

NOVA EMPIRE

NOVA EMPIRE PUBLIC COMPANY LIMITED



One Report 2023

NOVA EMPIRE PUBLIC COMPANY LIMITED



NOVA **EMPIRE**

NOVA EMPIRE PUBLIC COMPANY LIMITED

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- Structure and operations of the group of companies
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Business Operations and **Performance**

1.) Vision, Mission and Goals



Operational Strategies

- Attract talented people and develop personnel potentials to be ready for any challenge.
- Use innovation to create values for the Company.
- Collaborate with government agencies and communities to seek common benefits on sustainable growth.
- Continuously adhere to Good Corporate Governance guidelines

The strategic plan for 2023 outlined three dimensions correlating with short-term strategic plans and medium-term strategic plans with both financial targets and non-financial targets as follows:

(1) Environment

Focus on the environmental impacts associated with business operations by creating a green culture for employees through projects that are easy to start and implement by reducing, reusing, recycling waste, energy, and those generated from operations. This is in line with the government's Net Zero policy and the preparation of Carbon Footprint, which listed companies must comply with the information disclosure requirements in the annual registration statement (One Report).

(2) Society

Develop a plan to create sustainability for the community, with the emphasis on establishments that are the main business, namely the Romklao Wind Farm Project, so that the community can have increased income in the long term by promoting local careers for the community to have more income than that which is financed by the Company (Sustainable Development Program). Create understanding and coexistence with the community through projects supporting community activities, traditional and cultural events. Strictly Supervise the use of financial support in the form of gifts and reception to reduce the risk of corruption.

(3) Governance

Establish plans for reporting and monitoring income generation, debt repayment, and budget use to be as projected and requested for approval. Provide a summary report of income estimates and budget usage to the board every quarter to ensure that the Company will have a financial status as projected, which will help the Company to determine a plan for finding appropriate sources of funding in the future when the business opportunities come.

However, from the strategy implementation in the first half of 2023, the Company is of the opinion that the domestic competition in the clean energy business is intense. Large entrepreneurs have high competitive potential and significant advantages. This causes additional investment in this business to have higher costs and lower gross profits. Meanwhile, the purchase price for electricity from renewable energy set by the government has a purchase rate that gives a lower return than the Company receives under the existing Power purchase agreement.

The Company has therefore reviewed its strategies and strengths to increase its competitive opportunities in the energy business. It appears that the Company has personnel with knowledge and ability in businesses related to petroleum exploration and production. and has good alliances with companies in the supply chain of the petroleum production and exploration business. Therefore, the Company has adjusted its strategy to focus on businesses related to petroleum exploration and production. which is still consistent with the Company's vision and mission as well as the original plan. In addition, the Company has adjusted its organizational structure to separate the clean energy business from the business related to petroleum exploration and production; and established a new company in which the Company holds 100 percent of shares, to be a company that will hold shares in businesses related to petroleum exploration and production, namely Energy Empire Co., Ltd.



2.) Financial Highlights

Statements of financial position (Unit: Million Baht)	2021	2022 (Restated)	2023
Total Assets	1,327.50	5,673.53	5,525.74
Total Liabilities	269.52	3,299.15	3,087.66
Stockholder's equity and non-controlling Interests	-	632.77	596.34
Equity attributable to owners of parent company	1,057.98	1,741.61	1,841.74

Statement of Comprehensive Income (Unit: Million Baht)	2021	2022 (Restated)	2023
Revenue from sales and services	44.02	54.94	55.89
Gross profit	7.38	19.19	18.34
EBITDA	143.55	255.06	817.67
Net Profit	98.38	445.05	418.75
Net profit from operations ¹	92.27	-	-
Net profit attributable to parent company	98.38	4.20	(68.12)
Non-operational transactions ² - attributable to parent company	6.11	-	-
Net profit from operations - attributable to parent company	92.27	-	-
Profit (loss) from discontinued operations	69.73	440.85	486.87

Financial ratio	2021	2022 (Restated)	2023
Book value per share ³ (Baht)	7.56	13.97	14.35
Return on Assets (%)	7.41	0.07	(1.23)
Earnings per share (Baht)	0.72	0.03	(0.40)
Return on equity (%)	9.30	0.18	(2.79)
Debt-to-equity (D/E) ratio (Times)	0.23	1.09	12.73

¹ Non-operational transactions are excluded.

² Such as unrealized foreign exchange gains/losses, a gain on sale of assets, compensation income from insurance contracts, and non-recurring income/expenses

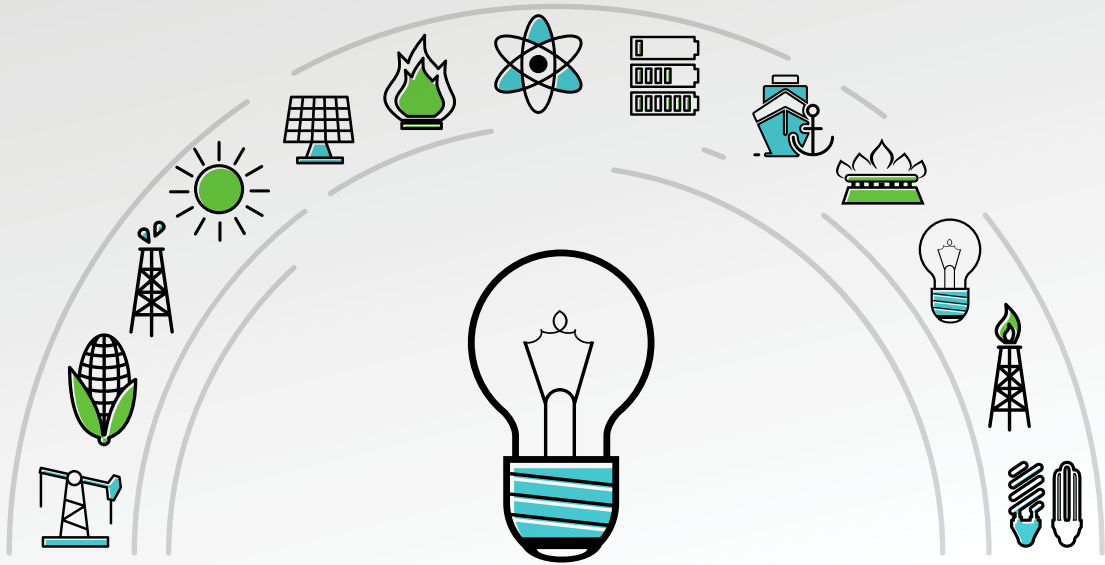
³ The total number of ordinary shares issued and paid up at the end of the year without adjusting for the effect of change in par value.



3.) Message from the Board of Directors and Executive Management

The year 2023 marked the year that the Company became a fully integrated energy business in accordance with the strategic plan that has continued from 2018. Winchai Co., Ltd., which operates the business of producing electricity from wind energy, is the main business in which the Company holds 75 percent of the total issued shares. It is the business with consistent income that will be the foundation for growth in the energy business. In addition, the Company can earn more income from solar panel business, which is operated by Solar Arcade Co., Ltd., due to equipment improvements, especially the replacement of new solar energy panels.

