

No. ACE-ACC-1/2024

29 February 2024

Subject Management Discussion and Analysis for the year ended 31 December 2023

To President

The Stock Exchange of Thailand

Absolute Clean Energy Public Company Limited (“the Company”), are pleased to provide you our management discussion and analysis for the year ended 31 December 2023 of the Company and the subsidiaries (“the Group”) as follow:

Financial Performance of the Group										
Consolidated financial statements	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Change QoQ		2022	2023	Change YoY	
	THB Mn	THB Mn	THB Mn	THB Mn	THB Mn	%	THB Mn	THB Mn	THB Mn	%
Sales of goods and services	1,638.2	1,508.8	1,522.3	1,496.8	(25.5)	(1.7%)	6,502.1	6,166.0	(336.1)	(5.2%)
Revenue from finance lease under power purchase agreement	102.4	104.5	105.2	104.6	(0.6)	(0.6%)	414.9	416.7	1.8	0.4%
Cost of sales and services	(1,274.4)	(1,191.7)	(1,168.7)	(1,165.6)	(3.1)	(0.3%)	(5,044.3)	(4,800.4)	(243.9)	(4.8%)
<b>Gross profit</b>	<b>466.2</b>	<b>421.6</b>	<b>458.7</b>	<b>435.8</b>	<b>(22.9)</b>	<b>(5.0%)</b>	<b>1,872.7</b>	<b>1,782.3</b>	<b>(90.4)</b>	<b>(4.8%)</b>
Net gain (loss) on exchange rate	(17.4)	62.7	40.5	(110.2)	(150.7)	N.A.	53.5	(24.4)	(77.9)	N.A.
Gain (loss) on forward contracts	(1.5)	0.1	-	(10.9)	(10.9)	N.A.	1.3	(12.3)	(13.6)	N.A.
Other income	4.7	14.4	2.9	4.7	1.8	62.1%	16.9	26.7	9.8	58.0%
<b>Profit before expenses</b>	<b>452.0</b>	<b>498.8</b>	<b>502.1</b>	<b>319.4</b>	<b>(182.7)</b>	<b>(36.4%)</b>	<b>1,944.4</b>	<b>1,772.3</b>	<b>(172.1)</b>	<b>(8.9%)</b>
Administrative expenses	(121.4)	(106.7)	(106.9)	(109.8)	2.9	2.7%	(438.1)	(444.8)	6.7	1.5%
Finance costs	(43.6)	(49.6)	(49.5)	(51.8)	2.3	4.6%	(132.1)	(194.5)	62.4	47.2%
<b>Profit before income tax</b>	<b>287.0</b>	<b>342.5</b>	<b>345.7</b>	<b>157.8</b>	<b>(187.9)</b>	<b>(54.4%)</b>	<b>1,374.2</b>	<b>1,133.0</b>	<b>(241.2)</b>	<b>(17.6%)</b>
Tax income (expenses)	(12.1)	(26.8)	(29.0)	7.1	(36.1)	N.A.	(92.8)	(60.8)	(32.0)	(34.5%)
<b>Net profit</b>	<b>274.9</b>	<b>315.7</b>	<b>316.8</b>	<b>164.9</b>	<b>(151.9)</b>	<b>(47.9%)</b>	<b>1,281.4</b>	<b>1,072.2</b>	<b>(209.2)</b>	<b>(16.3%)</b>
<b>Loss attributable to non-controlling interests</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>(0.1)</b>	<b>-</b>	<b>(0.1)</b>	<b>N.A.</b>	<b>(0.5)</b>	<b>(0.3)</b>	<b>(0.2)</b>	<b>(40.0%)</b>
<b>Net profit attributable to the parent</b>	<b>275.0</b>	<b>315.8</b>	<b>316.8</b>	<b>164.9</b>	<b>(151.9)</b>	<b>(47.9%)</b>	<b>1,282.0</b>	<b>1,072.5</b>	<b>(209.5)</b>	<b>(16.3%)</b>
<i>Add(less): Loss/gain from extraordinary items*</i>	<i>16.9</i>	<i>(51.2)</i>	<i>(32.7)</i>	<i>88.1</i>	<i>(120.8)</i>		<i>(25.6)</i>	<i>21.1</i>	<i>(46.7)</i>	
<b>Net profit from ordinary activities attributable to the parent</b>	<b>291.9</b>	<b>264.6</b>	<b>284.1</b>	<b>253.0</b>	<b>(31.1)</b>	<b>(10.9%)</b>	<b>1,256.3</b>	<b>1,093.6</b>	<b>(162.7)</b>	<b>(13.0%)</b>

\* Extraordinary items from non-operating, consists of unrealized gain (loss) on exchange rate of receivable under finance lease and gain (loss) on forward contracts.

