

META-MAI.007/2024

February 29, 2024

Subject Report for the overall operation of the Company as of December 31, 2023

To The Committee and Manager of The Stock Exchange of Thailand

According to the resolution of the Board of Directors Meeting of Meta Corporation Public Co., Ltd. (“the Company”) No. 01/2024 held on February 29, 2024, the meeting approved the separate and consolidated financial statement as of December 31, 2023, which the net loss is totaling the amount of THB 116.51 million which the net loss decreased in the amount of THB 18.12 million or 13% when compared with the financial statement as of December 31, 2022.

The Company would like to report the operating results compared to the year ended December 31, 2022 due to the following reasons:

Unit: Thousand Baht

Descriptions	31-DEC-23		31-DEC-22		In(de)creased for the period December, 31 2023 and 2022	
	Amount (Thousand Baht)	Proportion (%) of revenues	Amount (Thousand Baht)	Proportion (%) of revenues	Amount (Thousand Baht)	%
Revenues from building engineering system and construction	-	-	21,658	46%	(21,658)	(100)%
Revenues from refinancing loans	33,274	100%	25,438	54%	7,836	31%
Total revenues from operations	33,274	100%	47,096	100%	(13,822)	(29)%
Less Costs from building engineering system and construction	-	-	20,627	44%	(20,627)	(100)%
Less Costs from refinancing loans	3,002	9%	2,531	5%	471	19%
Total costs from operations	3,002	9%	23,158	49%	(20,156)	(87)%
Gross profit from operations	30,272	91%	23,938	51%	6,334	26%
Add Interest income	8,178	25%	3,550	8%	4,628	130%
Add Other income	43,088	129%	41,372	88%	1,716	4%
Less General and administrative expenses	(136,299)	(410)%	(102,327)	(217)%	(33,972)	33%
Add Reversal of allowance for expected credit losses /	125	0%	3,125	7%	(3,000)	(96)%
Less Allowance for expected credit losses						
Less Loss on impairment of investment in associate	(51,478)	(155)%	(97,075)	(206)%	45,597	(47)%
Less Finance costs	(17,366)	(52)%	(21,472)	(46)%	4,106	(19)%
Add Income tax income / Less Income tax income expense	(624)	(2)%	224	0%	(848)	(379)%
Add Other items	7,598	23%	14,040	30%	(6,442)	(46)%
Profit (loss) for the period	(116,506)	(350)%	(134,625)	(286)%	18,119	(13)%

Comparing the operating results for the year ended December 31, 2023 with the year ended December 31, 2022, the Company had a net loss decreased by Baht 18.12 million or 13% by significant increases (decreases) are as follows.

1. An increase in gross profit from operations of Baht 6.33 million or 26% due to the following main reasons:
 - The decrease in revenue from the solar power plant project in Minbu, Myanmar, Phase 2, which decreased by Baht 21.66 million or 100% since in this year, the Company has not delivered inventory and equipment to the work site according to the Supply Contract. Because as of April 10, 2023, the owner of the said power plant project (namely GEP Myanmar Company Limited (“GEPM”)) sent a letter to the Company informing about amendments to the construction plans for the solar power plant project in Minbu Province, Myanmar, Phases 2 - 4 as requested by the electricity authority of Myanmar (Electric Power Generation Enterprise or “EPGE”). The Myanmar electric power authority has requested the additional installation of a Tracking System and Battery Energy Storage System for phases 2 - 4 in order to reduce the problem of fluctuations from weather conditions that affect efficiency of electricity production is reduced. The Company has considered the request and has agreed to GEPM. Currently, the Company is in the process of amending the construction drawings to add such equipment. After the installation is complete, the Company will proceed according to the plan set in order to be able to recognize installation revenue in the process of installing solar panels.
 - The increase in interest income amount of Baht 7.84 million or 31% from the loan services segment, which is a new segment that has started operations in October 2021. In addition to the increase in the customer base expansion and business growth, also caused by the acquisition of new businesses in year 2022 as well. That is, according to the resolution of the Company's management committee meeting No.7/2022, dated July 27, 2022, the Company has resolved to approve a subsidiary, Pico Solutions (Thailand) Company Limited (“PICO”), to purchase ordinary shares of NP PICO Company Limited (“NP PICO”) in proportion of 99.99%. The Company has signed the share purchase agreement on August 1, 2022, resulting the Company has control over the financial and operating policies of NP PICO from August 1, 2022. This transaction resulted in an increase in gross profit of Baht 7.37 million as a result of additional acquisitions in the third quarter of 2022 (as mentioned above), which is the main reason. Therefore, it is the main reason that the gross profit of the loan service segment has increased by this amount.