However, due to the intense competition in the clean energy business this year. This has caused the Company to change by emphasizing investment in businesses related to offshore petroleum production, which is reasonable because today's renewable energy businesses has more intense competition. Competitors have an advantage in capital and resources. In addition, the latest electricity purchase price announced by government agencies has a significantly lower purchase rate than the Company's existing renewable energy projects, which may cause the investment return to be lower than as stated in the Company's policy. The Company already has personnel with knowledge and expertise as well as strong business partners. The Company has invested in Nova X Co., Ltd., which is the first Thai company to pass the pre-qualification selection process of the PTT Exploration and Production Public Company Limited group for offshore service work in the category of crude oil storage and transfer vessels to serve drilling platforms (Floating Storage and Offloading, and Offshore Rig Service) at the G1/61 oil well project or the Platong gas field in the middle of the Gulf of Thailand.



In 2023, the Company also received a good offer from Sermsang Power Corporation Pub Co., Ltd., which offered to purchase all of the shares in Winchai Co., Ltd.. The offer was proposed and approval was received from the shareholder meeting of the Company at the end of 2023. With regards to corporate governance, the Company has an operational plan in **Environment Social and Governance : ESG** in its full form in 2025. The year 2024 will be spent studying and creating plans to be consistent with strategies and new business (Offshore) to maintain the results of corporate governance assessments (Currently evaluated as “Very Good”).

The Company wishes to thank all shareholders, including the directors and executives, who have contributed to the forward progress of the Company. We continue to strive for further development in both performance and good governance, allowing us to care for and treat all stakeholders with fairness and to create sustainability together.

(Niti Jungnitnirundr)
Vice Chairman

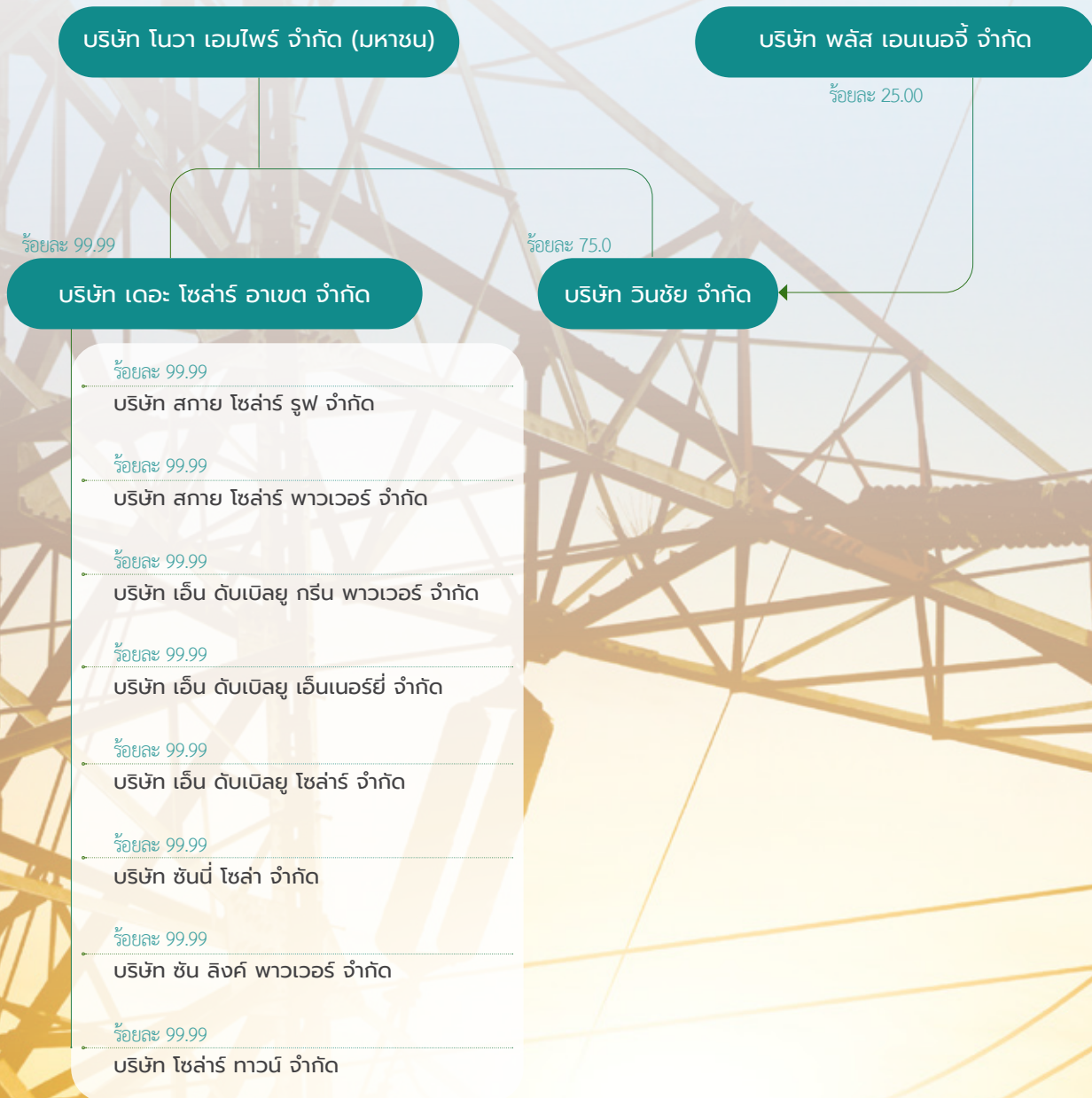
(Parleerat Panboonhom)
Chief Executive Officer

Nova Empire Public Company Limited

4.) Structure and Operations of the Company Group

4.1 Structure of Company Group as of 31 December 2023

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Throughout the year 2023, if the facts from the Holding Company's point of view are considered, the Company has a holding in two company operating its core business: 1) Winchai Co., Ltd., a company that operates the business of producing electricity from wind energy, which is a subsidiary in which the Company holds 75 percent of shares (as of the end of 2023); and 2) a business producing and distributing electricity from solar energy, totaling 8 companies, with The Solar Arcade Co., Ltd. being the central company responsible for managing the subsidiaries that operate the business of producing and distributing electricity from solar energy.

However, if the Company's business operations of shares held in other companies are considered, the size of the company operating its core business and the sizes of other companies will be in accordance with the relevant rules of the Notification of the Securities and Exchange Commission regarding Application for Approval for Offering of Newly Issued Shares and the Notification of the Securities and Exchange Commission regarding Consideration of Company Sizes for Approval of Companies Operating as Holding Companies for Offering Newly Issued Shares as the size of the subsidiary operating the Company's main business accounts for 100% of the Company's total size. The Company supervises these subsidiaries with the appointment of those serving as directors and executives and has the right to set the direction, strategies, business plans, powers of approval, and other significant matters, as well as to establish planning for regular performance reports.

If the above size is considered based on the information and events highlighted in clause 29 of Remarks on consolidated financial statement regarding the classification of investments in Winchai Co., Ltd. as "assets held for sale", then the size of the subsidiary whose main business is the production and distribution of solar energy electricity is significantly reduced. However, if Nova X Co., Ltd. conducts its commercial operation according to the plan in 2024, the size of the subsidiary operating the Company's main business will be in line with the above criteria.

The subsidiaries operating businesses for the production and distribution of solar energy electricity and Winchai Co., Ltd. hire external companies specializing in the maintenance of equipment and assets utilized in business operations. These are maintained according to cycles stipulated in the contract in accordance with the technical instructions of the respective equipment.