**Sales and service income for the year ended 31 December 2023 and 2022 are presented below:**

Sales and service income	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Change QoQ		2022	2023	Change YoY	
	THB Mn	THB Mn	THB Mn	THB Mn	THB Mn	%	THB Mn	THB Mn	THB Mn	%
Sales of electricity - FiT, Base tariff and Ft	851.2	793.1	895.9	903.2	7.3	0.8%	3,250.9	3,443.4	192.5	5.9%
FiT Premium	14.6	13.9	12.9	9.4	(3.5)	(27.1%)	68.9	50.8	(18.1)	(26.3%)
Sales of electricity to Industrial Users (IU)	9.3	7.4	7.0	6.9	(0.1)	(1.4%)	31.0	30.6	(0.4)	(1.3%)
<b>Sales from Biomass Power Plants</b>	<b>875.1</b>	<b>814.4</b>	<b>915.8</b>	<b>919.5</b>	<b>3.7</b>	<b>0.4%</b>	<b>3,350.8</b>	<b>3,524.8</b>	<b>174.0</b>	<b>5.2%</b>
Revenue from finance lease under a Power Purchase Agreement	102.4	104.5	105.2	104.6	(0.6)	(0.6%)	414.9	416.7	1.8	0.4%
Revenue from service under a Power Purchase Agreement	630.5	559.0	464.6	449.4	(15.2)	(3.3%)	2,620.7	2,103.5	(517.2)	(19.7%)
Sales of electricity to Industrial Users (IU)	0.6	0.3	0.8	0.9	0.1	12.5%	3.4	2.6	(0.8)	(23.5%)
Sales of steam (IU)	0.6	0.2	2.3	3.7	1.4	60.9%	4.0	6.7	2.7	67.5%
<b>Sales from Natural Gas Power Plant</b>	<b>734.1</b>	<b>664.0</b>	<b>572.9</b>	<b>558.6</b>	<b>(14.3)</b>	<b>(2.5%)</b>	<b>3,043.0</b>	<b>2,529.5</b>	<b>(513.5)</b>	<b>(16.9%)</b>
Sales of electricity - FiT, base tariff and Ft	74.5	81.0	64.3	76.6	12.3	19.1%	299.6	296.4	(3.2)	(1.1%)
FiT Premium	4.2	6.4	4.4	6.2	1.8	40.9%	24.3	21.2	(3.1)	(12.8%)
Adder	33.9	27.6	28.4	20.9	(7.5)	(26.4%)	123.6	110.8	(12.8)	(10.4%)
Other sales and service income	13.8	14.6	15.2	14.9	(0.3)	(2.0%)	55.7	58.5	2.8	5.0%
<b>Sales from Municipal Solid Waste Power Plants</b>	<b>126.4</b>	<b>129.6</b>	<b>112.3</b>	<b>118.6</b>	<b>6.3</b>	<b>5.6%</b>	<b>503.2</b>	<b>486.9</b>	<b>(16.3)</b>	<b>(3.2%)</b>
Sales of electricity - Base tariff and Ft	5.0	5.3	5.0	4.7	(0.3)	(6.0%)	20.0	20.0	-	-
<b>Sales from Solar Energy Power Plants</b>	<b>5.0</b>	<b>5.3</b>	<b>5.0</b>	<b>4.7</b>	<b>(0.3)</b>	<b>(6.0%)</b>	<b>20.0</b>	<b>20.0</b>	<b>-</b>	<b>-</b>
Revenue from solar energy system installation service	-	-	21.5	-	(21.5)	N.A.	-	21.5	21.5	N.A.
<b>Total sales and service income</b>	<b>1,740.6</b>	<b>1,613.3</b>	<b>1,627.5</b>	<b>1,601.4</b>	<b>(26.1)</b>	<b>(1.6%)</b>	<b>6,917.0</b>	<b>6,582.7</b>	<b>(334.3)</b>	<b>(4.8%)</b>