2. An increase in interest income of Baht 4.63 million or equivalent to 130%. The main reason for the increase (decrease) is from:
 - An increase in interest income of Baht 2.50 million from lending to an associate company to be used as funds for paying construction contractors for the Minbu Power Plant Project Phase 2. The Company has started recording interest income from the said loan agreement since June 2022 at a rate of approximately Baht 500,000 per month. For the year ended December 31, 2023, the Company has recognized interest income for 12 months, valued at Baht 6.00 million. For the year ended December 31, 2022, the Company has recognized the amount of 7 months, valued at Baht 3.50 million. As a result, interest income will increase with this amount.
 - Interest income from the extension of the second advance payment period for the Minbu Power Plant Project, Phases 2 - 4 (Second Advance Payment) by GEP (Myanmar) Company Limited (“GEPM”), which is the owner of the power plant project agreed to pay interest on a reduced basis at the rate of 10% per annum. The interest payment on the outstanding advance payment amount has been made since October 1, 2022 until payment is due. GEPM completed paying the advance payment in April 2023, resulting in the Company recognizing such interest income for year 2023 in the total amount of Baht 0.44 million.
 - An increase in interest income of Baht 1.24 million. This is due to a subsidiary from the financial advisor and business development segment signing a loan agreement with juristic person which is not related. The Company has started to recognize interest income from such transactions since September 2023. As a result, interest income has increased by this amount.
 - An increase in interest income of Baht 0.51 million from loan agreement entered into during the year as part of the trilateral contract for the Billiran Project (Financial Arrangement Agreement for the solar power plant project capacity of 25.6 megawatts at Billiran, Philippines (“Billiran Project”) in the form of Engineering, Procurement, Construction and Financing (“EPC+F”)), in which the Company has advanced a fee for sourcing funding sources on behalf of EPGEN (the project owner) in the total amount of Baht 30.00 million. EPGEN is scheduled to repay the said reserve within 1 year at an interest rate of 12 percent per year.

3. An increase in general and administrative expenses of Baht 33.97 million or 33%. The main reason for the increase (decrease) is from:

- Consulting fees to perform the legal and tax due diligence for the biomass power plant project with a total capacity of 100.00 megawatts in Japan, which increased in total by Baht 1.30 million. The Company signed such consulting agreement in May 2023, which was after the Company had assessed the value of the collateral for the year 2022 and it appeared that the collateral value still covered the value of the deposit for the said project, resulting in the Company intends to continue investing in the said project, so has hired legal counsel to perform due diligence as mentioned above. The Company has approved in principle the change of deposit to investment in the said project. Including the hiring of a financial advisor to evaluate the project value for the year 2023 has also been approved.
- Loss from sale of investment property in the amount of Baht 1.77 million, it is the sale of land and buildings to third parties. The management considers that such land and buildings are deteriorated and not used anymore. In addition, the auction has been opened and bidders have come to ask for purchase for many years and still cannot sell the property. Therefore, consider reducing the price of such real estate in order to use the cash flow from the sale of assets to be used as working capital within the Company.
- Foreign project operating expenses include travel expenses, accommodation expenses, food expenses, entertainment expenses and other related expenses, which increased in total to Baht 1.47 million. They were mainly found to be travel expenses for the Biliran Province solar power plant project at Philippines (“Biliran Project”), which is a trip to the Philippines to negotiate with relevant agencies and banks to find funding sources for the said project. In addition, the Company has negotiated with a construction company in China to be the EPC Contractor for the said project as well. Later, the Company considered selecting a contractor from China to act as EPC Contractor as mentioned above, namely Dongfang Electric International Corporation (“DEIC”). The Company therefore traveled to China to sign the Memorandum of Understanding (MOU) to study the project and sign together the construction contract (EPC Contract).
- Legal advisory fees increased by Baht 1.24 million, mainly due to payments to monthly legal advisors at a rate of approximately Baht 0.07 million/month and legal advisory fees for dissolution of a subsidiary. The total amount is Baht 1.02 million.
- Borrowing fees increased by Baht 3.74 million due to fees for managing loans and debts of the Group that are due for payment and to find new sources of borrowing funds to prevent the business from losing liquidity.