Company	Type of business	Registered capital (Million Baht)	Stock Type	Number of Shares (%)	Total Number of Shares
The Solar Arcade Company Limited	Investments in other companies	247.5	Common stock	99.99	24,750,000
Sky Solar Roof Company Limited	Manufacture, wholesale, and retail of solar energy, wind energy, and other renewable energy	11.7	Common stock	99.99	117,000
Sky Solar Power Company Limited	Manufacture, wholesale, and retail of solar energy, wind energy, and other renewable energy	23.1	Common stock	99.99	231,000
NW Green Power Company Limited	Manufacture, wholesale, and retail of solar energy, wind energy, and other renewable energy	27.1	Common stock	99.99	271,000
NW Energy Company Limited	Manufacture, wholesale, and retail of solar energy, wind energy, and other renewable energy	15.6	Common stock	99.99	156,000
NW Solar Company Limited	Manufacture, wholesale, and retail of solar energy, wind energy, and other renewable energy	10.5	Common stock	99.99	105,000
Sunny Solar Company Limited	Manufacture, wholesale, and retail of solar energy, wind energy, and other renewable energy	11.5	Common stock	99.99	115,000
Sun Link Power Company Limited	Manufacture, wholesale, and retail of solar energy, wind energy, and other renewable energy	5.0	Common stock	99.99	50,000
Solar Town Company Limited	Manufacture, wholesale, and retail of solar energy, wind energy, and other renewable energy	11.3	Common stock	99.99	113,000
Winchai Company Limited	Manufacture, wholesale, and retail of solar energy, wind energy, and other renewable energy	990.0	Common stock	75.00	9,900,000
Top Empire Company Limited	Investments in other companies	1.0	Common stock	99.99	10,000

Office Location: 88 Soi Bangna-Trad 30, Debaratna Road, Bangna, Bangna, Bangkok



คณะกรรมการบริษัท



นายนิติ จีงนิวจันรัตน์
รองประธานกรรมการ



NOVA

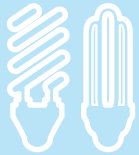
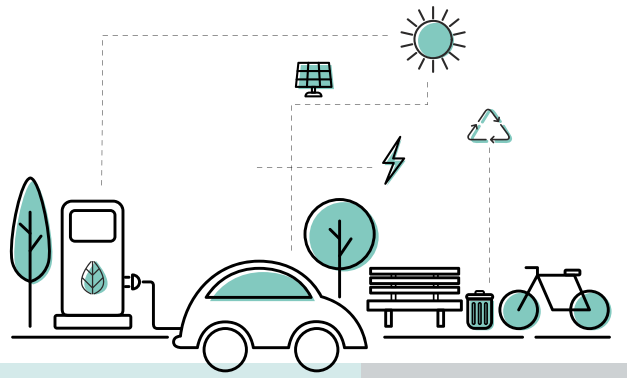
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กรรมการอิสระ /
ประธานกรรมการตรวจสอบ
กรรมการบริหารความเสี่ยง



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กรรมการ
กรรมการบริหารความเสี่ยง



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ดร. รัตนา สัทธีประศาสน์
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 กรรมการตรวจสอบ /
 กรรมการสรรหา กำหนด
 ค่าตอบแทน และกำกับดูแลกิจการ



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 ค่าตอบแทน และกำกับดูแลกิจการ
 กรรมการบริหารความเสี่ยง



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ดร.ประสิทธิ์ กาญจนศักดิ์ชัย
 กรรมการ



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 กำกับดูแลกิจการ
 ประธานคณะกรรมการ
 บริหารความเสี่ยง







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4.2 Revenue Structure

Revenue structure classified by core business

List	2019	2020	2021	2022-2023
Revenue from steel and zinc business operated by TIW Industries Company Limited (The Company has sold all its investments in the business and the process was completed on April 30, 2021)				
Revenue from the generation and distribution of solar energy electricity, with the Solar Arcade Company Limited as the central company (holding the status of subsidiary since July 24, 2020)				
Share of profits from wind power generation and distribution business operated by Winchai Company Limited (holding the status of subsidiary as of December 31, 2022)				

 discontinued operations

 Revenue from continuing operations Revenue from

Structure of revenue generated from sales of various types of zinc and iron products in the past 3 years

List	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from steel and zinc business	289.05 (Jan.-Apr.)	289.05 (Jan.-Apr.)				
Revenue from solar power generation and distribution business	44.02	44.02	54.93	6	55.89	5
Revenue from wind power generation and distribution business	-	-	778.68 (Feb.-Dec.)	84	963.65	92
Share of profits from wind power generation and distribution business			144.08	26	-	-
Other Revenues	26.95	6	87.71	16		2
Total Revenue	446.57	100	564.86	100		100
Revenue from continuing operations	23.98	5	194.44	34		7
Revenue from discontinued operations	422.59	95	370.42	66		93

Structure of revenue generated from sales of various types of zinc and iron products in the past 3 years

List	2021 4 months (Jan.-Apr.)		2022 12 months		2023 12 months	
	Million Baht	%	Million Baht	%	Million Baht	%
Production and distribution of galvanized steel sheet products	287.08	-	-	-	-	-
Installation services	1.97	-	-	-	-	-
Total value of sales and services	289.05	-	-	-	-	-
Increase (decrease) in the value of sales and services	-(109.42)	(289.05)	-	-	-	-

Structure of revenue generated from solar and wind power generation and distribution business in the past 3 years

List	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Production and distribution of solar energy electricity to the Provincial Electricity Authority and the Metropolitan Electricity Authority	44.02	23	54.93	7	55.89	5
Production and distribution of wind power electricity to the Electricity Generating Authority of Thailand* (May. - Dec.)	144.08	77	788.37	93	963.65	95
Total value of sales	188.10	100	843.30	100	1,019.54	100
Increase (decrease) in the value of sales	166.95	789	655.20	392	176.24	21

* As of 2021, Winchai Company Limited was an associate company only. However, as of 2022, Winchai Company Limited has been a subsidiary company from January 24, 2022.



4.3 Assets Used in Business Operations

Main fixed assets used in business operations by the Company (Contract value)

Asset Type/Characteristic	Counterparty	Value (Million Baht)	Obligation
Solar power generation business			
Solar panels with power supply system for 10 projects:			
Sky Solar Roof Company Limited (Lampang Province)	None, as the Company has ownership of the assets	28.98	Registered as mortgage collateral for long-term loans and promissory notes
Sky Solar Power Company Limited (Lamphun Province)		33.49	
Sky Solar Power Company Limited (Samut Prakan Province)		3.99	
NW Green Power Company Limited (Mukdahan Province)		26.81	
NW Green Power Company Limited (Prachuap Khiri Khan Province)		27.37	
NW Energy Company Limited (Prachuap Khiri Khan Province)		27.32	
NW Solar Company Limited (Phitsanulok Province)		20.16	
Sunny Solar Company Limited (Nakhon Sawan Province)		22.02	
Sun Link Power Company Limited (Bangkok Metropolis)		4.47	
Solar Town Company Limited (Phrae Province)		27.45	
Roof rental contract for installation of solar panels with power supply system for 10 projects			
Sky Solar Roof Company Limited (Lampang Province)	Siam Global House Public Company Limited	14.16	Leasehold rights under the contract are secured for long-term loans and promissory notes
Sky Solar Power Company Limited (Lamphun Province)	Siam Global House Public Company Limited	14.20	
Sky Solar Power Company Limited (Samut Prakan Province)	Mr. Supachai Teung-Fang	1.34	
NW Green Power Company Limited (Mukdahan Province)	Siam Global House Public Company Limited	14.24	
NW Green Power Company Limited (Prachuap Khiri Khan Province)	The Prachuab Fruit Canning Company Limited	9.37	
NW Energy Company Limited (Prachuap Khiri Khan Province)	The Prachuab Fruit Canning Company Limited	9.37	
NW Solar Company Limited (Phitsanulok Province)	Siam Global House Public Company Limited	11.30	
Sunny Solar Company Limited (Nakhon Sawan Province)	Siam Global House Public Company Limited	11.34	
Sun Link Power Company Limited (Bangkok Metropolis)	Nathalin Company Limited	1.95	
Solar Town Company Limited (Phrae Province)	Siam Global House Public Company Limited	14.12	