**Sales and service income (included revenue from finance lease under a Power Purchase Agreement) decrease 1.6% QoQ** from Baht 1,627.5 million to Baht 1,601.4 million. The decreasing of Baht 26.1 million mainly derived from sales of natural gas power plant decreased by Baht 14.3 million as the natural gas power plants had shutdown hours to improve the power plants machinery's efficiency in the fourth quarter of 2023. In addition, revenue from solar energy system installation service decreased by Baht 21.5 million as in the fourth quarter of 2023, the Group did not have revenue from solar energy system installation service to industrial customers as the Group had in the third quarter of 2023.

**Sales and service income (included revenue from finance lease under a Power Purchase Agreement) decrease 4.8% YoY** from Baht 6,917.0 million to Baht 6,582.7 million. The decreasing of Baht 334.3 million mainly derived from sales of natural gas power plant decreased by Baht 513.5 million from decrease in unit rate which is adjusted in line with the decrease in average natural gas price, thus sales also decrease in line with the fuel material cost of natural gas. However, sales of biomass power plants increased by Baht 174.0 million since in 2023 the biomass power plants had shutdown hours to improve the power plants machinery's efficiency lower than in 2022.

## Cost of sales and service

Cost of sales and service for the year ended 31 December 2023 and 2022 are presented below:

Cost of sales and service	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Change QoQ		2022	2023	Change YoY	
	THB Mn	THB Mn	THB Mn	THB Mn	THB Mn	%	THB Mn	THB Mn	THB Mn	%
Fuel materials cost	905.5	808.3	777.3	779.5	2.2	0.3%	3,608.3	3,270.6	(337.7)	(9.4%)
Depreciation and amortisation cost	173.4	177.9	180.0	176.7	(3.3)	(1.8%)	675.6	708.0	32.4	4.8%
Staff cost, repair and maintenance cost and other services	142.9	162.1	145.2	161.1	15.9	11.0%	597.0	611.3	14.3	2.4%
Processing fee - PEA	17.1	16.0	17.6	17.6	-	-	64.5	68.3	3.8	5.9%
Cost of solar energy system installation service	-	-	15.8	-	(15.8)	N.A.	-	15.8	15.8	N.A.
Other cost	35.5	27.4	32.8	30.7	(2.1)	(6.4%)	98.9	126.4	27.5	27.8%
<b>Total cost of sales and service</b>	<b>1,274.4</b>	<b>1,191.7</b>	<b>1,168.7</b>	<b>1,165.6</b>	<b>(3.1)</b>	<b>(0.3%)</b>	<b>5,044.3</b>	<b>4,800.4</b>	<b>(243.9)</b>	<b>(4.8%)</b>

Cost of sales and service decrease 0.3% QoQ from Baht 1,168.7 million to Baht 1,165.6 million. The decreasing of Baht 3.1 million mainly derived from the decreasing in cost of solar energy system installation service for industrial customers by Baht 15.8 million since this is a solar energy system installation service in the third quarter of 2023. However, cost of sales of biomass power plants increased by Baht 15.8 million when comparing to the third quarter of 2023 as the increasing in electricity unit production as the lower shutdown hours to improve the power plants machinery's efficiency.

Cost of sales and service decrease 4.8% YoY from Baht 5,044.3 million to Baht 4,800.4 million, decrease by Baht 243.9 million. The decrease in cost of sales and service mainly derived from decrease in cost of natural gas power plant as the continuing decreasing in fuel material cost from decrease in natural gas price. However, cost of sales of biomass power plants increased according to the increase in electricity production unit as the lower shutdown hours to improve the power plants machinery's efficiency.

## Net gain (loss) on exchange rate

	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Change QoQ		2022	2023	Change YoY	
	THB Mn	THB Mn	THB Mn	THB Mn	THB Mn	%	THB Mn	THB Mn	THB Mn	%
Net gain (loss) on exchange rate	(17.4)	62.7	40.5	(110.2)	(150.7)	N.A.	53.5	(24.4)	(77.9)	N.A.

Net gain (loss) on exchange rate mainly came from unrealized exchange rate of receivable under finance lease of natural gas power plant and partially from realized on exchange from payment for machine and spare parts for the under-developed projects to foreign suppliers. During the fourth quarter of 2023, Thai Baht was appreciated compared to exchange rate of the third quarter of 2023, then the Group has loss on exchange rate for the fourth quarter of 2023 in the amounting to Baht 110.2 million.