- An increase in loss from foreign exchange. Compared to last year, it was found that the net loss increased by a total of Baht 25.45 million (the Company had a loss from foreign exchange for 2023 in the amount of Baht 1.25 million, while in 2022 there was a gain from exchange rates in the amount of Baht 24.20 million). This loss is due to fluctuations in exchange rates in the market, especially USD and JPY, which are the 2 main foreign currencies of the Company.

- 4. Reversal of allowance for expected credit losses, decreased by Baht 3.00 million, or 96%, due to the ratio of repayments from loan receivables that previously recognized allowance for expected credit losses occurring during the year 2023 decreased significantly compared to 2022.

- 5. Loss on impairment of investment in associate decreased by Baht 45.60 million or 47%. In 2022, the Company hired an independent financial advisor that was approved by the SEC and has knowledge and expertise in the electric power project business to evaluate the value of the associated company, namely Green Earth Power (Thailand) Company Limited, in order to use the work of the said expert in considering the allowance for impairment loss of the said associated company. In summary, the appraised value as of December 31, 2022 was a total of Baht 655.11 million, resulting in an impairment loss for investments in associates in the amount of Baht 97.07 million in the consolidated financial statements. The cause of the said impairment is because the Company has already recognized other income according to the terms of the joint venture agreement (Shareholder Agreement) in 2022 in the amount of Baht 25.30 million, resulting in other income that the Company have the right to receive in the future according to this agreement in a reduced proportion. And another factor arises from changes in the weighted average cost of capital (WACC) ratio, which is caused by fluctuations in market interest rates. While in 2023 the value that the independent financial advisor estimated was Baht 609.55 million, during the year the Company only recognized the share of profits from investments in the said associated company during the period. No other income was recognized as in the previous year (2022) as mentioned above. As a result, the difference in adjusting the value of said investment to be equal to the value that the independent financial advisor has estimated has a difference value of Baht 51.48 million and results in the overall impairment of the said decrease from the previous year according to such proportion.

- 6. Finance costs decreased by Baht 4.11 million or 19% due to in this year, the Company's overall financial debt ratio decreased compared to the same quarter of the previous year (year 2022). As a result, the financial cost was decrease by such amount.

The explanations of the significant balance of asset

1. The solar power plant project in Minbu, the Republic of the Union of Myanmar for phase 2-4

As at December 31, 2023 and December 31, 2022, Vintage EPC Co., Ltd. (“Vintage EPC”) and VTE International Construction Co., Ltd. (“VTE Inter”) received an advance payment for construction service for phase 1 - 4 from GEPM as follow:

Phase	In Million USD						Equivalents to Million Baht	
	Vintage EPC		VTE Inter		Total		Total	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
1	-	-	-	-	-	-	-	-
2	10.8	10.8	-	-	10.8	10.8	368.7	372.3
3	10.8	10.8	2.5	2.5	13.3	13.3	453.5	458.0
4	14.5	13.8	3.3	3.3	17.8	17.1	612.3	593.2
Total	36.1	35.4	5.8	5.8	41.9	41.2	1,434.5	1,423.5

As at December 31, 2023 and December 31, 2022, VTE Inter and Vintage EPC paid the advance payment to the China Subcontractor as specified in Turnkey Contract as follow:

Phase	In Million USD						Equivalents to Million Baht	
	Vintage EPC		VTE Inter		Total		Total	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
1	12.0	12.0	6.3	6.3	18.3	18.3	626.7	632.9
2	10.0	10.0	-	-	10.0	10.0	343.1	346.4
3	10.0	10.0	2.4	2.4	12.4	12.4	423.8	428.0
4	13.6	13.6	3.1	3.1	16.7	16.7	672.1	577.9
Total	45.6	45.6	11.8	11.8	57.4	57.4	1,965.7	1,985.2

The said advance payment is in accordance with the Turnkey Engineering, Procurement and Construction Contract (“the Turnkey Contract”) which was signed with the subcontractor from China, namely China Triumph International Engineering Co., Ltd. (“CTIEC”) on July 30, 2020 to construct the Minbu Solar Power Plant Project, Myanmar, Phases 2 - 4. The project cost values for Phases 2 - 4 are as follows:

Phase 2: Value USD 42.9 million. The advance payment represents 29.14 percent of the project cost value.

Phase 3: Value USD 42.9 million. The advance payment represents 29.14 percent of the project cost value.

