



Ref. Thor Hor (Por Por) 002/2566

February 10, 2023

To: The President

The Stock Exchange of Thailand

Re: Report on the operating result of the audited consolidated financial statements for the year ended December 31, 2022.

Dear Sirs,

TPI Polene Power Public Company Limited (“the Company”) would like to report the operating result of the audited consolidated financial statements for the year ended December 31, 2022 as follows:-

Total revenue from sales of power and goods and revenue from adders in 2022 were Baht 10,200 million compared with Baht 11,074 million in 2021, a decrease of 7.89%, as the units of power sale in 2022 decreased and the adders for the 18-megawatt and 55-megawatt municipal solid waste fuel (MSW) power plants expired. Total income in 2022 was Baht 10,626 million compared with Baht 11,358 million in 2021, a decrease of 6.45%.

In 2022, the Company and its subsidiaries registered profit for the year of Baht 2,813 million (or basic earnings per share of Baht 0.335) compared with profit for the year of Baht 4,191 million in 2021 (or basic earnings per share of Baht 0.499), a decrease of 32.89%.

Profit for the year 2022 of Baht 2,813 million was comprised of normal operating profit of Baht 2,820 million, net foreign exchange gain of Baht 7 million and tax expense of Baht 14 million, whereas profit for the year 2021 of Baht 4,191 million was comprised of normal operating profit of Baht 4,316 million, net foreign exchange loss of Baht 15 million and tax expense of Baht 110 million.

As at December 31, 2022, the Company and its subsidiaries’ total assets and total equity were Baht 50,579 million and Baht 31,564 million respectively. Book value per share was Baht 3.76. Details of consolidated financial statements for the year ended December 31, 2022 can be summarized as follows:-

บริษัท ทีพีโอ โพลีน เพาเวอร์ จำกัด (มหาชน)

TPI POLENE POWER PUBLIC COMPANY LIMITED

Assets

The Company and its subsidiaries' total assets as at December 31, 2022 was Baht 50,579 million as compared with Baht 48,485 million as at December 31, 2021, an increase of Baht 2,094 million, or increased by 4.32%. Details of the major accounting change are as follows:-

Unit: Million Baht

	As at 31 Dec. 2022	As at 31 Dec. 2021	Increase (Decrease)	%
Cash and cash equivalents	2,003	929	1,074	115.51
Trade accounts receivable	1,574	2,561	(987)	(38.53)
Other current financial assets	1,134	3,495	(2,361)	(67.56)
Inventories	1,931	1,591	340	21.37
Advances for plant and equipment	530	132	398	301.79
Property, plant and equipment	41,652	37,809	3,844	10.17
Total assets	50,579	48,485	2,094	4.32

Liabilities

The Company and its subsidiaries' total liabilities as at December 31, 2022 was Baht 19,015 million as compared with Baht 17,634 million as at December 31, 2021, an increase of Baht 1,381 million, or increased by 7.83%. Details of the major accounting change are as follows:-

Unit : Million Baht

	As at 31 Dec. 2022	As at 31 Dec. 2021	Increase (Decrease)	%
Trade account payable and other payables	1,742	737	1,004	136.22
Accrued income tax payable	0.2	44	(44)	(99.48)
Debentures	16,217	15,524	693	4.46
Interest Bearing Debts (IBD)	16,779	16,174	605	3.74
Net Interest Bearing Debts (Net IBD) *	13,642	11,749	1,892	16.11
Total Liabilities	19,015	17,634	1,381	7.83

Note : * Net Interest Bearing Debts means Interest Bearing Debts less cash and cash equivalents and other current financial assets.

As at December 31, 2022, Interest Bearing Debts (IBD) of the Company and its subsidiaries' was Baht 16,779 million as compared with Baht 16,174 million as at December 31, 2021, an increase of 3.74% or increased by Baht 605 million, whilst Net Interest Bearing Debts (Net IBD) as at December 31, 2022 were Baht 13,642 million as compared with Baht 11,749 million as at December 31, 2021, an increase of 16.11% or increased by Baht 1,892 million.

Equity

The Company and its subsidiaries' total equity as at December 31, 2022 was Baht 31,564 million, an increase of Baht 713 million, from Baht 30,852 million as at December 31, 2021, or increased by 2.31%. Details of the major accounting change are as follows:-

Unit : Million Baht

	As at 31 Dec. 2022	As at 31 Dec. 2021	Increase (Decrease)	%
Retained earnings - unappropriated	7,744	7,031	713	10.14
Total equity	31,564	30,852	713	2.31
Book value per share (Baht)	3.76	3.67	0.08	2.31

As at December 31, 2022, the Company and its subsidiaries' Interest Bearing Debts to Equity ratio (IBD/Equity ratio) equated 0.53 times and Net IBD to Equity ratio equated 0.43 times.

Profit (Loss)

In 2022, the Company and its subsidiaries registered profit for the year of Baht 2,813 million, a decrease of Baht 1,379 million, from Baht 4,191 million in 2021, or decreased by 32.89%.

