offered to related companies, totalling approximately 8 megawatts.

<sup>2</sup> TBP biomass power plant project has entered into a short-term year-to-year power purchase agreement (signed on May 5, 2022) of 6.0 megawatts under a fixed power purchase system at a fixed selling rate of 2.20 baht per unit. The contract is according to the announcement of the Energy Regulatory Commission on the invitation to purchase short-term electricity to support energy emergencies from electricity producers with power purchase agreements with the Electricity Authority.

VSPP = Very Small Power Producer, a very small power producer, less than 10 megawatts.

## 2) Under-development municipal solid waste power plant projects.

As of December 31, 2022

Power Plant / Location	Operated by	Type / Energy Source	Installed Capacity (Megawatt)	Amount of power to offer (Megawatt) <sup>/1</sup>	Expecting Commercial Operation Date
Municipal solid waste power plant project (Wattana Nakhon District, Sa Kaeo)	TES SKW	VSPP / Municipal solid waste	8.0	6	Within 2024
Municipal solid waste power plant project (Mueang District, Ratchaburi)	TES RBR	VSPP / Municipal solid waste	8.0	6	Within 2024
Municipal solid waste power plant project (Mueang District, Chumphon)	TES CPN	VSPP / Municipal solid waste	6.0	4	Within 2024
Municipal solid waste power plant project (Thachin Sub-district, Samut Sakhon)	TES TCN	VSPP / Municipal solid waste	9.9	8	Within 2025
<b>Total</b>			<b>31.9</b>	<b>24</b>	

Note:

<sup>/1</sup> The Local Administrative Organization (LAO) in each area has selected all four (4) subsidiaries to operate the power plant management project, which is waiting for the ERC to announce the power purchase of municipal solid waste power generation projects and enter into a power purchase agreement with PEA.

In addition ; TES CNT has been awarded the bidding for the municipal solid waste power generation project with Nong Ma Mong Subdistrict Municipality, Chainat, on January 27, 2023.

Power Plant / Location	Operated by	Type / Energy Source	Installed Capacity (Megawatt)	Amount of power to offer (Megawatt)	Expecting Commercial Operation Date
WTE Power Plant Project (Amphoe Nong Mamong, Chai Nat)*	TES CNT	VSPP / MSW	8.0	6.0	Within 2025

## 3) Power plant projects that are preparing for bidding with the LAO. As of December 31, 2022 has two (2) projects located in the northeastern and eastern region of Thailand are under the preparation to bid with the LAO

## 4) Feed-in Tariff (FiT) electricity pricing structure of the three (3) biomass power plant projects

As of December 31, 2022

Project	FIT (baht/unit)			FIT Premium (baht/unit) (End date – First 8 years from COD)	Total FIT (baht/unit)
	FITF	FITV,2022	FIT		
TGE	2.39	1.8931	4.2831	- <sup>/1</sup>	4.2831
TPG	2.39	1.8931	4.2831	0.30 (6 Nov 2027)	4.5831
TBP <sup>/2</sup>	2.39	1.8931	4.2831	0.30 (24 May 2029)	4.5831

Note:

<sup>/1</sup> The special power purchase rate (FIT Premium) of the TGE power plant project expired on May 7, 2022.

<sup>/2</sup> TBP power plant project has agreed with PEA to amend the power purchase agreement to sell additional 6 megawatts of electricity annually, a maximum of two (2) years, in a non-firm form, with a purchase price of 2.20 baht per unit.



October 25, 2022

The contract is according to the Announcement of the Energy Regulatory Commission: The invitation to purchase short-term electricity to support energy emergencies from electricity producers with power purchase agreements with the Electricity Authority.

Being awarded for the Tha Chin  
Municipal Solid Waste Power Plant  
Project, Samut Sakhon, with an  
installed capacity of 9.9 MW.

## 1. Total revenue of the Group

During 2020 - 2022, the Group had total revenue from sales (power sales, waste disposal services, sales of steam and water), including revenue from construction under concession agreements, and other income. It totalled 713.5 million baht, 807.5 million baht, and 955.5 million baht, respectively. In 2022, the growth rate was 18.3 percent per year.

### Table showing summary of the total revenue of the Group

Consolidated financial statements	2020		2021		2022	
	Million baht	Percent	Million baht	Percent	Million baht	Percent
Revenue from sales	650.9	91.2	779.7	96.5	924.9	96.8
– Power	643.4	90.2	716.3	88.7	812.9	85.1
– Waste disposal service	6.0	0.8	8.3	1.0	8.5	0.9
– Steam and water	1.5	0.2	55.1	6.8	103.5	10.8
Revenue from the cost of Construction under the Concession Agreement	56.9	8.0	1.5	0.2	13.1	1.4
Others	5.7	0.8	26.3	3.3	17.5	1.8
Total revenue	713.5	100.0	807.5	100.0	955.5	100.0

In 2022, the Group's primary income came from sales of power generated by biomass power plant projects, accounting for 85.1 percent of total revenues, followed by sales of steam and water, which were the by-product of the electricity production and distribution process. As a result, the revenue growth rate was 18.3 percent compared to 2021. The growth rate of 2021, compared to 2020, was 13.2 percent.

Table showing summary of the total revenue of the Group, categorized by type of revenues

Revenue	2020		2021		2022	
	Million baht	Percent	Million baht	Percent	Million baht	Percent
Revenue from sale of power	643.4	98.9	716.3	91.9	812.9	87.9
Revenue from sale of water and steam	1.5	0.2	55.1	7.1	103.5	11.2
Revenue from providing waste disposal service	6.0	0.9	8.3	1.0	8.5	0.9
<b>Total</b>	<b>650.9</b>	<b>100.0</b>	<b>779.7</b>	<b>100.0</b>	<b>924.9</b>	<b>100.0</b>

In 2022, the Group's sales revenue was 924.9 million baht, an increase of 145.2 million baht or 18.6 percent compared to the previous year. It consisted of power sales of 812.9 million baht, an increase of 96.6 million baht, as a result of the Group's increased power generation compared to the previous year. In addition, there were three (3) projects with a full-year commercial operation (TGE, TPG, and TBP) with a total installed capacity of 29.7 megawatts, where the TBP power plant started commercial operation in May 2021. Meanwhile, in 2022, the Company's revenue from sales of water and steam amounted to 103.5 million baht, an increase of 48.4 million baht. The TBP power plant installed a large boiler that produces

more steam than capacity of the steam generated and transmitted to the power generation system. Therefore, it was able to produce steam for general distribution. Additionally, the revenue from providing waste disposal services operated by municipal solid waste power plants in Sa Kaeo, amounted to 8.5 million baht, an increase of 0.2 million baht or 2.4 percent, compared to 2021.

As of December 31, 2022, the Group has a total commercial operation capacity of 29.7 megawatts. The total power sold to the PEA, both long-term and short-term contracts, amounted 26.3 megawatts, while the rest was sold to the Group and related companies.

## 2. Costs of sales and gross profit

This table shows summary of the cost of sales, gross profit, and gross profit margin for 2020 – 2022. Details are summarized are as follows:

Cost of sales and gross profit	2020		2021		2022	
	Million baht	Percent <sup>/2</sup>	Million baht	Percent <sup>/2</sup>	Million baht	Percent <sup>/2</sup>
Cost of sales <sup>/1</sup>	414.8	63.7	501.1	64.3	617.3	66.7
Gross profit	236.1	36.3	278.6	35.7	307.6	33.3

Note: <sup>/1</sup> Excluding construction cost under concession agreement <sup>/2</sup> Percentage of the total sales revenue

The main cost of sales of the Group consists of the cost of raw materials for producing fuel, accounting for approximately 44 percent of the total cost. The primary biomass raw materials the Group uses for combustion to generate electricity, are empty palm bunches and palm fibers, which are by-products from palm oil production



and extraction, and the waste from local plants, such as wood chips, chopped roots, and chopped palm trees. Then it is followed by depreciation, amortization, and utility bills, respectively.

During 2020 - 2022, the Group had a cost of sales of 414.8 million baht, 501.1 million baht, and 617.3 million baht, respectively, with a gross profit of 236.1 million baht, 278.6 million baht, and 307.6 million baht, respectively, and a gross profit margin of 36.3 percent, 35.7 percent, and 33.3 percent, respectively. As a result, the Group has adjusted the product portfolio by increasing the proportion of steam production to achieve efficiency and to be able to produce at full capacity. However, the revenue from the sale of water and steam increased, but the gross profit margin was less than the gross margin from sales of power, resulting in a decrease in the total gross profit margin as well. In addition, there was a major overhaul by shutting down the TPG power plants for maintenance and the expiration of power sales rights for the Fit Premium portion of TGE power plants.

In 2020, the Group had a cost of sales of 414.8 million baht, an increase of 194.0 million baht or 87.9 percent from the previous year, and a gross profit of 236.1 million baht or an increase of 36.3 percent in the cost of sales this year. The numbers aligned with the increase in revenue from power sales of the Group, including an increase in depreciation and raw material costs of TPG power plants that started selling power for an entire year.

In 2021, the Group had a cost of sales of 501.1 million baht, an increase of 86.3 million baht or 20.81 percent

from 2020, in line with a 19.8 percent increase in revenue. Most of the cost of sales were biomass raw materials, representing 42 percent. Then it was followed by depreciation and the cost of operating the machine, representing 24 percent and 14 percent of the cost of sales, respectively.

In 2022, the Group had a cost of sales of 617.3 million baht, an increase of 116.2 million baht or 23.19 percent compared to 2021, due to the higher price of chopped palm bunches under the market conditions, the primary raw material, and a major overhaul of TPG power plants, including an increase in the cost of sales according to higher revenues of the Group. The gross profit in 2022 was 307.6 million baht, an increase of 29 million baht or 10.4 percent from 2021, mainly due to the recognition of TBP power plants operating commercial revenue (COD) for the entire year. In addition, it also includes a slight increase in water and steam sales of 1.4 million baht. Regarding waste disposal services, a decrease of 0.8 million baht or 36.4 percent because the waste management costs were increased.

The gross profit margin was 33.3 percent, down from 35.7 percent in 2021 due to the Group's product portfolio adjustment by increasing the proportion of steam production. However, the revenue from the sale of water and steam increased, but the gross margin was less than the gross profit margin from power sales, resulting in the total gross profit margin decreased. In addition, a major overhaul was to shut down TPG power plants for maintenance and the expiration of the Fit Premium power sales rate of TGE power plants.



### 3. Administrative expenses

Administrative expenses include staff expenses, consulting fees, audit fees, depreciation, and amortization. During 2020 -2022, the Group had administrative costs of 30.7 million baht, 54.9 million baht, and 57.3 million baht, respectively, representing 4.7 percent, 7.0 percent, and 6.1 percent of sales revenue, as showed in the table below;

Administrative expenses	2020 Million baht	2021 Million baht	2022 Million baht
Total administrative expenses	30.7	54.9	57.3

For 2020, the Group had administrative expenses of 30.7 million baht, an increase of 3.6 million baht or 13.2 percent from the previous year, mainly due to an increase in administrative personnel to support the expansion of the waste-to-energy business.

For 2021, the Group had administrative expenses of 54.9 million baht, an increase of 24.2 million baht or 79 percent from the previous year, due to the write-off of assets, such as repairing equipment and parts damaged to the point that it could not be repaired from the event that the steam turbine generator burnt down, with a total net value of 20.9 million baht.

In 2022, the Group had administrative expenses of 57.3 million baht, an increase of 2.4 million baht or 4.4 percent, mainly from financial advisory fees and listing fees for the initial public offering (IPO).

Administrative expenses as a percentage of total revenues: Administrative expenses as a percentage of total revenues in 2022 were at 6.2 percent, a decrease from 7.0 percent, mainly due to the increase in total revenue. In addition, the Group could manage administrative expenses more efficiently.

### 4. Financial Cost

Financial cost	2020 Million baht	2021 Million baht	2022 Million baht
Interest expense recorded in the income statement	44.9	47.6	50.6

Finance costs consist of interest on long-term loans from financial institutions and interest on loans from related parties. In 2020 – 2022, the Group had interest expenses recorded in the income statement of 44.9 million baht, 47.6 million baht, and 50.6 million baht, respectively.

In 2022, financial costs increased from 2021 to 3.0 million baht or 6.3 percent, mainly due to interest expense recorded in the income statement and not recorded as the cost of assets for biomass power plants (TBP) commercially operated in 2021.

### 5. Expenses (income) income tax

In 2022, the Company had income tax expenses of 0.8 million baht, an increase of 0.4 million baht or 100

percent from the previous year, mainly due to the expiration of the right to exempt corporate income tax for TGE power plants from the Board of Investment (BOI) from May 7, 2022. However, the Company will still be entitled to a 50 percent reduction of corporate income tax from the regular rate (from 20 percent to 10 percent) for five (5) years until May 7, 2027.

### 6. Net Profit and Net Profit Margin

During 2020 – 2022, the Group had a net profit of 166.9 million baht, 202.1 million baht, and 216.4 million baht, respectively, with an overall increase in profit from biomass power plant projects that gradually began commercial operation each year. In addition, the more effective cost of sales management from fuel cost control by the Group.





### Table showing the summary of the Group's net profit during 2020 – 2022

Unit: Million baht	2020	2021	2022
Net profit	166.9	202.1	216.4

In addition, other revenues were recognized in 2021 from providing waste disposal services for the municipal solid waste power plants in Sa Kaeo. As a result, despite the increase in costs of sales and service, the Group's net profit margin during 2020 – 2022 was 25.7 percent, 26.0 percent, and 23.4 percent, respectively.

In 2022, the net profit margin was 23.4 percent, a decrease from the previous year which stood at 26.0 percent because the product portfolio was adjusted by increasing the proportion of steam production. However, the profit margin from steam sales was lower than the sale of power, resulting in the net profit margin decreased. In addition, there was a major overhaul to shut down TPG power plants according to the maintenance plan and the expiration of the Fit Premium power sales rights of TGE power plants as well.

### Financial Position Analysis

#### Table showing summary of the Group's financial position during 2020 – 2022

Descriptions	31 Dec 2020		31 Dec 2021		31 Dec 2022	
	Million	Percent	Million	Percent	Million	Percent
Assets	2,690.4	100.0	2,748.1	100.0	3,361.8	100.0
Liabilities	1,810.5	67.3	1,664.9	60.6	1,266.6	37.7
Shareholders' equity	879.9	32.7	1,083.2	39.4	2,095.2	62.3
Debt to equity ratio (D/E)	2.06		1.54		0.60	

#### 1) Asset

By the end of 2020 - 2022, the Group had total assets of 2,690.4 million baht, 2,748.1 million baht, and 3,361.8 million baht, respectively. The primary assets of the Group were cash and cash equivalents, trade accounts, reserved fuel and stockpile materials, land, buildings, and equipment which accounted for approximately 82 - 87 percent of total assets.

Total assets at the end of 2020 amounted to 2,690.4 million baht, an increase of 488.5 million baht from the end of 2019, mainly due to an increase in buildings and equipment of 228.3 million baht, most of which were construction and installation work in progress. In addition, TBP power plants started commercial operation in 2021, and an increase in assets related to municipal solid waste power plant projects. These include deposits at financial institutions used as collateral for issuing

letters of guarantee in the amount of 57.3 million baht, the cost of the contract recognized as net assets in the amount of 68.6 million baht, and the right to provide services from concession agreements in the amount of 56.9 million baht.

Total assets at the end of 2021 amounted to 2,748.1 million baht, an increase of 57.7 million baht from the end of 2020. It mainly due to an increase in reserve fuel and supplies in the amount of 61.1 million baht, which was a reserve of biomass raw materials during the harvest season (April – September) to support the power generation of all three (3) projects during the end of the year to the first quarter of each year, in which the palm output was low. It also included an increase in trade accounts receivable of 28.7 million baht and an increase in contract costs recognized as assets of municipal solid waste power plants for 16.3 million baht as well.

As of December 31, 2022, total assets amounted to 3,361.8 million baht, an increase of 613.7 million baht or 22.3 percent from the end of 2021. It was mainly due to an increase in cash and cash equivalents of 541.9 million baht from the Initial public offering (IPO). It was also included account receivables and other trade receivables, a decrease of 24.3 million baht that was due to receiving insurance compensation from fire incidents. For the lands, buildings, and equipment, they decreased 115.2 million baht from depreciation for the accounting period.

## 2) Debt

By the end of 2020 – 2022, the Group had total liabilities of 1,810.5 million baht, 1,664.9 million baht, and 1,266.6 million baht, respectively, consisting of loans from financial institutions and long-term loans from related parties.

Total liabilities at the end of 2020 amounted to 1,810.5 million baht, an increase of 374.0 million baht from the end of 2019, mainly from long-term loans from related parties to be used as an investment in the early project development stages of municipal solid waste power plant. When the Group entered into the PPA, the Group used project finance loans from financial institutions as the primary source of funds. In addition, for the first time, an increase in lease liabilities for leases agreement longer than 12 months arose from the adopted Thai Financial Reporting Standard No. 16 (TFRS 16).

Total liabilities at the end of 2021 amounted to 1,664.9 million baht, a decrease of 145.6 million baht from the end of 2020 caused by the gradual repayment of the loan of 186.3 million baht after the three (3) biomass power plant projects commercially distributed power, and a decrease in payable for constructing power plants of 43.8 million baht. However, in 2021, the Group had long-term loans from related parties increased by 76.8 million baht, a source of funds in the early stages of developing three (3) municipal solid waste power plant projects and for advance payments of repairing damaged machinery from the steam turbine fire incident.

Total liabilities as of December 31, 2022, amounted to 1,266.6 million baht, a decrease of 398.3 million baht or 23.9 percent from the end of 2021, due to 1) The liabilities increased by 10.7 million baht due to the new lease agreement; 2) Long-term loans from related parties decreased by 219.4 million baht due to the stated objectives of fundraising, and the Company had a capital restructuring plan by trying to reduce dependence on related parties; 3) Loans from financial institutions decreased by 179.2 million baht from the loan repayment according to the contract.

## 3) Shareholders' Equity

At the end of the year during 2020 - 2022, the Group had shareholders' equity of 879.9 million baht, 1,083.2 million baht, and 2,095.2 million baht, respectively. In 2020, the Company called for an additional

share payment of 139.2 million baht, resulting in a paid-up capital increased to 800 million baht. In 2020, the Board of Directors approved an interim dividend payment of 237.5 baht per share for 800,000 shares, totaling 190 million baht. In 2021, the Company's shareholders' equity increased by 203.3 million baht as a result of profit with an increase in the amount of 203.3 million baht.

As of December 31, 2022, Shareholders' equity amounted to 2,095.2 million baht, an increase from the end of 2021 which stood at 1,012.0 million baht or 93.4 percent due to the annual performance and fundraising by way of the initial public offering (IPO).

## 4) Debt-to-Equity Ratio: D/E

The debt-to-equity ratio at the end of the year during 2020 – 2022 was 2.06 times, 1.54 times, and 0.60 times, respectively. While the debt-to-equity ratio decreased from 2.06 times in 2020 to 1.54 times in 2021 due to a decrease in power plant construction payables and the gradual repayment of long-term loans to financial institutions. In addition, the Group's profits increased, resulting in an increase in shareholders' equity.

As of December 31, 2022, the Company's debt-to-equity ratio was reduced to 0.60 times due to the commercial operation of the TBP Power Plant at



full capacity and an increase in the proportion of steam production. Therefore, the Company had more revenue to repay for the loan according to the contract as well as the registered capital was increased from the initial public offering (IPO).

## Analysis of key financial ratios

### 1) Liquidity ratio

At the end of the year during 2020 – 2022, the Group's liquidity ratio was 0.79 times, 1.19 times, and 2.90 times, respectively.

At the end of 2020, the Group had a current ratio of 0.79 times, a decrease from the end of 2019 due to an increase in current liabilities of 108.7 million baht.

At the end of 2021, the Group's liquidity ratio was 1.19 times, an improvement from the end of 2020 to an increase in current assets of the Group. In particular, trade accounts receivable increased from selling power by the TBP power plant. It also included reserving fuel and raw materials from purchasing palm bunches during harvest. In contrary, current liabilities decreased from creditors for power plant construction.

At the end of 2022, the Group had a liquidity ratio of 2.90 times, decreasing from the end of 2021, because the Company had cash and cash equivalents from the initial public offering (IPO) and the payment of construction payables according to the contract.

### 2) Debt to Equity Ratio

The debt-to-equity ratio at the end of year during 2020 – 2022 was 2.06 times, 1.54 times, and 0.60 times in 2021. The debt to equity ratio decreased from 2.06 times in 2020 to 1.54 times due to a decrease in long-term loans from financial institutions according to the gradual repayment of the loan and the Company's increased profit from the commercial operation of the TBP power plant in May 2021.

For the year 2022, the Group's debt-to-equity ratio was 0.60 times. The debt-to-equity ratio decreased due to the repayment of loans from related parties to use proceeds from the initial public offering (IPO), the repayment of loans to financial institutions under

the contract, and the increase in shareholder equity from the initial public offering (IPO).

### 3) Return on Equity

At the end of the year during 2020 – 2022, the Group's return on equity was 19.0 percent, 18.7 percent, and 10.3 percent, respectively, in which change in return on equity followed the profitability of the Group of companies each year.

In 2022, the Group's return on equity was 10.3 percent, a decrease from the end of 2021 due to an increase in shareholder equity from the initial public offering (IPO).

## Forward-looking into the factors that may affect future operations

The Company is aware of factors that may affect the organization's operations in the future including internal and external stakeholders, as well as risks and positive and negative impacts towards communities and the environment arising from business operations throughout value chains of the Group. In addition, it also includes innitaiting the sustainable development covering environmental, social, and governance dimensions (ESG). However, the Company has incorporated Sustainable Development Goals into its business plan to mitigate adverse impacts towards the environment and relevant stakeholders. As a result, there are developments and access to new, relevant markets, as well as developing innovations to increase business efficiency and to help strengthen long-term sustainability for the organization.

In 2022, the Company focused on the issue of climate change that has affected the world in terms of environmental problems, air pollution, and global warming, such as extreme weather conditions, droughts, floods, and other disasters that directly affect the agricultural sector. Such events were considered risk factors in raw material procurement regarding quantity and price, resulting in the operating costs of the Company's three (3) biomass power plants flutuated. Therefore, according to the plan set out to achieve a balanced performance, the Company has decided to operate business under the ESG framework along with accelerating the investment of both

domestic and international waste-to-energy power plant projects, to reduce reliance on biomass power plants alone. Importantly, whether it is a biomass or a waste-to-energy power plant, they are a crucial mechanism to create energy security for the country and reduce the impacts of global warming in another way.

## Important financial information of the Company

### Income statement as of December 31, during 2020 – 2022

Consolidated Statement of Comprehensive Income	2020		2021		2022	
	Million baht	Percent	Million baht	Percent	Million baht	Percent
Revenue from sale	650.9	100.0	779.7	100.0	924.9	100.0
Revenue from construction work under concession agreement	56.9	-	1.5	-	13.1	-
<b>Total Revenue</b>	<b>707.8</b>	<b>100.0</b>	<b>781.2</b>	<b>100.0</b>	<b>938.0</b>	<b>100.0</b>
Costs of Sale	414.8	63.7	501.1	64.3	617.3	66.7
Construction costs under concession agreement	56.9	-	1.5	-	13.1	-
<b>Gross profit</b>	<b>236.1</b>	<b>36.3</b>	<b>278.6</b>	<b>35.7</b>	<b>307.6</b>	<b>33.3</b>
Other income	5.7	0.9	26.3	3.4	17.5	1.9
Administrative expense	30.7	4.7	54.8	7.0	57.3	6.2
Operating Profit	211.1	32.5	250.1	32.1	267.8	29
Financial cost	44.9	6.9	47.6	6.1	50.6	5.5
Profit before income tax	166.2	25.6	202.5	26.0	217.2	23.5
Expense (Income) Income tax	(0.7)	(0.1)	0.4	0.0	0.8	0.1
<b>Gross Profit</b>	<b>166.9</b>	<b>25.7</b>	<b>202.1</b>	<b>26.0</b>	<b>216.4</b>	<b>23.4</b>
<u>Other comprehensive income</u>						
- Remeasurements of net employee benefit obligations from income tax	(0.6)		1.4		-	-
- Income tax on items that will not be reclassified subsequently to profit or loss	0.1		(0.2)		-	-
<b>Total Comprehensive Income</b>	<b>166.4</b>		<b>203.3</b>		<b>216.4</b>	<b>23.4</b>
<u>Profit/Loss attributable to</u>						
Head office	166.9	25.7	202.1	26.0	216.4	23.4
Non-controlling interests	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-
<b>Gross profit</b>	<b>166.9</b>	<b>25.7</b>	<b>202.1</b>	<b>26.0</b>	<b>216.4</b>	<b>23.4</b>
<u>Profit/Loss attributable to</u>						
Head office	166.4	25.6	203.3	26.1	216.4	23.4
Non-controlling interests	(0.0)	(0.0)	(0.0)	0.0	(0.0)	-





Consolidated Statement of Comprehensive Income	2020		2021		2022	
	Million baht	Percent	Million baht	Percent	Million baht	Percent
Net Profit/Loss	166.4	25.6	203.3	26.1	216.4	23.4
Adjusted Earnings per Share						
Weighted average number of ordinary shares (million shares)		1,600		1,600		1,828
Adjusted earnings per share (Baht)		0.10		0.13		0.12

## 2) Financial Ratios

Significant Financial Ratios	Unit	2020	2021	2022
<b>Liquidity ratio</b>				
Liquidity ratio	Times	0.79	1.19	2.90
Quick ratio	Times	0.65	0.85	2.56
Operating cash flow ratio	Times	0.80	0.88	1.22
Account receivable turnover ratio	Times	5.9	5.9	6.0
Average collect period	Days	62	62	61
Account payable turnover ratio	Times	31.4	27.7	25.5
Repayment period	Days	12	13	14
<b>Profitability Ratio</b>				
Gross profit margin	Percent	36.3	35.7	33.3
Operating profit margin	Percent	32.5	32.1	29.0
Other income to total income ratio	Percent	0.9	3.4	1.9
Cash to profit ratio	Percent	117.3	119.0	149.0
Net profit margin	Percent	25.7	26	23.4
Average return on equity	Percent	20.3	20.6	13.6
<b>Efficiency Ratios</b>				
Return of average assets	Percent	6.8	7.4	7.1
Times interest earned ratio	Times	6.9	7.9	8.1
Interest-bearing debt to earnings before interest, taxes, depreciation, and amortization	Times	5	3.8	2.55
Dividend payout ratio	Percent	113.8	-	169.9



## 5. General Information and Other Important Information

### 5.1 The Company's General Information

Company Name in Thai	:	บริษัท ท่าฉาง กรีน เอ็นเนอร์ยี่ จำกัด (มหาชน)
Company Name in English	:	Thachang Green Energy Public Company Limited (TGE)
Business Registration Number	:	0107564000391
Business Type	:	Produce and distribute electricity from renewable energy Currently operate the businesses as follows: 1) Biomass Power Plant 2) Municipal Solid Waste Power Plant
Headquarter Location	:	159 Moo 3, Tambon Thachang, Amphoe Thachang, Surat Thani 84150
Phone	:	077-277-790
Fax	:	077-277-799
Website	:	<a href="https://www.tge.co.th">https://www.tge.co.th</a>
Registered Capital	:	1,100,000,000 baht (As of December 31, 2022)
Issued and Paid-up Capital	:	1,100,000,000 baht (As of December 31, 2022)
Type and Paid-up Shares	:	Ordinary shares of 2,200,000,000 shares, at a par value of 0.05 baht per share (As of December 31, 2022)
Plant Location/Project Office	:	
1. Biomass Power Plant	:	<b>1) Thachang Green Energy Public Company Limited (TGE)</b> <b>Plant Location:</b> 52/3 Moo 7, Tambon Sawiet, Amphoe Thachang, Surat Thani 84150 <b>2) Thachang Power Green Company Limited (TPG)</b> <b>Head Office:</b> 159 Moo 3, Tambon Thachang, Amphoe Thachang, Surat Thani 84150 <b>Plant Location:</b> 79/5 Moo 3, Tambon Thachang, Amphoe Thachang, Surat Thani 84150 <b>3) Thachang Bio Power Company Limited (TBP)</b> <b>Head Office:</b> 159 Moo 3, Tambon Thachang, Amphoe Thachang, Surat Thani 84150 <b>Plant Location:</b> 52/3 Moo 7, Tambon Sawiet, Amphoe Thachang, Surat Thani 84150



## 2. Municipal Solid Waste Power Plant

### 1) Thachang Energy Solution Company Limited (TES)

**Head Office:** 159 Moo 3, Tambon Thachang,  
Amphoe Thachang, Surat Thani 84150

**Plant Location:** 195 Moo 7, Tambon Watthana Nakhon,  
Amphoe Watthana Nakhon, Sa Kaeo 27160

### 2) Thachang Energy Solution (Ratchaburi) Company Limited (RBR)

**Head Office:** 159 Moo 3, Tambon Thachang,  
Amphoe Thachang, Surat Thani 84150

**Plant Location:** Preparation for construction

### 3) Thachang Energy Solution (Chumphon) Company Limited (CPN)

**Head Office:** 159 Moo 3, Tambon Thachang,  
Amphoe Thachang, Surat Thani 84150

**Plant Location:** Preparation for construction

### 4) Thachang Energy Solution (Tha Chin) Company Limited (TCN)

**Head Office:** 159 Moo 3, Tambon Thachang,  
Amphoe Thachang, Surat Thani 84150

**Plant Location:** Preparation for construction

### 5) Thachang Energy Solution (Chai Nat) Company Limited (CNT)

**Head Office:** 159 Moo 3, Tambon Thachang,  
Amphoe Thachang, Surat Thani 84150

**Plant Location:** Preparation for construction

### 6) Thachang Energy Solution (Ubon Ratchathani) Company Limited (UBN)

**Head Office:** 159 Moo 3, Tambon Thachang,  
Amphoe Thachang, Surat Thani 84150

### 7) Thachang Energy Solution (Prachin Buri) Company Limited (PRI)

**Head Office:** 159 Moo 3, Tambon Thachang,  
Amphoe Thachang, Surat Thani 84150

## 5.2 Other References

- |                          |   |   |
|--------------------------|---|---|
| (1) Securities Registrar | : | Thailand Securities Depository Company Limited  |
| Location                 | : | 93 14 <sup>th</sup> Floor, Ratchada Pisek Road, Khwang Din Daeng, Khet Din Daeng, Bangkok 10400                           |
| Phone                    | : | 02-009-9999   |
| Fax                      | : | 02-009-9992   |
| (2) Auditor              | : | PricewaterhouseCoopers ABAS Company Limited   |
| Location                 | : | 179/74-80 Bangkok City Tower 15 <sup>th</sup> Floor, South Sathon Road, Khwang Thung Maha Mek, Khet Sathon, Bangkok 10120 |
| Phone                    | : | 02-844-1000   |
| Fax                      | : | 02-286-5050   |
| (3) Internal Auditor     | : | Unique Advisor Company Limited  |
| Location                 | : | 253 25 <sup>th</sup> Floor, Sukhumvit Road (Asoke), Khwang Khlong Toei Nuea, Khet Watthana, Bangkok 10110                 |
| Phone                    | : | 02-261-9699   |
| Fax                      | : | 02-261-9697   |

## 5.3 Other Important Information

### 5.3.1 Other important information that affects investors' decisions

- None -

### 5.3.2 The restrictions on foreign shareholders, if the Company has the policy to seek a resolution from the shareholders' meeting on offering newly issued shares or issuing transferable subscription rights (TSR) to shareholders in proportion to their shareholding without issuing and offering to shareholders that will make the Company perform duties under foreign law.

- None -

## 5.4 Legal Dispute

As of December 31, 2022, the Company and its subsidiaries had no any legal disputes that might affect the assets of the Company or its subsidiaries more than 5% of the shareholders' equity according to the financial statements 2022. Furthermore, there was none of any legal disputes that might significantly affect the business operations of the Company or its subsidiaries, including none of any legal disputes





# 02



## Corporate Governance





## 6. Corporate Governance Policy

### 6.1 Overview of Corporate Governance Policies and Practices

Tha Chang Green Energy Public Company Limited (the “Company” or “TGE”) and its subsidiaries (collectively referred to as the “Group”) are committed to conducting business with transparency, fairness, and verifiability. Therefore, the Group realizes the importance of good corporate governance that will help promote its operations to be efficient and transparent to achieve sustainable growth leading to the confidence of all stakeholders. Accordingly, the Company has stipulated the policy of good corporate governance since 2020 that covers the Corporate Governance Code for Listed Companies 2017 defined by the Office of the Securities and Exchange Commission, which will be reviewed on an annual basis. Then in 2022, the Board of Directors reviewed the policy at its meeting No. 7/2022 on November 14, 2022.

Furthermore, the Company has established good corporate governance principle as part of the organization’s vision, mission, and values, intending to play a role in driving the country’s economy with renewable energy with sustainable business operations and steady growth, in which it’s not harming the community and the environment, according to the vision stated that “To be a leader in the renewable energy industry, environmentally-friendly to the community and the environment”.

#### Good Corporate Governance Policy

The Company has established a Corporate Governance Policy and Business Ethics Handbook following the law, good practices, business operations, and the changing socioeconomic conditions. The Company also stipulates that directors, executives, and employees shall be acknowledged and adhered to complying with as part of their work in a concrete way. Accordingly, the Board of Directors has established the good corporate governance policy of TGE as follows:

1. The Board of Directors, executives, and all employees commit to operating business under the Company’s corporate governance principles, fairly connected between The Board of Directors, executives, and shareholders.

2. The Board of Directors independently perform duties with determination, dedication, and responsibility, in which their The roles and responsibilities explicitly are allocated Moreover, the Company has also determined structure, composition, and qualifications of The Board of Directors in order to perform duties efficiently and effectively.

3. The Board of Directors and executives play essential roles in determining the Company’s vision, strategies, policies, and significant business plans. It takes into account risk factors and potential impacts that may arise, along with monitoring process and allocation of necessary resources appropriately. It also includes ensuring that the Company’s accounting system, financial report, and auditing are reliable. In this regard, the business has been conducted based on ethical practices together with social and environmental responsibility. It also includes innovation and technology have been promoted through work process in order to adapt to socioeconomic changes, as well as to sustainably strengthen competitiveness in both short and long terms.

4. The Board of Directors and executives are required to be as role models or leaders in ethical matters, in operating business according to the Company’s corporate governance practices. It also includes governing monitoring process in managing conflicts of interest and connected transactions as well.

5. The Board of Directors may appoint subcommittees as appropriate to carefully assist in scrutinizing essential matters.

6. The Board of Directors is required to arrange an annual self-evaluation to serve as a framework for evaluation their performance.





7. The Board of Directors is responsible for determining the Company's Corporate Governance Handbook and Business Ethics Handbook for the Board of Directors, executives, and employees to apply as a guideline to conduct business along with the Company's rules and regulations.

8. The Board of Directors, executives, and employees are required to disclose the Company essential information through appropriate communication channels. This also includes the financial and non-financial matters sufficiently, reliably, and timely so that the Company's shareholders and stakeholders are able to receive those information equally. Furthermore, the Company has set up a public relations and an investor relations entities to perform duty in providing essential information to investors and the general public, as well as to support the shareholders' engagement and the equitable treatment towards the shareholders.

9. The Board of Directors is required to set up an appropriate nomination system for key executive positions, in which it requires a transparent and fair nomination process without discrimination.

10. The Board of Directors is required to set up a system that supports an effective anti-corruption policy to ensure that the management realizes and places importance on this matter and strictly complies with all set measures.

On top of that, the Company has published the Corporate Governance Handbook and Business Ethics Handbook (Thai language) on the Company's website at <http://www.tge.co.th/> for investors and those who are interested in the Company's business operation. In addition, stakeholders are able to take advantages of or use them as a reference.

### Policies and Guidelines Concerning Directors

The Board of Directors shall consist of persons who hold experience, knowledge, and expertise, that support the Company's business efficiently. They are required to dedicate full time to perform duties according to their responsibilities, along with

nomination processes that are transparent and fair. For their major roles and responsibilities, it requires governing the business operations according to the Company's goals. This also includes the Executive Committee who are responsible for operating the Company's business and the Audit Committee who are responsible to review the financial reports wholly and accurately. In this regard, the Company's Secretary is required to conduct the meeting and legal compliance. Policies and practices concerning the Board of Directors are stipulated as follows:

#### 1. Composition, qualifications of the Board, and appointment of directors

As of December 31, 2022, the structure of the Board of Directors consists of ten (10) members, executive and non-executive directors. However, the Company has established the policy to appoint independent directors as the Chairman of the Board of Directors. In addition, the Board of Directors is required to consist of independent directors, not less than one-third of the total number of directors. The Board of Directors is also required to hold knowledge, competence, and experience beneficial to the Company's business operations. Additionally, they are all required to be honest, ethical, and able to fully dedicate sufficient time to perform duties and responsibilities for the Company. Moreover, they are required to hold the qualifications and not to have any prohibited characteristics following the law concerning the public limited companies and the law regarding securities and stock exchange or according to the rules and regulations prescribed by the Securities and Exchange Commission.

#### 2. Independence of the Board of Directors

Independent directors are required to be independent from the authority of the executives and major shareholders, and not to have any involvement or interest regarding finance and business administration. In addition to the aforementioned qualifications as directors of the Company, independent directors are required to hold additional specific qualifications as specified by the relevant Notification of the Capital Market Supervisory Board.

### 3. Roles and powers of directors

The Board of Directors has authority, duties, and responsibilities in managing and conducting the Company's business under the law and its objectives and regulations, as well as the resolutions of the shareholder meetings with honesty and care to protect the interests of the Company and shareholders importantly.

### 4. Roles and duties of the Chairman

- The Chairman of the Board is independent of the Company's administration and does not interfere in the management's regular day-to-day administration by explicitly allocating roles and responsibilities.
- Be the Board of Directors meetings summoner. In summoning the meeting, the Chairman of the Board of Directors, the Company Secretary, or an authorized person is required to submit the meeting invitation to the directors according to the Articles of Association.
- Act as the Chairman of the Board of Directors and Shareholder meetings. It also includes setting the meeting agendas in conjunction with the Chief Executive Officer and the Company Secretary.
- The Chairman of the Board is required to perform a role in monitoring the meetings to be effective as per the regulations. He is also required to ensure support and give opportunities for directors to express their opinions independently, as well as being responsible for allocating sufficient time for directors to discuss and express their views independently regarding essential matters with fair consideration concerning the interests of shareholders and stakeholders importantly.
- Support and encourage the Board of Directors to perform their duties with the best effort under the scope of authority and responsibility and according to good corporate governance principles.
- Govern and monitor the performance of the Board of Directors, other subcommittees, and independent directors to achieve the specified objectives.

### 5. Appointment of particular committees

To scrutinize critical operations with prudence and efficiency, the TGE Board of Directors has set up 4 particular subcommittees, namely the Executive Committee, Audit Committee, Risk and Investment Committee, and Nomination, Remuneration, and Corporate Governance Committee.

### 6. The Board meetings and relevant documents

Every director should attend the board meetings at least 4 times a year. All meetings shall provide agendas and information, including specifying the venue, date, and time in advance for letting the meeting participants to study and understand the agenda. In addition, the Company has determined that each director is required to attend at least 75% of the total number of board meetings each year.

### 7. The Company Secretary

The Board of Directors has considered appointing the Company Secretary to support the activities and assist the Board of Directors, including the Company itself to be able to perform their duties under the legal framework and following the principles of good corporate governance set by the Stock Exchange of Thailand.

### 8. Performance evaluation of the Board of Directors

The Company arranges for the performance evaluation of the Board of Directors every year. It is an evaluation of the performance of the Board of Directors in the forms of a whole group and individuality. Each year, the scores and opinions of the directors will be applied for improving the performance of the Board of Directors to be more effective.

### 9. Remuneration of the Board of Directors

The Nomination, Remuneration, and Corporate Governance Committee will determine the principle and remuneration plan for directors by considering their duties and responsibilities, the Company's performance, and other compositions under the situation that may change at all time before presenting to the Board of Directors for consideration and approval. Later, it will be proposed to the shareholder



meeting for approval on an annual basis (*details of remuneration package for directors are reported under Section 8, item 8.1.2 (2) Board of Directors Remuneration*”).

## 10. Succession Plan

The Company continually realizes the importance of efficient business operations, so it has therefore established a succession plan policy and its practice for the Company to prepare recruiting senior executives. It also includes individual development plan (IDP) and selecting candidates who hold the similar potential and qualifications to replace the vacant positions immediately. This allows the Company to continue its business efficiently. Therefore, it is considered an internal recruitment process that is most appropriate. The key positions are detailed as follows: 1) Chief Executive Officer (CEO) level and 2) Director level (C Level).

## 11. Individual Development Plan for Directors

The Company provides opportunity for all Directors to develop individual knowledge and competency, as well as enhancing skills and knowledge for performing duties on a regular basis. Moreover, the Company encourages directors to attend seminars and training in various organizations related to the individual performance improvement and business operations of the Company.

## Framework and Mechanism of Governance for Subsidiaries or Joint-Venture Companies

The Company has established a policy to govern the business operations of subsidiaries and joint-venture companies, so that the Company is able to determine direct and indirect measures, mechanism, and monitoring system. This action is for conducting business under the Company's established policies. It also includes complying with various measures and mechanisms as if they are one entity of the Company in order to maintain the interest of the Company's investment in subsidiaries and joint-venture companies, in which it has the operating framework as follows;

- Assign the Company's representatives to be directors or executives in each subsidiary

and joint-venture company according to the shareholding proportion and the joint venture agreement in each company in order to govern them to operate business under the business policy set by the Company and to ensure compliance of the Company's governance policy.

- Before entering into a subsidiary's transaction or any action considered to be an acquisition or disposition of assets or falls within the scope of connected transaction under the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, those companies need to seek approval from the Board of Directors meeting, the Company's shareholder meeting, or the relevant legal entities. Subsidiaries will be able to enter into or operate such transactions only after obtaining approval from the Board of Directors' meeting, the shareholder meeting, or related entities (as the case may be).
- Directors and executives of subsidiaries hold a vital scope of duties and responsibilities under relevant laws, such as disclosure of information on the financial statement and overall performances to the Company according to the relevant rules and regulations set by the Stock Exchange of Thailand or the Securities and Exchange Commission, shall apply mutatis mutandis. It also includes the disclosure and submission of information on personal interests and related persons to the Board of Directors for acknowledgment of the relationship and transactions with the Company and subsidiaries in a manner that may cause conflicts of interest and avoid making transactions that may cause conflicts of interest.
- Directors and executives of subsidiaries are required to perform their duties abiding by applicable laws and the Company's objectives and regulations, as well as the resolutions of the Board and the shareholder meetings following the duty of obedience, the duty of loyalty, the duty of care, the duty of disclosure, accountability, and ethics. Moreover, it also includes monitoring and giving necessary recommendations to ensure that the operations of subsidiaries and joint-venture companies are in line with the contracts and related regulations.



- The Company is required to determine the plan and take necessary actions to ensure that the subsidiaries disclose information regarding overall performance and financial statement. It also includes information that is required to disclose to regulators and various government agencies, outside investors, and the public accurately, entirely, and reliably.

## Policy and Practices for Shareholders and Stakeholders

### 1. Rights of shareholders and equitable treatment towards shareholders

The Company recognizes and places importance on the fundamental rights of shareholders, including the right to buy, sell, transfer shares, receive profit sharing of the business, and receive sufficient information regarding the business. Furthermore, it is required to attend shareholder meetings and exercise voting rights to appoint and remove directors, appoint an auditor, and vote on issues affecting the Company, such as dividend allocation, capital increase and decrease, and defining and amending the Memorandum of Association and Articles of Association. Therefore, the Board of Directors is required to ensure that the shareholders have reviewed and approved essential matters and issues specified in the law or may affect the direction of business operations—on top of that, it requires ensuring that such issues are included in the agenda of the shareholder meetings. Accordingly, the meeting invitation letters will be couriered with relevant documents and published on the Company's website before the meeting dates according to the period specified by the applicable laws and regulations so that the shareholders have time to consider the details of each agenda.

#### 1.1 The rights to attend the shareholder meetings, nominate directors or propose agendas for the meetings.

##### • Schedule shareholder meetings

The Company is required to schedule the Annual General Meeting of Shareholders within four (4) months from the end of its fiscal year. However, on a case-by-case basis, the Company will call the Extraordinary General Meeting of Shareholders for the urgent necessity to propose particular

agendas approved by the shareholders, and the agendas affect or relate to shareholders' interests or applicable conditions or laws. In 2022, the Company held the Annual General Meeting of Shareholders on March 21 before it was listed on the Stock Exchange of Thailand.

However, after the Company has been listed on the Stock Exchange of Thailand, it is required to proceed as follows.

##### • Advance notice of meetings

1. Before the shareholder meetings, the Company is required to provide opportunities for minority shareholders to nominate directors and propose additional meeting agendas. This practice will be clearly defined as a criterion and disclosed to shareholders in advance. The Company will inform reasons for not including such shareholders' proposed agendas at the meeting of shareholders at that time.
2. The Company is required to courier the meeting notice to shareholders at least seven (7) days in advance by specifying the date, time, venue, and agendas, as well as supporting information related to the matters to be decided at the meeting completely.
3. Suppose any shareholder is unable to attend the meeting. In that case, the Company allows the shareholder to delegate a proxy, an independent director or general person, to participate on his behalf by presenting a completed proxy form provided by the Company along with the invitation letter. Furthermore, the shareholders are welcome to inquire and express opinions and suggestions independently and freely after the meetings.

##### • Conducting the shareholder meetings

1. The Company is required to provide equivalent facilitation to all shareholders regarding appropriate venues and dates for attending the meetings.
2. The shareholder meetings are required to be conducted under the laws and the Company's regulations. The meetings also require considering and voting on the specified agendas in orders without changing material information



or including additional unnecessary agendas. In addition, it requires allowing shareholders to have equal rights to inquire and express opinions and suggestions.

- **Disclosure of the results of the shareholder meetings**
  1. The Board of Directors has determined the governance and screening of the disclosure of meeting resolutions. It also includes the preparation of meeting minutes, ensuring accuracy and completion according to the relevant rules and regulations that the shareholders can verify.
  2. The Company is required to establish operating guidelines according to the principles of good corporate governance and to disclose information accurately and transparently. Accordingly, after the Company has been listed on the Stock Exchange of Thailand, it requires disclosing the meeting resolutions and voting results within the next business day via the Stock Exchange of Thailand's system and the Company's website. In addition, it requires submitting a copy of the meeting minutes to the Stock Exchange of Thailand within fourteen (14) days from the meeting date.