## Gross Profit and Gross Profit Margin

Gross Profit	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Change QoQ		2022	2023	Change YoY	
	THB Mn	THB Mn	THB Mn	THB Mn	THB Mn	%	THB Mn	THB Mn	THB Mn	%
Biomass Power Plant	243.7	206.9	259.1	245.0	(14.1)	(5.4%)	997.6	954.7	(42.9)	(4.3%)
Natural Gas Power Plant	146.5	140.5	135.6	124.7	(10.9)	(8.0%)	573.5	547.3	(26.2)	(4.6%)
Municipal Solid Waste Power Plant	73.0	71.0	55.3	63.4	8.1	14.6%	290.7	262.7	(28.0)	(9.6%)
Solar Energy Power Plant	3.0	3.2	3.0	2.7	(0.3)	(10.0%)	10.9	11.9	1.0	9.2%
Solar energy system installation service	-	-	5.7	-	(5.7)	N.A.	-	5.7	5.7	N.A.
<b>Gross Profit by Segment</b>	<b>466.2</b>	<b>421.6</b>	<b>458.7</b>	<b>435.8</b>	<b>(22.9)</b>	<b>(5.0%)</b>	<b>1,872.7</b>	<b>1,782.3</b>	<b>(90.4)</b>	<b>(4.8%)</b>

Gross Profit Margin	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Change	2022	2023	Change
	Percent	Percent	Percent	Percent	QoQ	Percent	Percent	YoY
Biomass Power Plant	27.8	25.4	28.3	26.6	(1.7)	29.8	27.1	(2.7)
Natural Gas Power Plant	20.0	21.2	23.7	22.3	(1.4)	18.8	21.6	2.8
Municipal Solid Waste Power Plant	57.8	54.8	49.2	53.5	4.3	57.8	54.0	(3.8)
Solar Energy Power Plant	60.0	60.4	60.0	57.4	(2.6)	54.5	59.5	(5.0)
Solar energy system installation service	-	-	26.5	-	(26.5)	-	26.5	26.5
<b>Gross Profit Margin by Segment</b>	<b>26.8</b>	<b>26.1</b>	<b>28.2</b>	<b>27.2</b>	<b>(1.0)</b>	<b>27.1</b>	<b>27.1</b>	<b>-</b>

**Gross profit decrease 5.0% QoQ** from Baht 458.7 million to Baht 435.8 million, decreased by Baht 22.9 million. **Gross profit margin decrease 1.0% QoQ** from 28.2% to 27.2%, mainly derived from the decrease in gross profit of biomass power plants as the result of expiration of FiT Premium period of one biomass power plant according to conditioned in the FiT power purchase agreement, causing gross profit and gross profit margin of biomass power plants decreased. Gross profit of natural gas power plant decreased as the natural gas power plants had shutdown hours to improve the power plants machinery's efficiency in the fourth quarter of 2023. In addition, the reason is from the fourth quarter of 2023, the Group did not have gross profit from solar energy system installation service to industrial customers as the Group had in the third quarter of 2023.

**Gross profit decrease 4.8% YoY** from Baht 1,872.7 million to Baht 1,782.3 million. The decrease Baht 90.4 million mainly derived from the decrease in gross profit of biomass power plants since sales of FiT premium has decreased as the result of expiration of FiT Premium period of two biomass power plants during the third quarter of 2022 to the fourth quarter of 2023 according to conditioned in the FiT power purchase agreement, causing gross profit and gross profit margin of biomass power plants decreased. In addition, the gross profit of municipal solid waste power plants also decreased as the result of higher shutdown hours to improve the power plants machinery's efficiency when comparing to 2022 and the expiration of Adder period of one municipal solid waste power plant in the fourth quarter of 2023 according to conditioned in the power purchase agreement, causing gross profit and gross profit margin of municipal solid waste power plants decreased.

### Administrative expenses

	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Change QoQ		2022	2023	Change YoY	
	THB Mn	THB Mn	THB Mn	THB Mn	THB Mn	%	THB Mn	THB Mn	THB Mn	%
Administrative expenses	121.4	106.7	106.9	109.8	2.9	2.7%	438.1	444.8	6.7	1.5%

Administrative expenses comprised of employee benefit expenses, consulting fee, depreciation, public relation expenses and others.