Asset Type/Characteristic	Counterparty	Value (Million Baht)	Obligation
Solar power generation business			
Wind turbine, wind measurement mast and equipment	None, as the Company has ownership of the assets	2,190.67	Used as collateral for loans from financial institutions
Space Lease Contract			
Building and Land Lease Contract	Nathalin Company Limited	6.54	
Mukdahan Province Land Lease Contract	Villagers group of Rom Klao Subdistrict, Nikhom Kham Soi District	61.61	
	Rom Klao Subdistrict, Nikhom Kham Soi District Municipality	17.49	
	Department of Social Development and Welfare	3.66	
Total value of main fixed assets	412.75 million Baht		

Intangible assets

Asset Type/Characteristic	Counterparty	Value (Million Baht)	Obligation
Solar power generation business			
Power sale and purchase agreements for 9 projects:			
Sky Solar Roof Company Limited (Lampang Province)	Provincial Electricity Authority	17.32	ไม่มี
Sky Solar Power Company Limited (Lamphun Province)	Provincial Electricity Authority	14.44	
Sky Solar Power Company Limited (Samut Prakan Province)	Metropolitan Electricity Authority	0.31	
NW Green Power Company Limited (Mukdahan Province)	Provincial Electricity Authority	18.48	
NW Green Power Company Limited (Prachuap Khiri Khan Province)	Provincial Electricity Authority	17.74	
NW Energy Company Limited (Prachuap Khiri Khan Province)	Provincial Electricity Authority	16.98	
NW Solar Company Limited (Phitsanulok Province)	Provincial Electricity Authority	12.57	
Sunny Solar Company Limited (Nakhon Sawan Province)	Provincial Electricity Authority	12.15	
Solar Town Company Limited (Phrae Province)	Provincial Electricity Authority	13.34	
Wind power generation business			
Right to use transmission lines	Electricity Generating Authority of Thailand	352.24	
Total value of main intangible assets	475.57 million Baht		

4.4 Company Background

Thailand Iron Works Co., Ltd. was registered for its establishment on 10 April 1958 by starting its business in manufacturing galvanized steel sheets in the country to replace the import of such products from abroad. Additionally, since at that time, the Company was the first manufacturer of galvanized steel sheets in Thailand, so we were promoted of its investment under the Investment Promotion Act by the Office of the Board of Investment.

In 1992 the Company has registered and maintained its status as a listed company in the Stock Exchange of Thailand (SET). In 1994, the Company transformed from a limited company to be a public company and changed its name to “Thailand Iron Works Public Company Limited” and increased its registered capital to 100,000,000 Baht.

On 30 July 2020, the Company received a letter of Conditional Voluntary Tender Offer from Ms. Parleerat Panboonhom (the Tender Offeror), who has not yet been the Company’s shareholder at that time, that she intended to purchase the newly issued & paid-up ordinary shares from the Company’s shareholders under the condition that the offeror will cancel such tender offer if less than 55.18% of all newly issued & paid-up ordinary shares of the Company were offered to sell after ending the tender offer period. The tender offer price was set at 181 Baht per ordinary share and the tender offeror does not intend to delist the securities from the Stock Exchange of Thailand.

On 30 July 2020, the tender offeror has entered into a share purchase agreement with Dr. Prasit Kanjanasakchai through the process of making a tender offer for all 3,311,368 shares, or representing 55.18% of the Company’s total issued and sold ordinary shares at the price of 181 Baht per share, with 2 purchasing periods of 3-11 August 2020 and 13 August - 9 September 2020 (25 working days in total).

On 14 August 2020, as a result of the share trading between the offeror and Dr. Prasit Kanjanasakchai, the Company’s shareholder structure has been changed and Ms. Parleerat Panboonhom becomes a major shareholder and controlling person of the Company by holding 3,311,368 shares or 55.18% of the Company’s total issued and sold ordinary shares, and Dr. Prasit Kanchansakchai is still holding 654,000 shares or 10.90% of the Company’s total issued and sold ordinary shares.

On 9 September 2020, the tender offeror reported the result of tender offer for totally 3,691,968 shares or 61.53% of the Company’s total issued and sold ordinary shares.

On January 27, 2021, the Extraordinary General Meeting of Shareholders No. 1/2021 resolved to approve investment in the energy business as part of the Company’s business plan as follows:

- 1) Acquisition of 2,598,750 shares of Winchai Company Limited, or 26.25% of the total shares, at a total price of 660 million baht from Ms. Parleerat Panboonhom or the juristic person, of which Khun Palirat was the sole owner and is a director and major shareholder of the Company. The said transaction is considered to be a related parties transaction as per the specifications of related parties transactions.
- 2) Approved the reduction of registered capital by writing off unissued ordinary shares of 13,050,000 baht, thereby reducing the original registered capital from 73,050,000 baht to a registered capital of 60,000,000 baht, writing off 1,305,000 unissued registered ordinary shares at a par value of 10 baht per share.
- 3) Approved the change of the Company’s par value from the original value of 10.00 baht per share to 0.5 baht per share.
- 4) Approved the increase of the Company’s registered capital in the amount of 10,000,000 baht, thereby increasing the original registered capital of 60,000,000 baht to a registered capital of 70,000,000 baht by issuing 20,000,000 new ordinary shares at a par value of 0.50 baht per share.

- 5) Approved the allocation of the Company's newly-issued ordinary shares to the existing shareholders in the proportion of not more than 20,000,000 shares at a par value of 0.50 baht per share in a Rights Offering (RO) at the offering price of 9.10 baht per share (or equivalent to the share price before the change in the par value of the Company's shares at 182 baht per share), offered at a ratio of 6 existing shares to 1 new share, with fractional shares to be disregarded.
- 6) Approved the change of the Company's name, securities abbreviation, Company seal, head office location, and additionally Company objectives related to the energy business with the new name of "Nova Empire Public Company Limited."
- 7) Considered and approved the amendment of the Company's Articles of Association in compliance with electronic conferencing laws.

On April 30, 2021, the 2021 Annual General Meeting of Shareholders resolved to approve the disposal of all investments in TIW Industries Company Limited to a related party, namely Dr. Prasit Kanchanasakdichai, at a price equal to 20,000,000 baht, which is a price not lower than the book value. The compensation for this disposition is based on a mutual agreement between the parties based on financial status, performance, and key financial figures. The divestment of this investment is part of the Company's goals and strategy for dealing with the impact of the continued loss-making performance of the galvanized steel sheet and galvanized color-coated steel sheet, both in sheet and coil form, manufacturing and distribution business. In addition, debt and interest expenses can be reduced from the line of credit of TIW Industries Company Limited and opportunities to invest using the received capital in business expansion can be increased. Also, the value the Company receives from entering into this related party transaction remains appropriate, as the price is higher than the fair value.