## 1.2 Right to receive dividends

The shareholders shall have the right to share the profits. According to the dividend policy, the Company shall allocate at least a minimum of 30 percent of net profits to shareholders after deducting taxes and legal reserves. In addition, the Board of Directors has the authority to consider paying dividends as they see fit for the best interests of the shareholders and it requires to be approved by the shareholder meeting, except for interim dividend payments. Therefore, the Board of Directors has the authority to approve such issue and then report to the next shareholder meeting for acknowledgment.

Furthermore, the Board of Directors has established measures to prevent the wrongful use of insider trading information to prevent directors, executives, and employees from seeking benefits for themselves and those involved. A policy on using inside trading information has been established and disseminated

to all directors, executives, and employees to ensure that it is acknowledged and strictly followed. Under Section 59 of the Securities and Exchange Act, B.E. 2535 (1992) and its amendments, the directors and executives are required to report the acquisition or sale of securities to the Office of the Securities and Exchange Commission. As a result, in 2022, inside information was not misused.

In 2022, the Company had no connected transactions. However, the Board of Directors has established a policy according to the regulations of the Stock Exchange of Thailand. Before entering into connected transactions subject to disclosure of information or required to obtain shareholders' approval, the Company is required to disclose the details and reasons to the shareholders before executing them. Also, the Board of Directors places importance on entering into related transactions. Therefore, all connected transactions of the Company and its subsidiaries are required to proceed according to the market price and under the ordinary course of business, fair and at arm's length.

## 2. Roles towards stakeholders

The Company realizes the importance of the relationship between stakeholders essential to upstream to downstream activities related to business operations. Therefore, the Group is committed to creating value for products and services to meet all stakeholders' expectations. In this regard, the Group has established guidelines for managing the impact towards stakeholders in the TGE value chain to achieve the goals of sustainable development, creating balance in dimensions of economy, society, and environment throughout the supply chain and take into account the best interest for all stakeholders.

In the third quarter of 2022, the Company's executives and sustainability working groups attended a workshop on the topic "Sustainability development for the organization", in which the speaker was a sustainability expert from an external sustainability consulting firm to share knowledge and participate in the assessment and determination of key stakeholders. In this regard, the Company has established good practices for each Group of stakeholders, which is defined in the Company's "Business Ethics"

## Compliance with Laws and Human Rights

The Group intends to create stability for society and communities and develop employees' skills and potential in order to produce quality personnel for society. It also includes creating jobs and careers and distributing income to the community aiming to build a sustainable society which is one of the principles and guidelines specified in the Company's sustainable development policy on social development, in which these guidelines specify respect for human rights as follows:

1. The Group shall consider the principles of human rights and human dignity. Therefore, they shall treat employees and personnel in the community fairly and equally without discrimination regardless of race, skin color, religion, sex, age, nationality, gender, or any other matters so that employees have a good quality of life.
2. The Group shall care for the health and safety of their employees and workers and ensure that there are no negative effect on the human rights of those involved, by giving importance to the protection of personal data related to the business operations of the Group of Companies as required by law.
3. The Group shall promote the potential development of the Company's personnel at all levels. It shall establish an evaluation system that meets the Company's criteria as set, adhering to good governance, and aligning with the development guidelines of the Group to deliver value to the community and society. It also includes providing quality products and services according to international standards.
4. The Group shall give importance to cooperation with communities and society to continually develop the Group of Companies, communities, and society together.

Above all, compliance with economic, social, and environmental laws (ESG Compliance) is another crucial aspect of corporate sustainability development that the Company emphasizes and has identified it in the Company's sustainable development policy regarding economic development and good governance.

## Financial and Non-Financial Reporting of the Board of Directors

The Group requires disclosure of sustainability management performance that takes into account all stakeholders, covering the areas of environment, society, and governance (ESG) through the annual report (Form 56-1 One Report) in part three under the topic of driving business for sustainability, as well as to disclose it through the Company's website (<http://www.tge.co.th>). The content shall be based on Global Reporting Initiative (GRI) international standards for disclosure aligning with the Sustainable Development Goals (SDGs) conform to the United Nations Sustainable Development Goals from an independent external agency to build confidence in the Group's information.

## Investor Relations

The Company has set up Investor Relations Department, a center for disclosing important information to domestic and international shareholders and investors. The crucial financial information includes corporate performance, financial statements, financial management discussion and analysis (MD&A) on a quarterly basis, strategy, and future outlook of the Group. The disclosure shall be done regularly, wholly and equally according to facts. You can contact the Investor Relations Department at:

**Mr. Dolawat Jintasopon or Ms. Chonpatsorn Wichaidit**

**Tel: (+66) 7-727-7790 Email: [ir@tge.co.th](mailto:ir@tge.co.th)**

For those who are interested in the Company's performance, can follow up on up-to-date information of the Group in both Thai and English through the website <http://www.tge.co.th/>. The important information is covered as follows:

- Company information
- Business
- Form 56-1 One Report
- Financial information
- Stock information
- Information for shareholders
- Documents for investors



- Newsroom
- Inquiries
- Sustainable organizational development

### 3. Management regarding the use of inside information

The Group emphasizes good corporate governance for transparency and prevention of exploitation of personal interests from the use of inside information. Therefore, the Company has established a policy to prevent using inside information that has not yet disclosed to the public for personal gain. This policy is specified in the Company's Corporate Governance Handbook, in which directors, executives, and employees are required to strictly follow. In the case of using or disclosing inside information which causes damage to the Company and its subsidiaries, directly or indirectly, the penalties will be according to the employee regulations, which include layoff and employment termination. The Company shall take the final action on civil and criminal against those who cause damage to the Company and its subsidiaries.

### 4. Conflicts of interest and reporting on interest

The Group emphasizes good corporate governance and recognizes the importance of conducting business with honesty, transparency, and accountability by considering the Company's interest as the priority. Therefore, the Company has established a policy on conflicts of interest and reporting on interest for directors, executives, and employees to follow strictly. The directors, executives, and employees of the Company and its subsidiaries must always check whether they have interests or conflicts of interest in their work. Accordingly, they shall avoid any actions that may create conflict with the interest of the Company and its subsidiaries. In addition, the Company's directors and executives must report their interests related to the administration of the Company and its subsidiaries and their holdings of the Company's securities or related persons according to the rules of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission or other relevant regulations.

### 5. Protecting the rights of shareholders

The Company has established procedures to protect the rights of all groups of shareholders equally and fairly, and specified them in the Corporate Governance Policy and Business Ethics Handbook for all directors, executives, and employees to comply with and follow.

### 6. Anti-Corruption Policy

The Company has determined the proper conduct practices for directors, executives, and employees to be consistent with the administration and business operations under good governance, adhering to the principle of honesty and transparency without corruption. As a result, this policy is enforced against corruption to prevent fraud inside and outside the organization. This policy also applies to all directors, executives, employees, and workers of the Company and its subsidiaries with the following operational guidelines:

- According to the initiative of the Group on the Company's sustainable development policy in 2022, the Company has reviewed and drafted an action plan in line with the strategy of good corporate governance and anti-corruption policy, which is one of the critical points in sustainable development emphasized by the Company.
- The Board of Directors Meeting approved participation in "Private Sector Collective Action Against Corruption: CAC" organized by the Thai Institute of Directors Association. Currently, the Company is preparing a self-assessment form according to the checklist for applying with the CAC by June 15, 2023.
- The Company has determined the "No Gift Policy" to exchange well wishes instead of gifts and the campaign has been published through the Company's website.
- Determine to include the above policy in the Employee Handbook for all employees to comply strictly.
- Establish the whistleblowing policy for receiving complaints, misconduct, and corruption to provide opportunities for executives, employees, and stakeholders to report or inform about irregularities in the Company's business

operations through various channels specified by the Company. Moreover, it requires to set up the mechanisms for protecting complainants or informants in the the aforementioned policy to ensure that reporting or providing information will not cause trouble to complainants or informants. In this regard, complainants can report complaints or clues about misconduct and corruption through the following communication channels.

- Notify it through the line supervisor, Head of Human Resources, or Head of Internal Audit directly.
  - Notify it via e-mail to the Secretary of the Audit Committee: [ia@tge.co.th](mailto:ia@tge.co.th) or the Company Secretary at e-mail: [comsec@tge.co.th](mailto:comsec@tge.co.th)
  - Notify it through the website <http://www.tge.co.th/>
  - Submit it through the red box located inside the office
- 
- After conducting a fact-finding investigation, anyone who does anything intentionally, neglects carelessly, or fails to comply with this policy; anyone who reports complaints, clues, wordings, or provides any information that can be proven to be acted in bad faith; or anyone who harass, threaten, take disciplinary action; or discriminating by unlawful means arising from the complaint to the complainant or the person involved in the complaint to this policy-that person is deemed to commit a disciplinary breach and must be responsible for damages to the Company or those affected by such action. As a result, the person is liable in civil and criminal according to the law. Further details are available on the Anti-Corruption Policy and the Whistleblowing Policy through the Company's website at <http://www.tge.co.th>.

## 6.2 Business Ethics

The essential elements for conducting business besides complying with the laws and regulations stipulated by the government agencies and the organization itself, the organization must have business ethics. The Group, therefore, regards them as the critical principle in

operating the business to enable the Group to grow continuously, stably, and sustainably.

The Company prepares the Business Ethics Handbook for directors, executives, and employees of the Company and its subsidiaries to adhere to as a work practice. On top of that, it requires to be a good role model in performing duties fairly with morals and ethics, be responsible for the organization, oneself, colleagues, supervisors, and subordinates. It also includes all stakeholders, fairly according to the good corporate governance policy. In this regard, directors, executives, and employees of the Company and its subsidiaries must acknowledge, understand, and strictly comply with performing their duties efficiently, openly, transparently, and honestly. Furthermore, it requires taking into account the best interests of the Group and be equitable to all involved stakeholders. So, it must be ready to explain, clarify, and verifiable.

Business Ethics and code of conduct in operating business of the Group are described as follows:

- Respect the law and promote equality according to international human rights principles;
- Politically neutral;
- No stake and conflict of interest;
- Keep confidentiality and do not use inside information for personal interest;
- Conduct business based on good corporate governance principles;
- Encourage executives and employees to act with integrity, transparency, and fair treatment of all stakeholders;
- Protect the interests of the organization and its shareholders as a priority;
- Be responsible to the community, society, and environment;
- Support employee rights and build employee engagement towards the organization;
- Encourage to treat colleagues with good courtesy and sincerity, including promoting unity among the faculty and helping each other;
- Establish efficient internal control and internal audit systems;
- Establish guidelines for accepting gifts, assets, or other benefits.





### 6.3 Major changes and developments in the policy guidelines and corporate governance system in the past year.

After the Company was listed as a listed company on the Stock Exchange of Thailand during the last quarter of 2022, the Board of Directors approved a material review that policies, guidelines, corporate governance systems, and related handbooks, were revised in order to ensure that the Group's operation was agile, efficient, practical, and aligned with the Company's sustainable development strategy without setting a new charter or new policy. The significant amended issues are summarized as follows:

1. Amendment to the Charter of the Board of Directors: Determining that the Board of Directors shall prepare a meeting notice identifying the venue, date, time, and agenda, including matters to be proposed to the meeting, with relevant details. In addition, the meeting notice shall clearly state for acknowledgment, certification, approval, or consideration, together with the opinions of the Board of Directors on such matters.
2. Amendment to the Charter of the Risk Management Committee: (1) Adding the authority, duties, and responsibilities of the Risk Management Committee to cover risks arising from investment and business operations; changing the name of the charter to the Charter of the Risk Management and Investment Committee; and revised the risk management and investment policy to align with the Charter of the Risk Management and Investment Committee; (2) The Chairman of the Risk Management and Investment Committee shall be an independent director; (3) The Risk and Investment Management Committee shall hold at least four meetings annually and report the performance to the Board of Directors every quarter. However, for urgent cases, it shall report the performance to the Board of Directors in the next meeting; and (4) Determining that any

director of the Risk Management and Investment Committee with a stake in the considering matter shall have no right to attend the meeting and vote on such topic.

3. Amendment to the Charter of the Nomination, Remuneration, and Corporate Governance Committee: Reviewed the remuneration and corporate governance, and amended as follows: (1) Adding the authority and duty of the Nomination, Remuneration, and Corporate Governance Committee to recommend the structure, size, and composition of senior executives and employees appropriately to the nature of the Company's business; (2) Adding the authority and duty of the Nomination Committee to determine qualifications, criteria, and methods for recruiting high-ranking executive and other executive positions as assigned by the Board of Directors; (3) Adding the authority and duty of Nomination, Remuneration, and Corporate Governance Committee to consider remuneration structure, form, criteria, hiring rate, work compensation (whether in cash, securities, or other forms), gratuities, and bonuses. It also includes salary increases for senior management, other executive positions, and employees as assigned by the Board of Directors to be appropriate, fair, and under relevant laws. And present to the Board of Directors or the Shareholder Meeting for further consideration (as the case may be). (4) Adding the authority and duty of the Nomination Committee to consider guidelines for the remuneration of top executives, other executive positions, and employees as assigned by the Board of Directors; and (5) Adding the authority and duty to consider criteria for evaluation of senior executives, including other executive positions as assigned by the Board of Directors; (6) Determining that the Nomination and Remuneration Committee shall have the power to invite the management, related person, or those who deem fit to attend the meetings or request clarification on relevant matters.

4. Amendment to the Personal Data Protection Policy and Guidelines: Adding personal data security measures, the Company shall provide adequate security measures for personal data protection. In addition, it shall take action to prevent the leakage and the use of unauthorized use of personal data and provide a process to notify the owner of personal data, including government officials who control personal data (in case the Company is a personal data processor or a controller of personal data together), and other persons following the law.

However, this action is aimed to operate the business of the Group to be efficiently and effectively, and able to build confidence for the organization to reduce negative impacts towards society, the environment, and other relevant stakeholders. It requires adhering to equal practices under the code of business ethics, principles of respect for human rights, and principles against corruption and conflicts of interest. On top of that, it also includes creating a balance in economic, social, and environmental performance under a good corporate governance policy correspondent to the Company's sustainable development strategy, as well as to promote business growth along with fair and sustainable engagement of all relevant stakeholders.

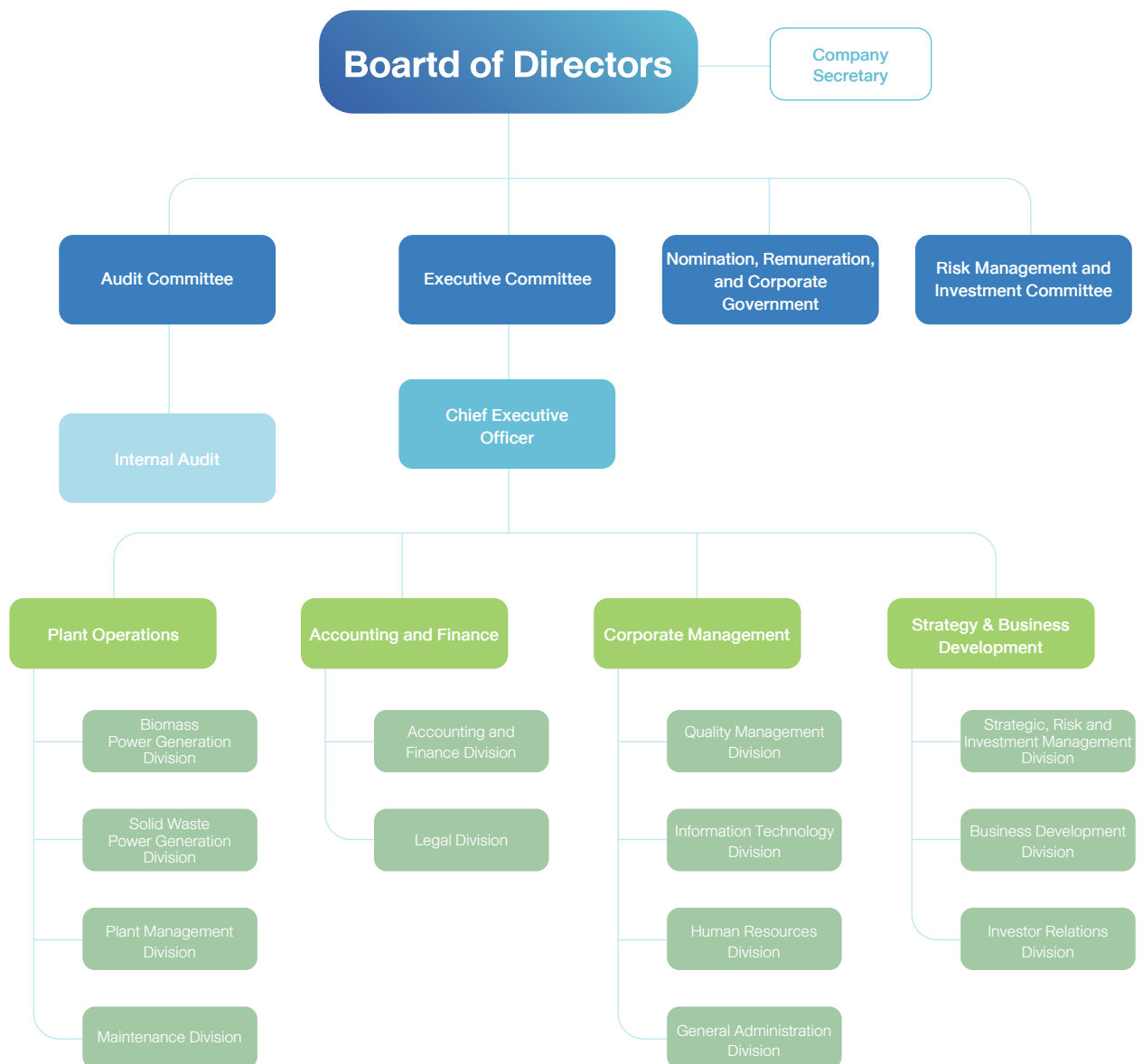




## 7. Corporate Governance Structure and Important Information About the Board of Directors Subcommittees, Executives, Employees, and Others

### 7.1 Organization Chart

The Company's organization chart as on December 29, 2022



### 7.1.1 Authority of Important Transactions

The Board of Director Meeting No. 3/2020, held on May 11, 2020, resolved approval of the authorization table, allowing the executives to have flexibility in performing the Company's routine tasks. The approval authority regarding important transactions are described as below table:

Approval Authority	Board of Director	Executive Committee	Chief Executive Officer	Division Director
<b>A. Policies and Budgets</b>				
1. Investment Budgeting	✓			
1.1 Annual investment budget approval				
1.2 Annual investment budget allocation		Over 1 MB	Over 0.1 MB but not over 1 MB	Maximum of 0.1 MB
1.3 Additional investment budget allocation (annually)	Over 20 MB	Over 0.1 MB but not over 20 MB	Maximum of 0.1 MB	
<b>2. Expense Budgeting</b>				
2.1 Annual expense budget approval	✓			
2.2 Annual expense budget allocation		Over 1 MB	Over 0.1 MB but not over 1 MB	Maximum of 0.1 MB
2.3 Additional expense budget allocation (annually)	Over 5 MB	Over 0.5 MB but not over 5 MB	Maximum of 0.5 MB	
<b>B. Investment</b>				
Investment in power plant projects, own investment or co-investment, or the approval of the purchase of rights/power purchase agreements or the sale of power plant projects/rights/power purchase agreements.	✓			
<b>C. Finance</b>				
1. Financing and short-term loans	Over 100 MB	Maximum of 100 MB		
2. Financing and long-term loans	✓			
<b>D. Product Offering</b>				
1. Setting the selling prices			✓	



Approval Authority	Board of Director	Executive Committee	Chief Executive Officer	Division Director
2. Trade discounts (compared with regular selling price or market price)	Over 20%	Maximum of 20%		
<b>E. Procurement</b>				
1. Approval of seller listing			✓	
2. Entering and signing contracts or agreements for procuring bids	Signatory of the authorized directors according to the company certificate			
3. Procuring raw materials		Setting purchase price ranges	Setting purchase prices within the purchase price ranges	Placing orders according to the pricing policy
4. Procuring of general goods and services for business operations according to the approved budget		Over 1 MB	Over 0.1 MB but not over 1 MB	Maximum of 0.1 MB
5. Procuring of assets, machinery, equipment, and vehicles (under the approved budget)	Over 50 MB	Over 1 MB but not over 50 MB	Over 0.1 MB but not over 1 MB	Maximum of 0.1 MB

## 7.2 Information of the Board of Directors

### 7.2.1 Composition of the Board of Directors

The Board of Directors is comprised of ten (10) directors (as of December 31, 2022). There are one (1) executive director, four (4) non-executive directors, and five (5) independent directors (equivalent to 50% of a total number of directors). The independent directors shall not be less than one-third of the total number of directors. On top of that, all five (5) independent directors are qualified according to relevant regulations. In addition, the Company has three (3) female and seven (7) male directors, with Mr. Kosit Fuangswasdi holding the position of Chairman of the Board of the Company,

qualified as an independent director, which will increase efficiency and transparency in management. There is also a balance of power for the Board of Directors to vote on various agendas. To comply with the principles of good corporate governance, all directors have completed the training course, the Director Certified Program (DCP) or Director Accredited Program (DAP) from the Thai Institute of Directors Association (details in Attachment 1).

In this regard, the structure of the Company's Board of Directors, Audit Committee, and Independent Director is under the rules of the Notification of the Capital Market Supervisory Board.



## 7.2.2 Information of Individual Directors

As of December 31, 2022, the Board of Directors is comprised of ten (10) directors as follows:

Name-Last Name	Position
1. Mr. Kosit Fuangswasdi	Chairman and Independent Director
2. Mr. Pongnarin Wanasuwanakul	Director
3. Mr. Pongnarate Wanasuwankul	Director
4. Mrs. Phatcharin Laparokij	Director
5. Ms. Laongtip Wanasuwannakul	Director
6. Mr. Sakda Siriphatrasophon*	Director and Chief Executive Officer
7. Mr. Thoranit Tantikulwichit	Chairman of Audit Committee and Independent Director
8. Mrs. Pensri Meesuksabai	Director of Audit Committee and Independent Director
9. Mr. Arthorn Sinsawad	Director of Audit Committee and Independent Director
10. Mr. Tanan Chub-uppakarn	Independent Director
Ms. Chonpatsorn Wichaidit	Company Secretary

*Note: Mr. Sakda Siriphatrasophon resigned from the director and chief executive officer positions, approved by the Board of Directors and effective from January 1, 2023.*

## The authorized signatory directors to bind the Company

The authorized signatory directors who can sign to bind the Company according to the Company's Articles of Association and Certificate as of December 31, 2022, are Mr. Pongnarin Wanasuwanakul, Mr. Pongnarate Wanasuwankul, Mrs. Phatcharin Laparokij, Ms. Laongtip Wanasuwannakul. The condition is that two of these four directors jointly sign and affix the Company's seal.

## 7.2.3 Information regarding the roles and responsibilities of the Board of Directors, Chairman, and Chief Executive Officer

## Scope, Duties, and Responsibilities of the Board of Directors

The Board of Directors has authority, duties, and responsibilities in managing and operating the Company to comply with the law, the Company's objectives, and regulations, including the resolutions of the shareholders' meeting with honest and carefulness protecting the Company's and all shareholders' interests. The important authority and responsibilities are described as follows:

- (1) Determining objectives, main goals of the business, vision, mission, policy, strategic goals, business plan, management structure, approval authority, and budget of the Company and its subsidiaries. It also includes governing the essential resources allocation. Furthermore, the board shall be regularly reviewing, examining,



and approving policies, strategies, business plans, and the business direction of the Company and its subsidiaries as the management proposes.

- (2) Monitoring and supervising performance of the management and administration of the management and Subcommittees to meet the objectives, main business goals, vision, mission, strategy, operational plan, and the budget as set efficiently and effectively, aiming to add maximum value to the Company and shareholders.
- (3) Monitoring and supervising the administration and operations of the Company and its subsidiaries under the Company's policies, good corporate governance principles, and securities laws. On top of that, it also includes related announcements, rules, and regulations of the Capital Market Supervisory Board, the Office of the SEC, and the Stock Exchange of Thailand, such as making connected transactions, acquisition or disposition of important assets to the extent that it is not contrary to or inconsistent with other laws.
- (4) Establishing risk management policies to cover the entire organization and in accordance with supporting measures and control methods to effectively reduce the impact towards the Company's business and its subsidiaries. As well as regularly monitoring the efficiency of risk management by disclosing the sufficiency of the risk management system in Form 56-1 One Report.
- (5) Determining the standards for the internal control processes by implementing and monitoring the COSO framework (The Committee of Sponsoring Organization) which address the effectiveness and efficiency of the entity's operations and disclose in a detailed report (Form 56-1 One Report)
- (6) The Board of Directors has a duty and responsibility to disclose significant information to shareholders accurately, completely, transparently, verifiably, and timely in Form 56-1 One Report, Annual Sustainability Report, and disclosure of information under the regulations of the Stock Exchange

of Thailand. It also includes preparing the Company's financial reports in compliance with the financial reporting standards. The Board shall apply appropriate and consistently practiced accounting policies and present the reports to the shareholders' meeting in conjunction with the auditor's report specified in Form 56-1 One Report to build confidence among stakeholders that the financial statements comply with the requirements of the Stock Exchange of Thailand and relevant laws. In addition, it requires assigning the Audit Committee to supervise and verify the reports, ensuring accurate and adequate disclosure in case of connected transactions or transactions that may cause conflicts of interest to ensure accuracy and completeness.

- (7) To notify the Annual General Meeting of shareholders, the Board of Directors shall prepare a meeting notice specifying the venue, date, time, agenda, and matters proposed to the meeting along with pertinent details and clearly stating that it is for acknowledgment, certification, approval, or consideration. In addition, it also includes the opinions of the Board of Directors on such matters.
- (8) Establishing a framework and mechanism for supervising subsidiaries and associated companies, whereby the Board of Directors considers appointing suitable representatives to be the directors of the subsidiaries and joint-venture companies under the Company's policy and conducting transactions according to the law.
- (9) Considering the management structure and having the authority to appoint subcommittees, chief executive officers, and other subcommittees as appropriate, including determining the scope of power of the designated persons.

However, the delegation of authority within the specified scope of authority must not be in a manner that allows the subcommittees, chief executive officers, and other subcommittees to consider and approve transactions that may have conflicts or any other conflicts of interest made

with the Company or its subsidiaries (if any), except for approval of transactions under the policies and criteria that the Board of Directors has already considered and approved.

- (10) Establishing a clearly written corporate governance policy and effectively implement such an approach to conduct business with ethics, respect for rights, and responsibility towards shareholders and stakeholders. It requires contributing to the environment and communities where the Company's businesses operate. Moreover, it also includes managing what businesses need to adapt to change under uncertainty.
- (11) Establishing a strong succession plan to prepare for the chief executive officer's and senior executive's succession. The chief executive officer must periodically report the performance according to the succession plan to the Board of Directors at least once a year and supervise the personnel to manage and develop the appropriate knowledge, skills, experience, and motivation.
- (12) Supervising to determine an appropriate framework, policy, and remuneration structure as specified by the Nomination, Remuneration, and Corporate Governance Committee and presenting them to motivate the executives and employees to perform in line with the objectives and main goals of the organization and consistent with the long-term benefits of the business.
- (13) Emphasizing and supporting the creation of sustainable innovations that create value-added for the business in the long term, along with creating benefits for customers or related parties with social and environmental responsibility.
- (14) Considering and approving the interim dividend payment to the Company's shareholders, and shall report to the shareholders' meeting at the next meeting.
- (15) Supervising and managing conflicts of interest between stakeholders of the Company and its

subsidiaries, including preventing improper use of assets, information, and opportunities of the group of companies, as well as inappropriate transactions with parties connected to the Company. In this regard, if any director has an interest in any transaction with the Company or an increase or decrease of shareholding proportion in the Company and its subsidiaries, the director shall notify the Company immediately.

- (16) Without delay, the directors must notify the Company of any direct or indirect conflicts of interest in the contract that the Company has made. And notify of an increase or decrease of shares and debenture holding proportion in the Company and its subsidiaries. In addition, they must not exercise their rights in voting on related matters.
- (17) Under the Board of Directors' supervision, they may authorize one or more directors or any person to act on their behalf. The Board may permit such a person to have appropriate authority within a proper time as deemed fitting by the Board. The Board may cancel, revoke, change, or modify such authorization when appropriate.

However, the delegation of authority must not allow the authorized person or others to consider and approve transactions that they may have conflicts, stakes, or conflict of interest in any way with the Company or its subsidiaries (if any) as defined in the Notification of the Capital Market Supervisory Board, the Stock Exchange of Thailand. On top of that, it also includes any other announcements of relevant agencies unless they approve a transaction according to the policies and criteria that the Board of Directors has considered and approved.

### Scope, authority, and responsibilities of the Chairman of the Board

- (1) Responsible for summoning meetings of the Board of Directors, providing that the Chairman of the Board of Directors, the Company Secretary, or an



authorized person shall submit meeting invitations to the directors of the Board according to the Company's regulations.

- (2) Responsible for chairing the board of directors meeting and the shareholders' meeting, as well as having a role in setting meeting agendas in conjunction with the Chief Executive Officer and Company Secretary.
- (3) To play a role in controlling the meeting effectively under the Company's regulations, supporting, giving opportunities, and allocating sufficient time for each agenda for directors to discuss and express their opinions independently on critical issues with fair consideration for the interests of shareholders and stakeholders.
- (4) To support and encourage the Board of Directors to perform their duties with the best effort according to the scope of duties and responsibilities and under the principles of good corporate governance.
- (5) To supervise and monitor the administration of the Board of Directors, other committees, and independent directors to achieve the specified objectives.

### Scope, authority, and responsibilities of the Chief Executive Officer

- (1) Creating long-term value for the Company by setting and executing organizational policies and business group strategies with respectively annual budget plans. Furthermore, it also includes determining the entire organizational structure, and executive authority, presenting to the Executive Committee and the Board of Directors for consideration and approval.
- (2) Supervising and controlling the business group's operation or performance to align with objectives, vision, business direction, policies, business strategies, goals, operational plans, and the budget approved by the Board of Directors. It also includes monitoring, verifying, and evaluating performance to comply with the specified policy and is responsible for reporting management performance, including reporting a progress in continuing operations to the Audit Committee, the Board of Directors, and shareholders of the Company.
- (3) Having authority to approve the Company's regular business transactions according to the investment budget or the budget approved by the Board of Directors. The budget limit for each transaction is specified in the Board of Directors' approval authority, including the authority to enter into agreements relating to such matters.
- (4) Making capital allocation decisions by managing the Company's regular business operating expenses according to the budget and under the approval authority approved by the Board of Directors.
- (5) Acquiring authority to approve employment, setting remuneration, compensation, and bonuses, as well as to appoint and transfer employees, including determining the duties and responsibilities of each division.
- (6) Acquiring authority to issue orders, regulations, announcements, and memorandums to ensure that the Company's operations are according to the policies and for the Company's benefit, including maintaining discipline within the organization.
- (7) Acquiring authority to appoint consultants and working groups for the benefit of good and transparent administration and efficiency. He/She may authorize one or more people to perform any task under the control of the Chief Executive Officer, or may authorize such person to have authority as the Chief Executive Officer as deems appropriate and within a reasonable period of time. The Chief Executive Officer may revoke, terminate, change, or amend the authorized person or authorization as appropriate.
- (8) Attaining the business and executing other duties as assigned by the Executive Committee or the Board of Directors on a case-by-case basis.

The Chief Executive Officer shall have no authority to approve any matter that himself or the authorized person or persons may have conflicts (as defined in the Notification of the Capital Market Supervisory Board, the Stock Exchange of Thailand, and the relevant agencies) have a stake or conflict of interest with the Company and its subsidiaries or any company relating to the Chief Executive Officer. Instead, the Chief Executive Officer shall propose the matter to the Board of Directors meeting or the shareholders' meeting (as the case may be) for further approval, except for the approval of transactions that are according to the regular business and standard trading conditions which following the announcements of the Capital Market Supervisory Board and the Stock Exchange of Thailand and relevant agencies.

*Note: Additional details of the scope, authority, and responsibilities of the Board of Directors, Chairman of The Board of Directors, and Chief Executive Officer are available in Attachment No. 5 (the completed version of the Corporate Governance Policy and Practice and Business Ethics prepared by the Company).*

## 7.3 Information of the Subcommittee

The Company has four (4) subcommittees, namely, the Audit Committee, Executive Committee, Nomination, Remuneration, and Corporate Governance Committee, and Risk Management and Investment Committee. Each subcommittee has the scope, authority, and responsibility as follows:

### 7.3.1 Information regarding roles and responsibilities of the Subcommittees

#### Scope, authority, and responsibilities of the Audit Committee

The Audit Committee is authorized to perform or verify matters under their scope, authority, and responsibilities with the authority to execute as follows to:

- (1) To verify that the Company and its subsidiaries have accurate and adequate financial reports.

- (2) To verify that the Company and its subsidiaries have appropriate and effective internal control and internal audit systems, and consider the independence of the internal audit department as well as to approve the appointment, transfer, termination of the head of the internal audit entity or any other entity responsible for internal auditing.
- (3) To ensure that business operations of the Company comply with the securities and exchange laws, the Stock Exchange of Thailand requirements, and laws related to the Company's businesses and its subsidiaries.
- (4) To consider, select, and nominate an independent person to be the Company's auditor and propose the remuneration, including attending a meeting with the auditor without the executives attending at least once a year.
- (5) To consider the connected transactions or transactions that may have conflicts of interest to ensure that they comply with the laws and regulations of the Stock Exchange of Thailand and that the transactions are reasonable and for the Company's utmost benefit.
- (6) To prepare the report of the Audit Committee and disclose it in the Company's Form 56-1 One Report, which must be signed by the Chairman of the Audit Committee and must contain at least the following information:
  - (a) Opinions on the accuracy, completeness, and credibility of the Company's financial reports;
  - (b) Opinions on the sufficiency of the Company's internal control system;
  - (c) Opinions on compliance with the law on securities and exchange, stock exchange requirements, and laws related to the business of the Company;
  - (d) Opinions on the suitability of an auditor;
  - (e) Opinions on transactions that may have conflicts of interest;





- (f) Number of audit committee meetings and the attendance record of each member of the Audit Committee;
  - (g) Opinions or overall observations that the Audit Committee received from the performance of duties according to the Charter;
  - (h) Other items deemed that the shareholders and general investors should know within the scope of duties and responsibilities assigned by the Board of Directors.
- (7) The Audit Committee has the authority to seek independent opinions from any other professional advisors when deemed necessary at the expense of the Company.
  - (8) To perform any tasks as assigned by the Board of Directors.
- (4) To consider and approve operations that are regular business transactions of the Company, such as various investments according to the investment budget and the budget approved by the Board of Directors. The amount of money for each transaction is according to the table of approval authority approved by the Board of Directors.
  - (5) To consider the profits and losses of the Company, and propose the interim dividend payment or annual dividend payment to the Board of Directors or the shareholders' meeting (as the case may be) for approval.
  - (6) To present an organizational structure suitable for the Company's operations to the Nomination, Remuneration, and Corporate Governance Committee or the Board of Directors for approval.

### Scope, authority, and responsibilities of the Executive Committee

- (1) To consider and scrutinize the Chief Executive Officer's proposal, and propose goals, policies, and business plans, including the Company's annual budget, to the Board of Directors for approval.
  - (2) To control, supervise, and monitor the Company's performance following the policies, goals, business plans, business strategies, budgets set, and various executive authority as approved by the Board of Directors to ensure compliance with efficient and effective, conducive to business conditions, along with providing management advice to senior executives.
  - (3) To monitor the performance and progress of investment projects of each business and performance report, including any problems or obstacles that arise and seek for improvement and support, to the Board of Directors for acknowledgment.
- (7) To have the authority to approve the salary increase budget or adjust employees' annual salary and pay annual rewards (bonuses) to employees of the Company and its subsidiaries.
  - (8) To proceed to have the executives or employees attend the Executive Committee meetings or prepare and provide relevant information on the matters to be discussed at the Executive Committee meetings.
  - (9) To seek legal counselor or individuals with independent opinions to provide opinions or advice as necessary.
  - (10) To appoint and/or assign one or more executive directors or persons to perform any task under the control of the Executive Committee. Or allow the Executive Committee to assign the power and the coverage period as deemed appropriate. The Executive Committee may revoke, terminate, change, or amend the authorized person or authorization as appropriate.
  - (11) To perform other duties as assigned by the Board of Directors occasionally.

However, the delegation of duties and responsibilities of the Executive Committee will not be in the form of delegation or sub-delegation of authority that allows the delegates to approve transactions that may have conflicts (according to the definition announced by the Capital Market Supervisory Board, the Stock Exchange of Thailand, and related agencies) have a stake or conflict of interest with the Company and its subsidiaries or any related company. Accordingly, the Executive Committee cannot approve such transactions but proposes to the Board of Directors Meeting or the shareholders' meeting (as the case may be) for approval, except for the approval of transactions that are according to the regular business and standard trading conditions which are following the announcements of the Capital Market Supervisory Board and the Stock Exchange of Thailand and relevant agencies.

employees assigned by the Board of Directors under the relevant laws, fairly and appropriately. Accordingly, propose to the board of directors meeting and the shareholders' meeting for further approval (as the case may be).

- (4) To consider guidelines for determining remuneration for directors, subcommittees, chief executive officer, senior executives, other management positions, and employees assigned by the Board of Directors to be consistent with the strategy and long-term goals of the Company, experience, duties, accountability, and responsibility, as well as expected benefits. Such remuneration should be linked to the value the Company has created for shareholders but not too high to cause a focus on short-term performance and in a manner comparable to the level practiced in the industry.

### Scope, authority, and responsibilities of the Nomination, Remuneration and Corporate Governance Committee

- (1) To recommend the structure, size, and composition of the Board of Directors, subcommittees, seniors, and employees appropriate to the nature of the Company's business.
- (2) To determine qualifications, criteria, and methods for nominating directors, subcommittees, chief executive officers, and senior executives, including other management positions assigned by the Board of Directors. Based on the criteria and transparency, they shall select candidates with appropriate knowledge, experience, and expertise and propose the candidate list to the Board of Directors or the shareholders' meeting for further appointment (as the case may be).
- (3) To consider remuneration structure, form, criteria, hiring rate, work compensation (whether in cash, securities, or other forms), gratuities, and bonuses, including salary increases for directors, subcommittees, chief executive officer, senior executives, other management positions, and
- (5) To consider the evaluation criteria for the Company's chief executive officer and senior executives, including other executive positions assigned by the Board of Directors, and present them to the Board of Directors for consideration and opinion.
- (6) To prepare and review the individual development plan for the chief executive officer and senior executive to prepare as a continuous succession plan in case the chief executive officer or senior executives retire or cannot perform duties to ensure that the Company's administration can carry on.
- (7) To determine and review the good corporate governance policy and other related policies, including the requirements of the Company's business ethics and code of conduct according to the principles of good corporate governance.
- (8) To supervise, give counsel, monitor the business progress, and assess the performance of compliance with good corporate governance principles.



- (9) To support and disseminate good corporate governance culture to be understood by management and employees at all levels.
- (10) To support and advise on getting an assessment for good corporate governance.
- (11) To perform other duties as assigned by the Board of Directors occasionally.
- (6) To report the Company's risk status, guidelines that need improvement, and the results of actions to the Board of Directors quarterly.
- (7) To perform other duties as assigned by the Board of Directors occasionally.

### Scope, authority, and responsibilities of the Risk Management and Investment Committee

#### Risk Management

- (1) To define risk management policy, risk appetite, and risk tolerance, and propose risk management policy to the Board of Directors for approval, which must cover all potential risks, external and internal.
- (2) To set strategies and action plans for risk management in line with the risk management policy by assessing, monitoring, and supervising the quantity of risk, especially the Company's critical risks, to be at the organization's specified level.
- (3) To control, monitor, audit, and evaluate risk management results, and ensure that the Company operates according to its risk management policy and complies with the rules set by the regulatory authorities.
- (4) To verify risk management reports and take action to ensure that the organization has appropriate risk management and adequacy of the overall risk management policy and system, including system effectiveness and compliance with the set policy.
- (5) To consider improvements and amendments. Accordingly, it requires giving opinions on policies, plans, and risk management processes in various areas and present them to the Board of Directors for approval.

#### Investment Management

- (1) To consider investment plans in line with the investment policy framework and risk management policy approved by the Board of Directors.
- (2) To consider screening projects and investment opportunities in line with the goals and strategies of the Company, taking into account the return on investment and related risk factors to ensure that they are managed at an acceptable level.
- (3) To consider criteria for project consideration and procedures for project investment consideration;
- (4) To report investment results to the Board of Directors regularly.
- (5) To verify the investment policy framework and investment plan to suit the changing situation and propose the changed investment policy framework to the Board of Directors for approval.
- (6) To perform other duties as assigned from time to time by the Board of Directors.

Information and details related to the scope of duties and responsibilities of the committees appear in Attachment 4 (*full version of the Corporate Governance Policy and Guidelines and the full version of the Code of Conduct prepared by the Company*).

## 7.3.2 Members of the Subcommittees

### 1) Audit Committee

As on December 31, 2022, the Audit Committee had three (3) members as follows:

Name-Last Name	Position
1. Mr. Thoranit Tantikulwichit	Chairman of the Audit Committee and Independent Director
2. Mrs. Pensri Meesuksabai	Member of the Audit Committee and Independent Director
3. Mr. Arthorn Sinsawad	Member of the Audit Committee and Independent Director
Ms. Unchanil Kumpuakmit	Secretary and Member of the Audit Committee

Mrs. Pensri Meesuksabai is a member of the Audit Committee with sufficient knowledge and experience in accounting and finance to review the credibility of the Company's financial statements. Mrs. Pensri Meesuksabai graduated with a bachelor's degree from the Faculty of Commerce and Accountancy at Chulalongkorn University and a Master of Management at Sasin Graduate Institute of Business Administration of Chulalongkorn University and has experience in holding positions as Deputy Managing Director of Mutual Fund Registration Department Krung Thai Asset Management Public Company Limited.

### 2) Executive Committee

As on December 31, 2022, the Executive Committee had seven (7) members as follows:

Name-Last Name	Position
1. Mr. Pongnarin Wanasuwanakul	Chairman of the Executive Committee
2. Mr. Pongnarate Wanasuwankul	Member of the Executive Committee
3. Mrs. Phatcharin Lapharokij	Member of the Executive Committee
4. Ms. Laongtip Wanasuwannakul	Member of the Executive Committee
5. Mr. Sakda Siriphatrasophon (resigned)	Member of the Executive Committee
6. Mr. Thanapat Rattanapitag	Member of the Executive Committee
7. Ms. Patchara Thongprapai	Member of the Executive Committee

*Note: Mr. Sakda Siriphatrasophon resigned from the executive committee director with the Board of Directors, effective since January 1, 2023. The Board of Directors Meeting No. 9/2565 resolved to appoint Mr. Sumate Laksitanonta as the executive committee director on January 1, 2023.*



### 3) Nomination, Remuneration and Corporate Governance Committee

As on December 31, 2022, the Nomination, Remuneration, and Corporate Governance Committee had five (5) members as follows:

Name-Last Name	Position
1. Mrs. Pensri Meesuksabai	Chairman of the Nomination, Remuneration and Corporate Governance Committee
2. Mr. Thoranit Tantikulwichit	Member of the Nomination, Remuneration and Corporate Governance Committee
3. Mr. Tanan Chub-uppakarn	Member of the Nomination, Remuneration and Corporate Governance Committee
4. Mrs. Phatcharin Lapharojkij	Member of the Nomination, Remuneration and Corporate Governance Committee
5. Ms. Laongtip Wanasuwannakul	Member of the Nomination, Remuneration and Corporate Governance Committee

### 4) Risk Management and Investment Committee

As on December 31, 2022, the Risk Management and Investment Committee had four (4) members as follows:

Name-Last Name	Position
1. Mr. Arthorn Sinsawad	Chairman of the Risk Management and Investment Committee
2. Mr. Tanan Chub-uppakarn	Member of the Risk Management and Investment Committee
3. Mr. Pongnarin Wanasuwanakul	Member of the Risk Management and Investment Committee
4. Mr. Pongnarate Wanasuwankul	Member of the Risk Management and Investment Committee



## 7.4 Executives

### 7.4.1 Information of the Management

As on December 31, 2022, the Company's Management had eight (8) members as follows:

Name-Last Name	Position
1. Mr. Sakda Siriphatrasophon *	Chief Executive Officer
2. Mr. Thanapat Rattanapitag	Chief Operations Officer (COO) and Acting Biomass Power Generation Division Manager, Solid Waste Power Generation Division Manager, Plant Management Division Manager
3. Ms. Patchara Thongprapai	Chief Financial Officer (CFO)
4. Mr. Pavarut Thongrod	Maintenance Division Manager
5. Mr. Donlawat Jintasopon	Accounting and Finance Division Manager (Accountant)
6. Ms. Wannapa Srisuwan	Quality Management Division Manager and Acting Information Technology Division Manager (IT)
7. Mrs. Wanida Pumchaiya	General Administration Division Manager and Acting Human Resource Division Manager
8. Mr. Vuthichan Tareethai <sup>1</sup>	Business Development Division Manager

Note:

\* Mr. Sakda Siriphatrasophon resigned from the Chief Executive Officer position, approved the Board and effective since January 1, 2023. Accordingly, Mr. Sumate Laksitanonta has been appointed as Chief Executive Officer, Acting Chief Corporate Officer, and Acting Chief Strategy and Business Development Officer holding positions on January 1, 2023, onward.

<sup>1</sup> Mr. Vuthichan Tareethai was appointed as Business Development Division Manager on December 29, 2022, according to the new organizational structure approved on December 29, 2022.

In this regard, the person assigned the highest responsibility in the Company's accounting and finance (CFO) is Ms. Patchara Thongprapai. The person appointed to be directly responsible for supervising accounting (Accountant) is Mr. Donlawat Jintasopon.

### 7.4.2 Policy and Procedure for Determining Management Compensation

The Company determines compensation for the Executives at an appropriate rate and in line with the Company's performance and to be at a level comparable to the average pay of the Company's management in the same industry. The factors that affect the determination of compensation are the Company's performance, including knowledge, abilities, roles, duties, and management responsibilities.