**Administrative expenses increase 2.7% QoQ** from Baht 106.9 million to Baht 109.8 million, increased by Baht 2.9 million.

**Administrative expenses increase 1.5% YoY** from Baht 438.1 million to Baht 444.8 million, increasing Baht 6.7 million.

The increase in administrative expenses mainly derived from employee benefit expenses, which increased according to the increasing in number of employees to support the business expansion, pre-operation expenses as the result from the Group continuing expansion and new project development and expenses related to the bidding of the projects for procuring electricity from renewable sources of the government sector. In first quarter of 2023, the Group were selected to participate in the projects for procuring electricity from renewable sources, specifically ground-mounted solar energy, for a total of 18 projects, with the total power purchase agreement capacity of 112.73 MW.

### Finance costs

	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Change QoQ		2022	2023	Change YoY	
	THB Mn	THB Mn	THB Mn	THB Mn	THB Mn	%	THB Mn	THB Mn	THB Mn	%
Finance costs	43.6	49.6	49.5	51.8	2.3	4.6%	132.1	194.5	62.4	47.2%

Finance costs comprise of interest expense from loans for the new investment projects, amortisation of prepaid transaction cost of borrowings and interest expense from lease liabilities.

**Finance costs increase 4.6% QoQ** from Baht 49.5 million to Baht 51.8 million, increasing Baht 2.3 million.

**Finance costs increase 47.2% YoY** from Baht 132.1 million to Baht 194.5 million, increasing Baht 62.4 million, mainly derived from continually increasing in MLR of the commercial bank during the first quarter of 2022 to the fourth quarter of 2023 causing a higher interest rate in 2023 which lead to the increasing in finance costs.

### Tax income (expense)

	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Change QoQ		2022	2023	Change YoY	
	THB Mn	THB Mn	THB Mn	THB Mn	THB Mn	%	THB Mn	THB Mn	THB Mn	%
Current tax on profit for the year	(10.8)	(10.2)	(12.7)	(11.6)	(1.1)	(8.7%)	(38.3)	(45.3)	7.0	18.3%
Deferred income tax	(1.3)	(16.6)	(16.3)	18.7	(35.0)	N.A.	(54.5)	(15.5)	(39.0)	(71.6%)
<b>Tax income (expense)</b>	<b>(12.1)</b>	<b>(26.8)</b>	<b>(29.0)</b>	<b>7.1</b>	<b>(36.1)</b>	<b>N.A.</b>	<b>(92.8)</b>	<b>(60.8)</b>	<b>(32.0)</b>	<b>(34.5%)</b>

Tax income (expense) comprised of current tax and deferred tax. Deferred income tax mainly from temporary difference of receivable from finance lease and derivative assets.

Effective tax rate for the year 2023 of the Group was 5.4% which lower than the corporate income tax rate under Thai Laws which was 20.0% according to the Group had expense which can additionally deductible as expense for income tax calculation and net profit earned from promoted activities which exemption from corporate income tax.

### Net profit and net profit margin attributable to the parent

The Group had net profit for the three-month period of the fourth quarter of 2023 amounting to Baht 164.9 million and for the year 2023 amounting to Baht 1,072.2 million which was the net profit attributable to the parent for the amounting to Baht 164.9 million and Baht 1,072.5 million, respectively. The detail of net profit for ordinary activities and extraordinary items can be described as following.

(Unit: THB Mn)

	Q1-2023			Q2-2023			Q3-2023			Q4-2023		
	Ordinary	Extra	Total	Ordinary	Extra	Total	Ordinary	Extra	Total	Ordinary	Extra	Total
	activities	ordinary		activities	ordinary		activities	ordinary		activities	ordinary	
Profit before tax	308.1	(21.1)	287.0	278.5	64.0	342.5	304.8	40.9	345.7	268.0	(110.2)	157.8
Tax expense	(16.3)	4.2	(12.1)	(14.0)	(12.8)	(26.8)	(20.8)	(8.2)	(29.0)	(15.0)	22.1	7.1
<b>Net profit</b>	<b>291.8</b>	<b>(16.9)</b>	<b>274.9</b>	<b>264.5</b>	<b>51.2</b>	<b>315.7</b>	<b>284.0</b>	<b>32.7</b>	<b>316.8</b>	<b>253.0</b>	<b>(88.1)</b>	<b>164.9</b>
Loss attributable to non-controlling interests	(0.1)	-	(0.1)	(0.1)	-	(0.1)	(0.1)	-	(0.1)	-	-	-
<b>Net profit attributable to the parent</b>	<b>291.9</b>	<b>(16.9)</b>	<b>275.0</b>	<b>264.6</b>	<b>51.2</b>	<b>315.8</b>	<b>284.1</b>	<b>32.7</b>	<b>316.8</b>	<b>253.0</b>	<b>(88.1)</b>	<b>164.9</b>