On December 17, 2021, the Extraordinary General Meeting of Shareholders No. 2/2021 resolved to approve the investment in the ordinary shares of Winchai Company Limited via an entire business transfer from The Planet X Holding Company Limited of 2,413,125 shares at a par value of 100 baht per share, or equivalent to 24.375% of the total shares of Winchai Company Limited, with a cash payment of 700,000,000 baht (seven hundred million baht only). As of the completion of the entire business transfer transaction, the Company holds 5,011,875 shares in Winchai Company Limited, or 50.625% of the total shares. This transaction has resulted in a steady source of income and greater operating performance stability, as well as the control of Winchai Company Limited due to the latter's status as a subsidiary. This is in line with the Company's strategy of focusing on energy investments and reducing the risk of unsuccessful project development in case of choosing to invest in other projects that are not yet commercially operational.

The sources of the funding for entering into the entire business transfer transaction, amounting to 700,000,000 baht, are as follows:

- (1) Loans from financial institutions in the amount of 450,000,000 baht.
- (2) Capital in the amount of 170,050,500 baht from the offering of newly-issued ordinary shares to a private placement (PP), namely, Sermuang Power Corporation Public Company Limited, amounting to 16,430,000 shares at a par value of 0.50 baht per share with the subscription price of 10.35 baht per share. This is in accordance with the resolution of the Extraordinary General Meeting of Shareholders No. 2/2021.
- (3) Capital in the amount of 79,949,500 baht from the Rights Offering (RO) of newly issued ordinary shares amounting to 13,999,882 shares at a par value of 0.50 baht per share with a Rights Offering subscription price of 10.35 baht per share. This is in accordance with the resolution of the Extraordinary General Meeting of Shareholders No. 2/2021 (The Company received a total amount of 139,934,070 baht from this capital increase, with the remainder being used as working capital of the Company.)

On December 27, 2022, the Extraordinary General Meeting of Shareholders No. 1/2022 resolved to approve the investment in the ordinary shares of Winchai Company Limited (“Winchai”), which is a subsidiary in which the Company holds 50.62% of the total shares, via an entire business transfer from The Planet Y Holding Company Limited (“Planet”), including the ordinary shares in Winchai held by Planet for 2,413,125 shares at a par value of 100 baht per share, or equivalent to 24.375% of the total shares of Winchai, with a cash payment of 715,000,000 baht (seven hundred fifteen million baht only). As of the completion of the entire business transfer transaction, the Company holds 7,425,000 shares in Winchai Company Limited, or 75% of the total shares of Winchai.

The sources of the funding for entering into the entire business transfer transaction, amounting to 715,000,000 baht, are as follows:

- (1) Dividend receivable from Winchai in the amount of 550,000,000 Baht, which is from top-up facility of Winchai amounting to 900,000,000 Baht. The Company will receive dividends in the proportion of 75.00% or an amount of 675,000,000 baht; and
- (2) Capital in the amount of 165,000,000 baht, which the Company expects to receive from the issuing and offering of debenture within March 2023. The Company expects to receive the capital from the issuing and offering of debenture within March 2023.

4.5 Key developments in the past year

On October 17, 2023, the Board meeting Special Meeting No. 1/2023 resolved to propose to the shareholder meeting to consider and approve the disposal of common shares of Winchai Company Limited (“Winchai”), amounting to 7,425,000 shares or 75% of the total number of Winchai’s sold shares to a subsidiary of the Company, Sermasang Power Corporation Public Company Limited (“Sermasang Power Corporation”), which is a sale or transfer of some important parts of the Company’s business, related parties transaction and the Company’s significant asset disposition transaction via Top Empire Company Limited (“Top Empire”), a subsidiary of the Company, holding 100.00% of the shares, which will be the common shareholders of Winchai, amounting to 7,425,000 shares, or 75.00% of the total shares of Winchai, to Plus Energy Company Limited (“Plus Energy”), which is a related parties transaction with the Company because Plus Energy is a subsidiary in which Sermasang holds 99.99% of the total shares of Plus Energy. Sermasang holds shares a total of 32,330,000 shares or in the proportion of 19.02% of the total number of shares of the Company. Plus Energy will pay consideration for the entire business transfer in cash in the amount of 2,322,000,000 baht (two thousand three hundred twenty-two million baht) However, such remuneration may change according to the impact on the value of Winchai shares, such as paying dividends to Winchai shareholders. (“Entire Business Transfer Transaction”)

Top Empire is a newly established company and the Company will be the common shareholder of Top Empire in the proportion of 100.00% of the total number of shares in Top Empire with the objective of benefiting from investing in the Company’s new energy business. However, in entering this entire business transfer transaction, Top Empire will transfer all assets and business to Plus Energy, including the shares that Top Empire holds in Winchai. After the entire business transfer transaction is completed, Winchai will cease to be a subsidiary. The Company and its subsidiaries will have no shareholding in Winchai.

The Company’s Board of Directors meeting, excluding interested directors, considered and resolved with a majority that selling 75.00% of Winchai’s common shares would have a beneficial effect on the Company as follows.

- Entering into this transaction will result in the Company’s decrease in interest bearing debt in the Company’s Consolidated Financial Statement from loans from financial institutions of Winchai in the amount of 2,327,803,245 baht (information as of June 30, 2023). Therefore, the Company has and increased loaning ability as a source of funds for investment in the Company’s future projects.

- The Company sees that entering into this transaction is beneficial because the Company will receive value in return from entering into the transaction. The Company can also bring in cash flow which is expected from Winchai's operations throughout the remaining period of the project, a total of 20 years and 9 months, to raise and use as funds for further business expansion through investing in new projects, both in the form of renewable energy projects and investment in offshore service projects according to the Company's strategic plan. The Company expects to be able to bring returns from entering into the transaction to continue creating additional returns on investment in new projects that will be most beneficial to shareholders.
- The Company can use the funds received from the sale of assets further to invest in Nova X in preparing for the vessel for storing and transferring crude oil project. Investment in Nova X can generate profits for the Company and has an appropriate internal rate of return, in line with the criteria for investing in new projects of the Company. The Company expects that investing in Nova X will be able to generate approximately 232.00 million baht of profits for the Company during years 1 - 5 and approximately 287.00 million baht for years 6 - 10. The Company is in the process of proposing to the shareholder meeting No. 1/2024 to consider approving the investment in Nova X Company Limited.
- The reserve fund to repay the Company's debentures No. 1/2023, which were issued and offered for sale during March 14 - 16, 2023, which will be due for redemption in 2024.
- In addition, the Company will have approximately 767.0 million baht of funds for investment in future projects of the Company. For investments in new projects, including renewable energy projects and/or offshore service projects, the Company must propose to the board of directors meeting and/or the shareholder meeting to consider approval while giving importance to the benefits of the Company's shareholders.

The Extraordinary General Meeting of Shareholders No. 1/2024 approved the above transactions on January 30, 2024.

In addition, the Board of Directors Special Meeting No. 1/2023, held on October 17, 2023, also resolved to approve the investment in Nova X, which The Prodigy Group Co., Ltd. ("Prodigy Group") holds 100% of the total number of shares sold. Nova X is a Thai company that has passed the Pre-Qualification selection process of PTT Exploration and Production Public Company Limited ("PTTEP") for offshore service work in the category of crude oil storage and transfer vessels to serve drilling platforms (Floating Storage and Offloading, and Offshore Rig Service) at the G1/61 oil well project or the Platong gas field in the middle of the Gulf of Thailand by entering into a contract with PTTEP Energy Development Company Limited ("PTTEP ED"), a subsidiary of PTTEP since June 1, 2023.