## 7.4.3 Management Remuneration

### 1) Cash Remuneration

The Company pays the cash Remuneration to the managements as shown in the following details:

Executive Compensation (MB)	2021 <sup>/2</sup>		2022	
	Total number (person)	Compensation (Million baht)	Total number (person)	Compensation (Million baht)
Salary and Bonus	10	9.8 <sup>/3</sup>	7 <sup>/2</sup>	11.20
Others <sup>/1</sup>	10	1.1	7	1.36
<b>Total</b>	<b>10</b>	<b>10.9</b>	<b>7</b>	<b>12.56</b>

Note:

<sup>/1</sup> Other remunerations include allowances, provident fund contributions, and social security fund contributions.

<sup>/2</sup> The executives in 2021, namely: (1) Mr. Pongnarin Wanasuwanakul, (2) Mr. Chaowalit Supanakorn, (3) Mr. Sakda Siriphatrasophon, (4) Mr. Thanapat Rattanapitag, (5) Ms. Patchara Thongprapai, (6) Mr. Pavarut Thongrod, (7) Ms. Onrutai Higgins, (8) Mr. Donlawat Jintasopon, (9) Mrs. Wanida Pumchaiya, (10) Ms. Wannapa Srisuwan. On June 30, 2021, Mr. Chaowalit Supanakorn resigned from the Chief Executive Position. As a result, the Company appointed Mr. Pongnarin Wanasuwanakul from July 1, 2021 – August 15, 2021, and Mr. Sakda Siriphatrasophon on August 16, 2021, to take the position. Accordingly, Ms. Onrutai Higgins was appointed an Accountant on January 1, 2021, and resigned on June 30, 2021. Later on, the Company appointed Mr. Donlawat Jintasopon as an Accountant on July 16, 2021.

<sup>/3</sup> The remuneration above excluded 2021 bonuses for executives, which the Company recorded as accrued expenses of 0.4 million baht

### 2) Other Remuneration

#### 2.1) Allocation of IPO

The Board of Directors Meeting No. 4/2022, held on August 1, 2022, resolved to approve the allocation of ordinary shares offered for sale at this time to directors, managements, and employees of the Company at a total amount not exceeding 7,000,000 shares. Accordingly, the list of managements allocated ordinary shares this time are as follows.

	Name-Last Name	Position	Maximum number of allotted shares (shares)	Percentage of shares offered <sup>/1</sup>	Allocated shares value (baht)
1.	Mr. Sakda Siriphatrasophon	Management	1,000,000	0.18	2,000,000
2.	Ms. Patchara Thongprapai	Management	1,000,000	0.18	2,000,000
3.	Mr. Donlawat Jintasopon	Management	500,000	0.08	1,000,000
4.	Mrs. Wanida Pumchaiya	Management	500,000	0.08	1,000,000
5.	Mr. Thanapat Rattanapitag	Management	100,000	0.02	200,000
6.	Mr. Pavarut Thongrod	Management	50,000	0.01	100,000
7.	Ms. Wannapa Srisuwan	Management	25,000	<0.01	50,000
<b>Total</b>			<b>2,175,000</b>	<b>0.37</b>	

Note:

<sup>/1</sup> Percentage of newly issued ordinary shares of the Company offered for sale this time in 600,000,000 shares.

<sup>/2</sup> Mr. Sakda Siriphatrasophon, a Director and Chief Executive Officer, has been allocated 1,000,000 shares, representing 0.18 percent of the offered shares, a total value of 2,000,000 baht. It was disclosed in Section 2.3.8 Key Performance in Corporate Governance Report, Clause 8.1.2 Meeting Attendance and Remuneration for Individual Board Members

The Company has established a provident fund for its executives, to which the Company has contributed 3 percent of their salaries. Accordingly, during 2021-2022, the Company contributed to the provident fund for seven (7) members of the management in the amount of 338,234 baht.

## 7.5 Information of Employees

### 7.5.1 Total Number of Employees

As on December 31, 2020 – December 31, 2022, the Company and its subsidiaries had employees as follows:

Lines of Work	Number of Employees (person)		
	31 Dec 2020	31 Dec 2021	31 Dec 2022
1. Plant Operations Department	111	106	108
2. Accounting and Finance Department	4	4	5
3. Corporate Management Department	12	13	14
4. Strategy and Business Development Department	3	-	1
5. Plant and Office Management Division	-	7	7
6. Internal Audit Department	-	-	2
7. Management Department	-	3	2
<b>Total</b>	<b>135</b>	<b>133</b>	<b>139</b>

*Note: Number of full-time employees, excluded daily workforce.*

### 7.5.2 Employee Remuneration

The Company and its subsidiaries pay employees in various forms, such as salary, bonus, and other benefits, namely the provident fund contributions and social security fund contributions according to the policy of the group company. From 2021 – 2022, the Company and its subsidiaries paid monetary remuneration to the employees (excluded the management) as follows:

Employee Compensation (MB)	2021	2022
Salary and Bonus	29.03	33.63
Others <sup>/1</sup>	11.70	11.32
<b>Total</b>	<b>40.73</b>	<b>44.95</b>

*Note:*

<sup>/1</sup> Other remuneration, namely the provident fund contributions, social security fund contributions, overtime, and allowance.



### 7.5.3 Provident Fund (PVD)

On March 29, 2021, the Company joined a registered company, the Thai Mankong Master Pooled Fund, and Krung Thai Asset Management Public Company Limited managed the fund. This practice aims to create employee morale and motivate them to work with the Company in the long run, following the Provident Fund Act B.E. 2530 (as amended). Accordingly, the details are as follows:

Name of Company/Subsidiaries	PVD	Number of employees participating in PVD	Number of eligible employees to participate in PVD
1. Thachang Green Energy Public Company Limited (TGE)	Yes	45	60
2. Thachang Power Green Company Limited (TPG)	Yes	19	65.52
3. Thachang Bio Power Company Limited (TBP)	Yes	13	41.94

*Note: The PVD program is available for full-time employees who are willing to participate in the program.*

### 7.5.4 Major labor disputes in the past three (3) years

-None-

strategy that the Company has just initiated to process. Accordingly, the Company has established policies and guidelines as follows.

### 7.5.5 Human Resource Management and Development Policy

The Company recognizes the importance of human resources as the most crucial factor in running a business that drives the Company's operations to achieve its mission. Therefore, the Company sets a human resource management and development policy focusing on managing and treating employees equally, creating a Work-Life Balance. Importantly, It also includes providing reasonable remuneration and welfare management appropriate for today's lifestyle with changing socioeconomic contexts. In addition, the Company also promotes participation in expressing opinions and needs of both the organization and employees, strengthening unity, and seeing the operational goals in the same direction. In addition, the Company also focuses on developing employees' skills, knowledge, competence, and creativity to increase efficiency in all aspects of employees' work processes at all levels continuously, which can create innovative value for The Company. This best practice is considered one of the Company's critical operational plans in line with the Company's sustainable development

#### 1. Human Resources Management (HRM)

- (1) The Company has established guidelines for determining the workforce framework, selection, management and supervision of employees, as well as appropriate and fair performance evaluation, by giving importance to the competency of each individual, such as past year performance, behavior, self-conduct at work, including the potential for self-development.
- (2) The Company promotes convenience by preparing general office equipment, IT equipment, wireless internet systems, and a good workplace environment encouraging employees to work happily, safely and hygienically.
- (3) The Company has established a framework for determining compensation and welfare appropriately and motivated, encouraging the performance of employees in line with the sustainable growth of the Company as well as elevating employee engagement towards the organization at the expected level.

- (4) The Company encourages the participation of employees in expressing opinions and needs of both the organization and employees to create friendliness, familiarity, and good relationship between all executives and employees.
- (3) The Company has formulated the human resource development (HRD) plan to assist employees at all levels to improve their personal and organizational skills which aligns with the Company's sustainable development strategy. This process enhances the organization's efficiency and advancement of personnel including career development and capabilities to take on vacancies (career path).

## 2. Human Resources Development (HRD)

- (1) The Company encourages personnel to develop knowledge and expertise from actual operations by providing a supervisor for each line of work to perform on-the-job training.
- (2) The Company continuously promotes and conducts human resource training program and seminars for employees at all levels, from executives to operational levels, in order to develop knowledge, competence, and potential in work and to apply the knowledge gained from internal and external training to improve the Company's work processes.

### Internal Training

The Company sets orientation for new employees so that they can fit in the Company's culture based on values, beliefs and behaviors. Furthermore, the Company arranges training courses to promote and develop the potential of all management and employees to build a more agile and resilient workforce according to the corporate culture and respond to the Company's strategies and goals with maximum efficiency and effectiveness. Therefore, the Company arranges training courses to enhance the potential of employees at all levels by dividing into the following classes:

Level	Training courses related to the following topics	Target
<b>1. Executives</b>	<ul style="list-style-type: none"> <li>• Leadership Skills</li> <li>• Knowledge of Megatrends</li> <li>• Manage the Organization to Achieve Success</li> <li>• Creative Thinking</li> <li>• Organizational Risk Management</li> <li>• Business Continuity Plan (BCP)</li> <li>• Strategic and Business Planning</li> <li>• Strategic Formulation and Operational Planning for Sustainable Organizational Development</li> </ul>	To develop their knowledge and competencies in management and abilities to produce creative and innovative work processes to cope with risks and technological changes, economy, and society, as well as having the knowledge and ability to continuously and sustainably develop the organization.
<b>2. Division Heads</b>	<ul style="list-style-type: none"> <li>• Leadership Skills</li> <li>• Organizational Risk Management</li> <li>• Occupational Safety and Health (OSH)</li> <li>• Specific Skills Development</li> <li>• Strategic Formulation and Operational Planning</li> <li>• Fundamentals of Sustainable Organizational Development</li> </ul>	To develop their knowledge and competencies to manage their team in achieving goals and produce creative work processes that support more effective work. Importantly, gaining knowledge and understanding the workplace occupational safety and health.





Level	Training courses related to the following topics	Target
<b>3. Operational Employees</b>	<ul style="list-style-type: none"> <li>Occupational Safety and Health (OSH)</li> <li>Specific Skills Development</li> <li>Teamwork Training</li> <li>Business Ethics and Corporate Culture Handbook</li> </ul>	To broaden their knowledge and skills in the specialized area of expertise. To understand the principles of teamwork and guidelines for compliance with the Code of Business Conduct and within a framework of sustainable development.

## External Training

In addition to facilitate employees and use the Company's own resource with the in-house training, the Company encourages executives and employees to attend outsourced training from reputable institutes or organizations, including from experts in the country, to develop the knowledge and competence of each individual to be more effective and to find new approaches or solutions and exchange their perspectives with other organizations.

## 7.6 Other Important Information

### 7.6.1 The persons assigned to be directly responsible for supervising the accounting.

Name	<b>Mr. Donlawat Jintasopon</b> (Please review the profile of the assigned person directly responsible for supervising the accounting in Attachment No. 1)
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### 7.6.2 Company Secretary

Name	<b>Ms. Chonpatsorn Wichaidit</b> (Please review the profile of the Company Secretary in Attachment No. 3)
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### 7.6.3 Internal Audit by External Auditor

Company	<b>Unique Advisor Company Limited</b>
Head of Internal Audit	Mr. Kosol Yamleemul (Please review the profile of the Head of Internal Audit in Attachment No. 3)

### 7.6.4 Investor Relations Contact

Name	<b>Mr. Donlawat Jintasopon / Ms. Chonpatsorn Wichaidit</b>
Email	donlawat.jin@tge.co.th / chonpatsorn.wic@tge.co.th
Website	<a href="https://tge.co.th/investor-relations/">https://tge.co.th/investor-relations/</a>

### 7.6.5 Auditor Remuneration

The auditor of the Company and its subsidiary is PricewaterhouseCoopers ABAS Limited ("PwC"). The Company paid the auditor remuneration in 2022 as follows:

Remuneration (baht)	2021	2022
Financial Statement Audit Fee - Company	1,760,000	1,760,000
Financial Statement Audit Fee - Subsidiaries <sup>/1</sup>	1,230,000	1,904,000
<b>Total</b>	<b>2,990,000</b>	<b>3,664,000</b>

Note: <sup>/1</sup> In 2021 and 2022, PwC audited the financial statements of three (3) subsidiaries (TPG, TBP, and TES SKW).



## 8. Corporate Governance Performance Report

### 8.1 Summary of performance of the Board of Directors in the past year

The performance of the Board of Directors and Management in 2022 is summarized as follows:

#### 1) The short and medium-term strategies and business plan (5-year)

On February 24, 2022, the Board of Directors and the management formulated the visions and strategies for 2022 including a 5-year medium-term business plan (2023-2027), then presented them to the Board of Directors Meeting No. 1/2022.

In addition, the management reviewed the Company's sustainable development strategy in the following areas:

- 1) The formulation of the Company's value chain;
- 2) The material issues to be applied as a guideline for the Company's sustainable development;
- 3) The establishment of stakeholder engagement;
- 4) Consistency of the reviewed ESG guidelines with the Company's sustainable development strategy; and
- 5) The guidelines of reporting the ESG performance and disclosure of those information in an annual report (Form 56-1) under the topic of "Driving Business for Sustainability" whether they are in line with GRI standards and the United Nations Sustainable Development Goals (UNSDGs). Accordingly, in the fourth quarter of 2022, the Company hired a third-party consulting firm specializing in the area of sustainability development to provide advice and jointly determine the aforementioned issues. As our goal, the Company aims to be an organization where produces the electricity from an alternative energy coupled with operations that align with sustainable development goals comparable to international standards, and intendedly to become a low-carbon organization that aligns with national policies and global business trends that focus on low or zero carbon emissions from any business operations. The reviewed strategies and action plan will be further presented to the Board of Directors.

#### 2. Enterprise Risk Management

In addition to the preparation of the annual strategic plan, business plan for the year 2022, and the 5-year medium-term business plan (2023-2027) at the past seminars held by the Board of Directors and the management, they also considered reviewing the enterprise risk management plan and the investment risk management plan in biomass power plants and municipal solid waste power plants, which was considered the Company's primary income. Moreover, they also determined the risk management measures for each issue to support and control the risk that might affect the Company's operations and presented them to the Board of Directors Meeting No. 1/2022 held on February 24, 2022, for acknowledgment. However, the management had scheduled an additional review of the corporate risk management plan in the fourth quarter of the year whether it was consistent with the reviewed ESG strategies and guidelines. Currently, It is under the process of reviewing, and the progress will be reported to the Board of Directors later.

#### 3. Corporate Governance

For material issues of Corporate Governance, the Audit Committee is scheduled to review the internal control system on a quarterly-basis to ensure that whether the Company has an adequate, appropriate, and effective internal control system. In addition, the Company's internal auditor (an external agency) is required to evaluate the audit results and monitor any improvements according to its plan to ensure that the management has made improvements according to the internal auditor's recommendations within the specified period. In this regard, the Board of Directors reviewed and amended the policies, charters, and guidelines to be consistent with the Company's strategy and business guidelines and approved to execute in the fourth quarter of last year. Details of this subject are described in the section "6.3 Important changes and developments in the policy, guidelines, and systems of corporate governance in the past year".



## 8.1.1 Nomination, performance's development and evaluation of the Board of Directors

### 1) Nomination of Directors

To nominate the Board of Directors, the Company has to consider the diversified qualifications in terms of independency coupled with the appropriate knowledge, skills, experiences, and specialization, as well as gender, race, and age to ensure that the potential candidate is appropriate for governing the Company. Moreover, he/she is required to have an ability to adapt changes caused by the global socio-economic and environmental conditions that will affect business growth. The Company, therefore, has prepared a skill matrix for the Board of Directors to be used in considering the nomination of directors and determining other suitable qualifications that align with the composition and structure of directors according to the Company's business strategy. The Company also uses the database of Director Pool provided by the Thai Institute of Directors Association (IOD) to consider nominating the candidates for new directors together with a transparent nomination process in order to build confidence for the Company's shareholders and deliver the best interests that meet the needs of all relevant stakeholders.

Table 1 Skills Matrix of the Board of Directors

Board of Directors	Knowledge and Skills for Corporate Governance			Specialization and Experiences							Knowledge and Experience in the Industry	
	Knowledge in performing duties as a Director	Strategic Plan	Risk Management	Legal Compliance	Administration and Marketing	Human Resources Management	Finance and Accounting	Science or Engineering	Information Technology	Sustainable Development	Knowledge and Experience in the Energy Industry	Knowledge of Core Business Management Services
1. Mr. Kosit Fuangswasdi	●	●	●	●	●	●	●	●	●	●	●	●
2. Mr. Pongnarin Wanasuwanakul	●	●	●	●	●	●	●	●		●	●	●
3. Mr. Pongnarate Wanasuwankul	●	●	●		●	●	●	●	●	●	●	●
4. Mrs. Phatcharin Laparajkij	●	●	●	●	●	●	●			●	●	●
5. Ms. Laongtip Wanasuwannakul	●	●	●		●	●		✓	●	●	●	●
6. Mr. Thoranit Tantikulwichit	●	●	●	●	●	●	●			●	●	●
7. Mrs. Pensri Meesuksabai	●	●	●	●	●	●	●		●	●	●	●
8. Mr. Arthorn Sinsawad	●	●	●		●	●		●	●	●	●	●
9. Mr. Tanan Chub-uppakarn	●	●	●		●	●		●	●	●	●	●
10. Mr. Sakda Siriphatrasophon <sup>1</sup>	●	●	●		●	●	●		●	●		

Note:

<sup>1</sup> Mr. Sakda Siriphatrasophon resigned and effective on January 1, 2023.

### (1) Independent Director

As of December 31, 2022, the Board of Directors consisted of 10 directors; one executive director, four non-executive and non-independent directors, and five independent directors. The five independent directors are qualified under the rules of the Securities and Exchange Commission, and the Stock Exchange of Thailand. Most importantly, the Company determines that the Chairman of the Board must be an independent director and must not hold the position of the Chief Executive Officer, nor he/she must not be the same person so that no one has unlimited authority.

As the aforementioned statement, the Company shall have independent directors not less than one-third of the total number of directors but not less than three persons or equal to the number specified by the relevant law, and three of these independent directors shall be members of audit committee.

*Note: Additional details of the qualifications of the Company's independent directors are available at <http://www.tge.co.th/> under the topic "Board of Directors Charter" item 3.4: Qualifications of Independent Directors, reviewed, amended, and effective since November 14, 2022.*

### (2) Sub-committees

The Company's sub-committees are required to be appointed to consider specific issues, screen information, and propose guidelines for consideration before presenting them to the Board of Directors for further approval.

The Company has appointed the Nomination, Remuneration, and Corporate Governance Committee, consisting of three independent directors out of all five members who have fully qualified according to the Company's Articles of Association. They serve as the nominator for the qualified candidates who are professional and diversified together with considering the Board of Directors structure, size, and composition. Then, all opinions will be presented to the Board of Directors for approval. Later, the list of selected directors will be presented to the shareholders' meeting in order to allow them to exercise their rights

to vote for directors under the criteria as set by the Company.

Furthermore, the Nomination, Remuneration and Corporate Governance Committee has considered the organization's nature of the business, strategies, and business plans in the future as well. Therefore, the qualifications of new directors are required to have knowledge and competencies relevant to the Company's business. The Nomination, remuneration, and Corporate Governance Committee also welcomes the shareholders to participate in the nomination of qualified directors.

### The right of shareholders to nominate and elect directors

To appoint the directors, the Company's Articles of Association stipulated that a majority vote of the shareholders in the shareholders' meeting shall have the right to appoint directors according to the following criteria and methods:

- 1) The right of shareholder's votes equal to the number of shares he/she holds at that time;
- 2) Each shareholder may exercise votes to elect one or more nominees to be directors. If a shareholder votes for many nominees, the right to vote can be divided as much as he/she requires.
- 3) The Company shall appoint the nominees who receive the highest votes in descending order as per the number of directors required at that time. However, if the nominees elected in descending order have equal votes and exceed the number required at that time, the Chairman shall exercise a casting vote.

In addition, the Company provides opportunities to minority shareholders to nominate directors or propose additional meeting agendas before the date of shareholders' meeting, which will be defined as clear criteria and disclosed to shareholders in advance. And the reason for not including the shareholders' proposed agendas as the agendas of the shareholders' meeting at that time, will be officially informed as well.



For the 2023 Annual General Meeting of Shareholders, the Company has set the criteria for nominating persons for the Board of Directors election or proposing additional meeting agendas. On December 14, 2022, the Company disclosed such criteria through the system of the Stock Exchange of Thailand and on the Company's website, including the opportunity for shareholders to nominate directors or propose agendas from December 15, 2022 – January 15, 2023.

### (3) Executives

#### • Top Executives

The Nomination, Remuneration and Corporate Governance Committee is responsible for nominating candidates of the Company's Chief Executive Officer who must be fully qualified regarding knowledge, experience, and expertise to present to the Board of Directors and the shareholders' meeting for consideration and appointment (as the case may be). However, the Company also defines regulations and guidelines for selecting personnel to be responsible for key positions (successor) appropriately and transparently to ensure that the selected executives are qualified with skills, experience, and professional competence. Details are described as follows:

#### • Chief Executive Officer Level

The Nomination, Remuneration and Corporate

Governance Committee (NRC) performs the duty to nominate the candidates and determines the succession plan for key executive positions. Then it will be presented to the Board of Directors for consideration. For the key positions, the NRC shall keep monitoring the progress of the succession plan upon the vacancy of the Chief Executive Officer's position or the incumbent is unable to perform duties, the Company will assign an executive at a similar level or a secondary level to be a deputy of that position until the process of nomination has started and ended up with successful candidate according to the criteria set by the Company. On top of that, the successful candidates shall have vision, knowledge, competence, and experience, suitable for TGE's culture by considering and proposing to the Board of Directors for consideration and approval for further appointing that qualified candidate to be the successor.

#### • Director (C-Level)

When the director (C-Level) position becomes vacant or the incumbent cannot perform duties, the Company shall present the list selected candidates for successors to the Board of Directors.

*Note: Details of the preliminary qualifications of the Chief Executive Officer are available at <http://www.tge.co.th/> under the topic "Succession Plan Policy".*





## 2) Performance Development for Directors

In 2021, the Board of Directors attended the training courses for knowledge development, such as the Board Nomination and Compensation Program (BNCP), Director Refreshment Program (DRP): Leading Your Business Through Uncertainties, Director Refreshment Program (DRP): Lessons Learnt From Financial Cases, How Board Should React, Road to Join CAC Course, and Anti Corruption Practice Guide (ACPG) Course, to uplift knowledge and competence for working more efficiently. In addition, they also attended more courses in 2022 and details are described as follows:

<b>Mr. Kosit Fuangswasdi</b>	<ul style="list-style-type: none"> <li>• Director Forum</li> <li>• Director Briefing</li> <li>• Role of the Chairman Program</li> <li>• ID Forum</li> <li>• National Director Conference</li> <li>• CAC National Conference 2022</li> </ul>
<b>Mr. Thoranit Tantikulwichit</b>	<ul style="list-style-type: none"> <li>• Seminar to Publicize the Study Results of the Value of the Audit Project</li> </ul>
<b>Mrs. Pensri Meesuksabai</b>	<ul style="list-style-type: none"> <li>• Seminar to Publicize the Study Results of the Value of the Audit Project</li> </ul>
<b>Mr. Arthorn Sinsawad</b>	<ul style="list-style-type: none"> <li>• Seminar to Publicize the Study Results of the Value of the Audit Project</li> </ul>
<b>Mrs. Phatcharin Lapharokij</b>	<ul style="list-style-type: none"> <li>• Road to Join CAC 1/2022</li> <li>• Anti Corruption Practice Guide 59/2022</li> </ul>
<b>Ms. Laongtip Wanasuwanakul</b>	<ul style="list-style-type: none"> <li>• Road to Join CAC 1/2022</li> <li>• Anti Corruption Practice Guide 59/2022</li> </ul>
<b>Mr. Pongnarin Wanasuwanakul</b>	<ul style="list-style-type: none"> <li>• Storytelling in Action</li> </ul>
<b>Mr. Sakda Siriphatrasophon</b>	<ul style="list-style-type: none"> <li>• Storytelling in Action</li> </ul>

## 3) Performance Evaluation for the Board of Directors

The Company has applied the self-evaluation for the Board of Directors' performance evaluation in forms of a group and individuality at least once a year. This helps the Board of Directors review their performance, problems, and obstacles, which leads to further improvement. The results of the Board of Directors' performance evaluation in 2022 are shown below:

Table 2 Scores of the Board of Directors' performance evaluation in 2022

	2022				
	Board of Directors as a group	Board of Directors as an individuality	Nomination, Remuneration and Corporate Governance committee	Audit Committee	Risk Management Committee and Investment
Average Score (percentage)	80.44	80.04	90.05	78.23	79.30
Score Measurement (percentage)	Not less than 75 percent	Not less than 75 percent	Not less than 75 percent	Not less than 75 percent	Not less than 75 percent



## 8.1.2 Meeting attendance and remuneration for individual directors

### Board of Directors Meetings and Shareholders' Meetings

The attendance of the Board of Directors in 2021 and 2022 is shown below:

**Table 3 Report on the meeting attendance records of the Board of Directors**

List of Directors	Board of Directors Meeting <sup>2</sup>		Shareholders Meeting <sup>2</sup>	
	2021	2022	2021	2022
1. Mr. Kosit Fuangwasdi	13/13	9/9	2/2	1/1
2. Mr. Pongnarin Wanasuwanakul	13/13	9/9	2/2	1/1
3. Mr. Pongnarate Wanasuwankul	13/13	9/9	2/2	1/1
4. Mrs. Phatcharin Lapharokij	13/13	9/9	2/2	1/1
5. Ms. Laongtip Wanasuwanakul	13/13	9/9	2/2	1/1
6. Mr. Thoranit Tantikulwichit	13/13	9/9	2/2	1/1
7. Mrs. Pensri Meesuksabai	13/13	9/9	1/2	1/1
8. Mr. Arthorn Sinsawad	13/13	9/9	1/2	1/1
9. Mr. Tanan Chub-uppakarn	13/13	9/9	1/2	1/1
10. Mr. Sakda Siriphatrasophon <sup>/1</sup> (resigned)	3/3	9/9	1/1	1/1

Note:

<sup>/1</sup> Appointed by the Extraordinary General Meeting of Shareholders No. 1/2021 on November 3, 2021, as a director

<sup>/2</sup> Meeting Attendance/Meeting Rights

### Remuneration for Directors

#### a) Monetary Remuneration

The Annual General Meeting of Shareholders 2022, held on March 21, 2022, set the remuneration policy for the Board of Directors, Audit Committee and other sub-committees in the form of monthly monetary remuneration and meeting allowance per time. There is no policy for paying compensation in other forms. The rates of remuneration for directors are shown below:

Table 4 Criteria for monetary remuneration of the Board of Directors in 2022

Meeting Type	Accounting Year 2022		
	Monthly Remuneration (baht/person/month)	Meeting Allowance (baht/person/time)**	Allowance (baht/person/day)
<b>Board of Directors</b>			
Chairman	25,000	20,000	None
Director*	15,000	10,000	None
<b>Executive Committee</b>			
Chairman	None	None	None
Director	None	None	None
<b>Audit Committee</b>			
Chairman	None	20,000	None
Director	None	10,000	None
<b>Risk Management Committee</b>			
Chairman	None	20,000	None
Director	None	10,000	None
<b>Nomination, Remuneration and Corporate Governance Committee</b>			
Chairman	None	20,000	None
Director	None	10,000	None
<b>AGM and EGM</b>			
Chairman	None	20,000	None
Director*	None	10,000	None
<b>Others</b>			
Chairman	None	None	10,000
Director*	None	None	10,000

Note:

\* Chief Executive Officer expressed his intention not to receive monthly remuneration, meeting allowance, and allowances as a director because he wishes to receive compensation as an executive in only one position.

\*\* Meeting allowance for the Board of Directors, Audit Committee, Risk Management Committee, and Nomination, Remuneration, and Corporate Governance Committee set for no more than 12 times per year of each committee meeting. If there are more committee meetings than the specified number, the Company will allocate the meeting allowance for directors not exceeding the specified meetings.

In this regard, the compensation based on the performance shall be according to the approval of the shareholders' meeting. In addition, the Company's directors are entitled to other benefits, such as expenses for attending seminars and training courses organized by the Thai Institute of Directors Association and other related institutions, including liability insurance for directors and officers.



In this regard, the Company paid monetary remuneration to the directors for 2022 as follows:

**Table 5 The monetary remuneration paid to the Board of Directors in 2022**

List of Directors	2022 (unit : baht)						Total
	Director	Audit Director	Nomination, Compensation and Corporate Governance Director	Risk Management Director	Shareholder	Allowance	
1. Mr. Kosit Fuangsawasdi	480,000	-	-	-	20,000	50,000	550,000
2. Mr. Pongnarin Wanasuwanakul	270,000	-	-	30,000	10,000	40,000	350,000
3. Mr. Pongnarate Wanasuwankul	270,000	-	-	50,000	10,000	40,000	370,000
4. Mrs. Phatcharin Lapharokij	270,000	-	70,000	-	10,000	50,000	400,000
5. Ms. Laongtip Wanasuwannakul	270,000	-	70,000	-	10,000	50,000	400,000
6. Mr. Thoranit Tantikulwichit	270,000	120,000	70,000	-	10,000	60,000	530,000
7. Mrs. Pensri Meesuksabai	270,000	60,000	140,000	-	10,000	60,000	540,000
8. Mr. Arthorn Sinsawad	270,000	60,000	-	100,000	10,000	50,000	490,000
9. Mr. Tanan Chub-uppakarn	270,000	-	70,000	50,000	10,000	60,000	460,000
10. Mr. Sakda Siriphattrasophon	-	-	-	-	-	-	-
<b>Total</b>	<b>2,640,000</b>	<b>240,000</b>	<b>420,000</b>	<b>230,000</b>	<b>100,000</b>	<b>460,000</b>	<b>4,090,000</b>

#### b) Other Remuneration

The Board of Directors Meeting No. 4/2022, held on August 1, 2022, resolved to approve the allocation of the initial public offering (IPO) to directors, executives, and employees of the Company. The total amount shall not exceed 7,000,000 shares by name list of directors who have been allocated ordinary shares this time. Details are shown below:

Table 6 Details of other remuneration of the Board of Directors

	Name-Last Name	Position	Maximum number of allotted shares (shares)	Percentage of shares offered <sup>/1</sup>	Allocated share value (baht)
1.	Mr. Kosit Fuangswasdi	Director	500,000	0.08	1,000,000
2.	Mr. Thoranit Tantikulwichit	Director	500,000	0.08	1,000,000
3.	Mr. Arthorn Sinsawad	Director	500,000	0.08	1,000,000
4.	Mrs. Pensri Meesuksabai	Director	500,000	0.08	1,000,000
5.	Mr. Tanan Chub-uppakarn	Director	500,000	0.08	1,000,000
6.	Mr. Sakda Siriphatrasophon	Director	1,000,000	0.18	2,000,000
<b>Total</b>			<b>3,500,000</b>	<b>0.58</b>	<b>7,000,000</b>

Note: <sup>/1</sup>Percentage of the Company's 600,000,000 newly issued ordinary shares offered at this time.

### 8.1.3 Corporate Governance Policy and its Practices for Subsidiaries and Joint-Venture Companies

Recently, the management conducted the nomination and exercise votes to appoint persons as director in subsidiaries and joint-venture companies. Since 2021, the Company has established a procedure that requires approval from the Board of Directors to nominate and exercise votes to appoint director to work for subsidiaries and joint-venture companies. He/She shall perform duties only for the best interests of the subsidiaries or joint-venture companies (not to the Company). Accordingly, the appointed directors must obtain approval from the Board of Directors before exercising the voting rights on important matters at the same level that requires approval from the Board of Directors. In this regard, the right to appoint the directors to work in the subsidiaries or joint-venture companies shall be according to the Company's shareholding proportion.

In the case of subsidiaries, the Company has set regulations that require the persons appointed by the Company to ensure that the subsidiaries have set rules regarding the connected transactions. It also includes acquisition and disposition of assets or any

other important transactions of such subsidiaries to be correctly completed. Moreover, the appointed persons shall apply the rules related to the disclosure of information and the above transactions in the same manner as the Company's criteria, as well as recording and storing all related data and accounting transactions of subsidiaries. The purpose of this action is for the Company to audit and prepare the consolidated financial statements on time. On top of that, this policy was reviewed whether it was complied corporate sustainable development guidelines, in which it had no any major amendments.

Note:

1. This Policy was reviewed by the Executive Committee Meeting No. 12/2022 on November 9, 2022, and agreed by the Nomination, Remuneration, and Corporate Governance Committee's Meeting No. 5/2022 on November 11, 2022. It was approved by the Board of Directors Meeting No. 7/2022 and effective on November 14, 2022.
2. Additional details are available on the Company's website at <http://www.tge.co.th/> under the topic "The Governance of Subsidiaries and Joint-Venture Companies Policy".





#### 8.1.4 Monitoring to ensure compliance with the Corporate Governance Policy and its Practices

The Company recognizes the importance of good corporate governance principle that will help promote the Company's operations to be more efficient and transparent, resulting in sustainable growth. This action will lead to the confidence of all stakeholders. Therefore, the Company established a good corporate governance policy covering eight (8) principles of good corporate governance for listed companies in 2017.

Moreover, the Company's policies were reviewed and approved by the Board of Directors' Meeting No. 7/2565. The purpose of this review was to comply with corporate sustainable development guidelines, in which there had no any major amendments, resulting in the approved policies to be effective on November 14, 2022.

In the recent year, the Company has monitored the Company's performance in order to ensure compliance with good corporate governance practice covering: 1) Human Resources Management and Development together with non-discrimination towards employees; 2) anti-corruption; 3) Occupational health, Safety and Environment in workplace; 4) Information Technology Security; 5) Corporate Sustainable Development and ESG Compliance. The results of performance monitoring showed that the Company has completely complied with those practices.

*Note: Details of the policy and practices appear in Attachment 5 (full versions of the Corporate Governance Policy and the Business Ethics Handbook prepared by the Company) and on the Company's website at <http://www.tge.co.th> under the topic "Corporate Governance Policy" and "Business Ethics Handbook".*

#### Compliance with Prevention of Conflicts of Interest Policy and its Practices

The Company and its subsidiaries give importance to good corporate governance practices and realize the importance of conducting business with honesty, transparency, and verifiability by taking into account

the interests of the Company. Accordingly, the Company has regulated the policy regarding conflicts of interest and its reporting of interests for directors, executives, and employees to comply with.

Moreover, this policy was reviewed whether it was complied with corporate sustainable development guidelines, in which there were no any major amendments.

In the recent year, there was no any significant actions or events related to the matters of conflict of interest.

Note:

1. *This Policy was reviewed by the Executive Committee Meeting No. 12/2022 on November 9, 2022, and agreed by the Nomination, Remuneration and Corporate Governance Committee Meeting No. 5/2022 on November 11, 2022. It was approved by the Board of Directors Meeting No. 7/2022 and effective on November 14, 2022.*
2. *Additional details of this policy and its practices are available on the Company's website <http://www.tge.co.th/> under the topic "Conflict of Interest Policy and Reporting of Interests".*

#### Compliance with The Use of Inside Information Policy and its Practices

The Company and its subsidiaries place importance on good corporate governance practices for transparency, and to prevent the exploitation of personal interests from using inside information. Accordingly, the Company has established a policy regarding the use of inside information, in which it is used to prevent the use of such information that has not yet been disclosed to the public as personal interests in any way. This may affect the operations of the Company and its subsidiaries as well as confidence toward the organizations.

However, this policy was reviewed whether it was complied with corporate sustainable development guidelines, in which there had no any major amendments.

Note:

1. This policy was reviewed by the Executive Committee Meeting No. 12/2022 on November 9, 2022, and agreed by the Nomination, Remuneration, and Corporate Governance Committee Meeting No. 5/2022 on November 11, 2022. It was approved by the Board of Directors Meeting No. 7/2022 and effective on November 14, 2022.
2. Additional details of this policy and its practices are available on the Company's website at <http://www.tge.co.th/> under the topic "The Use of Inside Information Policy".

### Compliance with the Anti-Corruption Policy and its Practices

The Company and its subsidiaries recognize and give importance to operate its business under the principles of good corporate governance by adhering to the principles of honesty and transparency with no actions of corruption. Therefore, the Company has established practices for the proper conduct for directors, executives, and employees by preparing an anti-corruption policy to prevent an action of corruption from both inside and outside the organization, along with encouraging the dissemination of this policy and its practices to be acknowledged by everyone.

This policy was reviewed whether it was complied with corporate sustainable development guidelines, in which there had no any major amendments.

In the recent year, the Company did not find any significant acts or events related to bribery nor corruption.

Incidentally, the Executive Board meeting, held on February 9, 2022, agreed with the intent to participate in the CAC project. And the Board of Directors' meeting, held on February 24, 2022, approved this intent. In this regard, the Chairman of the Board of Directors signed the declaration of intent. Currently, the Company is preparing a process of self-assessment to apply for member of CAC by June 15, 2023, and expects to be certified as a member of CAC by 2023.

Note:

1. This policy was reviewed by the Executive Committee Meeting No. 12/2022 on November 9, 2022, and agreed by the Nomination, Remuneration, and Corporate Governance Committee Meeting No. 5/2022 on November 11, 2022. It was approved by the Board of Directors Meeting No. 7/2022 and effective on November 14, 2022.
2. Additional details of this policy and its practices are available on the Company's website at <http://www.tge.co.th/> under the topic of "Anti-Corruption Policy".

### Compliance with the Whistleblowing Policy and its Practices

Anyone who sees any action considered fraudulent or implies fraud, directly or indirectly, affects the Company and its subsidiaries must not ignore or neglect such behavior. He shall immediately report to the Audit Committee or the Chief Executive Officer. Or notify through the whistleblowing channels specified in the whistleblowing policy for receiving complaints and reporting clues regarding any acts related to misconduct and corruption.

This policy was reviewed whether it was complied with corporate sustainable development guidelines, in which there had no any major amendments.

In conclusion, the Company did not find any significant complaints or clues regarding acts related to misconduct and corruption in the recent year.

Note:

1. This policy was reviewed by the Executive Committee Meeting No. 12/2022 on November 9, 2022, and agreed by the Nomination, Remuneration, and Corporate Governance Committee Meeting No. 5/2022 on November 11, 2022. It was approved by the Board of Directors Meeting No. 7/2022 and effective on November 14, 2022.
2. Additional details of this policy and its practices are available on the Company's website at <http://www.tge.co.th/> under the topic of "The Whistleblowing Policy".



## 8.2 Performance Report of the Audit Committee

The attendance records of the Audit Committee are as follows:

Table 7: Performance Report of the Audit Committee

Members of the Audit Committee	Number of Meetings Attended/Total Number of Meetings	
	2021	2022
1. Mr. Thoranit Tantikulwichit	8/8	6/6
2. Mrs. Pensri Meesuksabai	8/8	6/6
3. Mr. Arthorn Sinsawad	8/8	6/6

### Performance of the Audit Committee

According to the Audit Committee Report 2022, the Audit Committee performed its duties as specified in the Audit Committee Charter. It verified that the Company and its subsidiaries had accurate and sufficient financial reports and they had appropriate and effective internal control and internal audit systems.

## 8.2 Performance Summary of other subcommittees

### (1) The Executive Committee

Meeting attendance records of the Executive Committee are detailed as follows:

Table 8: Performance Report of the Executive Committee

Member of Executive Committee	Number of Meetings Attended/Total Number of Meetings	
	2021	2022
1. Mr. Pongnarin Wanasuwanakul	15/15	13/14
2. Mr. Pongnarate Wanasuwankul	15/15	14/14
3. Mrs. Phatcharin Lapharokij	15/15	14/14
4. Ms. Laongtip Wanasuwannakul	15/15	14/14
5. Mr. Sakda Siriphatrasophon <sup>/1</sup>	7/7	14/14
6. Mr. Thanapat Rattanapitag	12/15	14/14
7. Ms. Patchara Thongprapai	15/15	14/14

Note:

<sup>/1</sup> Mr. Sakda Siriphatrasophon resigned from the director and chief executive officer position and his resignation approved by the Board of Directors and effective on December 31, 2022.

## Performance of the Executive Committee

In 2022, the Executive Committee reviewed the following significant matters:

- Corporate performance;
- Procurement and costs of raw materials used in production process;
- Current status of budget disbursements and purchases of assets;
- Plan and cost of maintenance;
- Review of the corporate sustainable development strategy

## (2) The Nomination, Remuneration and Corporate Governance Committee

Meeting attendance records of the Nomination, Remuneration and Corporate Governance Committee are detailed as follows:

**Table 9: Performance Report of the Nomination, Remuneration and Corporate Governance Committee**

Members of the Nomination, Remuneration and Corporate Governance Committee	Number of Meetings Attended/Total Number of Meetings	
	2021	2022
1. Mrs. Pensri Meesuksabai	8/8	7/7
2. Mr. Thoranit Tantikulwichit	8/8	7/7
3. Mr. Tanan Chub-uppakarn	8/8	7/7
4. Mrs. Phatcharin Lapharokij	8/8	7/7
5. Ms. Laongtip Wanasuwannakul	8/8	7/7

## Performance of the Nomination, Remuneration and Corporate Governance Committee

In 2022, the Nomination, Remuneration and Corporate Governance Committee reviewed the following significant matters:

- Appointment of directors to replace those retiring by rotation;
- Review of the corporate governance policy and the Charter of the Board of Directors and sub-committees;
- Criteria and remuneration for directors for 2022;
- Preparation of the Corporate Governance Handbook;
- Greenhouse Gas Policy;
- Appointment of the Chief Executive Officer and Executive Director.



### (3) Risk Management Committee

Meeting attendance records of the Risk Management Committee are detailed as follows:

Table 10: Performance Report of the Risk Management Committee

Members of the Risk Management Committee	Number of Meetings Attended/Total Number of Meetings	
	2021	2022
1. Mr. Arthorn Sinsawad	6/6	5/5
2. Mr. Tanan Chub-uppakarn	6/6	5/5
3. Mr. Pongnarin Wanasuwanakul	6/6	3/5
4. Mr. Pongnarate Wanasuwankul	6/6	5/5

#### Performance of the Risk Management Committee

In 2022, the Risk Management Committee reviewed the following significant matters:

- Reviewed and approved the amendment of the Risk Management Committee Charter and Policy to ensure consistency and support the Company in managing risks efficiently and effectively. The Risk Management Committee Charter was reviewed to add duty and responsibility in order to govern and manage risks arising from investment and business operations of the Company.
- Established a risk management framework, provided opinions on issues and scope of enterprise risk. It also included a review of significant risk factors and impacts to be managed, in order to prepare the Enterprise Risk Management Plan 2022 .
- Provided comments and suggestions towards risk assessment and risk management measures for significant investment projects as information for investment decisions.
- Provided opinions towards corporate risk factors for the year 2023 to be complied with the Company's business directions and goals.
- Regularly reported the corporate performance to the Board of Directors to ensure that it has efficient risk management in line with internal control systems and good corporate governance practices.





## 9. Internal Control and Related Transactions

### 9.1 Internal Control

The Board of Directors has appointed an Audit Committee comprising three (3) independent directors. The Audit Committee is responsible for verifying the accuracy and reliability of financial reports, the efficiency of the internal control system, and compliance with relevant laws and regulations, including transactions that may have conflicts of interest.

The Board of Directors, Audit Committee, and Management emphasize the internal control system by evaluating the efficiency and adequacy according to the international standards of COSO: The Committee of Sponsoring Organizations of the Trade Way Commission, and good corporate governance principle according to the guidelines set by the Stock Exchange of Thailand. It also includes risk management on a continual basis for the Company to have good corporate governance, adequate and appropriate internal control and risk management systems, accurate and reliable accounting and financial reporting systems, including

compliance with laws and regulations related to the Company's business operations.

The Audit Committee requires an assessment of the adequacy for the internal control system according to the assessment form prescribed by the Securities and Exchange Commission (SEC) and reports to the Board of Directors Meeting at least once a year. The assessment topics, according to COSO, are summarized as follows:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

In addition to requiring the management to submit performance reports to the Management Committee on a regular basis, Audit Committee and Internal Audit Division determine that the internal audit is needed to cover the critical work of the Group in the annual internal audit plan.





Therefore, this is to ensure that the Company's operations in key areas are under the standards, requirements, rules, and regulations and along with the Company's vision and mission guidelines.

At the Board of Directors Meeting No. 1/2023 held on February 28, 2023, the Board of Directors considered the assessment of the internal control system for 2022 according to the Internal Control Adequacy Evaluation Form established by the Office of the Securities and Exchange Commission (SEC).

The Board of Directors has the same opinion as the Audit Committee that the Company and its subsidiaries have adequate and appropriate internal control systems. The Company has provided sufficient personnel to operate the system efficiently, including acceptable transactions with persons who may have conflicts of interest and connected persons. The Audit Committee and the Management have emphasized good corporate governance principle, internal control, and risk management at acceptable level. The accounting system and financial reports are also accurate and reliable, and compliance with laws and regulations related to the Company's business operations and anti-corruption measures that the Company has commanded the Board of Directors, Management, employees, and related parties to adhere and comply strictly.

### Head of Internal Audit

In 2022, the Audit Committee appointed Ms. Unchanil Kumpuakmit, Manager of the Internal Audit Department, to act as Secretary of the Audit Committee, and set Mr. Kosol Yamleemul from Unique Advisor Company Limited as the Company's Internal Auditor until now. The Audit Committee considered their qualifications, education, and experience, which are qualified for the positions and beneficial to the operations of the Company, so they are suitable to perform such duties appropriately and adequately. However, the Audit Committee currently handles the consideration and approval of appointment, removal, and transfer.

In addition, the Company has appointed personnel of the Internal Audit Department directly reporting to the Audit Committee, with the Internal Audit Manager responsible for managing and ensuring that the department's performance follows the plan and regularly reports the department performance to the Audit Committee. However, before submitting the internal audit performance to the Audit Committee for acknowledgment, the Internal Audit Manager shall present the department performance report at the meeting with relevant management. Then, this is to express the opinions of the Audit Committee to improve the effectiveness of the internal audit work even further. According to the internal audit results of 2022, the Group has a suitable and appropriate internal control system. Hence, the Audit Committee believes that the internal auditor has performed duties thoroughly and covered essential areas.

### Auditor's Remarks on Internal Control

The financial statements of the Company and its subsidiaries for 2022 ended on December 31, 2022, prepared by the auditor, PricewaterhouseCoopers ABAS Limited. There was no report on any remarks and opinion regarding the Company's accounting internal control system.