	2022			2023		
	Ordinary	Extra	Total	Ordinary	Extra	Total
	activities	ordinary		activities	ordinary	
Profit before tax	1,342.3	31.9	1,374.2	1,159.4	(26.4)	1,133.0
Tax expense	(86.5)	(6.3)	(92.8)	(66.1)	5.3	(60.8)
<b>Net profit</b>	<b>1,255.8</b>	<b>25.6</b>	<b>1,281.4</b>	<b>1,093.3</b>	<b>(21.1)</b>	<b>1,072.2</b>
Loss attributable to non-controlling interests	(0.5)	-	(0.5)	(0.3)	-	(0.3)
<b>Net profit attributable to the parent</b>	<b>1,256.3</b>	<b>25.6</b>	<b>1,282.0</b>	<b>1,093.6</b>	<b>(21.1)</b>	<b>1,072.5</b>

Extraordinary items from non-operating, consists of unrealised gain (loss) on exchange rate of receivable under finance lease agreement and gain (loss) on forward contracts.

	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Change QoQ		2022	2023	Change YoY	
	THB Mn	THB Mn	THB Mn	THB Mn	THB Mn	%	THB Mn	THB Mn	THB Mn	%
Net profit attributable to the parent	275.0	315.8	316.8	164.9	(151.9)	(47.9%)	1,282.0	1,072.5	(209.5)	(16.3%)
<i>Add(Less): Loss/gain from extraordinary items</i>	<i>16.9</i>	<i>(51.2)</i>	<i>(32.7)</i>	<i>88.1</i>	<i>(120.8)</i>		<i>(25.6)</i>	<i>21.1</i>	<i>(46.7)</i>	
<b>Net profit from ordinary activities attributable to the parent</b>	<b>291.9</b>	<b>264.6</b>	<b>284.1</b>	<b>253.0</b>	<b>(31.1)</b>	<b>(10.9%)</b>	<b>1,256.3</b>	<b>1,093.6</b>	<b>(162.7)</b>	<b>(13.0%)</b>

	Q1-2023	Q2-2023	Q3-2023	Q4-2023	Change	2022	2023	Change
	Percent	Percent	Percent	Percent	QoQ	Percent	Percent	YoY
Net profit margin attributable to the parent	15.8	19.6	19.5	10.3	(9.2)	18.5	16.3	(2.2)
Net profit margin from ordinary activities attributable to the parent	16.8	16.4	17.5	15.8	(1.7)	18.2	16.6	(1.6)

**Net profit from ordinary activities attributable to the parent decrease 10.9% QoQ** from Baht 284.1 million to Baht 253.0 million, decreased by Baht 31.1 million. The decreasing mainly derived from the decreasing in gross profit in the fourth quarter of 2023. In addition, the Group had loss from extraordinary items from unrealised on exchange rate of receivable under finance lease agreement in the fourth quarter of 2023 in amounting to Baht 88.1 million.

**Net profit from ordinary activities attributable to the parent decrease 13.0% YoY** from Baht 1,256.3 million to Baht 1,093.6 million, decreased by Baht 162.7 million, mainly derived from the Group had decreasing in gross profit and increasing in finance costs as continually increasing in MLR of the commercial bank during the first quarter of 2022 to the fourth quarter of 2023. In addition, the Group had loss from extraordinary items from unrealised on exchange rate of receivable under finance lease agreement in 2023 in amounting to Baht 21.1 million.