The Board of Directors meeting on said date resolved to approve the investment in ordinary shares of Nova X through a share purchase transaction from Prodigy Group or a juristic person or person designated by Prodigy Group, with Prodigy Group holding 1,200,000 ordinary shares in Nova X with a par value of 100 baht per share, or 100.00% of the total shares of Nova X. Prodigy Group will pay compensation in cash in the amount of 513,500,000 baht (five hundred thirteen million five hundred thousand baht) divided into 2 installments: (1) capital in the amount of 213,500,000 baht (two hundred thirteen million five hundred thousand baht) on the date that the share purchase transaction is completed. The source of funds is from the Company's bond offering No. 1/2023 and (2) additional funds of 300,000,000 baht (three hundred million baht), which is divided into 2 cases: 1) PTTEP ED exercises its right to extend the service contract not less than 1 year and pays compensation in the form of share of profit at the rate of 35.0% of net profit in the year the contract is extended until the total value of profit sharing reaches 300,000,000 baht. When PTTEP ED exercises its right to extend the service contract, the Company will pay compensation in the amount of 100,000,000 baht. It will be deducted from the share of profit of net profits in the following year. 2) PTTEP ED exercises its right to extend the service contract for more than 5 years. The Company will pay compensation in the amount of 300,000,000 baht. However, if PTTEP does not exercise the right to extend the service contract or exercise the right to extend the service contract for less than 1 year, the Company has no obligation to pay the additional capital in the amount of 300,000,000 baht.

The Company's Board of Directors' meeting, excluding interested directors, considered and resolved with a majority that the investment in Nova X through share purchase from Prodigy Group or a juristic person or person designated by Prodigy Group will generate stable income and operating results that meet the needs of the Company from a highly reliable employer. The Company expects a rate of return on investment (Project IRR) and a rate of return on investment in shareholders' equity (Equity IRR) from entering into the transaction to purchase ordinary shares of Nova X not less than 10.00% and 12.00% respectively, from the proportion of 100.00%, which meets the business goals for investing in new businesses of the Company. Therefore, the Company expects that this investment will lead to added value for shareholders and will receive a good return on investment to shareholders in the long term in the future.

The Extraordinary General Meeting of Shareholders No. 1/2024 approved the above transactions on January 30, 2024.



4.6 Nature of Business

In 2023, the Company operates two types of energy business: the business of the production and distribution of wind energy electricity by Winchai Company Limited and the business of the production and distribution of solar energy electricity, operated through 8 subsidiaries, with The Solar Arcade Company Limited as the central management company that holds shares in these subsidiaries. Details of each business are as follows.

Company's name	Project Location	Installed capacity (Megawatts)	Stockholding Proportion	Purchaser	Commercial Operation Date
Sky Solar Roof Company Limited	Lampang	1.0	99.99	PEA	12 January 2015
Sky Solar Power Company Limited	Lamphun	1.0	99.99	PEA	13 February 2015
Sky Solar Power Company Limited	Samut Prakan	0.800	99.99	MEA	19 December 2557
NW Green Power Company Limited	Mukdahan	0.800	99.99	PEA	9 March 2015
NW Green Power Company Limited	Prachuap Khiri Khan	0.130	99.99	PEA	20 November 2557
NW Energy Company Limited	Prachuap Khiri Khan	1.0	99.99	PEA	20 November 2557
NW Solar Company Limited	Phitsanulok	44.85	99.99	PEA	26 December 2557
Sunny Solar Company Limited	Nakhon Sawan	0.800	99.99	PEA	21 January 2015
Sun Link Power Company Limited	Bangkok	0.130	99.99	MEA	13 February 2015
Solar Town Company Limited	Phrae	1.0	99.99	PEA	25 December 2557
Winchai Company Limited	Mukdahan	44.85	26.25*	EGAT	1 April 2019

Characteristics of Products and Services

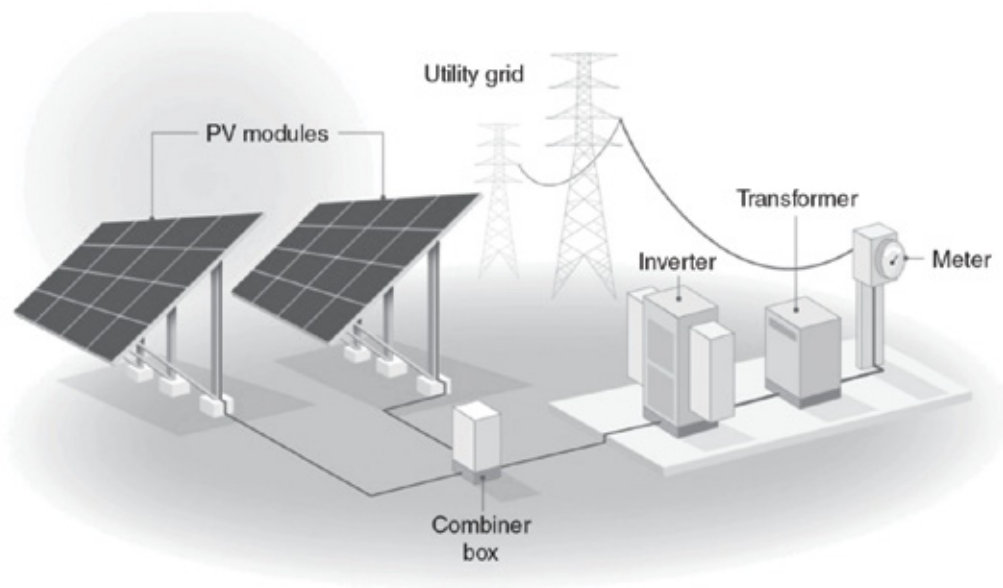
Solar Power Production Business

The Company's solar power plant projects are operated by 8 subsidiaries with a total installed capacity of 7.825 MW by renting roof space from other private entities to install the system, it is classified as a Very Small Power Producer (VSPP), generating electricity for distribution to the Metropolitan Electricity Authority (MEA) and the Provincial Electricity Authority (PEA) by entering into a Power Purchase Agreement (PPA), totally 10 projects with a period of 25 years starting from 31 December 2013 and ending on 31 December 2038. The distribution channel is the connection of electricity from each project to the stations and the power systems of MEA or PEA, the amount of electricity to be sold will be calculated by means of power meter at the power distribution points of each project for further distribution to the public by MEA and PEA, with the ratio of Feed in Tariff at 6.55 Baht and 6.16 Baht per kilowatt-hour, respectively. The said Power Purchasing Agreement will be expired in 2038.

All 8 subsidiaries have qualifications as specified by the Electricity Authority and the Ministry of Energy when submitting an application for distribution and connection to the power system with a photovoltaic system (PV) or Commercial Rooftop type of solar cells.