The Group places great importance on establishing a good internal control system following the principles of good corporate governance, referring to perform duties with transparency, fairness, reliability, and having a verifiable balance mechanism, which will lead to the utmost benefit of shareholders, employees, and all stakeholders. Accordingly, the Board of Directors has assigned the Audit Committee to review and ensure that the Company has reasonable internal control and internal audit systems, as well as reviewing the Company's operations appropriately and efficiently to ensure that the Company has a business operating system that complies with the guidelines of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission (SEC)

## 9.2 Related-Party Transactions

### 9.2.1 Individuals or juristic persons that may have conflicts of interest

Table 1: Individuals or juristic persons that may have conflicts of interest

No	Name	Relationship with TGE	The proportion of direct shareholding of the Company through TGE (percentage)	The proportion of indirect shareholding of the Company through TCGH (percentage)
1.	Mr. Pongnarin Wanasuwanakul	A director and major shareholder	6.11	14.00
2.	Mr. Pongnarate Wanasuwankul	A director and major shareholder	6.11	14.00
3.	Mrs. Laongtip Wanasuwannakul	A director and major shareholder	6.34	14.00
4.	Mrs. Phatcharin Lapharokij	A director and major shareholder	6.11	14.00
5.	Ms. Thunchanok Wanasuwannakul	Major shareholder	6.11	14.00
6.	Mrs. Santhira Chantaraseno	Major shareholder	6.11	14.00
7.	Mr. Thanakorn Vanasuwanakul	Major shareholder	4.36	10.00
8.	Mrs. Phenphan Vanasuwanakul	Major shareholder	2.62	6.00

Note: TCG Holdings Company Limited (TCGH) is a juristic person who is the ultimate shareholder of the Company, holding 29.09% of the Company's total issued shares. TCGH is the Holding Company that owns shares in various businesses of the "Wanasuwankul" family group.

Table 2: The proportion of shareholding of persons related to TCGH

No	Name	The shareholding proportion of TCGH (percentage)
1.	Mr. Pongnarin Wanasuwanakul	14.00
2.	Mr. Pongnarate Wanasuwankul	14.00
3.	Mrs. Laongtip Wanasuwannakul	14.00
4.	Mrs. Phatcharin Lapharokij	14.00
5.	Ms. Thunchanok Wanasuwannakul	14.00
6.	Mrs. Santhira Chantaraseno	14.00
7.	Mr. Thanakorn Vanasuwanakul	10.00
8.	Mrs. Phenphan Vanasuwanakul	6.00

Table 3: Juristic persons that may have conflicts of interest

No	Name	The shareholding proportion by TCGH (percentage)
1.	Tha Chang Oil Palm Industries Company Limited (TCP)	99.99
2.	Tha Chang Rubber Company Limited (TCR)	99.99
3.	Tha Chang Logistics Company Limited (TCL)	99.99
4.	Rich Property & Development Company Limited (RPD)	99.99
5.	TD Power Company Limited (TD)	99.99
6.	Thachang Biofuel Company Limited (TBF)	51



## 9.2.2 Details of related transactions and remarks of the Audit Committee

### 1) Summary of loans

Summary of loans for the Company and its subsidiaries

Borrower	Loan transactions	Value (Million baht)		Details of Transactions	Remarks of the Audit Committee
		31 Dec 2021	31 Dec 2022		
Thachang Power Green Company Limited (TPG) (a subsidiary that the Company holds 100% of shares)	<b>Principal</b>				
	Long-term loan at the beginning	124.20	38.40	The Company, a major shareholder, provides loans to subsidiaries as working capital. The Company has entered into loan agreements with interest rates of 3.90 percent per annum, and 2.275 percent per annum, according to the interest rates the Company has to pay to financial institutions and related companies, respectively. The interest will be according to the financial institutions' update. The monthly paid-up of the principal loan start in January 2020 onwards.	The Audit Committee considered that the loan was for financial management within the Group for the subsidiary to continue its business. Therefore, such a transaction was necessary, reasonable, and beneficial to the Company. In addition, the Company prepared a loan agreement to clarify and determine the interest according to the interest cost in procuring the loan that the Company payable to financial institutions.
	Additional loan during a period	7.90	43.00		
	Paid-up during a period	(93.70)	(51.40)		
	Long-term loan at the ending	<u>38.40</u>	<u>30.00</u>		
	<b>Interest earned</b>	2.53	0.39		
	<b>Accrued interest</b>	0.08	0.07		
Thachang Bio Power Company Limited (TBP) (a subsidiary that the Company holds 100% of shares)	<b>Principal</b>				
	Long-term loan at the beginning	87.51	148.51	The Company, a major shareholder, provides loans to subsidiaries as working capital.  The Company has entered into loan agreements with interest rates of 3.90 percent per annum, and 2.275 percent per annum, according to the interest rates the Company has to pay to financial institutions and related companies, respectively. The interest will be according to the financial institutions' update. The monthly paid-up of the principal loan start from the month the subsidiary earns income from selling electricity to the Provincial Electricity Authority.	The Audit Committee considered that the loan was for financial management within the Group for the subsidiary to continue its business. Therefore, such a transaction was necessary, reasonable, and beneficial to the Company. In addition, the Company prepared a loan agreement to clarify and determine the interest according to the interest cost in procuring the loan that the Company payable to financial institutions.
	Additional loan during a period	61.00	25.00		
	Paid-up during a period	(-)	(48.01)		
	Long-term loan at the ending	<u>148.51</u>	<u>125.50</u>		
	<b>Interest earned</b>	2.90	3.09		
	<b>Accrued interest</b>	0.29	0.25		

Borrower	Loan transactions	Value (Million baht)		Details of Transactions	Remarks of the Audit Committee
		31 Dec 2021	31 Dec 2022		
Thachang Energy Solution Company Limited (TES) (a subsidiary that the Company holds 99.97% of shares)	<b>Principal</b>				The Audit Committee considered that the loan was for financial management within the Group for the subsidiary to continue its business. Therefore, such a transaction was necessary, reasonable, and beneficial to the Company. In addition, the Company prepared a loan agreement to clarify and determine the interest according to the interest cost in procuring the loan that the Company payable to financial institutions.
	Long-term loan at the beginning	113.22	116.91	The Company, a major shareholder, provides loans to subsidiaries for the expenses in preparing for the waste disposal contract with the municipality and the construction of solid waste ponds. For example, document processing and coordination with the municipality, public hearings, educating the local community, and verification and inspection to ensure that the Company complies with the bidding conditions.	
	Additional loan during a period	3.69	2.35		
	Paid-up during a period	(-)	(1.50)		
	Long-term loan at the ending	<u>116.91</u>	<u>117.76</u>		
	<b>Interest earned</b>	3.77	3.70	The Company has entered into loan agreements with interest rates of 3.90 percent per annum, and 2.275 percent per annum, according to the interest rates the Company has to pay to financial institutions and related companies, respectively. The interest will be according to the financial institutions' update.	
	<b>Accrued interest</b>	2.57	0.93	The monthly repayment of the principal loan start from the month the subsidiary earns income from selling electricity to the Provincial Electricity Authority.	





Borrower	Loan transactions	Value (Million baht)		Details of Transactions	Remarks of the Audit Committee
		31 Dec 2021	31 Dec 2022		
Thachang Energy Solution (Ratchaburi) Company Limited (TES RBR) (a subsidiary that the Company holds 100% of shares)	<b>Principal</b>				
	Long-term loan at the beginning	31.93	48.53	The Company, a major shareholder, provides loans to subsidiaries for the expenses in preparing for the waste disposal contract with the municipality and the construction of solid waste ponds. For example, document processing and coordination with the municipality, public hearings, educating the local community, and verification and inspection to ensure that the Company complies with the bidding conditions. Including for use in the purchase of land.	The Audit Committee considered that the loan was for financial management within the Group for the subsidiary to continue its business. Therefore, such a transaction was necessary, reasonable, and beneficial to the Company. In addition, the Company prepared a loan agreement to clarify and determine the interest according to the interest cost in procuring the loan that the Company payable to financial institutions.
	Additional loan during a period	32.80	1.20		
	Paid-up during a period	(16.20)	(-)		
	Long-term loan at the ending	<u>48.53</u>	<u>49.73</u>		
	<b>Interest earned</b>	0.99	1.18	The Company has entered into loan agreements with interest rates of 3.90 percent per annum, and 2.275 percent per annum, according to the interest rates the Company has to pay to financial institutions and related companies, respectively. The interest will be according to the financial institutions' update. The monthly paid-up of the principal loan start from the month the subsidiary earns income from selling electricity to the Provincial Electricity Authority.	
	<b>Accrued interest</b>	1.42	1.18		

Borrower	Loan transactions	Value (Million baht)		Details of Transactions	Remarks of the Audit Committee
		31 Dec 2021	31 Dec 2022		
Thachang Energy Solution (Chumphon) Company Limited (TES CPN) (a subsidiary that the Company holds 100% of shares)	<b>Principal</b>				The Audit Committee considered that the loan was for financial management within the Group for the subsidiary to continue its business. Therefore, such a transaction was necessary, reasonable, and beneficial to the Company. In addition, the Company prepared a loan agreement to clarify and determine the interest according to the interest cost in procuring the loan that the Company payable to financial institutions.
	Long-term loan at the beginning	59.74	63.24	The Company, a major shareholder, provides loans to subsidiaries for the expenses in preparing for the waste disposal contract with the municipality and the construction of solid waste ponds. For example, document processing and coordination with the municipality, public hearings, educating the local community, and verification and inspection to ensure that the Company complies with the bidding conditions. Including for use in the purchase of land.	
	Additional loan during a period	3.50	10.00		
	Paid-up during a period	(-)	(-)		
	Long-term loan at the ending	<u>63.24</u>	<u>73.24</u>		
	<b>Interest earned</b>	1.95	2.07	The Company has entered into loan agreements with interest rates of 3.90 percent per annum, and 2.275 percent per annum, according to the interest rates the Company has to pay to financial institutions and related companies, respectively. The interest will be according to the financial institutions' update.	
	<b>Accrued interest</b>	2.23	4.30	The monthly paid-up of the principal loan start from the month the subsidiary earns income from selling electricity to the Provincial Electricity Authority.	



Borrower	Loan transactions	Value (Million baht)		Details of Transactions	Remarks of the Audit Committee
		31 Dec 2021	31 Dec 2022		
Thachang Energy Solution (Prachin Buri) Company Limited (TES PRI) (a subsidiary that the Company holds 100% of shares)	<b>Principal</b>				
	Long-term loan at the beginning	-	-	The Company, a major shareholder, provides loans to subsidiaries for the expenses in preparing for the waste disposal contract with the municipality and the construction of solid waste ponds. For example, document processing and coordination with the municipality, public hearings, educating the local community, and verification and inspection to ensure that the Company complies with the bidding conditions. Including for use in the purchase of land.	The Audit Committee considered that the loan was for financial management within the Group for the subsidiary to continue its business. Therefore, such a transaction was necessary, reasonable, and beneficial to the Company. In addition, the Company prepared a loan agreement to clarify and determine the interest according to the interest cost in procuring the loan that the Company payable to financial institutions.
	Additional loan during a period	-	4.58		
	Paid-up during a period	(-)	(3.75)		
	Long-term loan at the ending	-	-		
	<b>Interest earned</b>	-	0.01	The Company has entered into loan agreements with interest rates of 2.275 percent per annum, according to the interest rate the Company has to pay to related companies. The interest will be according to the financial institutions' update. The monthly repayment of the principal loan start from the month the subsidiary earns income from selling electricity to the Provincial Electricity Authority.	
	<b>Accrued interest</b>	-	0.01		

Borrower	Loan transactions	Value (Million baht)		Details of Transactions	Remarks of the Audit Committee
		31 Dec 2021	31 Dec 2022		
Thachang Energy Solution (Tha Chin) Company Limited (TES TCN) (a subsidiary that the Company holds 100% of shares)	<b>Principal</b>				
	Long-term loan at the beginning	-	-	The Company, a major shareholder, provides loans to subsidiaries for the expenses in preparing for the waste disposal contract with the municipality and the construction of solid waste ponds. For example, document processing and coordination with the municipality, public hearings, educating the local community, and verification and inspection to ensure that the Company complies with the bidding conditions. Including for use in the purchase of land.	The Audit Committee considered that the loan was for financial management within the Group for the subsidiary to continue its business. Therefore, such a transaction was necessary, reasonable, and beneficial to the Company. In addition, the Company prepared a loan agreement to clarify and determine the interest according to the interest cost in procuring the loan that the Company payable to financial institutions.
	Additional loan during a period	-	178.59		
	Paid-up during a period	(-)	(17.20)		
	Long-term loan at the ending	-	161.39		
	<b>Interest earned</b>	-	0.65	The Company has entered into loan agreements with interest rates of 2.275 percent per annum, according to the interest rate the Company has to pay to related companies. The interest will be according to the financial institutions' update. The monthly paid-up of the principal loan start from the month the subsidiary earns income from selling electricity to the Provincial Electricity Authority.	
	<b>Accrued interest</b>	-	0.64		



Borrower	Loan transactions	Value (Million baht)		Details of Transactions	Remarks of the Audit Committee
		31 Dec 2021	31 Dec 2022		
Thachang Energy Solution (Chai Nat) Company Limited (TES CNT) (a subsidiary that the Company holds 100% of shares)	<b>Principal</b>				
	Long-term loan at the beginning	-	-	The Company, a major shareholder, provides loans to subsidiaries for the expenses in preparing for the waste disposal contract with the municipality and the construction of solid waste ponds. For example, document processing and coordination with the municipality, public hearings, educating the local community, and verification and inspection to ensure that the Company complies with the bidding conditions. Including for use in the purchase of land.	The Audit Committee considered that the loan was for financial management within the Group for the subsidiary to continue its business. Therefore, such a transaction was necessary, reasonable, and beneficial to the Company. In addition, the Company prepared a loan agreement to clarify and determine the interest according to the interest cost in procuring the loan that the Company payable to financial institutions.
	Additional loan during a period	-	2.60		
	Paid-up during a period	(-)	(2.60)		
	Long-term loan at the ending	=	=		
	<b>Interest earned</b>	-	0.02		
	<b>Accrued interest</b>	-	-	The Company has entered into loan agreements with interest rates of 2.275 percent per annum, according to the interest rate the Company has to pay to related companies. The interest will be according to the financial institutions' update. The monthly paid-up of the principal loan start from the month the subsidiary earns income from selling electricity to the Provincial Electricity Authority.	



Borrower	Loan transactions	Value (Million baht)		Details of Transactions	Remarks of the Audit Committee
		31 Dec 2021	31 Dec 2022		
Thachang Energy Solution (Ubon Ratchathani) Company Limited (TES UBN) (a subsidiary that the Company holds 100% of shares)	<b>Principal</b>				
	Long-term loan at the beginning	-	-	The Company, a major shareholder, provides loans to subsidiaries for administrative expenses, such as audit fees and costs in preparing to participate in bidding on the community waste power plant project.	The Audit Committee considered that the loan is for financial management within the Group for the subsidiary to continue its business. Therefore, such a transaction is necessary, reasonable, and beneficial to the Company. In addition, the Company has prepared a loan agreement to clarify and determine the interest according to the interest cost in procuring the loan that the Company has payable to financial institutions.
	Additional loan during a period	-	0.10		
	Paid-up during a period	(-)	(0.10)		
	Long-term loan at the ending	=	=	The Company has entered into loan agreements with interest rates of 2.275 percent per annum, according to the interest rate the Company has to pay to related companies. The interest will be according to the financial institutions' update. The monthly paid-up of the principal loan start from the month the subsidiary earns income from selling electricity to the Provincial Electricity Authority	
	<b>Interest earned</b>	-	-		
	<b>Accrued interest</b>	-	-		



## 2) Summary of loans

Summary of loans the Company and its subsidiaries borrowed money from persons who may have conflicts.

Lender	Loan transactions	Value (Million baht)		Characteristics of transactions	Remarks of the Audit Committee
		31 Dec 2021	31 Dec 2022		
TCG Holdings Company Limited (TCGH)	<b>Principal</b>				
	Long-term loan at the beginning	142.60	219.40	TCGH, a major shareholder of the Company, has provided a loan to the Company for investment in its subsidiaries for the construction of power plants, preparation costs for the waste disposal contract with the municipality, and land purchase.  The Company has entered into a loan agreement with an interest rate of 2.70 percent per annum, which is the interest rate in line with TCGH's cost of finance and will be changed when the cost of finance is updated. The monthly repayment of the principal loan is one million baht.	The Audit Committee considered that the loan was for financial management within the Group for the Company to continue its business. Therefore, such a transaction was necessary, reasonable, and beneficial to the Company. In addition, the Company prepared an explicit loan agreement and determined the interest according to the financial cost of TCGH.
	Additional loan during a period	261.00	144.00		
	Payment during a period	<u>(184.20)</u>	<u>(363.40)</u>		
	Long-term loan at the ending	<u>219.40</u>	=		
	<b>Interest earned</b>	4.11	2.67		
	<b>Accrued interest</b>	0.39	-		

Lender	Loan transactions	Value (Million baht)		Characteristics of transactions	Remarks of the Audit Committee
		31 Dec 2021	31 Dec 2022		
Thachang Power Green Company Limited (TPG)	<b>Principal</b>				
	Long-term loan at the beginning	-	-	TPG, a subsidiary of TGE, has the remaining cash flow from operations. Therefore, it has considered lending TGE the remaining cash for the Group's cash management.	The Audit Committee considered that the loan was for financial management within the Group for the Company to continue its business. Therefore, such a transaction was necessary, reasonable, and beneficial to the Company. In addition, the Company prepared an explicit loan agreement and determined the interest according to the financial cost of TPG.
	Additional loan during a period	-	30.00		
	Payment during a period	=	<u>(30.00)</u>	The Company has entered into a loan agreement with an interest rate of 2.225 percent per annum, which is the interest rate in line with TPG's cost of finance and will be changed when the cost of finance is updated. The monthly paid-up of the principal loan is one million baht.	
	Long-term loan at the ending	-	=		
	<b>Interest earned</b>	-	0.07		
Thachang Energy Solution (Prachin Buri) Company Limited (TES PRI)	<b>Accrued interest</b>	-	-		
	<b>Principal</b>				
	Long-term loan at the beginning	-	-	TES (PRI), a subsidiary of TGE, has the remaining cash flow from the share price received from the capital increase to prepare for the waste power plant project bidding. Therefore, it has considered lending TGE the remaining cash for the Group's cash management.	The Audit Committee considered that the loan was for financial management within the Group for the Company to continue its business. Therefore, such a transaction was necessary, reasonable, and beneficial to the Company. In addition, the Company prepared an explicit loan agreement and determined the interest according to the financial cost of TES (PRI).
	Additional loan during a period	-	19.50		
	Payment during a period	-	<u>(19.50)</u>		
	Long-term loan at the ending	-	-	The Company has entered into a loan agreement with an interest rate of 2.225 percent per annum, which is the interest rate in line with TES (PRI)'s cost of finance and will be changed when the cost of finance is updated. The monthly paid-up of the principal loan is one million baht.	
	<b>Paid interest</b>	-	0.08		
	<b>Outstanding interest</b>	-	-		



Lender	Loan transactions	Value (Million baht)		Characteristics of transactions	Remarks of the Audit Committee
		31 Dec 2021	31 Dec 2022		
Thachang Energy Solution (Chai Nat) Company (TES CNT)	<b>Principal</b>				
	Long-term loan at the beginning	-	-	TES (CNT), a subsidiary of TGE, has the remaining cash flow from the share price received from the capital increase to prepare for the waste power plant project bidding. Therefore, it has considered lending TGE the remaining cash for the Group's cash management.	The Audit Committee considered that the loan is for financial management within the Group for the Company to continue its business. Therefore, such a transaction is necessary, reasonable, and beneficial to the Company. In addition, the Company has prepared an explicit loan agreement and determined the interest according to the financial cost of TES (CNT).
	Additional loan during a period	-	6.00		
	Payment during a period	=	(-)		
	Long-term loan at the ending	-	<u>6.00</u>		
				The Company has entered into a loan agreement with an interest rate of 2.225 percent per annum, which is the interest rate in line with TES (CNT)'s cost of finance and will be changed when the cost of finance is updated. The monthly paid-up of the principal loan is one million baht.	
	<b>Paid interest</b>	-	0.02		
	<b>Outstanding interest</b>	-	0.01		

### 3) Trading of assets

The Company trades assets with its subsidiaries and related companies as follows;

Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Power Green Company Limited (TPG) (a subsidiary that the Company holds 100% of shares)	<p><u>Sale of equipment and spare parts</u></p> <p>The Company sells assets, which are spare parts and various equipment, such as welding cabinets, hand chain hoists, grinding machines, and submersible pump motors, to subsidiaries.</p> <p>The Company has sufficiently reserved the spare parts and equipment. Accordingly, the Company charges an administration fee of 1.53 percent of the purchase cost.</p>	3.84	4.23	<p>TPG requires spare parts and equipment to repair various equipment and machinery within the power plant. However, the Group has the policy to purchase spare parts and equipment for companies in the group by assigning the Company as the leading purchaser of low-cost spare parts that are required regularly to get the lower price.</p> <p>Because TGE is responsible for purchasing and maintaining those spare parts and equipment, it charges an administration fee of 1.53 percent of the purchase cost, comparable to the general administration fee.</p> <p><b>Remarks of the Audit Committee</b></p> <p>The Audit Committee considered that selling spare parts, supplies, and equipment was for the benefit of the Group's regular business transactions by selling at the historical price plus the administration fee according to the Company's policy was comparable to the general administration fee. <b>Thus, the transaction was necessary and reasonable.</b></p>





Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Bio Power Company Limited (TBP) (a subsidiary that the Company holds 100% of shares)	<p><u>Sale of equipment and spare parts</u></p> <p>The Company sells assets, which are spare parts and various equipment, such as welding cabinets, hand chain hoists, grinding machines, and submersible pump motors, to subsidiaries.</p> <p>The Company has sufficiently reserved the spare parts and equipment. Accordingly, the Company charges an administration fee of 1.53 percent of the purchase cost.</p>	0.63	1.15	<p>TBP requires spare parts and equipment to repair various equipment and machinery within the power plant. However, the Group has the policy to purchase spare parts and equipment for companies in the group by assigning the Company as the leading purchaser of low-cost spare parts that are required regularly to get the lower price.</p> <p>Because TGE is responsible for purchasing and maintaining those spare parts and equipment, it charges an administration fee of 1.53 percent of the purchase cost, comparable to the general administration fee.</p> <p><b>Remarks of the Audit Committee</b></p> <p>The Audit Committee considered that selling spare parts, supplies, and equipment was for the benefit of the Group's regular business transactions by selling at the historical price plus the administration fee according to the Company's policy was comparable to the general administration fee. <b>Thus, the transaction was necessary and reasonable.</b></p>

Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Rubber Company Limited (TCR)	<p><u>Sale of assets – Transformer 4,000 KVA</u> Thachang Green Energy Public Company Limited sold a 4,000 KVA Transformer to TCR at a historical cost because TGE did not need to use it. Accordingly, the Company charged an administration fee of 1.53 percent of the historical cost.</p>	1.29	-	<p>TCR requires spare parts and equipment to repair various equipment and machinery within the power plant. However, the Group has the policy to purchase spare parts and equipment for companies in the group by assigning the Company as the leading purchaser of low-cost spare parts that are required regularly to get the lower price.</p> <p>Because TGE is responsible for purchasing and maintaining those spare parts and equipment, it charges an administration fee of 1.53 percent of the purchase cost, comparable to the general administration fee.</p> <p><u>Remarks of the Audit Committee</u> The Audit Committee considered that selling spare parts, supplies, and equipment was for the benefit of the Group's regular business transactions by selling at the historical price plus the administration fee according to the Company's policy was comparable to the general administration fee. <b>Thus, the transaction was necessary and reasonable.</b></p>



#### 4) Administration fee

The Company obtains and provides services to its subsidiaries and related companies as follows:

Employer / Supplier	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Power Green Company Limited (TPG) Thachang Bio Power Company Limited (TBP) Thachang Energy Solution Company Limited (TES) (subsidiaries that the Company holds 100% of shares)	<p><b>Income – Administration fee</b></p> <p>The Company, a major shareholder of the subsidiaries, provides services to subsidiaries, such as accounting and finance, internal control management, human resources management, general purchase, and information technology department. In 2020, The Company provided services to TPG, TBP, and TES under the Management Service Agreements of unlimited service period until either party terminates the contract. The service fees are based on the salaries of employees who perform the services to the subsidiaries. Plus, an administration fee of 5 percent of the cost value. This rate is comparable to the general administration fee.</p>	16.31	17.15	<p>The Company has the policy to centralize related services and general administration at the Company to avoid redundancy works of employees and increase work efficiency. Therefore, three subsidiaries, TPG, TBP, and TES, have entered into agreements with the Company for services and general administration work. The Company has the policy to charge administration fees according to the salaries of employees who perform services to subsidiaries. Plus, an administration fee of 5 percent of the cost value. This rate is comparable to the general administration fee.</p> <p><b>Remarks of the Audit Committee</b></p> <p>The Audit Committee considered the transaction as a service rendered to the subsidiaries for the benefit of regular transactions. In addition, the conditions and prices were comparable to general administration fees. <b>Thus, the transaction was necessary and reasonable.</b></p>

Employer / Supplier	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Oil Palm Industries Company Limited (TCP)	<p><u>Expenses – IT administration fee</u></p> <p>The Company uses information technology management services to control the operation of each business cycle, including license fees for computer programs, such as weighing programs, Microsoft Office, and information technology hardware.</p>	1.10	1.10	<p>The Company uses complex information systems to control the operation of each business cycle (i.e., revenue cycles, expense cycles). Therefore, the Company requires specialists and experienced teams to provide consultation to operate and maintain such systems. Moreover, the Company must use various computer programs related to business operations. However, the hiring rates are fair rates comparable to the general information technology administration fee.</p> <p><b>Remarks of the Audit Committee</b></p> <p>The Audit Committee considered that paying for services was for the benefit of regular transactions of the Company. In addition, The service fee was derived from the operating costs of related companies. <b>Thus, the transaction was necessary and reasonable.</b></p>



## 5) Trading of raw materials

The Company trades raw materials to subsidiaries and related companies as follows:

Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Power Green Company Limited (TPG) (a subsidiary that the Company holds 100% of shares)	<p><b>Income – Sale of raw materials</b></p> <p>The Company sells chopped palm bunches, palm fiber, and empty palm bunches to subsidiaries to be used as fuel for electricity generation.</p> <p>In 2020, an advance purchase agreement for biomass raw materials was based on the Company's average purchase price from outsiders in December 2019.</p> <p>In 2021, a purchase agreement for biomass raw materials was based on the cost of inventories plus a margin of 1.53 percent, which an independent appraiser had appraised as the general margin in the market.</p>	22.68	8.65	<p>Since TPG needs to use biomass raw materials as fuel to generate electricity, purchasing directly from third parties will have less bargaining power because of a low volume. Therefore, the Group has the policy to centralize all orders to the Company as a leader. As a result, the Company resells to the subsidiaries. In 2020, the price was calculated according to the advance purchase agreement of biomass raw material in 2021, the price plus the profit margin commonly used in the market.</p> <p><b>Remarks of the Audit Committee</b></p> <p>The Audit Committee considered the sale of biomass raw materials to subsidiaries transaction for the benefit of regular transactions of the subsidiaries. In addition, the selling price was according to the Company's historical cost. Furthermore, the Group will benefit from the discount because a large volume of purchases allows negotiating with external suppliers. <b>Thus, the transaction was necessary and reasonable.</b></p>



Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Power Green Company Limited (TPG) (a subsidiary that the Company holds 100% of shares)	<p><u>Income – Electricity supply and demineralized water</u></p> <p>The Company charges electricity supply and sells demineralized water to subsidiaries for use in electricity generation. The selling price of electricity is based on the price that the Provincial Electricity Authority purchase from the Company each month. For the demineralized water, the selling price is based on the production cost comprising of depreciation of machinery and electricity used plus an additional administration fee of 3 percent of the cost value.</p>	5.89	2.58	<p>(1) The Company charges for the electricity supplied to TPG's palm shredder machine located at the Company location. Therefore, TPG is responsible for its electricity consumption calculated from the monthly rate the Provincial Electricity Authority charges.</p> <p>(2) The Company has designed a demineralized water system with a sufficient production capacity for the Group's power plants. Therefore, the subsidiaries do not need to install the system. The selling price of demineralized water is calculated from the depreciation of machinery and electricity supplied in production plus an administration fee of 3 percent of the cost value.</p> <p><b>Remarks of the Audit Committee</b></p> <p>The Audit Committee considered the transactions of selling electricity and demineralized water to subsidiaries for the benefit of regular transactions. In addition, the electricity selling price was according to the rate that the Provincial Electricity Authority charged, and the price of demineralized water was based on the Company's cost of production. <b>Thus, the transaction was necessary and reasonable.</b></p>



Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Bio Power Company Limited (TBP) (a subsidiary that the Company holds 100% of shares)	<p><u>Income – Sale of raw materials</u></p> <p>The Company sells chopped palm bunches, palm fiber, and empty palm bunches to subsidiaries to be used as fuel for electricity generation.</p> <p>In 2020, an advance purchase agreement for biomass raw materials was based on the Company's average purchase price from outsiders in December 2019.</p> <p>In 2021, a purchase agreement for biomass raw materials was based on the cost of inventories plus a margin of 1.53 percent, which an independent appraiser had appraised as the general margin in the market.</p>	37.30	79.41	<p>Since TBP needs to use biomass raw materials as fuel to generate electricity, purchasing directly from third parties will have less bargaining power because of a low volume. Therefore, the Group has the policy to centralize all orders to the Company as a leader. As a result, the Company resells to the subsidiaries. In 2020, the price was calculated according to the advance purchase agreement of biomass raw material in 2021, the price plus the profit margin commonly used in the market.</p> <p><u>Remarks of the Audit Committee</u></p> <p>The Audit Committee considered the sale of biomass raw materials to subsidiaries transaction for the benefit of regular transactions of the subsidiaries. In addition, the selling price was according to the Company's historical cost. Furthermore, the Group will benefit from the discount because a large volume of purchases allows negotiating with external suppliers. <b>Thus, the transaction was necessary and reasonable.</b></p>

Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Bio Power Company Limited (TBP) (a subsidiary that the Company holds 100% of shares)	<p><u>Income – Electricity supply and demineralized water</u></p> <p>The Company charges electricity supply and sells demineralized water to subsidiaries for use in electricity generation. The selling price of electricity is based on the price that the Provincial Electricity Authority purchase from the Company each month. For the demineralized water, the selling price is based on the production cost comprising of depreciation of machinery and electricity used plus an additional administration fee of 3 percent of the cost value.</p>	4.39	2.80	<p>(1) The Company charges for the electricity supplied to TBP during a system failure in August – November 2021. As a result, TBP could only produce and distribute stem and had to pay for the electricity supplied by TGE. The electricity rate is calculated from the monthly rate the Provincial Electricity Authority charges.</p> <p>(2) The Company has designed a demineralized water system with a sufficient production capacity for the Group's power plants. Therefore, the subsidiaries do not need to install the system. The selling price of demineralized water is calculated from the depreciation of machinery and electricity supplied in production plus an administration fee of 3 percent of the cost value.</p> <p><u>Remarks of the Audit Committee</u></p> <p>The Audit Committee considered the transactions of selling electricity and demineralized water to subsidiaries for the benefit of regular transactions. In addition, the electricity selling price was according to the rate that the Provincial Electricity Authority charged, and the price of demineralized water was based on the Company's cost of production. <b>Thus, the transaction was necessary and reasonable.</b></p>



Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Bio Power Company Limited (TBP) (a subsidiary that the Company holds 100% of shares)	<p><u>Income – Electricity supply</u></p> <p>TBP charges electricity supplied to Thachang Power Green Company Limited (TPG) for generating electricity. The electricity rate is calculated from the monthly rate the Provincial Electricity Authority charges TBP.</p>	6.22	19.82	<p>(1) TPG purchased electricity from TBP for its operation, and the electricity rate is calculated from the monthly rate the Provincial Electricity Authority charges.</p> <p><u>Remarks of the Audit Committee</u></p> <p>The Audit Committee considered the transaction as a sale of electricity to subsidiaries for the benefit of regular transactions. In addition, the electricity selling price was according to the rate that the Provincial Electricity Authority charged. <b>Thus, the transaction was necessary and reasonable.</b></p>
Thachang Oil Palm Industries Company Limited (TCP)	<p><u>Expenses – Purchase of raw materials</u></p> <p>The Company and its subsidiaries (TPG and TBP) purchase biomass raw materials, such as empty palm bunches and palm fiber from TCP, to generate electricity.</p> <p>The Company and its subsidiaries (TPG and TBP) have entered into a purchase agreement for all of TCP's biomass raw materials to ensure that the Company will have enough raw materials for electricity generation. The price is based on the Company's monthly average purchases from third parties, deducted with a maximum discount of not more than 10 percent, depending on the quantity of the purchased biomass raw materials.</p>	65.78	59.62	<p>Since the Company needs to use biomass raw materials as fuel to generate electricity, TCP, a related company whose primary business is palm oil production, has the by-products of empty palm bunches and palm fiber. Therefore, the Company has entered into a purchase agreement for all biomass raw materials of TCP to ensure that the Company will have sufficient materials for power generation. The price was based on the Company's average purchases from third parties each month, deducting a maximum discount of 10 percent, depending on the order quantity, a standard discount rate that the Company receives from third-party sellers.</p> <p><u>Remarks of the Audit Committee</u></p> <p>The Audit Committee considered the transaction purchase of biomass raw materials from the related company for the benefit of regular transactions. In addition, entering into a biomass raw material purchase agreement with the related company can help reduce the shortage of materials for power plant operations. The discount rate was the same rate that the Company received from third-party sellers. <b>Thus, the transaction was necessary and reasonable.</b></p>

Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Bio Fuel Company Limited (TBF)	<p><u>Expenses – Purchase of raw materials</u></p> <p>The Company and its subsidiaries (TPG and TBP) purchase biomass raw materials, such as wood chips, root chips, and palm chips, from TBF, a related company, to generate electricity.</p> <p>The Company and its subsidiaries (TPG and TBP) have entered into a purchase agreement for all of TBF's biomass raw materials to ensure that the Company will have enough raw materials for electricity generation. The price is based on the Company's average purchases from third parties.</p>	49.30	63.56	<p>The Company needs to use biomass raw materials as fuel to generate electricity. TBF is a related company whose primary business is shredding or chopping wood products, such as wood chips, roots, and palm trees. Therefore, the Company has entered into a purchase agreement for biomass raw materials of TBF to ensure that the Company will have sufficient materials for power generation. The price was based on the Company's average purchases from third parties.</p> <p><u>Opinions of the Audit Committee</u></p> <p>The Audit Committee considered the transaction purchase of biomass raw materials from the related company for the benefit of regular transactions. In addition, entering into a biomass raw material purchase agreement with the related company can help reduce the shortage of materials for power plant operations. The discount rate was the same rate that the Company received from third-party sellers. <b>Thus, the transaction was necessary and reasonable.</b></p>





Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Tha Chang Oil Palm Industries Company Limited (TCP)	<p><u>Expenses – Purchase of Fuel</u></p> <p>The Company and two subsidiaries (TPG and TBP) purchase fuel from TCP, a related company, to fuel wheel loaders, backhoes, and transport vehicles. The purchase price is according to the cost TCP purchased from external companies, plus an additional administration fee.</p>	14.67	22.97	<p>The companies in the Thachang Group operate nearby each other, and TCP has oil dispensers in the area. Due to the need for large amounts of fuel for vehicles to transport palm oil and other raw materials, the Company purchases fuel from TCP. In addition, it reduces the cost of transporting to fuel up vehicles. Therefore, the Company purchases fuel from TCP. The purchase price was according to the cost TCP purchased from external companies, plus an additional administration fee. However, on average, the price was 6 percent lower than fuel sold at public gas stations.</p> <p><u>Opinions of the Audit Committee</u></p> <p>The Audit Committee considered the transaction as purchasing fuel from the related company for the benefit of regular transactions by buying at a historical price plus an additional administration fee, which was cheaper than the common market price. As a result, it is beneficial to the Company and its subsidiaries. <b>Thus, the transaction was necessary and reasonable.</b></p>

Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Tha Chang Oil Palm Industries Company Limited (TCP)	<p><u>Income – Electricity supply, steam, and RO water</u></p> <p>The Company and its subsidiary (TBP) sell electricity, steam, and RO water to TCP, a related company. The electricity selling price is based on the monthly rate that the Provincial Electricity Authority sells electricity to the Company. The selling price of steam and RO water is calculated from the cost of production plus an additional administration fee of 3% of the cost.</p> <p>In addition, in January and May 2021, Tha Chang Bio Power Company Limited (TBP) tested the operation of the machine to generate electricity. It sold such by-products to TCP, whereby the selling price of electricity is based on the monthly rate that the Provincial Electricity Authority sells electricity to the Company.</p>	34.59	82.03	<p>(1) Since TGE still had surplus electricity capacity other than the portion sold to the Provincial Electricity Authority according to the Power Purchase Agreement. Selling electricity to TCP was utilizing the surplus capacity for the best benefit of the Group. The selling price was calculated based on the monthly price TGE sells to the Provincial Electricity Authority. As for TBP, the electricity sold was a by-product of machine testing before the commercial operation, which generated the most significant benefits to the Group.</p> <p>(2) The steam sold was the Company's by-product of electricity generation, the remaining from the power plant's usage. RO water is a product from using a production capacity other than generating electricity, and it increases the efficiency of the machine used to produce RO water. The selling price was calculated from the cost of production plus an additional administration fee of 3 percent of the cost.</p> <p><u>Opinions of the Audit Committee</u></p> <p>The Audit Committee considered that selling electricity and steam to TCP was the sale of electricity and steam that the Company did not use. The RO water production was to maximize the use of a related machine, which created additional income and profit for the Company. The electricity selling price was comparable to the price sold to the Provincial Electricity Authority. The selling prices of steam and RO water were the production cost plus an administration fee. <b>Thus, the transaction was necessary and reasonable.</b></p>



Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Biofuel Company Limited (TBF)	<p><u>Income – Electricity supply</u></p> <p>The Company and its subsidiary (TBP) sell electricity to TBF, a related company. The selling price is based on the monthly rate that the Provincial Electricity Authority sells electricity to the Company.</p>	-	1.20	<p>Since TGE and TBP still had surplus electricity capacity other than the portion sold to the Provincial Electricity Authority according to the Power Purchase Agreement. Selling electricity to TBF was utilizing the surplus capacity for the best benefit of the Group. The selling price was calculated based on the monthly price TGE sells to the Provincial Electricity Authority.</p> <p><u>Opinions of the Audit Committee</u></p> <p>The Audit Committee considered that selling electricity to TBF was the sale of electricity that the Company did not use, which created additional income and profit for the Company. In addition, the selling price was comparable to the price sold to the Provincial Electricity Authority. <b>Thus, the transaction was necessary and reasonable.</b></p>

Purchaser / Seller	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Tha Chang Rubber Company Limited (TCR)	<p><u>Income – Steam supply</u></p> <p>A subsidiary sells steam to TCR, a related company. The selling price is calculated from the production cost plus an additional administration fee of 3 percent of the cost.</p>	46.55	79.32	<p>Since TGE and TBP still had surplus electricity capacity other than the portion sold to the Provincial Electricity Authority according to the Power Purchase Agreement. Selling electricity to TBF was utilizing the surplus capacity for the best benefit of the Group. The selling price was calculated based on the monthly price TGE sells to the Provincial Electricity Authority.</p> <p><u>Opinions of the Audit Committee</u></p> <p>The Audit Committee considered that selling electricity to TBF was the sale of electricity that the Company did not use, which created additional income and profit for the Company. In addition, the selling price was comparable to the price sold to the Provincial Electricity Authority. <b>Thus, the transaction was necessary and reasonable.</b></p>



## 6) Lease of land and buildings

The Company leases out and leases in the land and buildings with its subsidiaries and related companies as follows:

Landlord/Tenant	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Tha Chang Oil Palm Industries Company Limited (TCP)	The Company and its two subsidiaries, TPG and TBP, lease the land from TCP, a related company, for establishing the power plants of the Company and its subsidiaries. The total renting space is 196,768 square meters. An area of 167,753 square meters covers the plants, and an area of 29,015 square meters covers the cafeteria, car park, and road. The rental rate is based on the fair rental rate per year of industrial land assessed by an independent appraiser (American Appraisal (Thailand) Company Limited).	6.33	6.55	<p>The power plants and buildings of the Company and its subsidiaries are on TCP's land. Therefore, the Company and its subsidiaries need to lease land from TCP to use as the location of the power plants, cafeteria, parking, and road, with a total rental area of 196,768 square meters. The rental rate is 22.49 baht per square meter, the fair annual rental rate for industrial land that an independent appraiser has appraised (American Appraisal (Thailand) Company Limited) as specified in the lease agreement.</p> <p><b>Remarks of the Audit Committee</b> The Audit Committee considered leasing TCP's land for the power plants, cafeteria, car park, and road of the Company and its subsidiaries, which are still used today. The rental rate is a fair rental rate appraised by an independent appraiser. <b>Thus, the transaction was necessary and reasonable.</b></p>



Landlord/Tenant	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Power Green Company Limited (TPG) (a subsidiary that the Company holds 100% of shares)	The Company leases out space of 577 square meters for its subsidiary to set up a related palm shredder machine and conveyor system at the rental rate of 22.49 baht per square meter per year. It is a fair annual rental rate for industrial land appraised by an independent appraiser (American Appraisal (Thailand) Company Limited). It is the area that the Company rents from TCP.	0.02	0.02	<p>TPG's related palm shredder machine and conveyor system are located on the Company's land, which rent from TCP. Therefore, TPG has entered into a lease agreement with the Company for the space of 577 square meters. The rental rate of 22.49 baht per square meter per year is based on the rental rate that the Company rents from TCP.</p> <p><u>Remarks of the Audit Committee</u></p> <p>The Audit Committee considered leasing TCP's land for the power plants, cafeteria, car park, and road of the Company and its subsidiaries, which are still used today. The rental rate is a fair rental rate appraised by an independent appraiser. <b>Thus, the transaction was necessary and reasonable.</b></p>
Tha Chang Oil Palm Industries Company Limited (TCP)	<p><u>Income – Premises use agreement</u></p> <p>The Company allows TCP, a related company, to use the premises of offices, cafeteria, and roads within the plant area, including a parking area. The monthly rental rate is calculated from the building's depreciation plus an administration fee of 3 percent of the depreciation rate, equaling 663,600 baht in 2022</p>	0.36	0.66	<p>The Company has built a cafeteria for employees, roads for traveling within the plant, offices, and a parking area for employees on the space leases from TCP. Sharing such premises and buildings is necessary where TCP has plants and offices nearby. Therefore, TCP has entered into a premises use agreement with the Company, where the rental rate is calculated from the building's depreciation plus an administration fee of 3 percent of the depreciation rate. The administration fee is comparable to the general administration fee.</p> <p><u>Remarks of the Audit Committee</u></p> <p>The Audit Committee considered that TCP leases the land to the Group to establish the power plants, while TCP has plants and offices nearby. Therefore, sharing roads and buildings with the Company is necessary. In addition, the rental rate is calculated from the building's depreciation plus an administration fee of 3 percent of the depreciation rate. <b>Thus, the transaction was necessary and reasonable.</b></p>



Landlord/Tenant	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Tha Chang Logistics Company Limited (TCL)	<p><u>Income – Premises use agreement</u></p> <p>The Company allows TCL, a related company, to use the premises of offices, cafeteria, and roads within the plant area, including a parking area. The monthly rental rate is calculated from the building's depreciation plus an administration fee of 3 percent of the depreciation rate, equaling 96,000 baht per year.</p>	0.01	0.10	<p>The Company has built a cafeteria for employees, roads for traveling within the plant, offices, and a parking area for employees on the space leases from TCP. Sharing such premises and buildings is necessary where TCL, a related company, has plants and offices nearby. Therefore, TCL has entered into a premises use agreement with the Company, where the rental rate is calculated from the building's depreciation plus an administration fee of 3 percent of the depreciation rate. The administration fee is comparable to the general administration fee.</p> <p><u>Remarks of the Audit Committee</u></p> <p>The Audit Committee considered that TCL is a related company of Thachang Group, while it has a plant and office nearby the Company's premises. Therefore, sharing roads and buildings with the Company is necessary. In addition, the rental rate is calculated from the building's depreciation plus an administration fee of 3 percent of the depreciation rate. <b>Thus, the transaction was necessary and reasonable.</b></p>

Landlord/Tenant	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Rubber Company Limited (TCR)	<p><u>Income – Premises use agreement</u></p> <p>The Company allows TCR, a related company, to use the premises of offices, cafeteria, and roads within the plant area, including a parking area. The monthly rental rate is calculated from the building's depreciation plus an administration fee of 3 percent of the depreciation rate, equaling 628,800 baht in 2022.</p>	0.61	0.63	<p>The Company has built a cafeteria for employees, roads for traveling within the plant, offices, and a parking area for employees on the space leases from TCP. Sharing such premises and buildings is necessary where TCR, a related company, has plants and offices nearby. Therefore, TCR has entered into a premises use agreement with the Company, where the rental rate is calculated from the building's depreciation plus an administration fee of 3 percent of the depreciation rate. The administration fee is comparable to the general administration fee.</p> <p><u>Remarks of the Audit Committee</u></p> <p>The Audit Committee considered that TCL is a related company of Thachang Group, while it has a plant and office nearby the Company's premises. Therefore, sharing roads and buildings with the Company is necessary. In addition, the rental rate is calculated from the building's depreciation plus an administration fee of 3 percent of the depreciation rate. <b>Thus, the transaction was necessary and reasonable.</b></p>



Landlord/Tenant	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Rubber Company Limited (TCR)	<p><u>Expenses – Office rental</u></p> <p>The Company leases space from TCR, a related company, on the 2<sup>nd</sup> - 3<sup>rd</sup> floors of the office building to operate the accounting department. The monthly rental fee is based on the rental rates of CP Tower, Surat Thani Province, but with a 50 percent discount because CP Tower is located in Mueang District. Therefore, the rental rates of CP Tower are higher than others. Details are as follows:</p> <p>- In 2019 and 2020, leased 39 square meters, a rental rate was 175 baht per square meter per month, totaling 6,825 baht monthly.</p>	0.08	0.03	<p>TGE does not have an office space for the accounting department, and it has to rent an office space in the office building of TCR, a related company. The rental rate is based on the office space rental rates in Muang District, Surat Thani Province, but with a 50 percent discount because the Company does not have information on the rental rates in Tha Chang District or nearby. However, the rental rates in Tha Chang District are 50 percent lower than those in Mueang District. Therefore, the rental fee for TCR is calculated from the CP Tower's rental rates with a 50 percent discount, which benefits the Company.</p> <p><b>Remarks of the Audit Committee</b></p> <p>The Audit Committee considered renting an office space necessary for operating the accounting department. In addition, the rental fee is based on the market fee with a discount. <b>Thus, the transaction was necessary and reasonable.</b></p>