## Analysis of Financial Position

Statement of Financial Position	31 December	31 December	Change	
	2023	2022		
	THB Mn	THB Mn	THB Mn	%
Cash and cash equivalents	1,180.6	429.1	751.5	175.1%
Trade and other receivables	1,200.4	1,432.4	(232.0)	(16.2%)
Receivables under finance lease	3,333.5	3,400.9	(67.4)	(2.0%)
Inventories	1,059.0	957.4	101.6	10.6%
Restricted deposits at financial institutions	445.0	397.6	47.4	11.9%
Investment property (net)	123.8	123.8	-	-
Property, plant and equipment (net)	12,281.2	11,226.8	1,054.4	9.4%
Advance payments for constructions and purchases of fixed assets	320.3	276.2	44.1	16.0%
Rights to service under concession arrangements (net)	1,386.7	1,471.0	(84.3)	(5.7%)
Right-of-use assets (net)	56.1	68.5	(12.4)	(18.1%)
Deferred tax assets (net)	52.6	55.7	(3.1)	(5.6%)
Derivative assets	-	1.7	(1.7)	N.A.
Other assets	298.0	230.0	68.0	29.6%
<b>Total assets</b>	<b>21,737.2</b>	<b>20,071.1</b>	<b>1,666.1</b>	<b>8.3%</b>
Short-term loans from financial institutions	45.0	396.2	(351.2)	(88.6%)
Long-term loans from financial institutions	5,222.0	4,645.2	576.8	12.4%
Trade and other payables	409.8	508.7	(98.9)	(19.4%)
Leases liabilities (net)	34.0	33.5	0.5	1.5%
Debenture (net)	389.3	-	389.3	N.A.
Deferred tax liabilities (net)	221.1	208.7	12.4	5.9%
Derivative liabilities	10.8	0.2	10.6	5,300.0%
Other liabilities	102.6	93.9	8.7	9.3%
<b>Total liabilities</b>	<b>6,434.6</b>	<b>5,886.4</b>	<b>548.2</b>	<b>9.3%</b>
Issued and paid-up share capital	5,088.0	5,088.0	-	-
Share Premium	3,896.0	3,896.0	-	-
Retained earnings - Appropriated - Legal reserve	151.9	141.8	10.1	
- Treasury shares	268.0	268.0	-	-
Retained earnings - Unappropriated	6,084.3	5,022.2	1,062.1	21.1%
Treasury shares	(268.0)	(268.0)	-	-
Deficit from business combination	(22.9)	(22.9)	-	-
Non-controlling interests	105.3	59.6	45.7	76.7%
<b>Total equity</b>	<b>15,302.6</b>	<b>14,184.7</b>	<b>1,117.9</b>	<b>7.9%</b>



### **Assets**

Total assets as at 31 December 2023 and 31 December 2022 were Baht 21,737.2 million and Baht 20,071.1 million, respectively. Increase by Baht 1,666.1 million or 8.3%. The main reason for changing in assets due to cash and cash equivalents increased by Baht 751.5 million, trade and other receivables decreased by Baht 232.0 million and receivables under finance lease decreased by Baht 67.4 million from the changing in exchange rate. Inventories increased by Baht 101.6 million. Restricted deposits at financial institutions increased by Baht 47.4 million. Property, plant and equipment increased by Baht 1,054.4 million. Rights to service under concession arrangements decreased by Baht 84.3 million from amortisation during the year.

### **Liabilities**

Total liabilities as at 31 December 2023 and 31 December 2022 were Baht 6,434.6 million and Baht 5,886.4 million, respectively. Increased by Baht 548.2 million or 9.3%, as the result from significant changing in liabilities items as short-term loans from financial institutions decreased by Baht 351.2 million and long-term loans from financial institutions increased by Baht 576.8 million from addition during the year for investment in power plant projects. Trade and other payables decreased by Baht 98.9 million. Debenture (net) increased by Baht 389.3 million.

As at 31 December 2023, the debt to equity ratio was 0.42 times, the net debt to equity ratio was 0.31 times, the interest-bearing debt to equity ratio was 0.37 times, and the net interest-bearing debt to equity ratio was 0.27 times.

### **Equity**

Shareholders' equity as at 31 December 2023 and 31 December 2022 were Baht 15,302.6 million and Baht 14,184.7 million. Increased by Baht 1,117.9 million or 7.9% from increase in net profit resulting to increase in unappropriated retained earnings.

Please be informed accordingly,

Yours sincerely,

(Mr. Tanavijit Ankapipatchai)  
Director and Chief Financial Officer