Phase 4: Value USD 60.1 million. The advance payments account for 28.11 percent of the project cost value.

For the remaining project value of each phase, payment is due according to the milestones of completion (Milestone Payment).

For the first phase of the power plant project, construction has been completed and power has been supplied and the power plant has been delivered to GEP on February 28, 2020. The said transaction is not considered a connected transaction. This is because CTIEC contractors are not related to the Company in any way.

In addition, the Company has no financial risk for this power plant construction project. Because the Company received advance payment in full first, and then later paid it to the subcontractor. In addition, the Company expects that after the revenue contract for the Minbu Project is completed, it will result in the Company being able to recognize income to continue growing the business continuously for 2 - 3 years.

As for the progress of the said project in year 2023, GEPM, the project owner, has sent a letter to Vintage EPC and VTE Inter informing them about the amendments to the construction plans of the said phase 2 - 4 power plant project. Due to the unit Myanmar's Electric Power Generation Enterprise ("EPGE") under the Ministry of Electricity and Energy has sent a letter requesting GEPM to install Tracking System) and Battery Energy Storage System additionally in order to reduce the problem of fluctuations from weather conditions that cause the efficiency of electricity production to decrease. Currently, GEPM has responded to EPGE to confirm the corrections to the construction drawings and is currently in the process of preparing the documents as requested by EPGE to be completed for further submission.

2. Solar Power Plant project in Biliran, Philippines

Trade receivables from solar power plant projects at Billiran, Philippines as of December 31, 2023 and December 31, 2022, total amount USD 11.93 million or equivalent to Baht 408.21 million and Baht 412.25 million, respectively.

From studying the solar power plant project with a capacity of 25.6 megawatts in Billiran, Philippines, the project owner, E&P Green Energy, Inc. (“EPGEN”), has given Vintage EPC the opportunity to join in investing. The Company therefore studied the project by considering the trade receivables and the guaranteed under the sale and purchase contract (Supply Contract valued at USD 5.26 million) that was outstanding with Vintage EPC, which may be considered a part of the acquisition and direct costs in the said power plant project (consider converting debt into equity). Vintage EPC, a subsidiary of the Company, and EPGEN have signed a Memorandum of Understanding (MOU) for Vintage EPC to study the said investment.

In order to study the said project, EPGEN has placed collateral in the entire amount of EPGEN shares. In December 2022, the Company has hired and appointed an independent financial advisor who has been approved by the SEC and has expertise in the solar power project business to evaluate the project value and as an investment advisor in the said project again (this is the 3rd time valuing the project). The said financial advisor has initially assessed the value of EPGEN's shares and found that they are worth Philippine Peso 1,498.66 - 1,681.13 million. The estimated share value already covers the value of trade receivables and contractual guarantees.

For progress in 2023, the Executive Committee Meeting No. 6/2023 on July 6, 2023 resolved to have the management enter into negotiations to make a memorandum of understanding (“MOU”) with Dongfang Electric International Corporation (“DEIC”) to agree to cooperate in the construction of a solar power plant, Billiran Province, Philippines with the capacity of 25 megawatts in the future, and will prepare purchase and supply and construction contract officially (EPC Contract”) in later. Vintage EPC and DEIC have signed an MOU on July 19, 2023. The MOU has a period of 24 months from the date of signing the memorandum of understanding. The time period can be extended by both parties by agreement in writing.

Later, the Executive Committee Meeting No. 9/2023 on October 4, 2023 resolved to approve the cancellation of the said MOU between Vintage EPC and DEIC and ratify a new MOU between Vintage EPC, DEIC, and EPGEN issue dated September 22, 2023. Due to Vintage, EPC, and DEIC have agreed to jointly invite EPGEN, the owner and developer of the project, to join as a party in the MOU in order to submit a request to renew the solar power plant service contract of the Department of Energy of the Philippines, which still has the objective of agreeing to cooperate in the construction of the said power plant as before. This adds to the framework and responsibilities of EPGEN. This new MOU comes into effect on September 22, 2023 and has a period of 24 months from the date this MOU comes into effect. This period can be extended by mutual agreement in writing.