Landlord/Tenant	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Tha Chang Oil Palm Industries Company Limited (TCP)	<p><u>Expenses – Office rental</u></p> <p>The Company leases space from TCP, a related company, on the 1<sup>st</sup> floor of the office building to operate the administrative work. The monthly rental fee is based on the rental rates of CP Tower, Surat Thani Province, but with a 50 percent discount because CP Tower is located in Mueang District. Therefore, the rental rates of CP Tower are higher than others. Details are as follows:</p>	-	0.74	<p>TGE does not have an office space for operating administrative work, and it has to rent an office space in the office building of TCP, a related company. The rental rate is based on the office space rental rates in Muang District, Surat Thani Province, but with a 50 percent discount because the Company does not have information on the rental rates in Tha Chang District or nearby. However, the rental rates in Tha Chang District are 50 percent lower than those in Mueang District. Therefore, the rental fee for TCP is calculated from the CP Tower's rental rates with a 50 percent discount, which benefits the Company.</p> <p><u>Opinions of the Audit Committee</u></p> <p>The Audit Committee considered renting an office space necessary for operating the accounting department. In addition, the rental fee is based on the market fee with a discount. <b>Thus, the transaction was necessary and reasonable.</b></p>





## 7) Construction and transportation costs

The Company hires related companies as follows:

Contractor	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Rich Property & Development Company Limited (RPD)	<p><u>Expenses - Buildings under construction</u></p> <p>TPG and TBP, subsidiaries of the Company, hired RPD, a related company, to construct various buildings, including the turbine control tower, fuel building floor, road, drainage ditch, and stock tank foundation for use in the power plant business. The wage rates are comparable to market prices.</p>	3.95	0.03	<p>TPG, TBP, a subsidiary of the Company, hired RPD, a related company in the Thachang Group, which is expertise in construction work to construct various buildings, including the turbine control tower, fuel building floor, road, drainage ditch, and stock tank foundation for use in the power plant business.</p> <p>TES, TES (CPN), and TES (RBR), the Company's subsidiaries, engaged RPD, a related company in the Thachang Group, to survey the sites for constructing solid waste power plants as part of the land preparation process for construction.</p> <p>The wage rates are comparable to the market price. In addition, the Company has a clear policy and procedure for selecting suppliers by considering qualifications, employment history, and prices. Moreover, it will undertake to provide written documentation to comply with such policies.</p> <p><u>Remarks of the Audit Committee</u></p> <p>The Audit Committee considered that RPD is expertise in construction work. In the past, RPD provided construction services to the Company and TPG and performed well. The Group, therefore, hired RPD for the construction work. In addition, the wage rates are comparable to the market price. <b>Thus, the transaction was necessary and reasonable.</b></p>

Contractor	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
TD Power Company Limited (TD)	<p><u>Expenses - Construction machines</u></p> <p>TPG and TBP, the Company's subsidiaries, hired TD, a related company, to build and install a boiler system with equipment, the primary system needed to generate electricity. The wage rates are comparable to the market price. In addition, the Company has a clear policy and procedure for selecting suppliers by considering qualifications, employment history, and prices. Moreover, it will undertake to provide written documentation to comply with such policies.</p>	3.77	-	<p>TPG and TBP, the Company's subsidiaries, hired TD, a related company, to build and install a boiler system with equipment, the primary system needed to generate electricity. TD is expertize in constructing and installing boiler systems. The wage rates are comparable to the market price. In addition, the Company has a clear policy and procedure for selecting suppliers by considering qualifications, employment history, and prices. Moreover, it will undertake to provide written documentation to comply with such policies.</p> <p><u>Remarks of the Audit Committee</u></p> <p>The Audit Committee considered that TD is expertise in building and installing boilers. Therefore, TPG and TBP hired TD to build and install a boiler and equipment, the primary system needed to generate electricity. In addition, the wage rates are comparable to the market price. <b>Thus, the transaction was necessary and reasonable.</b></p>



Contractor	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Tha Chang Oil Palm Industries Company Limited (TCP)	<p><u>Income – Buildings under construction</u></p> <p>TBP's biomass power plant projects sell electricity to TCP before the commercial operation to test the electrical power grid system. The selling price of electricity was based on the price TBP purchased from the Provincial Electricity Authority (PEA).</p> <p>Income generated during the testing stage was not recognized as sales revenue but deducted from the project cost value.</p>	(3.91)	-	<p>TBP has an installed capacity of 9.9 megawatts, while its contracted power is 3.4 megawatts. Therefore, a surplus capacity can be sold to a nearby TCP plant. Before the commercial operation date, TBP sold electricity to TCP to conduct system testing to ensure the efficiency of the equipment involved in generating electricity. The selling price of electricity was based on the price TBP purchased from the Provincial Electricity Authority (PEA).</p> <p>However, deducting the income from the project cost value only occurred during the production and distribution testing. Therefore, it would not repeat in the future because the TBP power plant has already started commercial operation.</p> <p><u>Remarks of the Audit Committee</u></p> <p>The Audit Committee considered selling electricity to TCP before the commercial operation date as a transaction that occurred during the testing stage of the electricity distribution system to ensure that the electrical power grid system is efficient and for the benefit of the Group. In addition, recording such transactions was under the relevant accounting standards.</p> <p><b>Thus, the transaction was necessary and reasonable.</b></p>

Contractor	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Logistics Company Limited (TCL)	<p><u>Expenses – Transportation costs for raw materials</u></p> <p>The Company hired TCL, a related company, to transport biomass raw materials between the Company's storage facilities. The service fees are comparable to the market price.</p>	0.12	0.19	<p>The Company hired TCL, a related company, to transport biomass raw materials between the Company's storage facilities. The Company has biomass storage facilities in various areas that require transporting biomass raw materials to the location of the shredder machine. In addition, TCL already operates a logistics business, and service fees are comparable to market prices.</p> <p><b>Remarks of the Audit Committee</b></p> <p>The Audit Committee considered TCL a logistics company with adequate vehicles to provide service. The Company requires the services to transport biomass raw materials between facilities. In addition, the service fees are comparable to the market. <b>Thus, the transaction was necessary and reasonable.</b></p>



## 8) Receiving of services

The Company and its subsidiaries receive services from related companies as follows:

Service providers	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Rich Properties & Development Company Limited (RPD)	<p><u>Expenses - Biomass raw material measurement service fee</u></p> <p>The Company and its subsidiary, TPG, use RPD's monthly biomass raw materials measurement service. Measuring biomass raw materials requires skilled persons to use a high-precision tool, the Topcon camera, to measure the volume and shape of the objects. This task also needs a Topcon camera and Autocad program to convert the obtained results into volume. RPD charges the Company and its subsidiary at the rates calculated from the length of service and the salary of the employees who perform service, plus a 3 percent administration fee.</p>	0.09	0.16	<p>The Company and its subsidiary require personnel capable of using high-precision Topcon cameras to measure the volume and shape of objects. And it is necessary to use measuring equipment, such as the Topcon camera and Autocad program to convert the obtained results into volume. The service fee is the cost of RPD plus an administration fee of 3 percent of the cost. The cost consists of one (1) employee at the operational level, one (1) at the supervisor level, and one (1) at the manager level, with an average of 1.5 days per person. Including the equipment depreciation, such as Topcon cameras, computer equipment, and the value converting program, which is a reasonable cost. In addition, the administration fee is comparable to the general administration fee.</p> <p><b>Remarks of the Audit Committee</b></p> <p>The Audit Committee considered the transaction as a service provided to the Company and its subsidiary for the benefit of regular transactions. Further, the conditions and prices are comparable to the general administration fee. <b>Thus, the transaction was necessary and reasonable.</b></p>



Service providers	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Rich Property & Development Company Limited (RPD)	<p><u>Expenses – Monthly maintenance</u></p> <p>The Company and its subsidiary, TPG, use RPD's monthly machine cleaning and maintenance services. The Company and its subsidiary use biomass raw materials as fuel to generate electricity. Therefore, the shredder machines have remaining pieces of biomass raw materials, including dirt, on the machinery related to power generation. RPD charges the Company and its subsidiary at the rates calculated from the length of service and the salary of the employees who perform service, plus a 3 percent administration fee.</p> <p>Various machines require periodic maintenance, and when the machines' part is damaged. Therefore, maintenance services are frequently necessary. RPD charges service fees based on market prices, which the Company and its subsidiary have compared the rates with third-party service providers.</p>	1.17	0.99	<p>The Company and its subsidiary must clean the machines related to biomass production and electricity generation monthly to make such production as efficient as possible. The service fee is the cost of RPD plus an administration fee of 3 percent of the cost. The cost consists of one (1) employee at the operational level, one (1) at the supervisor level, and one (1) at the manager level, with an average of 1 day per person, including the equipment depreciation, such as soot blower and ash cleaning equipment, which is a reasonable cost. In addition, the Company and its subsidiary have compared the rates with third-party service providers.</p> <p><u>Remarks of the Audit Committee</u></p> <p>The Audit Committee considered the transaction as a service provided to the Company and its subsidiary for the benefit of regular transactions. Further, the conditions and prices are comparable to the general administration fee for machinery cleaning. <b>Thus, the transaction was necessary and reasonable.</b></p>



## 9) Dividend income from the subsidiaries

The Company received dividends from its subsidiaries as follows:

Purchaser	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
Thachang Power Green Company Limited (TPG)	<u>Dividend received from subsidiary</u> The Company received a dividend from TPG, a subsidiary of the Company. TPG announced the dividend payment during the Company's retained earnings as of March 25, 2022.	157.50	93.00	Since TPG started selling commercial electricity to the Provincial Electricity Authority in May 2021, there has been a certain amount of accumulated profit. Therefore, TPG's Board of Directors declares dividend payments to TGE's shareholders.  <u>Remarks of the Audit Committee</u> The Audit Committee considered the transaction a regular dividend payment from TPG's accumulated operating results. <b>Therefore, the transaction was reasonable.</b>
Thachang Bio Power Company Limited (TBP)	<u>Dividend received from subsidiary</u> The Company received a dividend from TBP, a subsidiary of the Company. TBP announced the dividend payment during the Company's retained earnings as of March 25, 2022.	-	22.00	Since TBP started selling commercial electricity to the Provincial Electricity Authority in May 2021, there has been a certain amount of accumulated profit. Therefore, TBP's Board of Directors declares dividend payments to TGE's shareholders.  <u>Opinion of the Audit Committee</u> The Audit Committee considered the transaction a regular dividend payment from TBP's accumulated operating results. <b>Therefore, the transaction was reasonable.</b>

#### 10) Dividend payment to shareholders

The Company paid dividends to shareholders as follows:

Purchaser	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
The Company's shareholders	<p><u>Dividends paid to shareholders</u></p> <p>The Company paid an annual dividend to its shareholders and an interim dividend from the retained earnings as of March 25, 2022.</p>	-	367.80	<p>Since TGE started selling commercial electricity to the Provincial Electricity Authority, it is also a major shareholder of TPG and TBP. The Company and its subsidiaries have been selling electricity to the Provincial Electricity Authority for a long time. Therefore, there is a certain amount of accumulated profit. Therefore, TGE's Board of Directors declares dividend payments to TGE's shareholders.</p> <p><u>Opinion of the Audit Committee</u></p> <p>The Audit Committee considered the transaction a regular dividend payment from TGE's accumulated operating results. <b>Therefore, the transaction was reasonable.</b></p>



## 11) Guarantee of loans with financial institutions

Guarantor	Characteristics of transactions	Value (Million baht)		Necessity and reasonableness of the transaction
		31 Dec 2021	31 Dec 2022	
<p>Five directors and major shareholders:</p> <ol style="list-style-type: none"> <li>1. Mr. Thanakorn Vanasuwanakul</li> <li>2. Mrs. Phenphan Vanasuwanakul</li> <li>3. Mr. Phongnarin Wanasuwanakul</li> <li>4. Mr. Phongnarate Wanasuwanakul</li> <li>5. Mrs. Laongtip Wanasuwanakul</li> </ol>	<p>The Company and its subsidiaries have three (3) credit lines of loans with commercial banks to be used as working capital for business operations, with the value of (1) 600 million baht, (2) 450 million baht, and (3) 435 million baht, respectively. In addition, it is the personal guarantee with financial institutions by the Company's directors and major shareholders according to the conditions set by commercial banks. Therefore, the Company has no expenses for such a guarantee.</p>	1,221.45	-	<p>These guarantee transactions are under the personal guarantees of directors and major shareholders for the benefit of the Company. Therefore, according to the conditions of commercial banks, the Company has no expense on this. However, the Company has already been released from guarantee obligations after proceeding to be listed on the SET in August 2022.</p> <p><b>Opinion of the Audit Committee</b></p> <p>The Audit Committee considered that the transactions were the personal guarantees of directors and major shareholders according to conditions specified by commercial banks. The Company had no expense on this, which was beneficial to the business of the Group. Moreover, the Company and its subsidiaries have no policy to repeat such transactions. <b>Therefore, these transactions were reasonable.</b></p>

### 9.2.3 Policy on future related transactions and trends

The policy for future related transactions shall be under the Company's general business practices. Prices and payment conditions can be referenced and compared to conditions made with third parties. There is no unfair transfer of the Company's interests to persons who may have a conflict of interest, have stakes, or may have a conflict of interest in the future with the Group. The Audit Committee and the Company's directors will jointly monitor the related transactions that may occur to ensure that they are necessary and reasonable and have a fair return and approve them according to the relevant procedures and regulations appropriately. On top of that, it requires complying with the Securities and Exchange Act, regulations, notifications, orders, or requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand (SEC), as well as complying with the disclosure requirements of the Company's connected transactions according to accounting standards set by the Federation of Accounting Professions under the Royal Patronage.

The Company still has related transactions with related companies in the future: Loans from TCGH, purchase of raw materials, sale of electricity, steam, and RO water, lease of building land, power plant maintenance and measurement of biomass raw materials, and hiring services from TCGH. Since the said transactions are considered arm's length transactions and according to the details specified in the contract, it ensures that such prices are reasonable and concern the maximum benefits the Company will receive as a priority. Furthermore, the Audit Committee will supervise and review the Company's operations to comply with the rules, regulations, and announcements of the Securities and Exchange Commission and the Stock Exchange of Thailand (SEC). The directors and executives with stakes in any matter shall have no right to vote and not be present in the meeting concerning such transactions.



### 9.2.4 Measures or procedures for approval of related transactions

The Company places importance on the consideration of transactions with transparency and for the interest of the Company, based on the principle that any decision in conducting business activities must be made only for the utmost interest of the Company and should avoid actions that cause conflicts of interest. Further details are available on the Company's website, [www.tge.co.th/](http://www.tge.co.th/), under the topic "Connected Transaction Policy".

### 9.2.5 Procedures for making related transactions or connected transactions

In conducting related or connected transactions, the Company will comply with the regulations of the SET and the SEC in all respects. Further details are available on the Company's website, [www.tge.co.th/](http://www.tge.co.th/), under the topic "Connected Transaction Policy".



# 03



## Financial Statements





# Independent Auditor's Report

To the Shareholders of Thachang Green Energy Public Company Limited

## My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Thachang Green Energy Public Company Limited (the Company) (formerly named as Thachang Green Energy Company Limited) and its subsidiaries (the Group) and the 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 opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (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 opinion.

## 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 determined one key audit matter: Service concession arrangements. 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>Service concession arrangements</b></p> <p>Refer to note 4.13 Service concession arrangements</p> <p>The Group entered into a construction and waste management services agreement with Municipality in respect of Build-Own-Operate-Transfer (BOOT). The Group accounted for this service agreement as a service concession arrangement and recognised as intangible assets under the consideration criteria of TFRIC 12 “Service concession arrangements”.</p> <p>As at 31 December 2022, the balance of service concession arrangement of the Group was Baht 71.47 million, representing 2.13% of total assets of the Group.</p> <p>I focussed on the service concession arrangement because it can materially affect the total assets of the Group. The service concession arrangement’s recognition as intangible assets is subject to management’s judgement and experience.</p>	<p>I performed the following procedures to obtain evidence of how the management recognised the service concession arrangement as intangible assets:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the construction and waste management services agreement with Municipality to evaluate the management’s method of identifying that the agreement falls under the scope of TFRIC12 “Service concession arrangements”.</li> <li>• Obtained an understanding and evaluated the accounting policies that the management used to recognise the service concession agreement as intangible assets.</li> <li>• Tested the additional intangible assets during the year with supporting evidence.</li> <li>• Assessed the completeness of intangible assets recognition.</li> </ul> <p>Based on the procedures above, I found that recognition of the service concession arrangement as intangible assets was appropriated, and that the management’s method of identifying the agreement was in accordance with TFRIC12 and reasonable based on the available evidence.</p>

### 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.

**Wanvimol Preechawat**

Certified Public Accountant (Thailand) No. 9548

Bangkok

28 February 2023

# Thachang Green Energy Public Company Limited

## Statement of Financial Position

As at 31 December 2022

		Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Notes					
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	9	596,428,785	54,473,627	581,942,393	34,742,598
Trade and other receivables	11	181,968,362	207,473,956	47,908,718	71,039,726
Trade and other receivables from related parties	30.4	15,679,242	14,521,132	21,665,211	34,466,656
Current portion of long-term loans to related parties	30.5	-	-	24,000,000	24,000,000
Fuel and spare parts	13	106,155,729	114,129,244	93,035,061	107,255,633
Other current assets		14,877,819	8,457,509	8,882,429	2,716,268
<b>Total current assets</b>		<b>915,109,937</b>	<b>399,055,468</b>	<b>777,433,812</b>	<b>274,220,881</b>
<b>Non-current assets</b>					
Deposits at financial institutions used as collateral	10	109,053,276	73,764,616	-	-
Assets recognised from contract costs, net	12	157,692,871	105,952,727	-	-
Long-term loans to related parties	30.5	-	-	537,570,735	391,588,735
Investments in subsidiaries	14	-	-	474,580,371	425,879,971
Advance for purchases of land		102,000,000	6,200,000	-	-
Property, plant and equipment, net	15	1,871,156,004	1,986,427,521	579,699,110	625,276,347
Right-of-use assets, net	16	70,667,942	61,975,230	31,815,736	20,818,753
Intangible assets, net	17.1	30,146,890	31,911,256	3,196,153	3,445,599
Right from service concession arrangements	17.2	71,472,278	58,328,018	-	-
Deferred tax assets, net		2,952,874	3,392,625	1,840,464	2,202,352
Other non-current assets		31,513,897	21,112,139	31,461,193	20,729,591
<b>Total non-current assets</b>		<b>2,446,656,032</b>	<b>2,349,064,132</b>	<b>1,660,163,762</b>	<b>1,489,941,348</b>
<b>Total assets</b>		<b>3,361,765,969</b>	<b>2,748,119,600</b>	<b>2,437,597,574</b>	<b>1,764,162,229</b>

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



## Thachang Green Energy Public Company Limited

**Statement of Financial Position**

As at 31 December 2022

		Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Notes					
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade payables		17,264,624	12,383,100	8,517,052	4,094,139
Trade and other payables to related parties	30.4	10,643,528	9,059,890	4,078,663	2,955,248
Constructions payables	30.4	31,332,539	50,887,537	56,618	1,804,690
Retention for constructions	30.4	1,069,986	1,957,294	-	-
Current portion of long-term loans from financial institutions, net	18.1	223,090,948	222,931,478	74,873,976	74,847,937
Current portion of long-term loans from related parties	30.6	-	12,000,000	6,000,000	12,000,000
Current portion of lease liabilities, net	30.4	4,020,221	2,241,188	2,881,436	1,232,315
Other current liabilities		28,418,061	24,131,532	13,722,869	12,898,234
<b>Total current liabilities</b>		<b>315,839,907</b>	<b>335,592,019</b>	<b>110,130,614</b>	<b>109,832,563</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions, net	18.1	819,146,823	998,521,550	299,771,219	374,645,425
Long-term loans from related parties	30.6	-	207,400,000	-	207,400,000
Lease liabilities, net	30.4	76,999,149	68,135,563	32,548,414	22,546,044
Retirement benefit obligations		6,055,863	4,408,755	5,293,899	3,884,681
Provision for decommissioning costs	19	47,290,721	49,948,609	17,649,593	17,997,999
Deferred tax liabilities, net		1,242,047	938,011	-	-
<b>Total non-current liabilities</b>		<b>950,734,603</b>	<b>1,329,352,488</b>	<b>355,263,125</b>	<b>626,474,149</b>
<b>Total liabilities</b>		<b>1,266,574,510</b>	<b>1,664,944,507</b>	<b>465,393,739</b>	<b>736,306,712</b>

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



# Thachang Green Energy Public Company Limited

## Statement of Financial Position

As at 31 December 2022

		Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Notes					
<b>Liabilities and equity (continued)</b>					
<b>Equity</b>					
Share capital	21				
Authorised share capital					
- 2,200,000,000 ordinary shares at par value of Baht 0.50 per share		1,100,000,000	1,100,000,000	1,100,000,000	1,100,000,000
Issued and paid-up share capital					
- 2,200,000,000 ordinary shares paid-up at Baht 0.50 per share (2021: 1,600,000,000 ordinary shares paid-up at Baht 0.50 per share)		1,100,000,000	800,000,000	1,100,000,000	800,000,000
Premium on share capital	21	863,339,091	-	863,339,091	-
Premium on business combination under common control		(37,460,866)	(37,460,866)	(37,460,866)	(37,460,866)
Non-controlling arising on acquisition of a subsidiary		(32,713,953)	(32,713,953)	-	-
Retained earnings					
Appropriated - Legal reserve	22	27,996,409	20,555,409	27,996,409	20,555,409
Unappropriated		173,710,928	332,523,851	18,180,048	244,611,821
Other components of equity		262,905	262,905	149,153	149,153
<b>Total equity attributable to owners of the parent</b>		2,095,134,514	1,083,167,346	1,972,203,835	1,027,855,517
Non-controlling interests		56,945	7,747	-	-
<b>Total equity</b>		2,095,191,459	1,083,175,093	1,972,203,835	1,027,855,517
<b>Total liabilities and equity</b>		3,361,765,969	2,748,119,600	2,437,597,574	1,764,162,229

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



## Thachang Green Energy Public Company Limited

**Statement of Comprehensive Income**

For the year ended 31 December 2022

		Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Notes					
Revenue from sales	23	924,944,696	779,694,554	359,977,589	353,140,775
Revenue from construction under concession arrangements		13,144,260	1,468,507	-	-
Cost of sales		(617,341,526)	(501,108,166)	(292,958,828)	(269,782,111)
Cost of construction under concession arrangements		(13,144,260)	(1,468,507)	-	-
<b>Gross profit</b>		307,603,170	278,586,388	67,018,761	83,358,664
Other income	24	17,456,866	26,341,253	50,479,501	58,368,731
Dividend income	14	-	-	114,999,604	157,499,851
Currency exchange losses		(565,496)	(1,779,619)	-	-
Administrative expenses		(56,740,085)	(53,084,583)	(61,724,401)	(56,301,146)
Finance costs		(50,583,907)	(47,611,359)	(21,602,350)	(22,061,609)
<b>Profit before income taxes</b>		217,170,548	202,452,080	149,171,115	220,864,491
Income taxes	26	(742,477)	(351,678)	(361,888)	243,674
<b>Profit for the year</b>		216,428,071	202,100,402	148,809,227	221,108,165
<b>Other comprehensive income (expense)</b>					
Items that will not be reclassified subsequently to profit or loss					
- Remeasurements of post-employment benefit obligations		-	1,440,443	-	1,228,155
- Income tax on items that will not be reclassified subsequently to profit or loss		-	(288,089)	-	(245,631)
<b>Other comprehensive income for the year, net of taxes</b>		-	1,152,354	-	982,524
<b>Total comprehensive income for the year</b>		216,428,071	203,252,756	148,809,227	222,090,689

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

Thachang Green Energy Public Company Limited

## Statement of Comprehensive Income

For the year ended 31 December 2022

		Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Note					
<b>Profit (loss) attributable to:</b>					
	Owners of the parent	216,428,077	202,100,769	148,809,227	221,108,165
	Non-controlling interests	(6)	(367)	-	-
	<b>Profit for the year</b>	<b>216,428,071</b>	<b>202,100,402</b>	<b>148,809,227</b>	<b>221,108,165</b>
<b>Total comprehensive income (expense) attributable to:</b>					
	Owners of the parent	216,428,077	203,253,123	148,809,227	222,090,689
	Non-controlling interests	(6)	(367)	-	-
	<b>Total comprehensive income for the year</b>	<b>216,428,071</b>	<b>203,252,756</b>	<b>148,809,227</b>	<b>222,090,689</b>
<b>Earnings per share</b>					
	Basic earnings per share	27 0.12	0.13	0.08	0.14

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



## Thachang Green Energy Public Company Limited

## Statement of Changes in Equity

For the year ended 31 December 2022

Consolidated financial statements											
Attributable to owners of the parent											
Other components of equity											
Other comprehensive income (expense)											
Remeasurements of post-employment benefit obligations											
Total owners of the parent											
Non-controlling interests											
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# Statement of Changes in Equity

For the year ended 31 December 2022

Separate financial statements									
Other components of equity									
Other comprehensive income (expense)									
Remeasurements of post-employment benefit obligations									
Total equity Baht									
Notes	Issued and paid-up share capital Baht	Premium on share capital Baht	Premium on business combination under common control Baht	Retained earnings Legal reserve Baht	Unappropriated reserve Baht	Unappropriated reserve Baht	Unappropriated reserve Baht	Unappropriated reserve Baht	Total equity Baht
Opening balance as at 1 January 2021									
	800,000,000	-	(37,460,866)	9,500,000	34,559,065	(833,371)			805,764,828
Changes in equity for the year									
22	-	-	-	11,055,409	(11,055,409)	-	-	-	-
	-	-	-	-	221,108,165	982,524			222,090,689
Closing balance as at 31 December 2021									
	800,000,000	-	(37,460,866)	20,555,409	244,611,821	149,153			1,027,855,517
Opening balance as at 1 January 2022									
	800,000,000	-	(37,460,866)	20,555,409	244,611,821	149,153			1,027,855,517
Changes in equity for the year									
21	300,000,000	863,339,091	-	-	-	-	-	-	1,163,339,091
28	-	-	-	-	(367,800,000)	-	-	-	(367,800,000)
22	-	-	-	7,441,000	(7,441,000)	-	-	-	-
	-	-	-	-	148,809,227	-	-	-	148,809,227
Closing balance as at 31 December 2022									
	1,100,000,000	863,339,091	(37,460,866)	27,996,409	18,180,048	149,153			1,972,203,835

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



## Thachang Green Energy Public Company Limited

**Statement of Cash Flows**

For the year ended 31 December 2022

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		Baht	Baht	Baht	Baht
<b>Cash flows from operating activities</b>					
Profit before income taxes		217,170,548	202,452,080	149,171,115	220,864,491
Adjustments to reconcile profit before income taxes to net cash provided by operations:					
- Depreciation and amortisation		141,721,702	124,703,970	55,091,515	53,832,954
- Unrealised foreign exchange losses		480,254	1,607,671	-	-
- Losses on write-off and disposal of equipment		2,800,419	20,944,559	2,106,839	20,913,828
- Interest income	24	(1,205,624)	(384,560)	(11,964,616)	(12,153,017)
- Finance costs		50,583,901	47,611,359	21,602,350	22,061,609
- Dividend income		-	-	(114,999,604)	(157,499,851)
- Retirement benefit expenses		1,647,108	1,676,430	1,409,218	1,452,660
Cash flows before changes in operating assets and liabilities		413,198,308	398,611,509	102,416,817	149,472,674
Changes in operating assets and liabilities:					
- Trade and other receivables		25,505,594	(17,239,406)	23,131,008	(10,524,487)
- Trade and other receivables from related parties		(1,158,110)	(7,952,163)	13,592,961	(11,149,506)
- Assets recognised from contract costs		(51,993,760)	(15,971,315)	-	-
- Fuel and spare parts		7,973,515	(61,137,642)	14,220,572	(60,341,728)
- Other current assets		(6,320,310)	(6,733)	(6,066,161)	(1,216,951)
- Other non-current assets		(798,913)	-	(798,913)	-
- Trade payables		4,881,524	(1,239,623)	4,422,913	(6,126,191)
- Trade and other payables to related parties		1,973,263	4,488,275	1,501,702	1,560,832
- Other current liabilities		4,495,413	(1,879,103)	1,015,023	(864,583)
Cash generated from operations		397,756,524	297,673,799	153,435,922	60,810,060
- Income tax paid		-	-	-	-
<b>Net cash generated from operating activities</b>		<b>397,756,524</b>	<b>297,673,799</b>	<b>153,435,922</b>	<b>60,810,060</b>

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



# Thachang Green Energy Public Company Limited

## Statement of Cash Flows

For the year ended 31 December 2022

		Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Notes					
<b>Cash flows from investing activities</b>					
		(35,288,660)	15,966,650	-	-
Deposits at financial institutions used as collateral					
Cash receipts from long-term loans					
to related parties	30.5	-	-	121,631,200	109,894,337
Cash payments in long-term loans					
to related parties	30.5	-	-	(267,613,200)	(108,890,000)
Dividends received	14	-	-	114,999,604	157,499,851
Cash payment for additional paid-up shares capital and increase in shares capital of the subsidiaries	14	-	-	(48,700,400)	(157,500,000)
Establishment of subsidiaries	14	-	-	-	(498,000)
Interest received		1,205,624	384,560	11,173,100	8,638,362
Cash payments for purchase of property, plant, equipment and assets under construction		(43,542,845)	(105,197,287)	(10,435,843)	(9,349,749)
Interest paid capitalised in plant and equipment		-	(5,772,353)	-	-
Cash receipts from the disposal of equipment		164	1,245,190	164	1,245,190
Cash payments for purchase of intangible assets		(348,000)	(237,904)	(348,000)	(195,190)
Cash payments for purchase of rights to service under concession arrangements		(9,647,517)	(3,343,605)	-	-
Advance payments for purchase of assets		(10,180,486)	(20,729,591)	(10,180,486)	(20,729,591)
Advance payments for purchase of land		(102,000,000)	(200,000)	-	-
<b>Net cash used in investing activities</b>		<b>(199,801,720)</b>	<b>(117,884,340)</b>	<b>(89,473,861)</b>	<b>(19,884,790)</b>
<b>Cash flows from financing activities</b>					
Interests paid		(48,039,047)	(45,850,525)	(20,582,336)	(21,828,436)
Proceeds from long-term loans from financial institutions	20	43,979,000	-	-	-
Payments for long-term loans from financial institutions	20	(223,800,000)	(187,400,000)	(75,000,000)	(75,000,000)
Proceeds from long-term loans from related parties	20	144,000,000	261,000,000	199,500,000	261,000,000
Payments for long-term loans from related parties	20	(363,400,000)	(184,200,000)	(412,900,000)	(184,200,000)
Payments for deferred financing fee		(1,100,000)	-	(1,100,000)	-
Payments for principal elements of lease liabilities		(3,227,894)	(2,338,088)	(2,219,021)	(1,137,545)
Proceeds from the establishment of subsidiaries from non-controlling interests		-	2,000	-	-
Dividends paid	28	(367,800,000)	-	(367,800,000)	-
Dividend paid to non-controlling interests		(396)	(149)	-	-
Proceeds from additional paid-up capital, net	21	1,163,339,691	-	1,163,339,091	-
Proceeds from increase in shares capital of a subsidiary		49,000	-	-	-
<b>Net cash generated from (used in) financing activities</b>		<b>344,000,354</b>	<b>(158,786,762)</b>	<b>483,237,734</b>	<b>(21,165,981)</b>
<b>Net increase in cash and cash equivalents</b>		<b>541,955,158</b>	<b>21,002,697</b>	<b>547,199,795</b>	<b>19,759,289</b>
Beginning balance		54,473,627	33,470,930	34,742,598	14,983,309
<b>Ending balance</b>	9	<b>596,428,785</b>	<b>54,473,627</b>	<b>581,942,393</b>	<b>34,742,598</b>

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



## Thachang Green Energy Public Company Limited

**Statement of Cash Flows**

For the year ended 31 December 2022

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Cash and cash equivalents are comprised of as follows:</b>				
- Cash on hand	20,000	20,000	15,000	15,000
- Deposits at financial institutions-maturities within three months	596,408,785	54,453,627	581,927,393	34,727,598
	<u>596,428,785</u>	<u>54,473,627</u>	<u>581,942,393</u>	<u>34,742,598</u>
<b>Non-cash transactions:</b>				
- Purchases of building and equipment by payables (including retention)	70,421	19,814,005	56,618	1,804,690
- Decommissioning costs	4,054,276	6,221,560	785,262	1,075,649
- Acquisition of right-of-use assets under lease agreements	13,870,512	-	13,870,512	-

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

# Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 1 General information

Thachang Green Energy Public Company Limited (the Company) is a public limited company which listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The address of its registered offices is as follows:

Head office: Located at No. 159, Moo 3, Thachang, Surat Thani 84150

Branch 1): Located at No. 52/3 Moo 7, Sawiat, Thachang, Surat Thani 84150

Branch 2): Located at No. 555 Rasa Tower (Tower A), 14<sup>th</sup> Floor, Unit no. 1401, Phahonyothin Road, Chatuchak, Bangkok 10900

The Company is listed on the Stock Exchange of Thailand on 19 August 2022.

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

The principal business operations of the Group are to generate and supply electricity and steam from biomass.

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

### 2 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 for certain accounts as disclosed in the accounting policies.

The preparation of financial statements in conformity with Thai generally accepted accounting principles 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 7.

An English version of the consolidated and separate financial statements have 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 statutory financial information shall prevail.



# Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 3 Amended financial reporting standards

#### 3.1 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022.

**Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7 and TFRS 16** provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

The impacts from the amendments is disclosed in Note 5.1.1 : Effect of IBOR reform

Commencing from 1 January 2022, the Group has adopted these standards in its financial statements. The impact from the adoption is immaterial for the Group.

#### 3.2 Amended financial reporting standard that is effective for accounting period beginning or after 1 January 2023. The Group has not early adopted these standards.

- Amendment to TAS 16 - Property, plant and equipment** clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- 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.
- 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.
- 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 the adoption of these standards.

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 4 Accounting policies

#### 4.1 Principles of consolidation

##### 4.1.1 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 could 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 less impairment (if any).

##### 4.1.2 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 the separate financial statements, investments in associates are accounted for using cost method less impairment (if any).

##### 4.1.3 Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

###### *Joint operations*

A joint operation is a joint arrangement whereby the Group has rights to the assets, and obligations for the liabilities relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Group's financial statement line items.

###### *Joint ventures*

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using cost method less impairment (if any).

##### 4.1.4 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 and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.



# Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 4.1.5 Changes in ownership interests

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 and joint ventures 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.

### 4.1.6 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 and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

## 4.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

### Acquisition-related cost

Acquisition-related cost are recognised as expenses in profit or loss in consolidated financial statements.

### Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.



## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### *Changes in fair value of contingent consideration paid/received*

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

### *Business combination under common control*

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

## **4.3 Foreign currency translation**

### **4.3.1 Functional and presentation currency**

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

### **4.3.2 Transactions and balances**

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

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

## **4.4 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less from acquisition date. In statement of financial position, bank overdrafts are presented in current liabilities.

## **4.5 Trade receivables**

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 30 - 60 days and therefore are all classified as current items.

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 is disclosed in Note 4.7



## Thachang Green Energy Public Company Limited

# Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 4.6 Fuel and spare parts

Fuel and spare parts which are not met conditions of property, plant and equipment are stated at cost less allowance for obsolescence and defective.

Cost of fuel and spare parts are determined by the weighted average method. Fuel consists of raw material palm, chopped palm, fiber and chopped wood.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition, such as import duties and transportation charges, less all attributable discounts and allowances. The Group recognises allowance for obsolete, slow-moving and defective spare parts are reviewed on a specific case.

### 4.7 Financial assets

#### 4.7.1 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.

#### 4.7.2 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.

#### 4.7.3 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 (SPPI).

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 4.7.4 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. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains (losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the profit or loss.
- 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 are 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 interest income. Impairment losses are presented as a separate line item in the profit or loss.
- FVPL: Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within net gains (losses) from changes in fair value of financial instruments in the period in which it arises.

### 4.7.5 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 dividend income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in net gains (losses) from changes in fair value of financial instruments in the statement of comprehensive income.

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



## Thachang Green Energy Public Company Limited

# Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 4.7.6 Impairment

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

To measure the expected credit losses using simplified approach, trade account receivables and other 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, 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 i) expected risk of default as at the reporting date and ii) 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 at the reporting date about experience, current conditions and forecasts of future situations.

Impairment and reversal of impairment losses are recognised in profit or loss and included in administrative expenses.

## 4.8 Assets recognised from contract costs

### 4.8.1 Incremental costs of obtaining a contract

The Group recognised the incremental costs of obtaining a contract with third parties and the asset is amortised consistent with the pattern of related revenue recognition.

### 4.8.2 Costs to fulfil a contract

The Group recognised the costs to fulfil a contract with third parties and the asset is amortised consistent with the pattern of related revenue recognition.

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 4.9 Property, plant and equipment

Property, plant and equipment are initially stated at historical cost. All plant and equipment are subsequently stated at historical cost less accumulated depreciation and allowance for impairment (if any). The cost of an item property, plant and equipment comprises its purchase price, and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. These can include the initial estimate of costs of dismantling and removing the item, and restoring the site on which it is located, the obligation for which the Group incurs either when the item is acquired or as a consequence of having used the item during a particular period.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated on the straight-line method to allocate their costs to their residual values over their estimated useful lives, except land which is considered to have an indefinite useful life, as follows:

	Years
Building and building improvements	5 - 20
Equipments and tools	5 - 20
Machinery and electrical equipment	5 - 20
Office equipment, furniture and office supplies	3 - 10
Motor vehicles	5 - 10

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

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the profit or loss.

### 4.10 Intangible assets

#### 4.10.1 Right to use the transmission facilities

The right to use transmission facilities is an expenditure paid to acquire a right to use the transmission facilities which are amortised by using straight-line method over the useful lives of 15 to 20 years, which is in accordance with the periods of the PPA.

#### 4.10.2 Right in Power Purchase Agreements

The right in Power Purchase Agreements (PPA) arising on the acquisitions of businesses, are amortised by using straight-line method over the periods of the PPA which are between 15 to 20 years.

#### 4.10.3 Computer software

Acquired software licenses are capitalised based on the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis, not exceeding 10 years. Cost associated with maintaining computer software are recognised as an expense as incurred.



## Thachang Green Energy Public Company Limited

# Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 4.10.4 Other intangible assets

Other intangible assets such as right to use meter of transmission line and right to use power system are amortised by using straight-line method over the periods of the PPA which are not exceed 20 years.

### 4.10.5 Right from service concession arrangements

Rights to service under concession arrangements is the rights obtained from the concession arrangement to provide waste management service and to convert solid waste into electrical energy. According to accounting policy no. 4.13, rights to service under concession arrangements is amortised as expense in statement of comprehensive income using straight-line method throughout the period of 20 years specified in the contract.

## 4.11 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's fair value less costs to sell and value in use.

Where the reason for previously recognised impairments no longer exists, the impairment losses on the assets concerned other than goodwill is reserved.

## 4.12 Leases

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

The Group's leases comprises of lands, office buildings and equipments, which the lease periods are 3 - 25 years. Each lease agreements have right to renew the agreement period.

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 an index or a rate
- 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 furniture.



## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 4.13 Service concession arrangements

Service concession arrangements are arrangements between government (the grantor) and a private sector entity (an operator) which involve the operator constructing the infrastructure used to provide the public service or upgrading it, operating and maintaining that infrastructure for a specified period. The operator is paid for its services over the period of the arrangement. The grantor controls or regulates that services that the operator must provide with the infrastructure, to whom it must provide them, and service fee and the grantor control-through ownership, beneficial entitlement or otherwise - any significant residual interest in the infrastructure at the end of the term of the arrangement.

If the Group as the operator provides construction or upgrade services, revenue and costs relating to construction or upgrade services shall be accounted for based on the stage of completion on the construction contract. The consideration received or receivable by the operator shall be recognised at its fair value of a financial asset or an intangible asset.

The Group shall recognise financial assets to extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services and recognise an intangible asset to the extent that it receives a right (a license) to charge users of the public service. A right to charge users of the public service is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service. If the operator is paid for the construction services partly by a financial asset and partly by an intangible asset it is necessary to account separately for each component of the operator's consideration. Revenue and costs relating to operation services shall be recognised when service is provided by reference to the contract term.

Contractual obligations to maintain or restore infrastructure, except for any upgrade element shall be recognised and measured at the best estimate of expenditure that would be required to settle the present obligation at the end of the reporting period.

Currently, the Group has recognised service concession arrangements as intangible assets which separately presented.

### 4.14 Financial liabilities

#### 4.14.1 Classification

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

- 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.

#### 4.14.2 Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.



# Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 4.14.3 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 modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains (losses) in profit or loss.

### 4.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take a substantial period to get ready for its intended use or sale) 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.

### 4.16 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 based on 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 based on 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, associates and joint arrangements 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 of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

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 either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 4.17 Employee benefits

#### 4.17.1 Defined contribution plan

The Group operates a provident fund that is funded by payments from employees and by the relevant Group companies which are managed by trustee. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to the provident fund are charged to the profit or loss in the year in which they are due.

#### 4.17.2 Retirement benefits

Employees are entitled to receive benefits reaching normal retirement age under the labour law applicable in Thailand and those countries in which the Group operates, or such other dates of entitlement as may be agreed between the Group and employees. Retirement benefits depend on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates of government securities that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement of gains and losses arising from experienced adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are presented as a separate line item in the statements of changes in equity.

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

### 4.18 Provisions

#### 4.18.1 General provisions

Provisions are recognised when the Group has a present legal or constructive obligation because of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

Provisions are measured 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.

#### 4.18.2 Provisions for decommissioning cost

The Group recognises provision for decommissioning costs, which are provided at the onset of completion of the project, for the estimate of the eventual costs that relate to the removal of the power plants. The recognised provision for decommissioning costs is based on future removal cost estimates and incorporate many assumptions such as abandonment times and future inflation rate and discounted to present value at the discount rate estimated by the management. Those costs are included as part of the power plants.



# Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 4.19 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax.

### 4.20 Revenue recognition

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

Multiple element arrangements involving delivery or provision of multiple products or services are separated into 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 fulfilment of the obligation to the customer.

#### *Sales from Power Purchase Agreement*

Sales of electricity from Power Purchase Agreement comprises revenue from electricity, which is calculated upon actual transmission of electricity and recognized point-in-time when the control is transferred to the customers at delivery points stipulated in the Purchase Agreement. Revenue is recognised with realisable value net of output tax, rebates and discount.

#### *Service income*

- Revenue from management services is recognised when the services are rendered. The Group has completed its obligations to perform which recognised over time.
- Revenue from waste management services is recognised when the services are rendered. The Group has completed its obligations to perform which recognised at a point in time.

#### *Revenue from construction*

Revenue from construction includes contracts to provide construction services. Revenue is recognised over time and used the output method to measure progress referencing the physical proportion of contract work completed as per the conditions agreed with customers. The Group satisfies a performance obligation by transferring such services and control of those services to customers over time.

Construction service revenue for changes in the scope of work e.g. additional work and contract modification price changes, is recognised as if it were a part of the existing contract. The effect that the contract modification and measurement of progress toward satisfactory completion of the performance obligation, is recognised as an increase in or a reduction of revenue at the date of the contract modification.

Claims, variations and liquidated damages are accounted for as variable consideration and are included in contract revenue provided that it is highly probable that a significant reversal will not occur in the future.

#### *Percentage of completion*

Revenue from construction-type service contracts where a defined output is promised, is recognised using the percentage of completion method. The stage of completion is generally determined as the percentage of cost incurred up until the reporting date relative to total estimated cost, adjusted with uninstalled materials that the customer accepts and takes control but not yet installed. Where the stage of completion is not reliably measured, revenue is only recognised up to the amount of contract costs expensed, provided it is recoverable.

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### *Interest income*

Interest income is recognised using the effective interest method.

### *Dividend income*

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

#### **4.21 Dividend distribution**

Dividends distribution to the Group's shareholders is recognised as a liability in the consolidated and separate financial statements in the period in which the dividends are approved by the shareholders and interim dividends are approved by the Board of Directors.

#### **4.22 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief executive officer, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the chief operating decision-maker that makes strategic decisions.

## **5 Financial risk management**

### **5.1 Financial risk**

The Group's activities expose it to a variety of financial risks which are 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's treasury management division. 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 used as the key communication and control tools for the group's treasury management team.

#### **5.1.1 Market risk**

##### **a) Foreign exchange risk**

The Group is not subject to foreign exchange risk with significant value. Mostly transactions, assets and liabilities of the Group are in the operating currency of each company in the Group.

##### **b) Interest rate risk**

The Group has a risk of interest rate fluctuation that may happen in the future, since the Group has long-term loans for business operations which the Group paid interest with a floated rate. The Group has a plan to manage the risk of interest by following the trend of interest rates in the Thai market and to allocate the loan in proportion related with the type of investment of the business. The Group does not enter into interest rate swap contracts to hedge the risk.

The interest rate risk of long-term loans from financial institutions of the Group is described in Note 18.



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

*Sensitivity*

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

	<b>Consolidated financial statements</b>	
	<b>Net profit 2022 Baht</b>	<b>Net profit 2021 Baht</b>
Interest rate - increase 1.00%* (2021: 1.00%)	(10,439,710)	(12,237,920)
Interest rate - decrease 1.00%* (2021: 1.00%)	10,439,710	12,237,920

	<b>Separate financial statements</b>	
	<b>Net profit 2022 Baht</b>	<b>Net profit 2021 Baht</b>
Interest rate - increase 1.00%* (2021: 1.00%)	(3,750,000)	(4,500,000)
Interest rate - decrease 1.00%* (2021: 1.00%)	3,750,000	4,500,000

\* Holding all other variables constant

*Effect of IBOR reform*

In 2022, the Group established a reference interest rate transition plan to amend existing contracts and agreements that reference THBFIX to THOR. The Group completed the transition on 26 December 2022.