Solar power generation process starts with the photovoltaic process, which will directly convert the energy from sunlight into electrical energy, the process will begin from the light falling on solar panels, the semiconductor will absorb the energy to stimulate the flow of DC current with following production processes:

- (1) A set of solar panels will be gathered and installed in group to generate the amount of electricity as desired;
- (2) Electric currents obtained will be transmitted together to collect for a higher amount of currents before transmitting to the rectifier;
- (3) The rectifier will convert electric currents from DC to AC currents, to connect to general electrical system;
- (4) Then, the voltage must be raised by using an Step up Transformer, so that electricity obtained will be connected to the transmission system



In operating the solar power generation and distribution business, the Company has outsourced a service provider of Operation & Maintenance to maintain the solar panels for continuous and efficient power generation, and operations staff will be assigned to station the project for close monitoring on solar panel performance through the Supervisory Control and Data Acquisition (“SCADA”) computer system, enabling such business operations more efficient and resulting in more stable income in the energy business.

Solar cells in the category of Commercial Rooftop requires space for installation, the Company has entered into lease agreements with lessors who own ownership in the buildings behind the areas of the contract parties in provinces for a total of 10 projects, consisting of 6 projects on the roof of warehouses in the Company Group of Siam Global House Public Company Limited, 2 projects on the roof of factories in the Company Group of The Prachuab Fruit Canning Co., Ltd., and 2 projects on the roof of general buildings, to be used as a space for the installation of solar panels and related equipment. The lease agreement is made in a long-term basis of 25 years until the completion of projects in 2038 from the Commercial Operation Date to supply electricity into the commercial power systems of PEA and MEA. In the event that the Solar Power Plant Group supplies electricity to the systems of MEA and/or PEA in excess of the amount specified in the Power Purchase Agreement, the Solar Power Plant Group will waive such excess.

The solar power plant business group have entered into a loan agreement with Bangkok Bank Public Company Limited to acquire a source of funds for the project. Said loan is repayable in monthly installments, totaling 120 installments. Said loan is secured by bank deposits. Assets of the solar power plant business group include equipment and leasehold rights for rooftop space, as well as insurance for all assets, directors, and the Company. In addition, according to the terms of the contract, the solar energy business group must open a savings account for receiving payment of income from the sale of electricity and repay the loan.

The solar power plant business group has entered into a service contract with Nathalin Company Limited in return for their credit guarantees to provide business support services, including credit guarantees with a maximum credit guarantee limit of 219.36 Million Baht, the service fee will be calculated according to the outstanding amount of debt in the loan agreement, at the rate of 0.2% or equivalent to 467.50 - 6,958.33 Baht per month, in case of default, the interest will be charged at the rate of 7.5% per year. However, after the solar power plant business group has been transferred to the Company's subsidiaries, the said contract was terminated by the management and the Company has become the guarantor for all of remaining debts instead. The solar power plant business group has applied for the insurance including Business Interruption Insurance, with a total of coverage approximately 51 Million Baht, Industrial All Risk Insurance with a total of coverage approximately 408 Million Baht, covering entire solar panels and Public and Product Liability Insurance that protects liabilities incurred inside the establishment or caused by the operation of the insured with a total of coverage for not more than US\$ 10 million.

The solar power plant business group has been granted privileges under the Investment Promotion Act, B.E. 2520 by the resolution of the Board of Investment according to prescribed in each promotion certificate as follows:

Promotion Certificate Commercial		Operation Date
Number	Dated	
1561(1)/2557	30 April 2014	20 November 2014
1562(1)/2557	30 April 2014	9 March 2015
1563(1)/2557	30 April 2014	26 December 2014
1564(1)/2557	30 April 2014	20 November 2014
1565(1)/2557	30 April 2014	19 December 2014
1566(1)/2557	30 April 2014	13 February 2015
1567(1)/2557	30 April 2014	12 January 2015
1568(1)/2557	30 April 2014	21 January 2015
1569(1)/2557	30 April 2014	13 February 2015
1570(1)/2557	30 April 2014	25 December 2014

As such, under certain conditions, benefits include:

- (A) Income tax exemption for promoted businesses for a period of 8 years starting from the date income is first derived from said business;
- (B) A 50% reduction of the normal rate of income tax on the net profit derived from the promoted activity for a period of not more than 5 years commencing from the expiry date of the 8-year promotion period.
- (C) Exemption of import duties on machineries approved by the Board of Investment.
- (D) In order for dividends derived from a promoted activity granted an exemption of juristic person income tax to be exempted from computation of taxable income throughout the promotional period, the juristic person or Company group must comply with the terms and conditions stipulated in promotional certificates.

Wind Power Production Business

The Company's wind power business is operated through a subsidiary, Winchai Company Limited, under the Rom Klao Wind Farm Project, with a maximum capacity of 44.85 MW, it has been developed in 2016 and start commercial operation date (COD) in April 2019, with the Power Purchase Agreement (PPA) signed with the Electricity Generating Authority of Thailand (EGAT) for 5 years since COD, and the agreement can be renewed every 5 years, the said PPA will be expired on 31 March 2024, it is classified as a Small Power Producer (SPP), the distribution channel will connect electricity from each project to enter into EGAT stations and electrical systems, with the amount of electricity sold to be calculated by means of power meter at the electrical distribution points of the project.

The production process of wind power will start from the wind blowing against the impellers of wind turbine which will convert the kinetic energy into mechanical energy, making the impellers strongly rotate, such rotating force of the impellers will be transmitted through the spindle shaft, making drive gear or gear attached to the spindle shaft to rotate together. After the drive gear of the wind turbine is rotated, the spindle shaft will be driven to rotate. The electricity produced will be transmitted to gather at a transformer installed at the back of the engine compartment in the wind turbine to convert low voltage at 650.00 volts into intermediate voltage at 22.00 kV before conveying through cables located in the wind turbine towers to the power control system located at the base of turbines to accelerate the voltage from 22.00 kV to 115.00 kV and transmit to the power pipeline connecting the Mukdahan Substation 2 of the Electricity Generating Authority of Thailand along Highway No. 2370, 212 and 238, respectively, totally 55.00 kilometers in distance, for further distribution of electricity.

The main machinery and equipment include 13 wind turbine towers in total, which are wind turbine of Vestas Asia Pacific, A/S Model V136 with 3 rotor blades, each with a length of 66.67 m., each blade has its own pitch control point, which function to adjust the blade to the degree that is ready and suitable to the wind speed for stability and high efficiency. Each tower has a capacity of 3.45 megawatts.

Winchai Company Limited has hired Vestas Wind Technology (Thailand) Company Limited, a company in the Vestas Wind System A/S group of wind turbine manufacturing companies which has a world class reputation for its specialization in designing, manufacturing, installing and providing a full range of services related to wind turbines and wind power generation for the past more than 40 years. Vestas Wind System A/S has installed wind turbines in more than 85 countries throughout the world. As such, Winchai Company Limited has entered into a long-term contract with Vestas Wind Technology (Thailand) Company Limited in order to receive better conditions and proposals for the provision of operation and maintenance services as compared to a year-to-year contract.