The management considered that the value of the collateral (EPGEN shares) had already been appraised for 1 year. Therefore, it was deemed appropriate to have the said collateral value re-evaluated to see whether it still covered the value of the outstanding debt or not. Later in the month December 2023, the Company has therefore hired and appointed an independent financial advisor who has been approved by the SEC and has expertise in the solar power project business to evaluate the project value and act as consulting regarding investment in the said project again (this is the 4th time reviewing the collateral value of the project) which the said financial advisor has initially assessed the value of EPGEN's shares and found to be worth Philippine Peso 1,424.09 - 1,838.42 million. The estimated share value already covers the value of trade receivables and contractual guarantees.

Currently, the MOU between Vintage EPC and EPGEN for study the investment in EPGEN has expired on December 31, 2023. The Board of Director Meeting No. 6/2023 on November 13, 2023 has resolved to approve not renewing the MOU and has been changed to a memorandum of agreement for investment in EPGEN (Memorandum of Agreement “MOA”) instead. Such MOA has been completed and comes into effect on February 7, 2024 (the “Effective Date”) and will end when agreements to be entered into after this MOA come into effect. The purpose of preparing the MOA is to confirm that Vintage EPC has the intention to take control of EPGEN. And to confirm that intention, this MOA stipulates that Vintage EPC must carry out legal and accounting due diligence within a period of 270 days from the effective date of this MOA or such longer period as may be mutually agreed upon by the parties.

3. Deposit for investment in energy business in Japan

Deposits for investment in the energy business as of December 31, 2023 and December 31, 2022 have a total value of JPY 1,741.05 million or equivalent to Baht 421.85 million and Baht 454.26 million, respectively. Power plant projects in Japan with a total production capacity of 100.0 megawatts, three projects as follows:

1. Biomass power plant project, capacity 25.0 MW, Saga, Japan (“SAGA 25 MW”)
2. Biomass power plant project, capacity 25.0 MW, Wakayama, Japan (“WAKAYAMA 25 MW”)
3. Biomass power plant project, capacity 50.0 MW, Saga, Japan also known as Karatsu Biomass Power Plant (“SAGA 50 MW”)

** For the SAGA 25 MW and SAGA 50 MW projects, both projects are collectively called “SAGA 75 MW”.

According to Vintage Holding Japan Co., Ltd. (“VHJ” / “the Subsidiary”), a subsidiary of the Company, is interested in investing in the said project and has signed a memorandum of understanding to study the investment. (Memorandum of Understanding – MOU), receiving guaranteed value for the said deposit from the project owner including continuing to evaluate the value of collateral and deposits. In February 2023, the management appointed an independent financial advisor who was approved by the SEC and has expertise in the electric power project business to re-evaluate the collateral value (this was the second and latest collateral valuation) to assess the value of the collateral to see if it still

covers the value of the deposit or not. The total collateral value can be assessed at JPY 1,743.9 million, which still covers the entire amount of the JPY 1,741.1 million deposit of the Company that was placed for investment purposes.

From the site visit in January 2023, it was found that the project progress was satisfactory and the management team considered that the project was interesting. The Company has therefore approved the extension of the latest MOU for study of the project again, ending on December 31, 2023. The aforementioned MOU has been signed on January 1, 2023.

After the extension of such MOU, The Board of Directors' Meeting No. 5/2023 on August 11, 2023 resolved to approve the change of deposit to investment in the biomass power plant project in Karatsu, Japan (which is part of the SAGA 75 MW project.) by approving in principle the change of the deposit and approving the hiring of a financial advisor to evaluate the value of the said project.

Later, the Board of Director Meeting No. 6/2023 on November 13, 2023 has resolved to approve not renewing the memorandum of understanding for studying and reviewing the status and feasibility (Memorandum of Understanding “MOU”) of the Japanese biomass power plant project with a total production capacity of 100 megawatts due on December 31, 2023. It will be changed to a memorandum of agreement for investment in Japanese biomass power plant project with a total production capacity of 100 megawatts (Memorandum of Agreement “MOA”). Such MOA has been completed and comes into effect on January 1, 2024 (“Effective Date”). This MOA is effective from the Effective Date and ends on December 31, 2024 or later mutually agreed date.

For the current progress in February 2024, the management appointed an independent financial advisor who was approved by the SEC and has expertise in the electric power project business to re-evaluate the value of the said collateral (this is the 3rd collateral valuation) to assess whether the collateral value still covers the deposit value or not. It was found that the estimated value of the collateral was approximately JPY 3,071.43 million, which covered the entire amount of the JPY 1,741.05 million deposit of the Company that had been placed for investment purposes.

Sincerely Yours

(Mr. Supatat Chindavanich)

Chief Executive Officer