The Group does not apply hedge accounting.

**c) Price risk**

The Group is exposed to the supply price risk which is fuel for electricity generation that fluctuates from the domestic demand and supply, the Group monitors palm price trends to plan an appropriate volume and price of palm purchase from suppliers and adjusts the operation plan to the optimise level in order to reduce the supply price risk.



## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 5.1.2 Credit risk

#### a) Risk management

The Group has no material credit risks for cash and cash at banks. This is because the Group uses quality financial institutions for cash and cash at banks. The Group manages credit risk by categorising the risks. To reduce potential risks for deposits with banks and financial institutions, the Group has laid down a policy to limit the transactions to be made with a particular financial institution and to invest surplus only in low-risk investments. In its experience, the Group has never suffered any losses from cash and investments. For trade receivables, the Group's sales are made to state-owned enterprises under the terms and conditions of the long-term Power Purchase Agreements in which the credit risk is appropriated.

For trade receivables, the Group's sales are made to state-owned enterprises and industrial users under the terms and conditions of the long-term Power Purchase Agreements and the long-term Electricity and Steam Sales. There are no significant concentrations of credit risk for the Group's customers. However, the Group regularly monitors credit term compliance granted to each customer.

#### b) Impairment of financial assets

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

- Cash and cash equivalents
- Trade and other receivables
- Trade and other receivables from related parties
- Long-term loans to related parties

The management considers the impairment loss of these items is immaterial and the Group applies the simplified approach from TFRS9 in recognition of impairment of trade receivables which applies lifetime expected credit loss, from initial recognition, for all trade receivable as described in Note 11.

### 5.1.3 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. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Liquidity risk may also arise if customers are not able to settle obligations to the Group within the normal credit term. To manage this risk, the Group periodically assesses financial viability of customers.

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows.



## Thachang Green Energy Public Company Limited

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For the year ended 31 December 2022

<b>Consolidated financial statements</b>					
<b>The maturity of financial liabilities as at 31 December 2022</b>	<b>Within 1 year Baht</b>	<b>Over 1 year but less than 5 years Baht</b>	<b>Over 5 years Baht</b>	<b>Total Baht</b>	<b>Carrying amount Baht</b>
Trade and other payables	27,908,152	-	-	27,908,152	27,908,152
Lease liabilities	7,266,471	30,409,337	71,609,903	109,285,711	81,019,370
Long-term loans from financial institutions and interest expenses	257,946,850	863,002,543	13,043,601	1,133,992,994	1,043,472,309
<b>Total non-derivative financial liabilities</b>	<b>293,121,473</b>	<b>893,411,880</b>	<b>84,653,504</b>	<b>1,271,186,857</b>	<b>1,152,399,831</b>
<b>Consolidated financial statements</b>					
<b>The maturity of financial Liabilities as at 31 December 2021</b>	<b>Within 1 year Baht</b>	<b>Over 1 year but less than 5 years Baht</b>	<b>Over 5 years Baht</b>	<b>Total Baht</b>	<b>Carrying amount Baht</b>
Trade and other payables	21,442,990	-	-	21,442,990	21,442,990
Lease liabilities	5,166,805	21,971,544	72,174,879	99,313,228	70,376,751
Long-term loans from financial institutions and interest expenses	261,190,381	924,703,264	153,185,704	1,339,079,349	1,222,895,140
Long-term loans from related parties and interest expenses	16,759,275	64,367,100	178,311,017	259,437,392	219,789,625
<b>Total non-derivative financial liabilities</b>	<b>304,559,451</b>	<b>1,011,041,908</b>	<b>403,671,600</b>	<b>1,719,272,959</b>	<b>1,534,504,506</b>
<b>Separate financial statements</b>					
<b>The maturity of financial Liabilities as at 31 December 2022</b>	<b>Within 1 year Baht</b>	<b>Over 1 year but less than 5 years Baht</b>	<b>Over 5 years Baht</b>	<b>Total Baht</b>	<b>Carrying amount Baht</b>
Trade and other payables	12,595,715	-	-	12,595,715	12,595,715
Lease liabilities	4,187,178	17,231,438	21,575,044	42,993,660	35,429,850
Long-term loans from financial institutions and interest expenses	86,638,008	320,462,813	-	407,100,821	375,754,257
Long-term loans from related parties and interest expenses	6,038,938	-	-	6,038,938	6,011,338
<b>Total non-derivative financial liabilities</b>	<b>109,459,839</b>	<b>337,694,251</b>	<b>21,575,044</b>	<b>468,729,134</b>	<b>429,791,160</b>
<b>Separate financial statements</b>					
<b>The maturity of financial Liabilities as at 31 December 2021</b>	<b>Within 1 year Baht</b>	<b>Over 1 year but less than 5 years Baht</b>	<b>Over 5 years Baht</b>	<b>Total Baht</b>	<b>Carrying amount Baht</b>
Trade and other payables	7,049,387	-	-	7,049,387	7,049,387
Lease liabilities	2,168,608	9,143,099	19,006,273	30,317,980	23,778,359
Long-term loans from financial institutions and interest expenses	88,931,267	330,179,658	76,163,219	495,274,144	450,792,814
Long-term loans from related parties and interest expenses	16,759,275	64,367,100	178,311,017	259,437,392	219,789,625
<b>Total non-derivative financial liabilities</b>	<b>114,908,537</b>	<b>403,689,857</b>	<b>273,480,509</b>	<b>792,078,903</b>	<b>701,410,185</b>

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### Loan covenants

Under the terms of the major borrowing facilities, the Group is required to maintain financial ratios such as debt to equity, debt service coverage ratio (DSCR) and the dividends payment requires to maintain interest bearing debt to equity ratio (IBDE). As at 31 December 2022 and 2021, the Group can maintain the financial ratio.

### 5.1.4 Capital management

#### Risk management

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

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

During the year 2022, the Group's strategy, which remains unchanged, was to maintain debt to equity ratio and credit rating. The debt-to-equity ratio on 31 December are as follows:

	Consolidated financial statements	
	2022 Baht	2021 Baht
Net debt	1,266,574,510	1,664,944,507
Equity (including non-controlling interests)	2,095,191,459	1,083,175,093
<b>Net debt to equity ratio</b>	<b>0.60</b>	<b>1.54</b>

## 6 Fair value

### Fair value estimation

The following table presents financial assets and liabilities that are measured at fair value in each level including fair value of financial assets and financial liabilities. The different levels have been defined as follows:

- Level 1 Fair value of financial instruments refer to quoted prices in active markets for identical assets or liabilities.
- Level 2 Fair value of financial instruments assess from valuation techniques which use information that are observable, either directly or indirectly, for the asset or liability.
- Level 3 Fair value of financial instruments assess from valuation techniques that are not based on observable market data.



## Thachang Green Energy Public Company Limited

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For the year ended 31 December 2022

	Fair value level	Consolidated financial statements		Separate financial statements	
		Amortised cost Baht	Fair value Baht	Amortised cost Baht	Fair value Baht
As at 31 December 2022					
Assets					
Long-term loans to related parties	2	-	-	561,570,735	525,948,532
Total assets		-	-	561,570,735	525,948,532
Liabilities					
Long-term loans from related parties	2	-	-	6,000,000	5,976,166
Total liabilities		-	-	6,000,000	5,976,166

Fair value of the following financial assets and financial liabilities measured at amortised cost where their carrying value approximated fair value are as follows:

- Cash and cash equivalents
- Trade and other receivables
- Trade and other receivables from related parties
- Trade payables
- Trade and other payables to related parties
- Construction payables
- Long-term loans from financial institutions\*

\* The long-term borrowings of the Group in which the float rate is like the market rate.

**7 Critical accounting estimates, assumptions and judgments**

The Group had no estimate and assumption concerning the future that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**8 Segment information**

The Group has two segments report which are comprised of biomass power plant business and waste power plant business. The segment information is presented on the same basis that used for internal reporting purpose as provided to the chief operating decision maker (the management).

The steering committee primarily uses a measure of segments' revenue and gross margin to assess the performance of the operating segments.

## Notes to the Consolidated and Separate Financial Statements

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Significant information relating to revenue and profit of the reportable segments are as follows:

	Consolidated financial statements					
	Biomass Power plant		Waste Power plant		Total	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Revenue from sales and services						
- Revenue from external customers	916,431,734	771,404,214	21,657,221	9,758,847	938,088,955	781,163,061
Timing of revenue recognition:						
At a point in time	916,431,734	771,404,214	8,512,962	8,290,340	924,944,696	779,694,554
Over time	-	-	13,144,259	1,468,507	13,144,259	1,468,507
	916,431,734	771,404,214	21,657,221	9,758,847	938,088,955	781,163,061
Gross profit						
Other income	306,236,041	276,363,743	1,367,129	2,222,645	307,603,170	278,586,388
Currency exchange losses					17,456,866	26,341,253
Administrative expenses					(565,496)	(1,779,619)
Finance costs					(56,740,085)	(53,084,583)
					(50,583,907)	(47,611,359)
Profit before income taxes					217,170,548	202,452,080
Income taxes					(742,477)	(351,678)
Profit for the year					216,428,071	202,100,402
Property, plant and equipment, net	1,837,960,409	1,967,353,498	33,195,595	19,074,023	1,871,156,004	1,986,427,521
Total assets	2,859,561,460	2,465,847,472	502,204,509	282,272,128	3,361,765,969	2,748,119,600

The revenue of the Company consists of sale of electricity from Biomass Power plant which is recognised at a point in time.



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

*Geographical information*

The Group operated businesses in Thailand.

*Major customer*

During the year 2022, the Group had revenues from major customer which is the main power supplier, who contributed 80% of the Group's total revenues, which was approximately Baht 753.89 million (2021: contributed 88% of the Group's total revenues, which was approximately Baht 690.26 million).

**9 Cash and cash equivalents**

As at 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Cash on hand	20,000	20,000	15,000	15,000
Cash deposit - Current account	9,700	9,700	9,700	9,700
Cash deposit - Saving account	596,399,085	54,443,927	581,917,693	34,717,898
Total cash and cash equivalents	596,428,785	54,473,627	581,942,393	34,742,598

As at 31 December 2022, the interest rates on deposits held at call with banks were 0.45 per annum (2021: 0.125% per annum).

**10 Deposits at financial institutions used as collateral**

Deposits at financial institutions used as collateral represented 12-month fixed deposits which have been pledged as collateral for issuing the letters of guarantee on behalf of subsidiaries. The purpose is for electricity usage guarantee to the Provincial Electricity Authority and to guarantee the construction and providence of waste management service.

As at 31 December 2022, deposits at financial institutions used as collateral bear interest rates at 0.35% - 0.61% per annum (As at 31 December 2021, 0.10% - 0.50% per annum).

**11 Trade and other receivables**

As at 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Trade receivables	141,980,503	137,202,050	47,211,900	47,948,975
Revenue department receivables	33,401,159	41,275,206	696,818	680,751
Other receivables	6,586,700	28,996,700	-	22,410,000
Total trade and other receivables	181,968,362	207,473,956	47,908,718	71,039,726



# Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

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Trade receivables as at 31 December can be analysed by aging as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>As at 31 December</b>				
Not overdue	141,943,576	136,926,472	47,211,900	47,948,975
Overdue below 3 months	36,927	275,578	-	-
Overdue 3 - 6 months	-	-	-	-
Overdue 6 - 12 months	-	-	-	-
Overdue over 12 months	-	-	-	-
<b>Total trade receivables</b>	<b>141,980,503</b>	<b>137,202,050</b>	<b>47,211,900</b>	<b>47,948,975</b>

### 12 Assets recognised from contract costs, net

#### Incremental costs of obtaining contracts

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Statements of financial position as at 31 December</b>				
Assets recognised from incremental costs of obtaining contracts	134,130,104	83,507,492	-	-
<b>Statements of comprehensive income for the years ended 31 December</b>				
Amortisation	106,148	97,741	-	-

The Group recognised the incremental costs of obtaining contracts, includes consultation, operation and facilitation fee, were presented as part of assets recognised from contract costs in the statement of financial position. It is amortised on a straight-line basis that consistent with the pattern of recognition of goods transfer and services provided.

#### Costs to fulfil contracts

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Statements of financial position as at 31 December</b>				
Assets recognised from costs to fulfil contracts	23,562,767	22,445,235	-	-
<b>Statements of comprehensive income for the years ended 31 December</b>				
Amortisation	147,468	132,339	-	-

The Group recognised the costs to fulfil contracts, incurred for the development and enhancing areas follows the terms of contract, which are presented as part of assets recognised from contract costs in the statement of financial position. It is amortised on a straight-line basis that consistent with the pattern of recognition of goods transfer and services provided.



## Thachang Green Energy Public Company Limited

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**13 Fuel and spare parts**

As at 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Fuel	58,259,982	70,247,338	53,442,946	66,966,240
Main spare parts used in other equipments	43,939,886	39,622,209	36,755,640	37,029,187
Common spare parts	3,955,861	4,259,697	2,836,475	3,260,206
Total Fuel and spare parts	106,155,729	114,129,244	93,035,061	107,255,633

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 14 Investments in subsidiaries

The detail of investments in subsidiaries are as follows:

	Country of incorporation	Business	Onwership interest by the Company (%)		Cost method		Dividend for the years	
			31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
			%	%	Baht	Baht	Baht	Baht
Thachang Power Green Company Limited	Thailand	Biomass fuelled electricity generation plant	99.99	99.99	243,640,471	243,640,471	92,999,912	157,499,851
Thachang Energy Solution Company Limited	Thailand	Biomass fuelled electricity generation plant (the Company has not yet started its business operations)	99.97	99.97	16,297,100	9,497,500	-	-
Thachang Bio Power Company Limited	Thailand	Biomass fuelled electricity generation plant	99.99	99.99	142,998,000	142,998,000	21,999,692	-
Thachang Energy Solution (Chumphon) Company Limited	Thailand	Waste fuelled electricity generation plant (the Company has not yet started its business operations)	99.99	99.99	15,249,000	15,249,000	-	-
Thachang Energy Solution (Ratchaburi) Company Limited	Thailand	Waste fuelled electricity generation plant (the Company has not yet started its business operations)	99.99	99.99	16,198,800	13,499,000	-	-
Thachang Energy Solution (Prachin Buri) Company Limited	Thailand	Waste fuelled electricity generation plant (the Company has not yet started its business operations)	99.60	99.60	12,450,000	249,000	-	-
Thachang Energy Solution (Chai Nat) Company Limited	Thailand	Waste fuelled electricity generation plant (the Company has not yet started its business operations)	99.99	99.60	9,999,000	249,000	-	-
Thachang Energy Solution (Tha Chin) Company Limited	Thailand	Waste fuelled electricity generation plant (the Company has not yet started its business operations)	99.99	99.60	17,499,000	249,000	-	-
Thachang Energy Solution (Ubon Ratchathani) Company Limited	Thailand	Waste fuelled electricity generation plant (the Company has not yet started its business operations)	99.60	99.60	249,000	249,000	-	-
Total investments in subsidiaries					474,580,371	425,879,971	114,999,604	157,499,851



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

The movement of investments in subsidiaries can be analysed as follows:

For the years ended 31 December	Separate financial statements	
	2022 Baht	2021 Baht
Opening net book value	425,879,971	267,881,971
Increase in share capital of subsidiaries	39,201,000	-
Additional paid-up shares capital	9,499,400	157,500,000
Establishment of a subsidiary	-	498,000
Closing net book value	474,580,371	425,879,971

**14.1 Additional paid-up shares capital of subsidiaries**During 2022**Thachang Energy Solution Company Limited (TES)**

According to the Board of Director's Meeting of TES held on 2 September 2022, the Boards approved to call for additional paid-up capital of Baht 200 per share for 34,000 ordinary shares, totalling Baht 6.80 million. The Company already made a payment following to the original investment proportion with totalling Baht 6,799,600. On 8 September 2022, TES registered the additional share capital with the Ministry of Commerce.

**Thachang Energy Solution (Ratchaburi) Company Limited (TES RBR)**

According to the Board of Director's Meeting of TES (RBR) held on 2 September 2022, the Boards approved to call for additional paid-up capital of Baht 50 per share for 54,000 ordinary shares, totalling Baht 2.70 million. The Company already made a payment following to the original investment proportion with totalling Baht 2,699,800. On 8 September 2022, TES RBR registered the additional share capital with the Ministry of Commerce.

**14.2 Increase in shares capital of subsidiaries**During 2022**Thachang Energy Solution (Prachin Buri) Company Limited (TES PRI)**

According to the resolution of the Extraordinary General Meeting of Shareholders of TES PRI held on 14 March 2022, the shareholders passed a resolution increasing in authorised share capital amount to Baht 49 million from Baht 1 million to Baht 50 million by issuing new ordinary share of 49,000 shares with a par value of Baht 1,000 per share and TES PRI called for share payments of Baht 250 per share, totalling Baht 12,250,000. The Company already made a payment following to the original investment proportion with totalling Baht 12,201,000. On 15 March 2022, TES PRI registered the additional share capital with the Ministry of Commerce.

**Thachang Energy Solution (Tha Chin) Company Limited (TES TCN)**

According to the resolution of the Extraordinary General Meeting of Shareholders of TES TCN held on 31 August 2022, the shareholders passed a resolution increasing in authorised share capital amount to Baht 69 million from Baht 1 million to Baht 70 million by issuing new ordinary share of 69,000 shares with a par value of Baht 1,000 per share and TES TCN called for share payments of Baht 250 per share, totalling Baht 17,250,000. The Company already made a full payment for the share capital with totalling Baht 17,250,000. As a result, the Company has holding 99.99% in TES TCN. On 7 September 2022, TES TCN registered the additional share capital with the Ministry of Commerce.

Thachang Green Energy Public Company Limited

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For the year ended 31 December 2022

### **Thachang Energy Solution (Chai Nat) Company Limited (TES CNT)**

According to the resolution of the Extraordinary General Meeting of Shareholders of TES CNT held on 17 September 2022, the shareholders passed a resolution increasing in authorised share capital amount to Baht 39 million from Baht 1 million to Baht 40 million by issuing new ordinary share of 39,000 shares with a par value of Baht 1,000 per share and TES CNT called for share payments of Baht 250 per share, totalling Baht 9,750,000. The Company already made a full payment for the share capital with totalling Baht 9,750,000. As a result, the Company has holding 99.99% in TES CNT. On 29 September 2022, TES CNT registered the additional share capital with the Ministry of Commerce.

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 15 Property, plant and equipment, net

		Consolidated financial statements						
		Office						
		Building and building improvements	Equipments and tools	Machinery and electrical equipment	Office furniture and office supplies	Motor vehicles	Construction in progress	Total
		Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>As at 1 January 2021</b>								
Cost	-	470,701,387	8,024,695	1,257,792,801	5,790,442	30,749,698	658,544,421	2,431,603,444
Less Accumulated depreciation	-	(89,282,636)	(2,114,445)	(266,015,539)	(3,339,436)	(15,854,669)	-	(376,606,725)
Net book amount	-	381,418,751	5,910,250	991,777,262	2,451,006	14,895,029	658,544,421	2,054,996,719
<b>For the year ended 31 December 2021</b>								
Opening net book amount	-	381,418,751	5,910,250	991,777,262	2,451,006	14,895,029	658,544,421	2,054,996,719
Additions	19,074,023	693,718	1,131,419	4,915,367	512,632	105,000	41,107,039	67,539,198
Transfer in (out)	-	120,635,311	115,228	575,884,809	150,920	-	(696,786,268)	-
Transfer to intangible asset	-	-	-	-	-	-	(651,578)	(651,578)
Increase in decommissioning costs	-	3,254,137	-	2,967,423	-	-	-	6,221,560
Disposal, net	-	-	-	(1,208,923)	-	-	-	(1,208,923)
Write-off, net	-	-	(4,512)	(20,949,768)	(3)	-	(26,544)	(20,980,827)
Depreciation	-	(25,904,702)	(1,614,192)	(87,481,532)	(778,799)	(3,709,403)	-	(119,488,628)
Closing net book amount	19,074,023	480,097,215	5,538,193	1,465,904,638	2,335,756	11,290,626	2,187,070	1,986,427,521
<b>As at 31 December 2021</b>								
Cost	19,074,023	595,284,553	9,262,484	1,807,853,848	6,294,014	30,854,698	2,187,070	2,470,810,690
Less Accumulated depreciation	-	(115,187,338)	(3,724,291)	(341,949,210)	(3,958,258)	(19,564,072)	-	(484,383,169)
Net book amount	19,074,023	480,097,215	5,538,193	1,465,904,638	2,335,756	11,290,626	2,187,070	1,986,427,521



## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

Consolidated financial statements														

As at 31 December 2022, buildings and machinery with net book value of Baht 1,791.12 million were mortgaged and pledged for long-term from financial institutions, as described in Note 18 (2021: Baht 1,916.82 million).



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

	Separate financial statements						
	Building and building improvements	Equipments and tools	Machinery and electrical equipment	Office equipment, furniture and office supplies	Motor vehicles	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>As at 1 January 2021</b>							
Cost	248,038,640	3,602,064	733,748,036	5,150,090	17,458,639	5,440,478	1,014,693,947
Less Accumulated depreciation	(76,938,526)	(1,279,608)	(229,973,432)	(3,216,432)	(12,193,524)	-	(324,857,522)
Net book amount	171,100,114	2,322,456	503,774,604	1,933,658	5,265,115	5,440,478	689,836,425
<b>For the year ended 31 December 2021</b>							
Opening net book amount	171,100,114	2,322,456	503,774,604	1,933,658	5,265,115	5,440,478	689,836,425
Additions	693,718	956,738	4,915,367	371,090	105,000	3,255,892	10,297,805
Transfer in (out)	166,200	115,398	8,155,559	91,046	-	(8,528,203)	-
Disposal, net	-	-	(1,208,923)	-	-	-	(1,208,923)
Write-off, net	-	(325)	(20,949,768)	(3)	-	-	(20,950,096)
Decrease in decommissioning costs	(749,277)	-	(326,372)	-	-	-	(1,075,649)
Depreciation	(11,448,817)	(705,826)	(37,787,893)	(627,349)	(1,053,330)	-	(51,623,215)
Closing net book amount	159,761,938	2,688,441	456,572,574	1,768,442	4,316,785	168,167	625,276,347
<b>As at 31 December 2021</b>							
Cost	248,149,281	4,670,669	712,786,038	5,452,246	17,563,639	168,167	988,790,040
Less Accumulated depreciation	(88,387,343)	(1,982,228)	(256,213,464)	(3,683,804)	(13,246,854)	-	(363,513,693)
Net book amount	159,761,938	2,688,441	456,572,574	1,768,442	4,316,785	168,167	625,276,347

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

	Separate financial statements						
	Building and building improvements	Equipments and tools	Machinery and electrical equipment	Office equipment, furniture and office supplies	Motor vehicles	Construction in progress	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>As at 1 January 2022</b>							
Cost	248,149,281	4,670,669	712,786,038	5,452,246	17,563,639	168,167	988,790,040
Less Accumulated depreciation	(88,387,343)	(1,982,228)	(256,213,464)	(3,683,804)	(13,246,854)	-	(363,513,693)
Net book amount	159,761,938	2,688,441	456,572,574	1,768,442	4,316,785	168,167	625,276,347
<b>For the year ended 31 December 2022</b>							
Opening net book amount	159,761,938	2,688,441	456,572,574	1,768,442	4,316,785	168,167	625,276,347
Additions	443,261	516,113	945,900	431,618	-	6,598,676	8,935,568
Transfer in (out)	1,127,505	-	3,682,865	1,544,661	-	(6,355,031)	-
Disposal, net	-	-	-	(1,487)	-	-	(1,487)
Write-off, net	(189,665)	(11,895)	(1,903,956)	-	-	-	(2,105,516)
Decrease in decommissioning costs	(388,675)	-	(396,587)	-	-	-	(785,262)
Depreciation	(11,568,204)	(835,961)	(37,356,593)	(881,690)	(978,092)	-	(51,620,540)
Closing net book amount	149,186,160	2,356,698	421,544,203	2,861,544	3,338,693	411,812	579,699,110
<b>As at 31 December 2022</b>							
Cost	249,006,511	5,102,344	713,714,200	7,366,125	17,563,639	411,812	993,164,631
Less Accumulated depreciation	(99,820,351)	(2,745,646)	(292,169,997)	(4,504,581)	(14,224,946)	-	(413,465,521)
Net book amount	149,186,160	2,356,698	421,544,203	2,861,544	3,338,693	411,812	579,699,110

As at 31 December 2022, buildings and machinery with net book value of Baht 571.14 million were mortgaged and pledged as collateral for long-term loans from financial institutions, as described in Note 18 (2021: Baht 616.33 million).



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

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

	<b>Consolidated financial statements</b>		
	<b>Land Baht</b>	<b>Office Building and equipment Baht</b>	<b>Total Baht</b>
Balance as at 1 January 2021	65,367,487	-	65,367,487
Lease modifications and reassessments	566,623	-	566,623
Depreciation	(3,958,880)	-	(3,958,880)
Balance as at 31 December 2021	61,975,230	-	61,975,230
Balance as at 1 January 2022	61,975,230	-	61,975,230
Additions	-	13,870,512	13,870,512
Depreciation	(3,989,160)	(1,188,640)	(5,177,800)
Balance as at 31 December 2022	57,986,070	12,681,872	70,667,942
	<b>Separate financial statements</b>		
	<b>Land Baht</b>	<b>Office Building and equipment Baht</b>	<b>Total Baht</b>
Balance as at 1 January 2021	22,503,640	-	22,503,640
Depreciation	(1,684,887)	-	(1,684,887)
Balance as at 31 December 2021	20,818,753	-	20,818,753
Balance as at 1 January 2022	20,818,753	-	20,818,753
Additions	-	13,870,512	13,870,512
Depreciation	(1,684,889)	(1,188,640)	(2,873,529)
Balance as at 31 December 2022	19,133,864	12,681,872	31,815,736

As at 31 December 2022 and 2021, right-of-use land was pledged for long-term loans from financial institutions, as described in Note 18.

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

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht</b>	<b>2021 Baht</b>	<b>2022 Baht</b>	<b>2021 Baht</b>
Expense relating to low value of contracts	724,189	231,900	724,189	231,900
Total cash outflow for leases	7,184,810	5,573,615	4,186,613	2,356,351

Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 17 Intangible assets, net and Right from service concession arrangements

#### 17.1 Intangible assets, net

	Consolidated financial statements					
	Right to use software computer Baht	Right to use transmission facilities Baht	Right in long-term power purchase agreements Baht	Others Baht	Construction in progress Baht	Total Baht
<b>As at 1 January 2021</b>						
Cost	3,377,207	22,121,303	3,564,296	1,868,008	4,925,269	35,856,083
less accumulated amortisation	(824,395)	(1,857,735)	(119,330)	(112,120)	-	(2,913,580)
Net book amount	2,552,812	20,263,568	3,444,966	1,755,888	4,925,269	32,942,503
<b>For the year ended 31 December 2021</b>						
Opening net book amount	2,552,812	20,263,568	3,444,966	1,755,888	4,925,269	32,942,503
Additions	213,490	-	-	-	24,414	237,904
Transfer from property, Plant and equipments	-	-	-	-	651,578	651,578
Transfer in (out)	-	4,191,210	-	113,650	(4,304,860)	-
Amortisation	(447,484)	(1,229,554)	(147,154)	(96,537)	-	(1,920,729)
Closing net book amount	2,318,818	23,225,224	3,297,812	1,773,001	1,296,401	31,911,256
<b>As at 31 December 2021</b>						
Cost	3,590,697	26,312,513	3,564,296	1,981,658	1,296,401	36,745,565
less accumulated amortisation	(1,271,879)	(3,087,289)	(266,484)	(208,657)	-	(4,834,309)
Net book amount	2,318,818	23,225,224	3,297,812	1,773,001	1,296,401	31,911,256
<b>For the year ended 31 December 2022</b>						
Opening net book amount	2,318,818	23,225,224	3,297,812	1,773,001	1,296,401	31,911,256
Additions	348,000	-	-	-	-	348,000
Amortisation	(523,203)	(1,312,172)	(178,214)	(98,777)	-	(2,112,366)
Closing net book amount	2,143,615	21,913,052	3,119,598	1,674,224	1,296,401	30,146,890
<b>As at 31 December 2022</b>						
Cost	3,938,697	26,312,513	3,564,296	1,981,658	1,296,401	37,093,565
less accumulated amortisation	(1,795,082)	(4,399,461)	(444,698)	(307,434)	-	(6,946,675)
Net book amount	2,143,615	21,913,052	3,119,598	1,674,224	1,296,401	30,146,890



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

	<b>Separate financial statements</b>		
	<b>Right to use software computer Baht</b>	<b>Right to use transmission facilities Baht</b>	<b>Total Baht</b>
<b>As at 1 January 2021</b>			
Cost	3,280,890	1,944,323	5,225,213
<u>Less</u> accumulated amortisation	(803,275)	(646,678)	(1,449,953)
Net book amount	2,477,615	1,297,645	3,775,260
<b>For the year ended 31 December 2021</b>			
Opening net book amount	2,477,615	1,297,645	3,775,260
Additions	195,190	-	195,190
Amortisation	(427,693)	(97,158)	(524,851)
Closing net book amount	2,245,112	1,200,487	3,445,599
<b>As at 31 December 2021</b>			
Cost	3,476,080	1,944,323	5,420,403
<u>Less</u> accumulated amortisation	(1,230,968)	(743,836)	(1,974,804)
Net book amount	2,245,112	1,200,487	3,445,599
<b>For the year ended 31 December 2022</b>			
Opening net book amount	2,245,112	1,200,487	3,445,599
Additions	348,000	-	348,000
Amortisation	(500,289)	(97,157)	(597,446)
Closing net book amount	2,092,823	1,103,330	3,196,153
<b>As at 31 December 2022</b>			
Cost	3,824,080	1,944,323	5,768,403
<u>Less</u> accumulated amortisation	(1,731,257)	(840,993)	(2,572,250)
Net book amount	2,092,823	1,103,330	3,196,153

**17.2 Right from service concession arrangements**

	<b>Consolidated financial statements Right from service concession arrangements Baht</b>
Balance as at 1 January 2021	56,859,511
Additions	1,468,507
Balance as at 31 December 2021	58,328,018
Balance as at 1 January 2022	58,328,018
Additions	13,144,260
Balance as at 31 December 2022	71,472,278



**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

**18 Long-term loans from financial institutions, net**

18.1 Long-term loans from financial institutions are denominated in Thai Baht consist of:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht</b>	<b>2021 Baht</b>	<b>2022 Baht</b>	<b>2021 Baht</b>
Current portion of long-term loans from financial institutions	223,800,000	223,800,000	75,000,000	75,000,000
<u>Less</u> Deferred financing fee	(709,052)	(868,522)	(126,024)	(152,063)
	223,090,948	222,931,478	74,873,976	74,847,937
Long-term loans from financial institutions	820,171,000	999,992,000	300,000,000	375,000,000
<u>Less</u> Deferred financing fee	(1,024,177)	(1,470,450)	(228,781)	(354,575)
	819,146,823	998,521,550	299,771,219	374,645,425
Total long-term loans from financial institutions, net	1,042,237,771	1,221,453,028	374,645,195	449,493,362

**Long-term loans from financial institutions of the Company**

Long-term loans from financial institutions of the Company are denominated in Thai Baht amounting to Baht 375 million (2021: Baht 450 million). The loans are bare interest at THOR plus a certain margin per annum. The principal and interest repayment are due on monthly basis which the first repayment started in January 2020.

**Long-term loans from financial institutions of the subsidiaries**

Long-term loans from financial institutions of two subsidiaries are denominated in Thai Baht amounting to Baht 669 million (2021: Baht 773 million). The details are as follows:

<b>No.</b>	<b>Outstanding balance As at 31 December 2022 Million Baht</b>	<b>Outstanding balance As at 31 December 2021 Million Baht</b>	<b>Interest rate</b>	<b>Principal repayment term</b>	<b>Interest payment period</b>
1	344	386	MLR less a certain margin per annum	The first repayment started in July 2020	Monthly repayment
2	325	387	THOR plus a certain margin per annum	The first repayment started in August 2021	Monthly repayment
<b>Total</b>	<b>669</b>	<b>773</b>			

Long-term loans of the Group are the secured loans that have been mortgaged by buildings, machinery and right-of-use land. These loans were collateral by the Company's directors, for the credit facilities specified in agreements. Moreover, the Group is required to comply with certain requirements and conditions as specified in the agreement; for example, maintaining the debt-to-equity ratio, the debt service coverage ratio and the dividends payment requires to maintain interest bearing debt to equity ratio at the specified level.



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

**18.2 Interest rate risk management**

The Group's interest rates risk from long-term loans from financial institutions are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Long-term loans from financial institutions, net				
Fixed rate	-	-	-	-
Floated rate	1,042,237,771	1,221,453,028	374,645,195	449,493,362
Total long-term loans from financial institutions, net	1,042,237,771	1,221,453,028	374,645,195	449,493,362

The weighted average effective interest rate of long-term loans from financial institutions of the Group is 3.52% - 3.98% per annum (2021: 3.44% - 3.60 % per annum).

The fair value of long-term loans approximates the carrying amount. The effect of the discount rate is not significant.

**18.3 Maturity of long-term loans from financial institutions are as follows:**

As at 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Within 1 year	223,090,948	222,931,478	74,873,976	74,847,937
Later than 1 year but not later than 5 years	806,176,615	848,183,326	299,771,219	299,658,944
Later than 5 years	12,970,208	150,338,224	-	74,986,481
Total long-term loans, net	1,042,237,771	1,221,453,028	374,645,195	449,493,362

**18.4 Credit facilities**

As at 31 December 2022, the Group had available credit facilities in amount of Baht 21.63 million (On 31 December 2021: The Group had available credit facilities in amount of Baht 65.61 million).

**19 Provision for decommissioning cost**

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Opening balance	49,948,609	42,805,805	17,997,999	18,760,150
Provision increased				
Finance costs	1,396,389	921,244	436,856	313,498
Provision increased (decreased)	(4,054,277)	6,221,560	(785,262)	(1,075,649)
Closing balance	47,290,721	49,948,609	17,649,593	17,997,999

Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 20 Change in liabilities arising from financing activities

	Consolidated financial statements			
	Long-term loans from financial institutions Baht	Long-term loans from related parties Baht	Lease liabilities Baht	Total Baht
Liabilities as at 1 January 2021	1,407,709,422	142,600,000	72,148,216	1,622,457,638
Cash received	-	261,000,000	-	261,000,000
Cash paid	(187,400,000)	(184,200,000)	(5,341,715)	(376,941,715)
Remeasurement - lease liabilities	-	-	566,623	566,623
Other non-cash movements				
- Deferred financing cost	1,143,606	-	3,003,627	4,147,233
Liabilities as at 31 December 2021	1,221,453,028	219,400,000	70,376,751	1,511,229,779
Cash received	43,979,000	144,000,000	-	187,979,000
Cash paid	(223,800,000)	(363,400,000)	(6,460,621)	(593,660,621)
Additions - Lease liabilities	-	-	13,870,512	13,870,512
Other non-cash movements				
- Increase in front-end fee	(329,843)	-	-	(329,843)
- Deferred financing cost	935,586	-	3,232,728	4,168,314
Liabilities as at 31 December 2022	1,042,237,771	-	81,019,370	1,123,257,141
	Separate financial statements			
	Long-term loans from financial institutions Baht	Long-term loans from related parties Baht	Lease liabilities Baht	Total Baht
Liabilities as at 1 January 2021	524,310,172	142,600,000	24,915,904	691,826,076
Cash received	-	261,000,000	-	261,000,000
Cash paid	(75,000,000)	(184,200,000)	(2,124,451)	(261,324,451)
Other non-cash movements				
- Deferred financing cost	183,190	-	986,906	1,170,096
Liabilities as at 31 December 2021	449,493,362	219,400,000	23,778,359	692,671,721
Cash received	-	199,500,000	-	199,500,000
Cash paid	(75,000,000)	(412,900,000)	(3,462,424)	(491,362,424)
Additions - Lease liabilities	-	-	13,870,512	13,870,512
Other non-cash movements				
- Deferred financing cost	151,833	-	1,243,403	1,395,236
Liabilities as at 31 December 2022	374,645,195	6,000,000	35,429,850	416,075,045



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

**21 Share capital**

	Authorised shares capital		Issued and paid-up share capital		Premium on share capital	Total
	Number of Shares Shares	Ordinary Shares Baht	Number of Shares Shares	Ordinary Shares Baht	Baht	Baht
As at 1 January 2022	2,200,000,000	1,100,000,000	1,600,000,000	800,000,000	-	800,000,000
Additional paid-up shares capital	-	-	600,000,000	300,000,000	863,339,091	1,163,339,091
As at 31 December 2022	2,200,000,000	1,100,000,000	2,200,000,000	1,100,000,000	863,339,091	1,963,339,091

**Issuance of shares and Initial Public Offering**

According to the Board of Director's Meeting of the Company held on 1 August 2022, the resolution was to approve the Company to make an initial public offering of 600 million ordinary shares with a par value of Baht 0.50 per share at Baht 2 per share, totalling of Baht 1,200 million. The direct expenses associated with the offering of Baht 36.66 million (net of taxes) are presented as a deduction from the premium on share capital and resulted in net balance of Baht 863.34 million. The Company registered these new shares with Ministry of Commerce on 15 August 2022 and the shares have been traded in the stock exchange of Thailand since 19 August 2022.

As at 31 December 2022, the authorised shares capital of 2,200 million shares already issued and paid-up in totalling 2,200 million shares at par Baht 0.50 per shares. (2021: the registered shares capital of 2,200 million shares already issued and paid-up in totalling 1,600 million shares at par Baht 0.50 per shares).

**22 Legal reserve**

	Consolidated financial statements		Separate financial statements	
	31 December 2022 Baht	31 December 2021 Baht	31 December 2022 Baht	31 December 2021 Baht
Opening balance	20,555,409	9,500,000	20,555,409	9,500,000
Appropriation during the period	7,441,000	11,055,409	7,441,000	11,055,409
Closing balance	27,996,409	20,555,409	27,996,409	20,555,409

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

**23 Revenue from sales**

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Sales of electricity	812,922,233	716,266,178	267,243,176	288,218,229
Revenue from waste management	8,512,962	8,290,340	-	-
Sales of biomass	-	-	88,053,948	59,973,964
Sales of steam and water	103,509,501	55,138,036	4,680,465	4,948,582
<b>Total revenue from sales</b>	<b>924,944,696</b>	<b>779,694,554</b>	<b>359,977,589</b>	<b>353,140,775</b>

# Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 24 Other income

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Interest income	1,205,624	384,560	11,964,616	12,153,017
Management service income	-	-	22,542,510	20,786,077
Compensation from insurance claim	14,253,419	22,410,000	14,253,419	22,410,000
Other income	1,997,823	3,546,693	1,718,956	3,019,637
<b>Total other income</b>	<b>17,456,866</b>	<b>26,341,253</b>	<b>50,479,501</b>	<b>58,368,731</b>

During the year 2022, the Company received a compensation letter from the insurance company in the total amount of Baht 14.25 million to compensate the loss from the part of equipment of the power plant breakdown and loss from inventory. Therefore, the Company recognised income from insurance compensation amounting to Baht 14.25 million in the statement of comprehensive income for the year ended 31 December 2022.

### 25 Expenses by nature

The following expenditure items have been changed in arriving at net profit:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Fuel and supplies	454,012,457	322,313,448	213,747,341	172,320,983
Employee benefit expense	59,561,576	52,501,799	38,435,598	35,606,224
Depreciation	139,355,720	122,783,241	54,494,069	53,308,104
Amortisation	2,365,982	3,788,934	597,446	524,851

### 26 Income taxes

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Current tax	(1,309)	1,529	-	-
Deferred tax	743,786	350,149	361,888	(243,674)
<b>Total Income taxes</b>	<b>742,477</b>	<b>351,678</b>	<b>361,888</b>	<b>(243,674)</b>



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

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

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Profit before taxes	217,170,548	202,452,080	149,171,115	220,864,491
Tax calculated at a tax rate of 20%	43,434,110	40,490,416	29,834,223	44,172,898
Tax effect of:				
Income not subject to tax	(41,071,417)*	(42,027,192)*	(26,323,899)*	(44,419,420)*
Expenses not deductible for tax purpose	57,438	34,109	34,859	2,848
Expenses more deductible for tax purpose	(3,993,458)	-	(3,993,458)	-
Tax losses for which no deferred income tax asset was recognised	1,311,114	997,951	-	-
Remeasurement of deferred tax - change in tax rate	810,163	-	810,163	-
Others	194,527	856,394	-	-
Income taxes	742,477	351,678	361,888	(243,674)

\* As at 31 December 2022, multiplying of accounting profits with tax rates in the amount of Baht 41.07 million and Baht 26.32 million in the consolidated and separate financial statements respectively (2021: the amount Baht 42.03 million and Baht 44.42 million in the consolidated and separate financial statements, respectively) is the profit that is exempt from corporate income tax on net profit derived from business operations that has been promoted for investment for period of 8 years starting from the date that income is first derived.

The weighted average applicable tax rate for the Group and the Company were 0.34% and 0.24%, respectively (2021: 0.17% and 0.11%, respectively).

**27 Earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issued and paid-up during the year.

Basic earnings per share for the years ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Basic earnings per share</b>				
Net profit attributable to owners of the parent (Baht)	216,428,077	202,100,769	148,809,227	221,108,165
Weighted average ordinary shares (Shares)	1,828,493,151	1,600,000,000	1,828,493,151	1,600,000,000
Basic earnings per share (Baht)	0.12	0.13	0.08	0.14



# Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

The Company recalculated earnings per share for the year ended period ended 31 December 2021 for the purpose of data comparison by using the weighted average number of ordinary shares as if the par value and number of ordinary shares had been changed since the beginning of 2021 to be consistent with the change in par value according to the resolution of the Extraordinary General Meeting of Shareholders of the Company on 3 November 2021.

The Group did not issue diluted equivalent ordinary shares during the reporting period. Therefore, no diluted earnings per share is presented.

### 28 Dividends

At the Annual General Shareholders' meeting on 21 March 2022, the shareholders approved the dividend payment from the retained earnings as at 31 December 2021 of Baht 0.151875 per share for 1,600 million shares, totalling Baht 243 million. The dividend was paid to shareholders on 20 April 2022.

At the Board of directors' meeting on 26 March 2022, the directors approved the interim dividend payment in respect of the estimated retained earnings as at 25 March 2022 at Baht 0.078 per share for 1,600 million shares, totalling Baht 124.80 million. The dividend was paid to the shareholders on 26 April 2022.

### 29 Promotional privileges

The Company and two subsidiaries have been granted promotional privileges by the office of the Board of Investment under promotion certificates in respect of electricity and steam from biomass. The Company and two subsidiaries have been granted exemption from certain taxes and duties as detailed in the certificates including exemption from corporate income tax for a period of eight years from the date of first revenue. As promoted entities, the Company and these subsidiaries are required to comply with the terms and conditions specified in the promotion certificates.

### 30 Transactions with related parties

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities, joint venture and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities 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.

As at 31 December 2022, the major shareholder of the Company is TCG Holdings Company Limited, holding 29.09% of the Company's shares, which the ultimate shareholder is Wanasuwankul family.

The information of the Company's subsidiaries is described in Note 14.