Unit : Million Baht

	2022	2021	Increase (Decrease)	%
Revenue from sale of power and goods	6,588	6,105	483	7.92
Revenue from adders	3,612	4,969	(1,357)	(27.31)
Total Revenue from sales	10,200	11,074	(874)	(7.89)
Cost of sales of power and goods	7,185	6,187	998	16.13
Gross profit	3,015	4,887	(1,872)	(38.30)
Investment income and other income	419	284	134	47.24
Distribution costs and administrative expenses	524	647	(123)	(19.08)
Finance cost	90	208	(118)	(56.55)
Tax expense	14	110	(96)	(87.24)
Net foreign exchange gain (loss)	7	(15)	22	144.77
Total profit for the period	2,813	4,191	(1,379)	(32.89)
Earnings before interest, taxes, depreciation and amortization (EBITDA)	3,914	5,426	(1,512)	(27.87)

The Company and its subsidiaries' earnings before interest, taxes, depreciation and amortization (EBITDA) for the year 2022 was Baht 3,914 million. IBD to EBITDA ratio equated 4.29 times and net IBD/ EBITDA ratio equated 3.49 times respectively.

ESG Performance

The Company is a leader and the biggest operator of waste fuel power plant business in Thailand with the largest municipal waste disposal facility in the world, that located in a single area, with the policy focusing on sustainable development for balanced growth in all dimensions, covering the areas of Environmental, Social and Governance (ESG) under the standards of good corporate governance principles so as to manage the business for the benefits of all stakeholder groups in a balanced manner. In 2022, the Company has implemented significant ESG measurements, which can be summarized as follows:-

1. On May 24, 2022, the Company has been registered by Thailand Greenhouse Gas Management Organization (Public Organization :TGO) to certify greenhouse gas (carbon credits) reduction for the period from May 1, 2017 to December 31, 2020, which reduction amount increased by 717,931 tons of carbon dioxide equivalent. As a result, the Company has a carbon credit balance of 765,297 tons of carbon dioxide equivalent.

In 2022, the Company used 2.73 million tons of municipal waste as alternative fuel in the Company's power plants and cement plants of TPI Polene Public Company Limited, which could reduce greenhouse gas emissions (carbon reductions) by 6.34 million tons of carbon dioxide equivalent.
2. Energy consumption reduced from 34,917,946.57 gigajoules in 2021 to 26,005,384.93 gigajoules in 2022, a decrease of 8,912,561.64 gigajoules, or decreased by 25.52 %.
3. The Company was able to reuse the effluents from the electricity generation process to re-filter of 396,322 cubic meters, which is equal to 4.18% of the total water consumption.
4. Industrial wastes generated from the production process are utilized as alternative fuel and materials and was recycled, totaling 19,706.66 tons, representing 100% total quantity of industrial wastes generated, to comply with the "Zero Waste" policy.
5. The Company evaluated overall level of work satisfaction of employee and employee engagement. The results of overall assessment were at 81.24% and used the results of the employee opinion survey to continuously develop activities to ensure job satisfaction and good relationships with employees.
6. The Company provides equal opportunities for employment without discrimination in favor or against any person, covering disabilities and other disadvantaged groups. In 2022, the Company employed total of 59 people and employed 3 elderly people.
7. In 2022, the Company allocated funds, totaling Baht 48.55 million to support various projects and activities of public benefits such as communities, academic institutions, temples, hospitals and governmental authorities by donating X-ray vehicles with comprehensive mobile health check-ups, to Prince of Songkla University (PSU), and donated Super Special Amour Nano cement paint to support "Stream Art King Bhumibol Project", etc.
8. Disposal of contaminated waste infected with COVID-19 of 14,986 tons and 3,950 tons of non-hazardous industrial wastes were disposed of as fuel in the production process.

In 2022, the Company has received awards and certifications from recognized organizations for promoting sustainable development, which is a result of the Company's ability to implement sustainability values to drive business operations as follows:-

1. On July 1, 2022, the Company has been selected as one of the ESG100 securities companies with outstanding performance covering the areas of Environmental, Social and Governance (ESG) based on the assessment of listed securities in 2022 by Thaipat Institute.
2. On August 19, 2022, Thaipat Institute certified the 2022 ESG Credit projects for the Company's green investment projects, namely the Boiler Improvement Project of the 70 MW mixed-fuel power plant (TG7) and the waste fuel capacity expansion project (Plant 3) totaling 6,000,000 credits.
3. On October 10, 2022, the Company has been selected as the securities under the Thailand Sustainability Investment (THSI) 2022 list by the Stock Exchange of Thailand.
4. On October 27, 2022, the Company's corporate governance report 2022 (Corporate Governance Report of Thai Listed Companies 2022) has been evaluated by Thai Institute of Directors (IOD) at the level of "Very Good" (very good CG Scoring).
5. On December 21, 2022, the Company has received the 2022 Sustainability Disclosure Award from Thaipat Institute.

Please be informed accordingly.

Sincerely Yours,



Mrs. Orapin Leophairatana
Vice Chairman