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

The pricing policies for related parties transactions are as follows:

Transaction item	Pricing policies
Revenue from sales	The price as agreed in the agreement
Revenue from rights to use areas	The price is based on construction cost plus 3% margin per annum
Service income	The price is based on service cost plus 1.53% - 5% margin per annum
Interest income	The income is determined based on the rate stipulated in the agreements
Purchase of biomass	The price is based on market rate less certain discount, depending on quantities purchased
Land rental	The price is based on land rental appraisal price
Power plant construction cost	The price as agreed in the agreement
Key management compensation	From approval of shareholders of the Company

The following material transactions were carried out with the related parties:

**30.1 Revenue from sales**

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
<b>Sales of electricity</b>				
- Related parties	59,033,411	26,007,215	-	10,113,624
- Subsidiaries	-	-	1,688,455	7,689,033
<b>Sales of biomass</b>				
- Subsidiaries	-	-	88,053,948	59,973,965
<b>Sales of steam and water</b>				
- Related parties	103,509,501	55,138,036	988,181	2,356,476
- Subsidiaries	-	-	3,692,283	2,592,106

Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 30.2 Other income and expenses

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Revenue from right to use areas</b>				
- Related parties	1,388,400	980,000	1,388,400	980,000
- Subsidiaries	-	-	16,568	16,614
<b>Revenue from service contracts</b>				
- Subsidiaries	-	-	22,542,510	20,786,076
<b>Gain on disposal plant and equipment</b>				
- Related parties	-	36,268	-	36,268
<b>Interest income</b>				
- Subsidiaries	-	-	11,103,494	12,134,954
<b>Dividend income</b>				
- Subsidiaries	-	-	114,999,604	157,499,851
<b>Revenue from spare parts sales</b>				
- Related parties	-	1,285,131	-	1,285,131
<b>Purchase of biomass</b>				
- Related parties	123,177,018	115,080,485	58,445,736	76,360,216
- Subsidiaries	-	-	-	-
<b>Fuel cost</b>				
- Related parties	22,969,040	14,665,397	8,847,059	4,851,418
<b>Interest expenses</b>				
- Related parties	2,666,891	4,109,557	2,666,891	4,109,557
- Subsidiaries	-	-	180,578	-
<b>Amortisation for rights-of-use land</b>				
- Related parties	3,815,131	3,649,629	1,684,888	1,684,888
<b>Amortisation for rights-of-use building</b>				
- Related parties	540,839	-	540,839	-
<b>Interest expenses from lease liabilities of land</b>				
- Related parties	2,735,696	2,683,668	936,292	986,906
<b>Interest expenses from lease liabilities of building</b>				
- Related parties	196,699	-	196,699	-



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Service contracts expenses</b>				
- Related parties	1,104,000	1,104,000	1,104,000	1,104,000
<b>Dividend paid</b>				
- Shareholder	367,800,000	-	367,800,000	-
<b>Maintenance expenses</b>				
- Related parties	994,030	1,169,722	456,178	790,953
<b>Biomass measurement cost</b>				
- Related parties	157,009	88,000	59,813	44,000
<b>Raw material transportation cost</b>				
- Related parties	193,870	124,345	186,110	124,345
<b>Cost for rights to use areas</b>				
- Related parties	34,125	81,900	34,125	81,900
<b>Fuel weighted cost</b>				
- Related parties	5,650	-	850	-

**30.3 Purchase of assets**

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Purchase and construction of assets</b>				
- Related parties	35,260	4,230,861	-	293,449

**30.4 Trade receivables and trade payables - related parties**

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Trade receivables</b>				
- Related parties	15,555,489	13,025,534	206,161	117,370
- Subsidiaries	-	-	6,041,714	19,515,485

Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

Trade receivables as at 31 December can be analysed by aging as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Not overdue	15,555,489	7,372,082	6,247,875	10,232,092
Overdue below 3 months	-	5,653,452	-	9,400,763
Overdue 3 - 6 months	-	-	-	-
Overdue 6 - 12 months	-	-	-	-
Overdue over 12 months	-	-	-	-
Total trade receivables from related parties	15,555,489	13,025,534	6,247,875	19,632,855

	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
<b>Other receivables</b>				
- Related parties	123,753	1,495,598	123,799	1,462,474
- Subsidiaries	-	-	15,293,537	13,371,327
<b>Rights-of-uses, net</b>				
- Related parties	62,918,837	58,042,639	27,825,193	20,818,753
<b>Trade payables</b>				
- Related parties	10,452,088	8,324,371	3,875,885	2,417,705
<b>Other payables</b>				
- Related parties	191,440	735,519	191,440	537,543
- Subsidiaries	-	-	11,338	-
<b>Construction payables</b>				
- Related parties	-	697,000	-	77,000
<b>Retention for constructions</b>				
- Related parties	81,932	477,492	-	-
<b>Lease liabilities, net</b>				
- Related parties	73,067,119	66,425,362	31,323,910	23,778,360



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

The Group and the Company have entered into lease agreements for use in the operation, and the lease payments are regarding to payment terms in contracts. As at 31 December 2022, the detail of lease liabilities are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht</b>	<b>2021 Baht</b>	<b>2022 Baht</b>	<b>2021 Baht</b>
<b>For the years ended 31 December</b>				
Opening net book value	66,425,362	67,801,567	23,778,360	24,915,904
<b>Cash flows:</b>				
Payments for lease liabilities during the period	(5,522,805)	(4,748,914)	(2,819,608)	(2,124,451)
<b>Other non-cash movements:</b>				
Acquisition	9,232,167	566,623	9,232,167	-
Interest expenses	2,932,395	2,806,086	1,132,991	986,907
Closing net book value	73,067,119	66,425,362	31,323,910	23,778,360
	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht</b>	<b>2021 Baht</b>	<b>2022 Baht</b>	<b>2021 Baht</b>
Lease liabilities - Current portion	3,164,363	2,136,109	2,135,708	1,232,315
Lease liabilities - Non-current portion	69,902,756	64,289,253	29,188,202	22,546,045
Total lease liabilities, net	73,067,119	66,425,362	31,323,910	23,778,360

**30.5 Long-term loans to related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2022 Baht</b>	<b>2021 Baht</b>	<b>2022 Baht</b>	<b>2021 Baht</b>
Long-term loans to related parties				
- Due within 1 year	-	-	24,000,000	24,000,000
- Due over 1 year	-	-	537,570,735	391,588,735



# Thachang Green Energy Public Company Limited

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

The movements of long-term loans to related parties can be analysed as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Opening balance	-	-	415,588,735	416,593,072
<b>Cash flows:</b>				
Additions during the year	-	-	267,613,200	108,890,000
Repayments during the year	-	-	(121,631,200)	(109,894,337)
Ending balance	-	-	561,570,735	415,588,735

As at 31 December 2022, the company had the outstanding long-term loans to subsidiaries of Baht 561.57 million which bear interest of 2.275% - 3.40% per annum (As at 31 December 2021: Baht 415.59 million which bear interest of 2.275% - 3.40% per annum). The first principal repayments are due within 60 days from the commercial operation date and due every month until all loans have been settled.

### 30.6 Long-term loans from related parties

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Long-term loans from related parties				
- Due within 1 year	-	12,000,000	6,000,000	12,000,000
- Due over 1 year	-	207,400,000	-	207,400,000

### Interest rate risk management

Interest rate risk management of long-term loans from related parties are as follow:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2022 Baht	2021 Baht	2022 Baht	2021 Baht
Long-term loans from related parties, net				
Fixed rate	-	219,400,000	6,000,000	219,400,000
Floating rate	-	-	-	-
Total long-term loans From related parties, net	-	219,400,000	6,000,000	219,400,000



## Thachang Green Energy Public Company Limited

**Notes to the Consolidated and Separate Financial Statements**

For the year ended 31 December 2022

**Consolidated financial statements**

For the year ended 31 December 2022, the Group obtained additional long-term loans from related parties amounting to Baht 144.00 million, and repaid amounting to Baht 363.40 million (for the year ended 31 December 2021, the Group obtained additional long-term loans from related parties Baht 261.00 million and repaid amounting to Baht 184.20 million). As at 31 December 2022, no outstanding balance of loans from related parties (as at 31 December 2021: amounting to Baht 219.40 million with interest 2.225% per annum.).

**Separated financial statements**

For the year ended 31 December 2022, the Company obtained additional long-term loans from related parties amounting to Baht 199.50 million, and repaid amounting to Baht 412.90 million. As at 31 December 2022, the outstanding balances of Baht 6.0 million bore an interest of 2.225% per annum (as at 31 December 2021: amounting to Baht 219.40 million with interest 2.225% per annum.). The terms of principal repayment and interest repayment are specific schedules according to terms of contracts until all loans have been settled. The subsidiaries are able to settle all remaining balances or more than the required instalment with at least 7 days advance notice and approval from the Company. The said long-term loans are unsecured.

**30.7 Key management compensation**

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Baht	Baht	Baht	Baht
Short-term employee benefits	12,308,480	10,642,700	12,308,480	10,642,700
Post-employment benefits	996,352	594,401	996,352	594,401
Total key managements remuneration	13,304,832	11,237,101	13,304,832	11,237,101

**31 Commitment and significant agreements****31.1 Commitments****31.1.1 Letters of guarantee**

As at 31 December 2022, the Group was liable under letters of guarantee issued by financial institutions in amount of Baht 323,194,000 (As at 31 December 2021: Baht 135,344,000) for electricity usage guarantee to the Provincial Electricity Authority and to guarantee the construction and providence of waste management service.

**31.1.2 Commitments under land sale/purchase agreements**

As at 31 December 2022, the Group has commitments under land sale/purchase agreements which significant but not yet recognised in the consolidation financial statements in amount Baht 112.39 million (2021: Amount Baht 5.80 million).

## Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

### 32.2 Significant agreements

- 31.2.1 On 29 December 2017, the Company received a power purchase agreement with PEA under the Energy Business Transfer Agreement which is a power purchase agreement from a very small power producer for generating electricity from renewable energy. The contract has a remaining term of 12 years from the date of transfer in the contract. However, the purchase volume and price of electricity shall be as stipulated in the original contract. However, the Company may be considered to renew the power purchase agreement for a specified period subject to the conditions specified in the agreement.
- 31.2.2 On 9 March 2016, a subsidiary entered into a power purchase agreement with PEA under the regulations for purchasing power from a very small power producer for generating electricity from renewable energy. The contract period is 5 years from the date both parties sign the contract and will be automatically continuously renewable every 5 years. The trading volume and price of electricity shall be as specified in the contract. Subsequently, on 26 September 2016, the subsidiary entered into an agreement to amend the power purchase agreement with PEA, which changed the power purchase rate from Adder to Feed-in Tariff and reduced the period of power purchase according to the Notification of the Energy Regulatory Commission regarding the purchase of electricity from renewable energy (Biomass-based power generation project) during the transition from Adder to Feed-in Tariff (FiT) 2016 to 15 years and 4 months from the start of commercial operation, which may be considered to be extended for a specified period, according to the conditions specified in the announcement. The subsidiary has commenced its commercial operations on 7 November 2019.
- 31.2.3 On 27 July 2015, a subsidiary entered into a power purchase agreement with PEA under the regulations for purchasing power from a very small power producer for generating electricity from renewable energy. The contract period is 5 years from the date both parties sign the contract and will be automatically continuously renewable every 5 years. The trading volume and price of electricity shall be as specified in the contract. Subsequently, on 15 September 2015, the subsidiary entered into an agreement to amend the power purchase agreement with PEA, which changed the power purchase rate from Adder to Feed-in Tariff and reduced the period of power purchase according to the Notification of the Energy Regulatory Commission regarding the purchase of electricity from renewable energy (not including solar) during the transition from Adder to Feed-in Tariff (FiT) 2015 to 20 years from the start of commercial operation. The subsidiary has commenced commercial operations on 25 May 2021. Subsequently, the subsidiary entered into an amendment to the latest additional power purchase agreement dated on 29 December 2022 with PEA regarding an increase in the amount of electricity purchased. However, the amended agreement is scheduled to end on 31 December 2024.
- 31.2.4 On 21 August 2019, a subsidiary entered into a construction and management services agreement for a community solid waste disposal system with Watthana Nakhon Municipality, Sa-Kaew, to obtain the right for construction of RDF-fueled based power plant. It requires the company to construct a community solid waste disposal system and install a pollution treatment system, including the construction of utility systems used in the project. The compensation from waste disposal services are stipulated in the agreement. The agreement grants the right to manage the system for 25 years from the first date of supplying electricity into the Provincial Electricity Authority system. The subsidiary has provided waste disposal services in February 2020.
- 31.2.5 On 17 December 2020, a subsidiary entered into a construction and management services agreement for converting community solid waste into electricity with Chumphon Municipality, Chumphon, to obtain the right to construct of Stoker Type incinerator together with power generation system and pollution treatment system, including the construction of utilities used in the project. The compensation from waste disposal services are stipulated in the agreement. The contract gives the right to manage the project for 20 years from the date stipulated in the commencement letter.



## Thachang Green Energy Public Company Limited

### Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2022

- 31.2.6 On 8 October 2021, a subsidiary entered into a construction and management service agreement for converting community solid waste into electricity with the Ratchaburi Provincial Administrative Organization, Ratchaburi, to obtain the right to construct a Stoker Type incinerator together with power generation system and pollution treatment system, including the construction of utilities for used in the project. The compensation from waste disposal services are stipulated in the contract. The contract gives the right to manage the project for 20 years from the date stipulated in the commencement letter.

#### 32 Events after the reporting date

##### 32.1 Winning of bidding for Municipal Solid Waste Management Project

As at 27 January 2023, Thachang Energy Solution (Chai Nat) Company Limited (TES CNT) has been selected to invest, develop and operate its municipal solid waste (MSW) disposal (waste to energy) project of Nong Ma Mong Subdistrict Municipality with 25 years of Build-Own-Operate (BOO) contract period. The power plant of this project is expected to have approximately 8.0 MW of installed capacity and 6.0 MW of power purchase agreement (PPA) capacity.

# 04



## Attachment





## Attachment 1

**Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary and the representative for contact and coordination.**

### Mr. Kosit Fuangswasdi

The Chairman of the Board of Directors /  
Independent Director



#### Date Appointed: 3 November 2021

(The latest appointment was due to the conversion of the company and approval of related matters, dated 3 November 2021)

**Age:** 64

#### Education:

- Ph.D. Public Administration, Maha Chulalongkorn Rajavidyalaya University
- Master of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Science, Chulalongkorn University

#### Training Record with Thai Institute of Directors (IOD):

- Director Accreditation Program (DAP) Class 139/2017
- Director Certification Program (DCP) Class 247/2017
- Role of the Chairman Program (RCP) Class 49/2022
- Director Leadership Certification Program (DLCP) Class 0/2020
- Strategic Board Master Class (SBM) Class 3/2018
- Board Matters and Trends Agenda (BMT) Class 5/2018
- Boards that Make a Difference (BMD) Class 5/2017

#### Current Position in Other Organizations:

- Listed Company - The Stock Exchange of Thailand 1 Organization
- Director, Sea Oil Public Company Limited
- Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand) 1 Organization
- Director, KMAN Consult Co., Ltd.

#### Working Experience (5-Year Past Experience):

- 2019 – Present : Director,  
Sea Oil Public Company Limited
- 2015 – 2020 : Chairman of Risk Management Committee, Member of Audit Committee, Independent Director, Prima Marine Public Company Limited
- 2010 – Present : Director,  
KMAN Consult Co., Ltd.

**Shareholding in TGE (including Spouse and Minor):** 0.02%

**Qualified According to Related Laws and Does Not Have Prohibited Qualifications:** Qualified

**Family Relation with other Directors, Executives, Major Shareholders of TGE and its Subsidiaries:** None



## Mr. Pongnarin Wanasuwanakul

Director / Chairman of the Executive Committee /  
Member of the Risk Management  
and Investment Committee



**Date Appointed:** 3 November 2021

(The latest appointment was due to the conversion of the company and approval of related matters, dated 3 November 2021)

**Age:** 49

### Education:

- Master of Engineering Management, RMIT University, Australia
- Bachelor of Engineering, Prince of Songkla University
- Training Record with Thai Institute of Directors (IOD):
- Director Certification Program (DCP) Class 156/2019

### Current Position in Other Organizations:

- **Listed Company - The Stock Exchange of Thailand:** None
- **Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand) 25 Organizations**
  - Director of 9 subsidiaries  
Thachang Bio Power Co., Ltd.  
Thachang Power Green Co., Ltd.  
Thachang Energy Solution Co., Ltd.  
Thachang Energy Solution (Chumphon) Co., Ltd.  
Thachang Energy Solution (Ratchaburi) Co., Ltd.  
Thachang Energy Solution (Prachin Buri) Co., Ltd.  
Thachang Energy Solution (Chainat) Co., Ltd.  
Thachang Energy Solution (Thachin) Co., Ltd.  
Thachang Energy Solution (Ubon Ratchathani) Co., Ltd.
  - Director of 16 other companies  
TCG Holdings Co., Ltd.  
PPP Green Complex Public Company Limited  
Tha Chang Logistic Co., Ltd.  
Thachang Oil Palm Industries Co., Ltd.  
Thachang Rubber Co., Ltd.  
Rich Property & Development Co., Ltd.  
Thachang Oil Palm Industries (Nakhon Si Thammarat) Co., Ltd.  
Thachang Rubber (Nakhon Si Thammarat) Co., Ltd.  
TC Central Laboratory & Calibration Co., Ltd.  
Thachang Biofuel Co., Ltd.

Thachang Trading Co., Ltd.

TD Power Co., Ltd.

TCG Estate Co., Ltd.

Advance Carbon Pro Co., Ltd.

Tha Chang Oleo Synergy Co., Ltd.

Thachang Agro Tech Co., Ltd.

### Working Experience (5-Year Past Experience):

- Present : Director of 9 subsidiaries
- Present : The Chairman of Executive Committee and Director, PPP Green Complex Public Company Limited
- Present : Director of 15 companies
- 2018 - 2019 : Director, PPP Biogas Co., Ltd.

**Shareholding in TGE (including Spouse and Minor):** 6.11%

**Qualified According to Related Laws and Does Not Have Prohibited Qualifications:** Qualified

### Family Relation with other Directors, Executives, Major Shareholders of TGE and its Subsidiaries:

- Elder brother of Mrs. Phatcharin Lapharojkij
- Elder brother of Mr. Pongnarate Wanasuwanakul
- Elder brother of Ms. Laongtip Wanasuwanakul

**Mrs. Phatcharin Lapharojkij**

Director / Member of the Executive Committee  
/ Member of the Nomination, Remuneration and  
Corporate Governance Committee



**Date Appointed:** 3 November 2021

(The latest appointment was due to the conversion of the company and approval of related matters, dated 3 November 2021)

**Age:** 47

**Education:**

- Master Degree, Strategic Management, University of Nottingham, UK
- Bachelor of Business Administration, Thammasat University

**Training Record with Thai Institute of Directors (IOD):**

- Director Certification Program (DCP) Class 156/2019
- Board Nomination and Compensation Program (BNCP) Class 11/2021
- Anti-Corruption the Practical Guide (ACPG) Class 12/2022
- Ethical Leadership Program (ELP) Class 29/2023

**Current Position in Other Organizations:**

- Listed Company - The Stock Exchange of Thailand: None
- Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand) 27 Organizations
  - Director of 9 subsidiaries
    - Thachang Bio Power Co., Ltd.
    - Thachang Power Green Co., Ltd.
    - Thachang Energy Solution Co., Ltd.
    - Thachang Energy Solution (Chumphon) Co., Ltd.
    - Thachang Energy Solution (Ratchaburi) Co., Ltd.
    - Thachang Energy Solution (Prachin Buri) Co., Ltd.
    - Thachang Energy Solution (Chainat) Co., Ltd.
    - Thachang Energy Solution (Thachin) Co., Ltd.
    - Thachang Energy Solution (Ubon Ratchathani) Co., Ltd.
  - Director of 18 other companies
    - TCG Holdings Co., Ltd.
    - PPP Biogas Co., Ltd.
    - Tha Chang Logistic Co., Ltd.
    - Thachang Oil Palm Industries Co., Ltd.
    - Thachang Rubber Co., Ltd.
    - Rich Property & Development Co., Ltd.

Thachang Oil Palm Industries

(Nakhon Si Thammarat) Co., Ltd.

Thachang Rubber (Nakhon Si Thammarat) Co., Ltd.

TC Central Laboratory & Calibration Co., Ltd.

Thachang Biofuel Co., Ltd.

Thachang Trading Co., Ltd.

TD Power Co., Ltd.

TCG Estate Co., Ltd.

Thachang Agro Tech Co., Ltd.

Tha Chang Oleo Synergy Co., Ltd.

B.S. Mining (2003) Co., Ltd.

F.D.I. Co., Ltd.

L.S. Mining Co., Ltd.

**Working Experience (5-Year Past Experience):**

- Present : Director of 9 subsidiaries
- Present : Director of 18 other companies
- 2018 - 2019 : Director, PPP Biogas Co., Ltd.
- 015 - 2021 : Director, PPP Green Complex Co., Ltd.

**Shareholding in TGE (including Spouse and Minor):** 6.11%

**Qualified According to Related Laws and Does Not Have Prohibited Qualifications:** Qualified

**Family Relation with other Directors, Executives, Major Shareholders of TGE and its Subsidiaries:**

- Younger sister of Mr. Pongnarin Wanasuwanakul
- Elder sister of Mr. Pongnarate Wanasuwankul
- Elder sister of Ms. Laongtip Wanasuwannakul

## Mr. Pongnarate Wanasuwanakul

Director / Member of the Executive Committee / Member of the Risk Management and Investment Committee



**Date Appointed:** 3 November 2021

(The latest appointment was due to the conversion of the company and approval of related matters, dated 3 November 2021)

**Age:** 44

### Education:

- Master of Engineering, Asian Institute of Technology
- Bachelor of Engineering, King Mongkut's Institute of Technology Ladkrabang

### Training Record with Thai Institute of Directors (IOD):

- Director Certification Program (DCP) Class 156/2019

### Current Position in Other Organizations:

- Listed Company - The Stock Exchange of Thailand: None
- Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand) 25 Organizations
  - Director of 9 subsidiaries
    - Thachang Bio Power Co., Ltd.
    - Thachang Power Green Co., Ltd.
    - Thachang Energy Solution Co., Ltd.
    - Thachang Energy Solution (Chumphon) Co., Ltd.
    - Thachang Energy Solution (Ratchaburi) Co., Ltd.
    - Thachang Energy Solution (Prachin Buri) Co., Ltd.
    - Thachang Energy Solution (Chainat) Co., Ltd.
    - Thachang Energy Solution (Thachin) Co., Ltd.
    - Thachang Energy Solution (Ubon Ratchathani) Co., Ltd.
  - Director of 16 other companies
    - TCG Holdings Co., Ltd.
    - PPP Green Complex Public Company Limited
    - Tha Chang Logistic Co., Ltd.
    - Thachang Oil Palm Industries Co., Ltd.
    - Thachang Rubber Co., Ltd.
    - Rich Property & Development Co., Ltd.
    - Thachang Oil Palm Industries (Nakhon Si Thammarat) Co., Ltd.
    - Thachang Rubber (Nakhon Si Thammarat) Co., Ltd.
    - TC Central Laboratory & Calibration Co., Ltd.
    - Thachang Biofuel Co., Ltd.

Thachang Trading Co., Ltd.

TD Power Co., Ltd.

TCG Estate Co., Ltd.

Advance Carbon Pro Co., Ltd.

Tha Chang Oleo Synergy Co., Ltd.

Thachang Agro Tech Co., Ltd.

### Working Experience (5-Year Past Experience):

- Present : Director of 9 subsidiaries
- Present : Member of Executive Committee and Director, PPP Green Complex Public Company Limited
- Present : Director of 15 companies
- 2018 - 2019 : Director, PPP Biogas Co., Ltd.

**Shareholding in TGE (including Spouse and Minor):** 6.11%

**Qualified According to Related Laws and Does Not Have Prohibited Qualifications:** Qualified

### Family Relation with other Directors, Executives, Major Shareholders of TGE and its Subsidiaries:

- Younger brother of Mr. Pongnarin Wanasuwanakul
- Younger brother of Mrs. Phatcharin Lapharojkij
- Elder brother of Ms. Laongtip Wanasuwannakul

**Ms. Laongtip Wanasuwannakul**

Director / Member of the Executive Committee  
/ Member of the Nomination, Remuneration and  
Corporate Governance Committee



**Date Appointed:** 3 November 2021

(The latest appointment was due to the conversion of the company and approval of related matters, dated 3 November 2021)

**Age:** 41

**Education:**

- Master of Science, CERAM Sophia Antipolis, European School of Business, France
- Master of Business Administration, Asian Institute of Technology
- Bachelor of Economics, Chulalongkorn University

**Training Record with Thai Institute of Directors (IOD):**

- Director Certification Program (DCP) Class 156/2019
- Board Nomination and Compensation Program (BNCP) Class 11/2021

**Current Position in Other Organizations:**

- Listed Company – The Stock Exchange of Thailand: None
- Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand) 24 Organizations
  - Director of 9 subsidiaries
    - Thachang Bio Power Co., Ltd.
    - Thachang Power Green Co., Ltd.
    - Thachang Energy Solution Co., Ltd.
    - Thachang Energy Solution (Chumphon) Co., Ltd.
    - Thachang Energy Solution (Ratchaburi) Co., Ltd.
    - Thachang Energy Solution (Prachin Buri) Co., Ltd.
    - Thachang Energy Solution (Chainat) Co., Ltd.
    - Thachang Energy Solution (Thachin) Co., Ltd.
    - Thachang Energy Solution (Ubon Ratchathani) Co., Ltd.
  - Director of 15 other companies
    - TCG Holdings Co., Ltd.
    - PPP Biogas Co., Ltd.
    - Tha Chang Logistic Co., Ltd.
    - Thachang Oil Palm Industries Co., Ltd.
    - Thachang Rubber Co., Ltd.
    - Rich Property & Development Co., Ltd.
    - Thachang Oil Palm Industries (Nakhon Si Thammarat) Co., Ltd.

Thachang Rubber (Nakhon Si Thammarat) Co., Ltd.  
TC Central Laboratory & Calibration Co., Ltd.  
Thachang Biofuel Co., Ltd.  
Thachang Trading Co., Ltd.  
TD Power Co., Ltd.  
TCG Estate Co., Ltd.  
Thachang Agro Tech Co., Ltd.  
Tha Chang Oleo Synergy Co., Ltd.

**Working Experience (5-Year Past Experience):**

- Present : Director of 9 subsidiaries
- Present : Director of 14 other companies
- 2018 – 2019 : Director, PPP Biogas Co., Ltd.
- 2013 – 2021 : Director, PPP Green Complex Co., Ltd.

**Shareholding in TGE (including Spouse and Minor):** 6.34%

**Qualified According to Related Laws and Does Not Have Prohibited Qualifications:** Qualified

**Family Relation with other Directors, Executives, Major Shareholders of TGE and its Subsidiaries:**

- Younger sister of Mr. Pongnarin Wanasuwannakul
- Younger sister of Mrs. Phatcharin Lapharojkij
- Younger sister of Mr. Pongnarate Wanasuwannakul

### Mr. Thoranit Tantikulwichit

Director / Independent Director / Chairman of the Audit Committee / Member of Nomination, Remuneration and Corporate Governance Committee



**Date Appointed:** 3 November 2021

(The latest appointment was due to the conversion of the company and approval of related matters, dated 3 November 2021)

**Age:** 66

**Education:**

- Bachelor of Laws, Thammasat University

**Training Record with Thai Institute of Directors (IOD):**

- Director Certification Program (DCP) Class 156/2019
- Board Nomination and Compensation Program (BNCP) Class 11/2021
- Ethical Leadership Program (ELP) Class 29/2023

**Current Position in Other Organizations:**

- Listed Company - The Stock Exchange of Thailand: None
- Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand) 2 Organizations
  - Director, TT Legal & Tax Co., Ltd.
  - Director, TUIP Co., Ltd.

**Working Experience (5-Year Past Experience):**

- 2019 - Present : Director, TUIP Co., Ltd.
- 2018 - Present : Director, TT Legal & Tax Co., Ltd.
- 2001 - 2018 : KPMG Phoomchai Tax Co., Ltd.

**Shareholding in TGE (including Spouse and Minor):** 0.02%

**Qualified According to Related Laws and Does Not Have Prohibited Qualifications:** Qualified

**Family Relation with other Directors, Executives, Major Shareholders of TGE and its Subsidiaries:** None

**Mrs. Pensri Meesuksabai**

Director / Independent Director / Chairman of the Nomination, Remuneration and Corporate Governance Committee, Member of Audit Committee / Member of the Audit Committee



**Date Appointed:** 3 November 2021

(The latest appointment was due to the conversion of the company and approval of related matters, dated 3 November 2021)

**Age:** 66

**Education:**

- Master of Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Accountancy, Chulalongkorn University

**Training Record with Thai Institute of Directors (IOD):**

- Director Certification Program (DCP) Class 171/2020
- Board Nomination and Compensation Program (BNCP) Class 11/2021
- Ethical Leadership Program (ELP) Class 29/2023

**Other Training Record**

- Leadership Succession Program (LSP) Class 3, Institute of Research and Development for Public Enterprises (IRDP)

**Current Position in Other Organizations:**

- **Listed Company - The Stock Exchange of Thailand:**  
None
- **Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand) 1 Organization**
  - Treasurer, The Parent - Teacher Association of Phramongkutklao College of Medicine

**Working Experience (5-Year Past Experience):**

- 2012 - Present : Treasurer, The Parent - Teacher Association of Phramongkutklao College of Medicine
- 2007 - 2017 : Senior Executive Vice President, Operation Group, Krung Thai Asset Management Public Company Limited

**Shareholding in TGE (including Spouse and Minor):** 0.02%

**Qualified According to Related Laws and Does Not Have Prohibited Qualifications:** Qualified



### Mr. Arthorn Sinsawad

Director / Independent Director / Chairman  
of the Risk Management and Investment  
Committee / Member of Audit Committee



**Date Appointed:** 3 November 2021

(The latest appointment was due to the conversion of the company and approval of related matters, dated 3 November 2021)

**Age:** 69

**Education:**

- Master of Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Engineering, Chulalongkorn University

**Training Record with Thai Institute of Directors (IOD):**

- Director Certification Program (DCP) Class 147/2011

**Other Training Record:**

- Capital Market Academy Programs Class 15, Capital Market Academy

**Current Position in Other Organizations:**

- Listed Company – The Stock Exchange of Thailand: None
- Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand) 2 Organizations
  - Academic to the Committee, The Committee on Energy, The Senate
  - Director, Council of Engineers Thailand

**Shareholding in TGE (including Spouse and Minor):** 0.02%

**Qualified According to Related Laws and Does Not Have Prohibited Qualifications:** Qualified

**Family Relation with other Directors, Executives, Major Shareholders of TGE and its Subsidiaries:** None



### Mr. Tanan Chub-uppakarn

Director / Independent Director / Member of the Risk Management and Investment Committee / Member of the Nomination, Remuneration and Corporate Governance Committee



**Date Appointed:** 3 November 2021

(The latest appointment was due to the conversion of the company and approval of related matters, dated 3 November 2021)

**Age:** 44

**Education:**

- Doctor of Engineering, Chulalongkorn University
- Master of Engineering, สถาบันเทคโนโลยีแห่งเอเชีย
- Bachelor of Engineering, Prince of Songkla University

**Training Record with Thai Institute of Directors (IOD):**

- Director Certification Program (DCP) Class 156/2019

**Current Position in Other Organizations:**

- Listed Company - The Stock Exchange of Thailand: None
- Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand) 2 Organizations
  - Lecturer, Prince of Songkla University
  - Managing partner, Purmtharn Pattanakit Limited Partnership

**Working Experience (5-Year Past Experience):**

- 2020 - Present : Managing partner, Purmtharn Pattanakit Limited Partnership
- 2009 - Present : Lecturer, Prince of Songkla University
- 2009 - 2017 : Assistant to the Dean, Faculty of Engineering, Prince of Songkla University

**Shareholding in TGE (including Spouse and Minor):** 0.02%

**Qualified According to Related Laws and Does Not Have Prohibited Qualifications:** Qualified

**Family Relation with other Directors, Executives, Major Shareholders of TGE and its Subsidiaries:** None

## Mr. sakda siriphatrasophon

Director / Member of the Executive Committee /  
Chief Executive Officer



### Date Appointed: 3 November 2021

(The latest appointment was due to the conversion of the company and approval of related matters, dated 3 November 2021). In this regard, Mr. Sakda Siriphatrasophon resigned from the position of Director, Member of the Executive Committee and Chief Executive Officer, effective from 1 January 2023.

Age: 58

### Education:

- Doctor of Philosophy (Development Administration), The National Institute of Development Administration
- Master of Business Administration, Kasetsart University
- Bachelor of Science, Kasetsart University

### Training Record with Thai Institute of Directors (IOD):

- Director Certification Program (DCP) Class 312/2021

### Working Experience (5-Year Past Experience):

- 2018 - 2021 : Independent Scholar, International Education Institutions (Based in Singapore)
- 2014 - 2018 : President, The Association of Researcher of Thailand
- 2009 - 2017 : Associate Professor, College of graduate study in management, Khon Kaen University

Shareholding in TGE (including Spouse and Minor): 0.04%

Qualified According to Related Laws and Does Not Have Prohibited Qualifications: Qualified

Family Relation with other Directors, Executives, Major Shareholders of TGE and its Subsidiaries: None

**Mr. Thanapat Rattanapitag**

Chief Operations Officer (COO) /  
Member of the Executive Committee



**Date Appointed:** 1 January 2019

**Age:** 58

**Education:**

- Bachelor of Engineering, King Mongkut's Institute of Technology Ladkrabang

**Working Experience (5-Year Past Experience):**

- 2019 - 2019 : Plant Manager,  
Thachang Green Energy  
Co., Ltd.

**Shareholding in TGE (including Spouse and Minor):**

Less than 0.01%

**Family Relation with other Directors, Executives, Major  
Shareholders of TGE and its Subsidiaries:** None

**Ms. Patchara Thongprapai**

Chief Financial Officer (CFO) /  
Member of the Executive Committee



**Date Appointed:** 26 August 2019

**Age:** 60

**Education:**

- Master of Business Administration, Kasetsart University
- Bachelor of Accountancy, Bangkok University

**Other Training Record:**

- Strategic CFO in Capital Markets Class 9,  
The Stock Exchange of Thailand

**Working Experience (5-Year Past Experience):**

- 2017 - 2019 : Accounting Director,  
All Marketing Co., Ltd.
- 2558 - 2560 : Country Controller,  
Walbro (Thailand) Co., Ltd.

**Shareholding in TGE (including Spouse and Minor):** 0.04%

**Family Relation with other Directors, Executives, Major  
Shareholders of TGE and its Subsidiaries:** None

## Mr. Pavarut Thongrod

Maintenance Division Manager

**Date Appointed:** 1 April 2020

**Age:** 47

**Education:**

- Bachelor of Engineering, Rajamangala Institute of Technology, Southern Campus

**Working Experience (5-Year Past Experience)**

- 2019 : Head of Maintenance Division, Thachang Power Green Co., Ltd.
- 2018 - 2019 : Head of Maintenance Division, Thachang Green Energy Co., Ltd.
- 2013 - 2018 : Head of Maintenance Division, Nam Hua Rubber Co., Ltd.

**Shareholding in TGE (including Spouse and Minor):**

Less than 0.01%

**Family Relation with other Directors, Executives, Major**

**Shareholders of TGE and its Subsidiaries:** None

## Ms. Wannapa Srisuwan

Quality Management Division Manager

**Date Appointed:** 1 December 2018

**Age:** 38

**Education:**

- Bachelor of Business Administration, Prince of Songkla University, Trang Campus

**Working Experience (5-Year Past Experience):**

- 2008 - 2018 : QMR, Thachang Oil Palm Industries Co., Ltd.
- 2018 - Present : Partner, Thachang Electric Limited Partnership

**Shareholding in TGE (including Spouse and Minor):**

Less than 0.01%

**Family Relation with other Directors, Executives, Major**

**Shareholders of TGE and its Subsidiaries:** None

## Mr. Donlawat Jintasopon

Accounting and Finance Division Manager

(The person assigned to take direct responsibility for accounting supervision)

**Date Appointed:** 16 July 2021

**Age:** 33

**Education:**

- Bachelor of Accountancy, Assumption University

**Working Experience (5-Year Past Experience):**

- 2019 - 2020 : Accounting and Finance Division Manager, Thachang Green Energy Co., Ltd.
- 2012 - 2019 : Manager, PricewaterhouseCoopers ABAS Co., Ltd.

**Shareholding in TGE (including Spouse and Minor):** 0.02%

**Family Relation with other Directors, Executives, Major**

**Shareholders of TGE and its Subsidiaries:** None

## Mrs. Wanida Pumchaiya

General Administration Division Manager

**Date Appointed:** 1 September 2020

**Age:** 53

**Education:**

- Bachelor of Political Science, Ramkhamhaeng University

**Working Experience (5-Year Past Experience):**

- 2004 - 2020 : General Administration and Human Resource Department, Thachang Oil Palm Industries Co., Ltd.

**Shareholding in TGE (including Spouse and Minor):** 0.02%

**Family Relation with other Directors, Executives, Major**

**Shareholders of TGE and its Subsidiaries:** None

**Mr. Vuthichan Tareethai**

Business Development Division Manager

**Date Appointed:** 29 December 2022**Age:** 48**Education:**

- Bachelor of Engineerin (Industrial Engineering), Thonburi University

**Working Experience (5-Year Past Experience):**

- 2021-2022 : Factory Manager, Advance Fiber Co., Ltd.
- 018-2021 : Engineering Manager, Demier Co., Ltd.
- 2014-2017 : Engineering Manager, Thai Turbo Generator Co., Ltd.

**Shareholding in TGE (including Spouse and Minor):** None**Family Relation with other Directors, Executives, Major Shareholders of TGE and its Subsidiaries:** None**Ms. Chonpatsorn Wichaidit**

Company Secretary

**Date Appointed:** 2 April 2021**Age:** 38**Education:**

- Barrister-at-Law, The Institute of Legal Education of the Thai Bar
- Bachelor of Laws, Thammasat University

**Training Record with Thai Institute of Directors (IOD):**

- Company Secretary Program (CSP) Class 98/2019
- Effective Minute Taking (EMT) Class 44/2019
- Company Reporting Program (CRP) Class 24/2019
- Board Reporting Program (BRP) Class 29/2019
- Anti-Corruption the Practical Guide (ACPG) Class 59/2022

**Working Experience (5-Year Past Experience):**

- 2018-2021 : Company Secretary and Corporate Governance Office Manager, Asset World Corp Public Company Limited
- 2015-2018 : Legal and Compliance Department Manager, King Wai Group Public Company Limited

**Shareholding in TGE (including Spouse and Minor):**

Less than 0.01%

**Family Relation with other Directors, Executives, Major Shareholders of TGE and its Subsidiaries:** None**Roles and responsibilities:**

1. Prepare and maintain the register book of directors, invitation and minutes of board of director's meeting, annual report, invitation and minutes of shareholders' meeting
2. Arrange a system for safekeeping of documents and evidence in relation to disclosure of information and monitor safekeeping of such documents or evidence for its accuracy and completion as well as availability for inspection for the period not less than five years from the date of producing such documents or information.
  - information in support of seeking a resolution of the shareholders' meeting
  - financial statements and reports concerning the financial condition and the business operation of the company or any other reports required to be disclosed
  - an opinion of the business when a person makes a general tender offer to purchase shares from shareholders
  - information or any other reports in relation to the business prepared by the company for the purpose of disclosure to shareholders or the public as specified in the notification of the Capital Market Supervisory Board

Safekeeping of the documents and evidence under the first paragraph shall include safekeeping by means of a computer system or any other systems which allow retrievability without any change of information.

3. Maintain reports of interest reported by directors or executives and submit a copy of reports to the Chairman of the board of directors and the Chairman of the audit committee within 7 business days from the date on which the company has received such report.
4. Provide preliminary advice pertaining to legal, regulatory and articles of the company for the Board of Directors for acknowledgement. Also, if there is any significant change in the laws, rules and/or regulations, the Board of Directors' has to be informed.
5. Organize the shareholders' meetings and board of directors' meeting according to laws, the Company's Articles of Association and desirable practices.
6. Take minutes of shareholders' meetings and board of directors' meetings. Also, to follow up to ensure that resolutions of shareholders' meetings and board of directors' meetings are complied with.
7. Ensure information disclosure and report submission with the scope of responsibilities to supervisory agencies including the Securities and Exchange Commission
8. Handle activities of the board of directors and other activities in accordance with the law and/or as specified by the Capital Market Supervisory Board and/or as assigned by the Board of Directors
9. Perform other acts as specified by the Capital Market Supervisory Board





## Attachment 2

### Details of director positions in the Company, subsidiaries, and related companies

Company's name / Director's name	Mr. Kosit Fuangwasdi	Mr. Pongnarin Wanasuwanakul	Mr. Pongnarate Wanasuwanakul	Mrs. Phatcharin Lapharokij	Ms. Laongtip Wanasuwanakul	Mr. Thoranit Tantikulwichit	Mr. Tanan Chub-uppakam	Mrs. Pensri Meesuksabal	Mr. Arthorn Sinsawad	Mr. Sakda Siriphatrasophon*
<b>The Company</b>										
Thachang Green Energy Public Company Limited	I, X, IV	I, II, VI	I, II, VI	I, II, V	I, II, V	I, III, IV, V	I, IV, V, VI	I, III, IV, V	I, III, IV, VI	I, II
<b>Subsidiaries</b>										
Thachang Bio Power Co., Ltd.		I	I	I	I					
Thachang Power Green Co., Ltd.		I	I	I	I					
Thachang Energy Solution Co., Ltd.		I	I	I	I					
Thachang Energy Solution (Chumphon) Co., Ltd.		I	I	I	I					
Thachang Energy Solution (Ratchaburi) Co., Ltd.		I	I	I	I					
Thachang Energy Solution (Prachin Buri) Co., Ltd.		I	I	I	I					
Thachang Energy Solution (Chainat) Co., Ltd.		I	I	I	I					
Thachang Energy Solution (Thachin) Co., Ltd.		I	I	I	I					
Thachang Energy Solution (Ubon Ratchathani) Co., Ltd.		I	I	I	I					
<b>Related companies</b>										
Thachang Biofuel Co., Ltd.		I	I	I	I					
Thachang Oil Palm Industries (Nakhon Si Thammarat) Co., Ltd.		I	I	I	I					



Company's name / Director's name	Mr. Kosit Fuangwasdi	Mr. Pongnarin Wanasuwanakul	Mr. Pongnarat Wanasuwanakul	Mrs. Phatcharin Lapharokij	Ms. Laongtip Wanasuwanakul	Mr. Thoranit Tantikulwichit	Mr. Tanan Chub-uppakarn	Mrs. Pensri Meesuksabai	Mr. Arthorn Shinawad	Mr. Sakda Siriphatrasophon*
Thachang Trading Co., Ltd.		I	I	I	I					
Thachang Rubber Co., Ltd.		I	I	I	I					
Thachang Rubber (Nakhon Si Thammarat) Co., Ltd.		I	I	I	I					
Tha Chang Logistic Co., Ltd.		I	I	I	I					
Thachang Oil Palm Industries Co., Ltd.		I	I	I	I					
Thachang Agro Tech Co., Ltd.		I	I	I	I					
TCG Holdings Co., Ltd.		I	I	I	I					
TC Central Laboratory & Calibration Co., Ltd.		I	I	I	I					
Rich Property & Development Co., Ltd.		I	I	I	I					
Tha Chang Oleo Synergy Co., Ltd.		I	I	I	I					
TD Power Co., Ltd.		I	I	I	I					
PPP Green Complex Public Company Limited		I	I							
TCG Estate Co., Ltd.		I	I	I	I					
Advance Carbon Pro Co., Ltd.		I	I							
PPP Biogas Co., Ltd.				I	I					
B.S. Mining (2003) Co., Ltd.				I						
F.D.I. Co., Ltd.				I						
L.S. Mining Co., Ltd.				I						
TUJIP Co., Ltd.						I				
TT Legal & Tax Co., Ltd.						I				
Sea Oil Public Company Limited	I									
KMAN Consult Co., Ltd.	I									
Purntharn Pattanakit Limited Partnership							I			

Remark:

X = Chairman of the Board of Directors

\*Resigned effective from 1 January 2023

I = Director

II = Executive Committee

III = Audit Committee

IV = Independent Director

V = Nomination, Remuneration and Corporate Governance Committee

VI = Risk Management and Investment Committee



## Attachment 3

### Details of the Heads of the Internal Audit (Outsource)

Unique Advisor Company Limited was appointed as the internal audit for the Company and its subsidiaries. The head of the internal audit is Mr. Kosol Yamleemul who has qualifications, educational background and work experience as follows:

#### Mr. Kosol Yamleemul

Managing Director,  
Unique Advisor Company Limited

**Age:** 52

#### Education:

- Master of Science, Chulalongkorn University
- Bachelor of Accounting, Banking, and Finance, Thammasat University
- Certificate for Business Advisor, Kasetsart University
- Certificate of Real Estate Entrepreneur, Kasetsart University
- Certified Public Accountant (CPA) No. 4575
- Certified Internal Auditor (CIA)
- Certified Financial Service Auditor (CFSA)

#### Traning Record

- Capital Market Academy Programs Class 15, Capital Market Academy
- Orientation Course – CFO Focus on Financial Reporting Class 4/2018
- SME's Independent Auditors
- Anti-Corruption Working Paper Course
- COSO 2013
- IT Audit, Thailand Federation of Accounting Professions
- Internal Auditing, The Institute of Internal Auditors of Thailand
- Tax and Tax Planning
- Financial Reporting Standards, Accounting Standards, and Auditing Standards (Continuing Program)
- Accounting Standards (amendment)
- Audit Methodology and Software Tools
- Advanced COSO ERM
- Financial Advisor Training Course, Association of Thai Securities Companies

#### Current Position in Other Organizations:

- **Listed Company – The Stock Exchange of Thailand:** None
- **Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)** 1 Organization
  - Managing Director, Unique Advisor Company Limited

#### Working Experience (5-Year Past Experience):

- 2013 – Present : Managing Director, Unique Advisor Company Limited

**Shareholding in TGE (including Spouse and Minor):** None

**Family Relation with other Directors, Executives, Major Shareholders of TGE and its Subsidiaries:** None



## Attachment 4

## Details of assets used in business operations and asset valuation

### 1. Main fixed assets

As of December 31, 2022, the main assets had a net book value after deducting accumulated depreciation and allowance for impairment as shown in the consolidated financial statements of 1,972.0 million baht. Details are as follows:

Item	Ownership	Obligation	Net Book Value (Million baht)
1. Land	Yes	None	33.1
2. Buildings and building improvements	Yes	Yes	450.5
3. Equipment and tools	Yes	None	4.7
4. Machinery and electrical equipment	Yes	Partially	1,370.6
5. Office equipment, furniture, office supplies	Yes	None	3.3
6. Motor vehicles	Yes	None	7.7
7. Construction and installation in progress	Yes	None	1.3
8. Right-of-use assets	Yes	None	70.7
9. Intangible assets	Yes	None	30.1
Total			1,972.0

The details of main assets that are categorized by type of assets are demonstrated as follows:

#### 1.1 Land

As of December 31, 2022, the total net book value of the Company's land was 33.1 million baht. Details are as follows:

Ownership	Item	Ownership	Net Book Value (Million baht)	Obligation
TES RBR	Land used for power plant business operations, Ratchaburi	Yes	19.1	None
TES PRI	Land used for power plant business operations, Prachin Buri	Yes	14.0	None
Total			33.1	

## 1.2 Buildings and building improvements

As of December 31, 2022, the total net book value of the Company's buildings and building improvements was 450.5 million baht. Details are demonstrated as follows:

Ownership	Item	Ownership	Net Book Value (Million baht)	Obligation
TGE	Buildings and building improvements	Yes	149.2	Mortgaged with a financial institution
TPG	Buildings and building improvements	Yes	198.3	Mortgaged with a financial institution
TBP	Buildings and building improvements	Yes	103.0	Mortgaged with a financial institution
Total			450.5	

## 1.3 Machinery and Electrical Equipment

As of December 31, 2022, the total net book value of the Company's machinery and electrical equipment was 1,370.6 million baht. Details are as follows:

Ownership	Item	Ownership	Net Book Value (Million baht)	Obligation
TGE	Machinery and equipment to generate electricity and support project operations	Yes	421.5	Mortgaged with a financial institution
TPG	Machinery and equipment to generate electricity and support project operations	Yes	425.7	Mortgaged with a financial institution
TBP	Machinery and equipment to generate electricity and support project operations	Yes	523.4	Mortgaged with a financial institution
Total			1,370.6	



#### 1.4 Right-of-use assets

As of December 31, 2022, the total net book value of the Company's right-of-use assets was 70.7 million baht. Details are as follows:

Ownership	Item	Ownership	Net Book Value (Million baht)	Obligation
TGE TPG and TBP	Land lease agreements with TCP and Bangkok's office building lease agreement	Yes	66.9	Mortgaged with a financial institution
TES SKW	Land lease agreements with Watthana Nakhon Subdistrict Municipality Sa Kaeo Province	Yes	3.8	Mortgaged with a financial institution
Total			70.7	

#### 1.5 Intangible assets

As of December 31, 2022, the total net book value of the Company's intangible assets was 30.1 million baht. Details are as follows:

Ownership	Item	Ownership	Net Book Value (Million baht)	Obligation
TGE	Right to use computer software	Yes	2.1	None
TGE TPG and TBP	Right to use the transmission facilities	Yes	21.9	None
TPG and TBP	Right in power purchase agreements	Yes	3.1	None
TES SKW	Construction and installation in progress <sup>/1</sup>	Yes	1.3	None
TPG and TBP	Others	Yes	1.7	None
Total			30.1	

<sup>/1</sup> Construction and installation in progress comprise the cost of expanding the coverage of electricity distribution system



## 1.6 Other fixed assets

As of December 31, 2022, the total net book value of the Company's other fixed assets was 16.9 million baht. Details are as follows:

Ownership	Item	Ownership	Net Book Value (Million baht)	Obligation
TGE TPG and TBP	Equipment and tools	Yes	4.7	No
TGE TPG and TBP	Office equipment, furniture, office supplies	Yes	3.3	No
TGE TPG and TBP	Motor vehicles	Yes	7.6	No
TGE TPG and TBP	Construction and installation in progress <sup>/1</sup>	Yes	1.3	No
Total			16.9	

<sup>/1</sup> Construction and installation in progress comprise the installation of energy management systems, conveyor systems outside fuel storage buildings

## 2. Summary of the relevant agreements

### 2.1 Long-term Power Purchase Agreements with the Provincial Electricity Authority (“PEA”)

Project	TGE <sup>/4</sup>	TPG	TBP <sup>/5</sup>
Contract No.	VSPP-PEA-029/2011	VSPP-PEA-003/2016	VSPP-PEA-035/2015
Signing Date <sup>/1</sup>	28 Sep 2011	9 Mar 2016	27 Jul 2015
Maximum amount of electricity purchased	7.2 Megawatts	9.7 Megawatts	3.4 Megawatts
Power distribution location	Tha Chang District, Surat Thani Province	Tha Chang District, Surat Thani Province	Tha Chang District, Surat Thani Province
Scheduled Commercial Operation Date (SCOD)	31 May 2014	12 Dec 2018	31 Mar 2019
Commercial Operation Date (COD)	8 May 2014	7 Nov 2019	20 May 2021
Power purchase period <sup>/2</sup>	13 years, 9 months, 28 days <sup>/3</sup>	15 years and 4 months from COD	20 years from COD
Determination of electricity tariffs in electricity trading	<b>The FiT rate comprises the following:</b> <ol style="list-style-type: none"> <li>1. The FiT Fixed (FiTF) rate is 2.39 baht per unit.</li> <li>2. The FiT Variable (FiTV) rate as announced by the ERC (FiTV will continue to increase in line with the basic inflation rate)</li> <li>3. The FiT Premium rate for biomass fuel group projects is 0.30 baht per unit (for the first eight years from COD).</li> </ol>		



Project	TGE <sup>/4</sup>	TPG	TBP <sup>/5</sup>
Use and termination of the contract	<p><b>This contract is effective until it is terminated in the following cases:</b></p> <ol style="list-style-type: none"> <li>1. The power producer submits a letter to the Provincial Electricity Authority expressing their intention to cease power supplies by terminating the contract.</li> <li>2. If either party fails to comply with any contract clause, have the other party make a written notice to that party to make corrections. If not corrected, the other party can terminate this contract.</li> <li>3. Upon expiration of the project, according to the period and the conditions in the ERC announcement.</li> </ol> <p><i>Note: If there is no power supply commencement within 12 months from the SCOD date specified in the contract, the power purchase agreement is considered terminated.</i></p>		

<sup>/1</sup> TGE and TPG additionally amended the agreement on September 26, 2016, to change from selling power from Adder to Feed-in Tariff (FiT), resulting in the power purchase price and contract period to comply with the announcement of the Energy Regulatory Commission, RE: Purchase of electricity from renewable energy (Power generation projects that use biomass fuel) during the transition from Adder to FiT model, B.E. 2559 (2016), effective from March 11, 2016 ("FiT Notification 2016"). TBP additionally amended the contract on September 15, 2015, to change from selling power from Adder to a FiT, resulting in the power purchase price and contract period to comply with the announcement of the Energy Regulatory Commission, RE: Purchase of electricity from renewable energy (Power generation projects that use biomass fuel) during the transition from Adder to FiT model, B.E. 2558 (2015), effective from June 2015 ("FiT Announcement 2015").

<sup>/2</sup> After the expiration of the FiT contract, the project may be considered to extend the power purchase agreement for a reduction period. Considering the renewal of the power purchase agreement, there must be a power purchase rate that concerns the public interest as priority, according to the 2016 FiT announcement.

<sup>/3</sup> A period after the 2016 FiT announcement became effective (March 11, 2016), by counting the original power purchase period of 20 years, deducting the Adder period of 22 months and 3 days, and the reduction period of 52 months according to the FiT announcement in 2016.

<sup>/4</sup> TGE amended the contract on January 24, 2018, to accept the transfer of rights and obligations under the power purchase agreement from TCP.

<sup>/5</sup> TBP has agreed to amend the power purchase agreement No. 2 with PEA, details in Section 2.2.

## 2.2 The Power Purchase Agreement with the Provincial Electricity Authority ("PEA")-Short period agreement

Project	TBP
Contract title	Amendment No. 2 to the Power Purchase Agreement
Contract No.	VSPP-PEA-035/2015
Signing date <sup>/1</sup>	May 5, 2022
Maximum amount of power purchased	An additional 6.0 megawatts from 3.4 megawatts, resulting in 9.4 megawatts.
Power distribution location	Tha Chang District, Surat Thani Province
Power purchase rate	As determined by the National Energy Policy Council (NEPC) or as determined by the Energy Policy Executive Committee (NEPC) by the assignment of the National Energy Policy Council (NEPC), equal to 2.20 baht per unit <sup>/1</sup>
Power purchase period <sup>/1</sup>	A year-to-year purchase, no more than 2 years, in the form of a non-firm contract

Note <sup>/1</sup> Referring to the resolution of the Energy Policy Administration Committee No. 6/2022, dated March 31, 2022.

## 2.3 Important contracts related to biomass power plants

The Memorandum of Agreement to jointly manage raw materials, products, and spare parts

Contract parties	TGE TPG and TBP
Relationship between parties	TPG and TBP are 99.99 percent owned by TGE as its subsidiaries
Signing date	October 1, 2021
Contract term	Effective from July 1, 2021 until either party terminates the contract in writing.
Objective	To manage 1) raw materials or biomass products, such as empty palm bunches, chopped palm bunches, palm fibers, wood chips, shell dust, palm shells, and other biomass products, to be used as biomass fuel in the power generation business, 2) electric power and demineralized water, including 3) spare part, such as materials, parts, equipment, tools, and spare parts of engines and machines used in the power generation business together.
Purchase price	<ul style="list-style-type: none"> <li>Prices of raw materials or biomass products are based on average cost plus a 1.53 percent profit margin.</li> <li>Electricity energy prices refer to prices purchased from the Provincial Electricity Authority. The price of demineralized water is based on the average cost plus a profit margin of 3 percent.</li> <li>The price of spare parts inventory is based on average cost plus a profit margin of 1.53 percent.</li> </ul>
Significant condition	<ul style="list-style-type: none"> <li>The Parties understand that the sharing of raw materials, products, and spare part inventory among themselves under this memorandum is the right of each party to allocate raw materials, products, and spare part inventory as it deems appropriate.</li> </ul>

## 2.4 Biomass Purchase Agreement

Buyer	TGE TPG and TBP	TGE TPG and TBP
Seller	TCP	TBF
Relationship between parties	The parties have common directors and shareholders.	
Signing date	January 1, 2019	January 2, 2021
Contract term	Effective from January 1, 2019, until either party terminates the contract in writing.	Effective from January 1, 2021, until either party terminates the contract in writing.
Objective	To trade biomass materials, including empty palm bunches, palm fibers, dust shells, and palm shells for use as biomass fuels in business operations.	To trade biomass, including wood chips, root wood chips, palm tree chips, and other biomass products.
Trading volume	Not less than 70,000 tons per year as the buyer will inform the seller from time to time.	Not less than 10,000 tons per year as the buyer will inform the seller from time to time.



Purchase price	The biomass price is calculated from the average selling price of the whole month that the buyer buys biomass from third parties and deducts a discount of not more than 10 percent depending on the amount of biomass purchased. The seller is responsible for transportation costs.	The trading price is based on the general market trading price.
Significant condition	<ul style="list-style-type: none"> <li>• If either party wishes to terminate the contract, written notice shall be sent to the parties at least 30 days before the contract expiration.</li> <li>• Ownership and risk of biomass will pass to the purchaser when the purchaser has issued proof of acceptance to the seller after completing the quality check.</li> <li>• The buyer must complete the biomass quality inspection within seven (7) days from the initial acceptance date.</li> </ul> <p>If the seller cannot deliver the biomass to the buyer in quantity specified, the buyer has the right to terminate the contract. Or exercise the right in other ways to force the seller to pay damages to the buyer.</p>	

### 3. Electricity, steam, and RO water purchase agreements

Buyer	TGE	TBP	TBP
Seller	TCP	TCP	TCR
Relationship between parties	The parties have common directors and shareholders.		
Signing date	January 1, 2019	October 1, 2019	May 1, 2021
Contract term	Effective from January 1, 2019, until either party terminates the contract in writing.	Effective from November 1, 2019, until either party terminates the contract in writing.	Effective from May 1, 2021, until either party terminates the contract in writing.
Electricity volume	1.0 megawatts per hour	6.0 megawatts per hour	1.0 megawatts per hour
Steam volume	48 tons per hour	48 tons per hour	48 tons per hour
Price	The power purchase price is based on the price purchased from the Provincial Electricity Authority. The steam price is based on the average cost plus a profit margin of 3 percent.		
Objective	To use in the business of the buyer		
Significant condition	If either party wishes to terminate the contract, written notice shall be sent to the other party at least 30 days in advance of the contract expiration.		

Buyer	TGE
Seller	TCP
Relationship between parties	The parties have common directors and shareholders.
Signing date	February 1, 2020
Contract term	Effective from February 1, 2020, until either party terminates the contract in writing.
Volume	According to the meter of the amount of RO water consumption
Price	RO water purchase price is based on average cost plus a 3 percent profit margin.
Objective	To use in the business of the buyer
Significant condition	If either party wishes to terminate the contract, written notice shall be sent to the other party at least 30 days before the contract expiration.

#### 4. Land Lease Agreements

##### Thachang Green Energy Public Company Limited

Lessee	TGE	
Lessor	TCP	
Relationship between parties	The parties have common directors and shareholders.	
Signing date	January 29, 2018	January 1, 2018
Leased space	3 plots of land in Sawiat Subdistrict, Tha Chang District, Surat Thani Province, the total area is 37 rai, 1 ngan, and 72 square wah.	4 plots of land (partial), Sawiat Subdistrict, Tha Chang District, Surat Thani Province, the total area is 29,015 square meters.
Objective	The land shall be used to establish a power plant and operate a business related to electricity production, including renting raw water wells and wastewater wells on the leased land.	The land shall be used to construct roads, cafeterias, dormitories, and parking lots.
Rental fee	1,347,000 baht per year, the rent will be increased by 3 percent per year and will be paid every January 30 <sup>th</sup> .	652,547.35 baht per year, the rent will be reappraised every 5 years and paid every January 30 <sup>th</sup> .
Rental period	December 29, 2017 – May 7, 2034	January 1, 2018 – May 7, 2034
Significant condition	<ul style="list-style-type: none"> <li>At the expiration of the lease period, the lessor gives the lessee the right to extend the lease agreement for another period as agreed upon under the original terms and conditions, provided that the lessee shall notify the lessee in writing at least 2 months before the end of the rental period.</li> <li>The lessee will be responsible for taxes related to the leased land, such as property tax and land and building taxes. The lessor will be responsible for the stamp duty, rental registration fee, and other fees for this rental.</li> </ul>	



## Thachang Power Green Company Limited

Lessee	TPG	
Lessor	TCP	
Relationship between parties	The parties have common directors and shareholders.	
Signing date	January 1, 2018	January 1, 2019
Leased space	2 plots of land in Tha Chang Subdistrict, Tha Chang District, Surat Thani Province, the total area is 32 rai, 2 ngan, and 80 square wah.	3 plots of land in Tha Chang Subdistrict, Tha Chang District, Surat Thani Province, the total area is 24 rai and 5 square wah.
Objective	The land shall be used to establish a power plant and operate a business related to electricity production.	The land shall be used to develop, adapt, and improve, including the construction of a power plant building or other buildings for use in businesses related to the production of electricity and steam.
Rental fee	1,176,800 baht per year, the rent will be increased by 3 percent per year and will be paid every January 30 <sup>th</sup> .	865,000 baht per year, the rent will be increased by 3 percent per year and will be paid every January 30 <sup>th</sup> .
Rental period	January 1, 2018 – June 30, 2039	January 1, 2019 – June 30, 2039
Significant condition	<ul style="list-style-type: none"> <li>At the expiration of the lease period, the lessor gives the lessee the right to extend the lease agreement for another period as agreed upon under the original terms and conditions. But in any case, the lessor shall not increase the rent by more than 10 percent of the current rate. However, the lessee shall notify the lessee in writing at least 2 months before the end of the rental period.</li> <li>The lessee will be responsible for taxes related to the leased land, such as property tax and land and building taxes. The lessor will be responsible for the stamp duty, rental registration fee, and other fees for this rental.</li> </ul>	



Sub-lessor	TGE
Sub-lessee	TPG
Relationship between parties	The area user is a subsidiary (Subsidiary in which the TGE holds 99.99 percent of shares)
Signing date	August 1, 2018
Leased space	577 square meters
Objective	The land shall be used to establish a fuel production plant, or electricity, and steam production business.
Rental fee	12,976 baht per year
Rental period	16 years (August 1, 2018 – May 7, 2034)
Significant condition	<ul style="list-style-type: none"> <li>• The rent shall be increased by 3 percent annually.</li> <li>• Upon the contract's expiration, TPG can renew the contract as agreed upon by notifying at least 2 months before the end of the lease period.</li> <li>• TPG agrees to bear the property and land tax, local maintenance tax, and other taxes related to the area.</li> </ul>

### Thachang Bio Power Company Limited

Lessee	TBP
Lessor	TCP
Relationship between parties	The parties have common directors and shareholders.
Signing date	January 1, 2018
Leased space	3 plots of land (partially) in Tha Chang Subdistrict, Tha Chang District, Surat Thani Province, the total area is 10 rai, 2 ngan, and 81 square wah.
Objective	The land shall be used to establish a power plant and operate a business related to producing electricity and steam.
Rental fee	385,150 baht per year, the rent will be increased by 3 percent per year, and the rent will be paid every January 30 <sup>th</sup> .
Rental period	January 1, 2018 – June 30, 2041
Significant condition	<ul style="list-style-type: none"> <li>• At the expiration of the lease period, the lessor gives the lessee the right to extend the lease agreement for another period as agreed upon under the original terms and conditions, provided that the lessee shall notify the lessee in writing at least 2 months before the end of the rental period.</li> <li>• The lessee will be responsible for taxes related to the leased land, such as property tax and land and building taxes. The lessor will be responsible for the stamp duty, rental registration fee, and other fees for this rental.</li> </ul>



## 5. The premises use agreement

Rights holder	TGE		
Rights user	TCP	TCR	TCL
Relationship between parties	The parties have common directors and shareholders.	The parties have common directors and shareholders.	The parties have common directors and shareholders.
Signing date	January 1, 2022	January 1, 2022	January 1, 2022
Premises area	<ul style="list-style-type: none"> <li>Canteen building area, 854 square meters</li> <li>Parking area, 4,150 square meters</li> <li>Road area, 23,497 square meters</li> </ul>		
Objective	The premises shall be used as the entrance and exit for regular operation and to support the general administrative business operations of the rights user.		
Rental fee	55,300 baht per month	52,400 baht per month	8,000 baht per month
Rental period	The agreement is effective from January 1, 2022, until either party terminates the contract in writing 30 days before the contract termination date.		
Significant condition	TGE agrees to bare the property and land taxes, local maintenance tax, and other taxes related to the area.		

Grantor	TCR		
Grantee	TGE		
Relationship between parties	The parties have common directors and shareholders.		
Signing date	January 1, 2020		
Premises area	39 square meters		
Objective	The premises shall be used as offices, meeting rooms, and common areas		
Rental fee	6,825 baht per month		
Rental period	The agreement is effective from January 1, 2020, until either party terminates the contract in writing 30 days before the contract termination date.		
Significant condition	TCR agrees to bare the property and land taxes, local maintenance tax, and other taxes related to the area.		

## 2.4 Significant contracts related to the community Municipal Solid Waste power plants

### 1) Community Municipal Solid Waste Power Plant, Sa Kaeo

Contract title	Contract for the construction and management of municipal solid waste disposal systems
Promiser	TES SKW
Contractor	Watthana Nakhon Subdistrict Municipality, Sa Kaeo ("Municipality")
Relationship between parties	The contractor has no relationship with the Group.
Signing date	August 21, 2019
Contractual agreement	<ul style="list-style-type: none"> <li>According to the agreed technical proposal, construct a municipal solid waste disposal system to dispose of at least 250 tons of solid waste daily and install a standardized pollution treatment system. Each year, it must be operated for at least 305 days unless required to stop according to the maintenance plan.</li> <li>To construct public utilities for implementing the project on state-owned land, which the municipality has been permitted to use for compensation, with an area of approximately 295 rai.</li> <li>The municipality agrees that TES SKW is granted the right to manage the solid waste disposal system for 20 years from the date TES SKW starts distributing electricity to the PEA system.</li> </ul>
Operating fee	<ul style="list-style-type: none"> <li>TES SKW agrees to pay compensation for land usage for 295,000 baht per year to the municipality.</li> <li>TES SKW agrees to dispose of old and new solid waste of municipality free of charge.</li> <li>TES SKW agrees to dispose of solid waste of the local administrative organization in Sa Kaeo Province (SAO), which has entered into a memorandum of cooperation in waste disposal with the municipality. The ten-year waste disposal fee is 550 baht per ton (including VAT, other taxes, and all expenses). After the 11th to the 20th year, the disposal rate will be reviewed every five years. TES SKW has the right to request an increase in the waste disposal fee according to inflation not exceeding 10 percent every 5 years.</li> <li>TES SKW shall compensate the municipality 1.5 percent of the revenue generated from waste processing, recycling, selling electricity (if any), and any other income, including the benefits that can be calculated in money.</li> </ul>
Contract term	20 years from the date TES SKW started distributing electricity into the PEA system.
Significant condition	<ul style="list-style-type: none"> <li>TES SKW certifies that the municipal solid waste disposal system will cost a minimum of 593 million baht to construct and install machinery and equipment.</li> <li>TES SKW proposes detailed plans and system construction drawings and estimates the cost and efficiency of the system to be used by municipalities for approval.</li> <li>TES SKW must insure property and casualty coverage according to the conditions and amounts approved by the municipality and specify the benefit adjuster by the municipality, with TES SKW paying the premiums.</li> <li>The municipalities and LAOs in Sa Kaeo Province will send waste to the system for disposal of at least 250 tons per day throughout the contract period.</li> <li>TES SKW must complete the construction of the system and supply electricity to the PEA system within 5 years from the date of delivery of the area.</li> <li>TES SKW must dispose of old waste of the contractor at least 100 tons per day until the old waste is gone.</li> <li>The construction, buildings, machinery, materials, durable goods, and other equipment of the system under this contract are to become the municipality's property from the contract expiration date (BOOT) or the contract's termination date. It must be in effective working condition before delivery.</li> </ul>



- TES SKW shall be responsible for any damage and defect of delivered and transferred systems to the municipality for 5 years after the contract expiration or when the contract is terminated .
- If TES SKW cannot complete the system construction within the specified period, TES SKW has to pay a fine to the municipality at the rate of 10,000 baht per day from the contract's due date.
- The municipality has the right to terminate this contract if TES SKW fails to comply with the agreement, ignores fixing defects, becomes bankrupt, lacks qualifications, or cannot invest in state affairs.
- Before starting the construction, TES SKW must obtain a construction permit, factory license, electricity production license, and permission to perform other activities as required by law.

## 2) Municipal Solid Waste Power Plant, Chumphon

Contract title	Contract for construction and management of converting municipal solid waste into electricity project, Chumphon Municipality
Promiser	TES CPN
Contractor	Chumphon Subdistrict Municipality, Mueang District, Chumphon Province ("Municipality")
Relationship between parties	The contractor has no relationship with the Group.
Signing date	December 17, 2020
Contractual agreement	<ul style="list-style-type: none"> <li>• To invest in the construction and management of converting municipal solid waste into electricity project that can dispose of at least 200 tons of solid waste daily, including a power generation system and a standardized pollution treatment system according to the agreed-upon technical proposals. The project must continue with the conversion unless required to stop according to the maintenance plan.</li> <li>• To construct public utilities for implementing the project on the land provided by TES CPN with an area of approximately 27 rai.</li> <li>• The municipality agrees that TES CPN is entitled to manage the project for 20 years from the date TES CPN notifies the commencement of the project.</li> </ul>
Operating fee	<ul style="list-style-type: none"> <li>• The municipality and SAO of Hat Phan Krai do not have to pay waste disposal fees throughout the contract period.</li> <li>• TES CPN can charge a waste disposal fee of 600 baht per ton (including VAT, other taxes, and all expenses) to other users except the municipality and SAO of Hat Phan Krai. Furthermore, TES CPN is entitled to increase the waste disposal fee according to inflation by no more than 10 percent every 5 years.</li> <li>• TES CPN shall contribute not less than 5 percent of the waste disposal service fee collected as a fund to the municipality for expenses determined by the Municipality Committee.</li> <li>• TES CPN shall contribute 10 baht per ton of waste disposal service fees collected to the Community Welfare Fund to promote public benefits in the community.</li> <li>• TES CPN shall pay the municipality a compensation of 0.5 percent of the net profit from the sale of electricity.</li> </ul>
Contract term	<ul style="list-style-type: none"> <li>• 20 years from the date TES CPN started distributing electricity into the PEA system.</li> </ul>

Significant condition	<ul style="list-style-type: none"> <li>• TES CPN certifies that the municipal solid waste disposal system will cost a minimum of 812 million baht to construct and install machinery and equipment.</li> <li>• TES CPN proposes a project site management plan, the pollution prevention and leachate prevention system outside the area, including a layout plan, cost estimation, a construction plan, an operation plan for digging old waste. In addition, TES CPN proposes a layout plan, construction plan, and operation plan to improve the landscape of the solid waste disposal site to the municipality for approval.</li> <li>• TES CPN shall insure property and casualty insurance according to the property's value throughout the project's life with the insurance company approved by the municipality. TES CPN shall bear the cost and renew the policies to be effective until the end of the contract.</li> <li>• When starting the project, the municipality and local governments in Chumphon Province (DAO) entered into a memorandum of agreement to provide public services in waste management with the municipality to deliver waste into the system for disposal. Throughout the contract period, TES CPN has to dig and excavate the waste from the municipality's former waste disposal site at least 100 tons per day, and the combination of waste to be disposed of in the system must be over 200 tons daily.</li> <li>• TES CPN will dispose of old waste of the municipality according to the operation plan to dig old waste of at least 100 tons daily free of charge. In addition, TES CPN shall bear the cost of improving the landscape around the old landfill area of the municipality before returning the area to the municipality within the period under this contract.</li> <li>• TES CPN must complete the construction of the system and supply electricity to the PEA system within 5 years from the contract signing date.</li> <li>• Land, constructions, buildings, machinery, materials, durable goods, and other equipment of the system under this contract are to become the municipality's property from the contract expiration date (BOOT) or the contract termination date.</li> <li>• TES CPN remains responsible for the system's failure after contract expiration or termination for 5 years after delivery and transfer to the municipality.</li> <li>• Suppose the municipality does not accept the ownership transfer. In that case, TES CPN is responsible for demolishing constructions, buildings, machinery, materials, durable goods, and other equipment of the system at the expense of TES CPN.</li> <li>• If TES CPN cannot complete the system construction within the specified period, TES CPN has to pay a fine to the municipality at the rate of 81,200 baht per day from the contract's due date.</li> <li>• The municipality has the right to terminate this contract if TES CPN fails to comply with the agreement, ignores fixing defects, becomes bankrupt, lacks qualifications, or cannot invest in state affairs. TES SKW must obtain a construction permit, factory license, electricity production license, and permission to perform other activities as required by law.</li> <li>• Before starting the construction, TES CPN must comply with the following requirements: <ol style="list-style-type: none"> <li>1. Obtaining an electricity generation license and managing the environment, safety, and impacts that may occur in nearby communities according to the regulations of the ERC.</li> <li>2. Obtaining a factory license (Ror. Ngor.4) according to the announcement of the Ministry of Industry.</li> <li>3. Operating according to the government's requirements, rules, regulations, and all relevant laws.</li> </ol> </li> </ul>
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### 3) Municipal Solid Waste Power Plant, Ratchaburi

Contract title	Contract granting the private sector the right to operate a comprehensive solid waste management project in Ratchaburi
Promiser	TES RBR
Contractor	Ratchaburi Provincial Administrative Organization ("Ratchaburi Provincial Administrative Organization")



Relationship between parties	The contractor has no relationship with the Group.
Signing date	October 8, 2021
Contractual agreement	<ul style="list-style-type: none"> <li>To invest in the construction and management of waste disposal according to the comprehensive solid waste management project, Ratchaburi Province. The solid waste will be used as fuel to generate electricity with a minimum installed capacity of 7 MW but less than 10 MW and has a continuous operation that can dispose of at least 400 tons of solid waste daily, including a power generation system and a pollution treatment system that meets the standards according to the agreed technical proposal.</li> <li>To construct the project on land owned by TES RBR, an approximately 25 rai, located in the area approved by the Ratchaburi Provincial Administrative Organization.</li> <li>Ratchaburi Provincial Administrative Organization agrees to grant TES RBR the rights to construct and manage the project for 25 years from the contract's signing date.</li> <li>This contract is a Build Own and Operate (BOO) contract in which TES RBR invests and bears all construction costs, management, and operation of the project throughout the contract period.</li> </ul>
Operating fee	<ul style="list-style-type: none"> <li>TES RBR agrees to dispose of solid waste to the Ratchaburi Provincial Administrative Organization without any other charges.</li> <li>TES RBR agrees to dispose of solid waste of the local government organizations in Ratchaburi province, which has entered into a memorandum of agreement with the Ratchaburi Provincial Administrative Organization to send waste to be disposed of in the project. The waste disposal rate is 450 baht per ton (including VAT, other taxes, and all expenses). The Ratchaburi Provincial Administrative Organization and TES RBR may jointly consider increasing but not exceeding 10 percent every 5 years.</li> <li>TES RBR shall contribute not less than 5 percent of the waste disposal service fee collected from starting the service to the Ratchaburi Provincial Administrative Organization.</li> <li>TES RBR shall contribute not less than 100,000 per year to the Community Welfare Fund to promote public benefits in the community from starting the project. However, upon beginning the waste disposal service, TES RBR shall contribute not less than 2,500,000 per year until the expiration of the contract.</li> </ul>
Contract term	25 years from the contract signing date
Significant condition	<ul style="list-style-type: none"> <li>TES RBR certifies that the municipal solid waste disposal system will cost a minimum of 1,125 million baht to construct and install machinery and equipment.</li> <li>The Ratchaburi Provincial Administrative Organization has entered into a memorandum of agreement to deliver solid waste to dispose of at the project approximately 400 tons daily throughout the contract term. However, if the waste to dispose of at the project is less than the specified volume, TES RBR has no right to claim any expenses or damages from the Ratchaburi PAO.</li> <li>TES RBR must complete the construction of the system and commence the service within 5 years from the contract signing date.</li> <li>At the expiration of this contract, TES RBR is not required to deliver the project's land, constructions, buildings, factories, machines, and equipment to contractors (BOO).</li> <li>TES RBR shall insure property and casualty insurance according to the property's value throughout the project's life with the insurance company approved by the Ratchaburi PAO. TES RBR shall bear the insurance premium.</li> <li>If TES RBR cannot complete the system construction within the specified period, TES RBR has to pay a fine to the Ratchaburi PAO at the rate of 180,000 baht per day from the contract's due date.</li> <li>The Ratchaburi PAO has the right to terminate this contract if TES RBR fails to comply with the agreement, ignores fixing defects, becomes bankrupt, lacks qualifications, or cannot invest in state affairs.</li> <li>Before starting the construction, TES RBR must comply with the following requirements: <ol style="list-style-type: none"> <li>Obtaining an electricity generation license and managing the environment, safety, and impacts that may occur in nearby communities according to the regulations of the ERC.</li> <li>Obtaining a factory license (Ror. Ngor.4) according to the announcement of the Ministry of Industry.</li> </ol> </li> </ul>



#### 4. Solid Waste Disposal Agreement

Contractor	TES SKW
Principal	16 local administration organizations and 4 private operators
Relationship between parties	The principal has no relationship with the Group.
Objective	To carry out solid waste disposal
Hiring rate	550 baht per ton
Contract term	12 months

#### 5. Contracts for consulting and operation service to obtain a co-investment contract with the municipality

Principal	<ol style="list-style-type: none"> <li>1. TES SKW</li> <li>2. TES CPN</li> <li>3. TES RBR</li> </ol>
Contractor	<ol style="list-style-type: none"> <li>1. S.Sukhansar 206 Company Limited (Sa Kaeo Province)</li> <li>2. Change Trading &amp; Engineering Company Limited (Sa Kaeo Province)</li> <li>3. Our Energy and Earth Company Limited (Chumphon and Ratchaburi Provinces)</li> <li>4. VS Consultant Limited Partnership (Chumphon Province)</li> <li>5. Thanisa Engineering Company Limited (Chumphon and Ratchaburi Provinces)</li> </ol>
Relationship between parties	The principals have no relationship with the Group.
Objective	To hire contractors as consultants to coordinate with related parties for the principals to be awarded the contract with the municipality or PAO.
Hiring rate	At the rate specified in the contract
Contract term	36 months from the signing date
Main point	<p><b>Scope of work</b></p> <ul style="list-style-type: none"> <li>• To coordinate and prepare the project, starting from document preparation, communicating, landfill relating process, suppliers procurement, processing with construction-related regulators, procurement of machinery, equipment, raw materials, personnel, labor and procurement sources as well as obtaining a license to operate a power plant business and other related licenses</li> </ul>



## 6. Outsourcing contract for the consultant of project management and services

Principal	TES SKW	TES RBR
Contractor	S.Sukhansar 206 Company Limited	Ratchaburi Thanasarn Service Company Limited
Province	Sa Kaeo	Ratchaburi
Relationship between parties	The principals have no relationship with the Group.	
Objective	To be the consultants of project management and services	
Hiring rate	At the rate specified in the contract	
Contract term	20 years	20 years
Main point	<b>Scope of work</b> <ul style="list-style-type: none"> <li>To provide administrative service for corporate social responsibility (CSR) and problem-solving in affected areas, areas adjacent to landfills, and waste power plants to coexist with landfills and power plants in a friendly and sustainable way without mass opposition.</li> <li>To provide waste volume administration and management, the amount of waste in the contract must not be less than the specified tons to be sufficient for electricity production.</li> <li>To provide management of security affairs to oversee the safety of the area, health, and environment that must meet the Ministry of Public Health standards, including the safety of life and property of the project.</li> <li>To set up community committees to participate in project management to listen to problems from operations.</li> <li>To manage community welfare work in return for the use of the area that may affect various aspects of living together in peace and sustainability.</li> <li>To manage and process invoicing, receive payments, and follow up on payments for waste disposal services under the supervision of the principals' accounting department.</li> <li>To take ashes from the employer's production process to a landfill in a sanitary manner.</li> <li>To prepare reports to the municipality or local administrative organization.</li> </ul>	

## 7. Land Purchase Agreement

Buyer	TES CPN
Seller	Mr. Sombat Meesaeng
Relationship between parties	The seller has no relationship with the Group.
Objective	To purchase the land for use in the power plant business, Chumphon Province
Signing date	April 28, 2020
Land details	2 plots of land, Deed No. 66462 and 45507. A total of 27 rai, 2 ngan, and 85 square wah, in Hat Phan Krai Subdistrict Mueang Chumphon District, Chumphon Province.
Price	At the rate specified in the contract

Significant condition	<ul style="list-style-type: none"> <li>• Pay the 1st installment of 10 percent of the purchase price on the contract signing date.</li> <li>• Pay the 2nd installment of 40 percent of the purchase price after the buyer has signed a contract for the construction and management of municipal solid waste disposal systems with the Chumphon Municipality.</li> <li>• Pay the 3rd installment of 50 percent of the purchase price after the buyer has signed the power purchase agreement with the PEA.</li> </ul>
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## 2.5 Other relevant significant contracts

### Service agreements

Service provider	TGE
Service recipient	TPG TBP IIa: TES SKW
Relationship between parties	The service users are subsidiaries (subsidiaries that TGE holds 99.99 percent of shares)
Signing date	October 1, 2021
Contract term	Effective from October 1, 2020, until either party terminates the contract in writing 30 days before the contract termination date.
Service fee	The service fee is calculated from the allocation of expenses incurred to provide services plus a rate of 5 percent.
Significant condition	<ul style="list-style-type: none"> <li>• The parties have the right to terminate the contract by providing written notice to another party at least 30 days before the contract termination date.</li> <li>• The scope of services covers 1) accounting and reporting work and financial management; 2) internal control management; 3) human resource management, general procurement, and information technology; 4) factory administrative and management and general administration; 5) maintenance management and administration; 6) procurement, weighing, and raw material acceptance services; 7) quality control system services; 8) warehouse and quality inspection services.</li> </ul>

### Information Technology Service agreements

Service provider	TCP
Service recipient	TGE
Relationship between parties	The parties have common directors and shareholders.
Signing date	January 1, 2022
Contract term	January 1, 2022, onward
Service fee	98,440 baht per month
Significant condition	<ul style="list-style-type: none"> <li>• The parties have the right to terminate the contract by providing written notice to another party at least 30 days before the contract termination date.</li> <li>• The scope of services covers 1) hardware and software services related to the infrastructure; 2) development and maintenance service for product weighing system using weighing scales; 3) organizing a support team to assist and solve problems related to IT systems; 4) examination of assets related to IT systems; 5) checking the security of accessing the organization's network system; 6) advising on developing and improving IT systems.</li> </ul>



## 2.6 Loan Agreements from Financial Institutions

As of December 31, 2022, the Company has the credit lines with 2 commercial banks as follows:

Lender	Financial Institution #1
Borrower	TGE
Credit line	1) A credit line of a long-term loan of 600 million baht; 2) A credit line of the promissory note (P/N) of 80 million baht; 3) A credit line of the letter of guarantee (LG) of 3 million baht; 4) A credit line of hedging against risks of 600 million baht
Outstanding	1) A long-term loan of 375.0 million baht
Signing date	October 3, 2018
Contract term	96 months
Interest rate	Not less than THOR+1.8 percent per annum
Objective	To compensate the construction costs and the cost of machinery and equipment back to the Company from the acquisition of the biomass power generation business from TCP.
Significant condition	<ul style="list-style-type: none"> <li>In the case of changes in the structure of shareholders, executives, directors, mergers, and capital reductions, including debt creation, which is not normal for the business, it needs written consent from the lender. Dividend payment cannot be made if the Company has overdue loan outstanding, or breaches the repayment condition until the overdue loan outstanding or breach of repayment condition is resolved. However, suppose the Company changes the structure of shareholders, executives, or directors without first seeking approval from the bank. In that case, a person in the "Wanasuwankul" family must be the authorized signatory and maintains a stake in the Company, directly or indirectly, not less than 30 percent of the paid-up registered capital. And when combined with the shareholding by TCG Holding, it must not be less than 50 percent of the paid-up capital, in which the family members of "Wanasuwankul" must hold 100 percent of shares in TCG Holding throughout the term of this contract. The Company must notify the bank of any change within 7 days from the change date.</li> <li>If trading assets are less than the working capital available to all financial institutions, the Company shall use the money to reduce the debt amount to be in line with trading assets within 15 days.</li> <li>Any loans the Company borrows from the directors, shareholders, and the Group of shareholders, they shall be treated as a subordinated loan., The principal and interest can be repaid after the lender has received repayment.</li> <li>TGE shall maintain the IBD/E ratio of not more than 2:1 for the dividend payment.</li> </ul>
Collateral	<ul style="list-style-type: none"> <li>Mortgage the biomass power plant constructions possessed by TGE, located on the land under the Nor Sor. 3 Kor No. 1455, 1457, 1662, owned by TCP. The mortgage amount is not less than 230 million baht.</li> <li>Leasehold rights between TGE and TCP, on the land under the Nor Sor. 3 Kor No. 1455, 1457, 1662, in Tha Chang District, Surat Thani Province. The mortgage amount is not less than 145 million baht.</li> <li>Use 16 machines worth 580.48 million baht in Tha Chang District, Surat Thani Province, as the business collateral. The mortgage amount is not less than 546 million baht.</li> </ul>
Guarantor	Mr. Thanakorn, Ms. Phenphan, Mr. Pongnarin, Mr. Pongnarate, Ms. Laongtip Wanasuwankul guarantee the amount of not less than 686 million baht. However, the guarantee has been canceled after the first trading day of the Company's shares on the Stock Exchange of Thailand.

Lender	Financial Institution #1	Financial Institution #2
Borrower	TBP	TPG
Credit line	<ol style="list-style-type: none"> <li>1) A credit line of a long-term loan of 435 million baht;</li> <li>2) A credit line of a promissory note (P/N) of 25 million baht;</li> <li>3) A credit line of the letter of guarantee (LG) of 3 million baht;</li> <li>4) A credit line of hedging against risks of 535 million baht</li> </ol>	<ol style="list-style-type: none"> <li>1) A credit line of a long-term loan of 560 million baht;</li> <li>2) A credit line of an overdraft (O/D) of 10 million baht;</li> <li>3) A credit line of a short-term loan of 80 million baht;</li> <li>4) A credit line of the letter of guarantee (LG) of 10 million baht; 5 A credit line of hedging against risks of 560 million baht</li> </ol>
Outstanding	1) A long-term loan of 325.0 million baht	1) A long-term loan of 344.0 million baht
Signing date	December 20, 2018	September 5, 2018
Contract term	108 months	96 months
Interest rate	Not less than THOR+1.8 percent	MLR – 2.00 percent per year
Objective	To be used in paying for the construction cost, machinery and equipment in the biomass power plant	To support the power plant construction cost, system, interior, machinery, equipment & spare parts, and fixtures related to power production business.
Significant condition	<ul style="list-style-type: none"> <li>• In the case of changes in the structure of shareholders, executives, directors, mergers, and capital reductions, including debt creation, which is not in the normal condition for the business, and dividend payment, they require written consent from the lender.</li> <li>• If trading assets are less than the working capital available to all financial institutions, the Company shall use the money to reduce the debt amount to be in line with trading assets within 15 days.</li> <li>• Any loans the Company borrows from the directors, shareholders, and the group of shareholders, shall be treated as a subordinated loan. The principal and interest can be repaid after the lender has received repayment.</li> <li>• TBP shall maintain the IBD/E ratio of not more than 2:1 for the dividend payment.</li> </ul>	<ul style="list-style-type: none"> <li>• From 2020, the Company has been required to maintain a debt to equity ratio of no more than 2:1 and a DSCR of no less than 1.2:1 unless the lender deems appropriate.</li> <li>• Not paying dividends or any returns to shareholders either one or all unless the lender see that such action does not affect the Company's ability to repay debts.</li> <li>• The shareholding percentage does not change from the date of this contract, unless receiving the consent of the lender.</li> <li>• Do not change the juristic person status, memorandum of association, articles of association, objectives, unless consent is obtained from the lender.</li> <li>• Since 2020, if there is a loan from a director, the Company agrees to treat the loan debt as a subordinated debt. The Company will not pay the subordinated debt until the debt has been repaid to the lender in full or receiving written consent from the lender.</li> </ul>
Collateral	<ul style="list-style-type: none"> <li>• Mortgage the biomass power plant buildings possessed by TBP, located on the land under the Nor Sor. 3 Kor No. 1455, 1456, 1457, owned by TCP. The mortgage amount is not less than 60 million baht.</li> <li>• Leasehold rights between TBP and TCP, on the land under the Nor Sor. 3 Kor No. 1455, 1456, 1457, in Tha Chang District, Surat Thani Province. The mortgage amount is not less than 100 million baht.</li> <li>• Use 9 machines worth 560 million baht in Tha Chang District, Surat Thani Province, as the business collateral. The mortgage amount is not less than 455 million baht.</li> </ul>	<ul style="list-style-type: none"> <li>• Mortgage the biomass power plant buildings possessed by TPG, located on the land under the Nor Sor. 3 Kor No. 1117 and 1118, owned by TCP. The mortgage amount is not less than 766.4 million baht.</li> <li>• Leasehold rights between TCP and TPG on the land under the Nor Sor. 3 Kor No. 1117 and 1118, in Tha Chang District, Surat Thani Province.</li> <li>• Use machines in Tha Chang District, Surat Thani Province, as the business collateral. The mortgage amount is not less than 766.4 million baht.</li> </ul>



Guarantor	Mr. Thanakorn, Ms. Phenphan, Mr. Pongnarin, Mr. Pongnarate, Ms. Laongtip Wanasuwankul guarantee the amount of not less than 515 million baht. However, the guarantor has been changed to TGE after the first trading day of the Company's shares on the Stock Exchange of Thailand.	Mr. Pongnarin and Mr. Pongnarate Wanasuwankul guarantee the amount of not less than 766.4 million baht. However, the guarantor has been changed to TGE after obtaining approval from the SEC to sell IPO shares.
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### 3. Benefits from investment promotion

The Company's biomass power plant project has received an investment promotion certificate. The important rights and benefits from the Board of Investment are as follows:

Licensed Company	TGE	TPG	TBP
Certificate No.	61-0067-0-13-2-2	61-1044-1-00-1-0	61-1043-1-00-1-0
Commercial Operation Date (COD)	May 8, 2014	November 7, 2019	May 20, 2021
The expiry date of corporate income tax exemption (8 years)	May 7, 2022	November 6, 2027	May 19, 2029
Key benefits	<ul style="list-style-type: none"> <li>To obtain an exemption from import duty on approved machineries.</li> <li>To obtain an exemption from corporate income tax on net profit from promoted operations until May 7, 2022.</li> <li>To obtain a 50 percent reduction in corporate income tax on net profits derived from the investment until May 7, 2027.</li> <li>To obtain permission to deduct the transportation, electricity, and water supply costs as twice as such costs until May 7, 2024.</li> <li>To obtain permission to deduct 25 percent of the investment in the facilities' installation and construction in addition to normal depreciation until May 7, 2024.</li> <li>The annual loss during the income tax exemption period can be deducted from the net profit after the tax exemption period with a period of not more than five (5) years from the expiration date.</li> <li>Dividends received from promoted activities which are exempted from corporate income tax shall be exempted from being included in the income tax calculation throughout the period which the promoted company receives the corporate income tax exemption.</li> </ul>		



## 4. Insurance

The Company has insurance policies as follows;

### 1. Property risks insurance

Insured	TGE	TPG	TBP
Coverage period	March 20, 2021 – March 20, 2022 <sup>/1</sup>	December 25, 2021 – December 25, 2022	March 31, 2021 – March 31, 2022 <sup>/1</sup>
Sum assured	900 Million baht	800 Million baht	750 Million baht
Beneficiary	The Company's lender	The Company's lender	The Company's lender
Insured property	Buildings (foundation excluded), including extensions, utility systems, decorations, office equipment, machinery, and other systems related to business operations and stock of raw materials used in the power plant business	Buildings (foundation included), including extensions, utility systems, decorations, office equipment, machinery, and other systems related to business operations and stock of raw materials used in the power plant business	Buildings (foundation included), including extensions, utility systems, decorations, office equipment, machinery, and other systems related to business operations and stock of raw materials used in the power plant business

<sup>/1</sup> Policy Renewal was in progress

### 2. Machinery Insurance

Insured	TGE	TPG	TBP
Coverage period	April 2, 2022 – April 2, 2023 <sup>/1</sup>	December 25, 2022 – December 25, 2023	May 31, 2022 – May 31, 2023
Sum assured	100 Million baht	76.12 Million baht	76.12 Million baht
Beneficiary	The Company's lender	The Company's lender	The Company's lender
Coverage	Ten (10) items of machinery for use in the power generation business	Ten (10) items of machinery for use in the power generation business	Ten (10) items of machinery for use in the power generation business

<sup>/1</sup> Policy Renewal was in progress



### 3. Boiler and pressure vessel tank insurance

Insured	TGE	TPG	TBP
Coverage period	April 2, 2022 – April 2, 2023 <sup>/1</sup>	December 25, 2022 – December 25, 2023	March 31, 2022 – March 31, 2023 <sup>/1</sup>
Sum assured	145 Million baht	177.60 Million baht	200 Million baht
Beneficiary	The Company's lender	The Company's lender	The Company's lender
Coverage	Boiler	Boiler	Boiler

<sup>/1</sup> Policy renewal was in progress

### 4. Third-party liability insurance

Insured	TGE	TPG	TBP
Coverage period	March 20, 2022 – March 20, 2023 <sup>/1</sup>	December 25, 2022 – December 25, 2023	March 31, 2022 – March 31, 2023 <sup>/1</sup>
Sum assured	10 Million baht	10 Million baht	10 Million baht
Beneficiary	The Company's lender	The Company's lender	The Company's lender
Coverage	Legal liability arising within the establishment for death, injury, loss, or damage to property of third parties		

<sup>/1</sup> Policy renewal was in progress

### 5. Business interruption insurance

Insured	TGE	TPG	TBP
Coverage period	November 24, 2022 – March 20, 2023 <sup>/1</sup>	December 25, 2022 – December 25, 2023	December 1, 2022 – March 31, 2023 <sup>/1</sup>
Sum assured	195.5 Million baht	213.2 Million baht	120.5 Million baht
Beneficiary	The Company's lender	The Company's lender	The Company's lender
Coverage	Losses from business interruptions that result in increased expenses and/or reduced revenues		

<sup>/1</sup> Policy renewal was in progress



## Attachment 5

### Full Version of the Corporate Governance Policy and Guideline

Good Corporate Governance Policy and Guideline and Code of Conduct (Full Version) are disclosed on Company's website.

- <https://www.tge.co.th/storage/content/esg/governance/corperate-governance/corperate-governance-th.pdf>
- <https://www.tge.co.th/storage/content/esg/governance/corperate-governance/code-of-conduct-th.pdf>



## Attachment 6

### Report of the Audit Committee



The Company has disclosed report of Audit Committee in 56-1 One Report on the Company's website.  
<https://www.tge.co.th/th/investor-relations/downloads/download-center>



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