Operation and Maintenance Contract	Contract Details
Contract party	Vestas Wind Technology (Thailand) Company Limited
Relationship between contract parties	None
Scope of work according to the contract	Providing services and maintenance under the wind power plant maintenance contract as well as engineers for maintenance of wind power plants to ensure the project will operate efficiently and that the availability of wind turbines is guaranteed. The operation and maintenance contract also includes the cost of equipment replacements for the wind power plant and other equipment already.
Contract effective date	May 7, 2011
Contract duration	25 years from the commercial operation date
Power generation efficiency guarantee	A minimum of 98.00% of the minimum period for which the project can generate electricity

In addition, Winchai Company Limited has hired The Prodigy Sete Company Limited to serve as a consultant and representative of Winchai Company limited in the management of the project from the contract effective date. Details are summarized as follows:

Technical Consulting and Project Management Service Contract	Contract Details
Contract party	The Prodigy Sete Company Limited
Scope of work according to the contract	Serve as consultant and representative of Winchai Company Limited in project management starting from the contract effective date, including aspects related to operations and maintenance (by engineering consultants), procurement, finance, legal and related regulations, public relations, and coordination with various government agencies, the general public and surrounding local areas.
Fees	2,061,855.67 baht per month
Contract effective date	August 1, 2021
Contract duration	3 years and 1 month starting from August 1, 2021, with possibility of renewal if Winchai Company Limited provides written notice at least 30 days prior to the prescribed period.
Power generation efficiency guarantee	A minimum of 98.00% of the minimum period for which the project can generate electricity
Payment Terms	Payment for technical consulting and project management services is made on the 25 th of the month following the month in which the services are provided.
Agreement Termination	If there is a default, the non-defaulting party may serve notice of default and indicate its intention to terminate this contract after 30 days from the date of said notice.

In this regard, Prodigy Sete Company Limited currently has The Prodigy Group Company Limited holding 99.97% of the total shares of the Company, and Ms. Parleerat Panboonhom, who is an executive and major shareholder of the Company, currently holding 90.00% of the total shares. In 2023, this transaction will be a connected party transaction, whereby the Company will comply with the regulations prescribed by the Capital Market Supervisory Board (Notification No. TorChor 21/2551)

Winchai Company Limited has been granted of privileges from the Office of the Board of Investment (BOI) for the wind power generation business under BOI Certificate No. 59-0778-0-13-2-0 with the privilege in tax exemption for profit derived from promoted activities for a period of 8 years from the date income is first derived from the promoted activity. In case of getting loss in annual operation during the period of such exemption, the promoted licensee is allowed to deduct the loss amount incurred during that time from the net profit after the expiration of corporate income tax exemption for a period of not more than 5 years from the expiration of that period, which will be deducted from the net profit of any year or several years, and the dividends derived from a promoted activities granted an exemption of juristic person income tax shall be exempted from computation of taxable income throughout the promotion period, as well as a fifty percent (50%) reduction of income tax on the net profit derived from the promoted activity for a period of five years commencing from the expiry date of promotion.

Marketing and Competition

The main producers of commercial electricity in the country are the Electricity Generating Authority (EGAT) and private power producers. EGAT distributes almost all of its electricity from production and purchases from private companies electricity producers and neighboring countries to two state enterprises: the Metropolitan Electricity Authority (MEA) and the Provincial Electricity Authority (PEA). The MEA and PEA are electricity distributors to retail consumers, business customers, and industrial customers throughout the country, owning the electricity distribution network in their service area. EGAT is the main wholesale buyer of electricity in the country, although private power producers produce and distribute electricity directly to industrial customers as well. EGAT also controls the country’s electricity system. It is the operator who maintains and develops the National Transmission Grid. Private power producers in Thailand can be divided into 3 types: large private power producers or Independent Power Producer Program (“IPP”), where EGAT purchases electricity from large private producers in the amount of 5,400 megawatts, Small Power Producer Program (“SPP”), where each SPP project will sell electricity to EGAT not exceeding 90 megawatts, but since each SPP can sell electricity directly to nearby consumers, the production capacity of the SPP is usually 120-150 megawatts, and Very Small Power Producers (VSPP) are electricity producers from the private sector, government, state enterprises, and the general public who sell electricity to EGAT with the amount of electricity sold into the system not exceeding 10 megawatts.

Diagram showing the electricity industry management in Thailand



Source: Electricity Generating Authority of Thailand (EGAT)

Overview of the Thai economy in 2023

Office of the National Economic and Social Development Council (NESDB), Ministry of Finance, and the Bank of Thailand has forecast that the expansion of the Thai economy (GDP) will expand at 3-4%, with the main factor being the recovery of the tourism sector, expansion of investment in both the private and public sectors, continuous expansion of domestic consumption, improved status of employment and labor income, as well as good expansion of the agricultural sector. Meanwhile, exports will expand at less than 1% due to the global economic slowdown caused by the war between Russia and Ukraine.

Moreover, there is a risk that GDP may fall short of estimates due to the prolonged issue of Russian aggression in Ukraine, and European public debt crisis. Many countries are at risk of defaulting on their debts due to the rapid depletion of international reserves due to oil expenditures and remittances out of the country. Meanwhile, export and tourism income did not grow as expected.

Direction of the domestic energy business

Since 2021, Thailand has prioritized the development of renewable energy to meet increasing energy demand and decreasing natural gas reserves. Several initiatives are planned across the entire renewable energy sector to meet growing demand. Over the next 20 years, the Thai government plans to gradually increase electricity generation capacity under the new Integrated National Energy Plan (NEP) 2022 of Thailand, aiming to move forward with energy plans in 4 dimensions, including creating stability towards a low-carbon society, strengthening the economy, reducing inequality, and develop organizations to provide services. This is to achieve the goal of carbon neutrality within the 2050 and reduce greenhouse gas emissions to zero (Net Zero) in 2065

Dimension 1: Energy creates stability towards a low-carbon society. The new national energy plan and sectoral energy plan emphasize on promoting clean energy, according to the goal of reaching carbon neutrality within 2050 and the goal of net zero greenhouse gas emissions by 2065. There is an investment plan for the country's first Grid Modernization, which unlocks and improves rules and regulations to promote the trading of spatial clean electricity, promote investment in EV cars and electric charging stations, including studying the potential and set criteria and guidelines for the development of Carbon Capture, Utilization and Storage (CCUS).

Dimension 2: Energy strengthens the economy, by procuring natural gas from domestic sources and neighboring countries, which have lower production costs than importing Spot LNG, accelerating the development of financial tools to promote renewable energy and energy conservation. At the same time, it also promotes the production of electricity from rooftop solar energy for government agencies, enforcement of Building Energy Code (BEC), etc. Energy investment in the country in 2023 is expected to generate more than 230,000 million baht to stimulate the economy in this dimension.

Dimension 3: Energy reduces inequality and create a better quality of life, by promoting investment in power plants, biomass/biogas from energy crops for communities and the grassroots economy by accelerating investment to 200 megawatts. It is expected that there will be approximately 37,700 million baht circulating in the economy in 20 years and will also help reduce greenhouse gas emissions by more than 630,737 tons of carbon dioxide per year.

Dimension 4: Organizational development to provide services, by publishing energy data in the form of an Interactive Dashboard, showing energy insights through processing in an easy-to-understand format to communicate to the public to access information easily, including increasing digital efficiency in energy operations.

Table summarizing new power generation capacity for 2018-2037 according to the PDP 2018 plan, first revision.

Electricity production capacity during 2018-2037	Megawatts
Electricity production capacity at the end of 2017	46,090
Electricity production capacity removed from the system during 2018- 2037	(25,310)
New electricity production capacity during 2018-2037	56,431
Total electricity production capacity until 2037	77,211

Source: Thailand Power Development Plan

Table summarizing new power generation capacity for 2018-2037 according to the PDP 2018 plan, first revision.

Power plant type	New electricity production capacity (Megawatts)
renewable energy power plant	18,833
community power plant	1,933
Pumped-Storage Hydropower Plant	500
Cogeneration power plant	2,112
Combined-Cycle Power Plant	15,096
Coal/lignite power plant	1,200
Import from abroad	5,857
New/alternative power plants	6,900
Energy conservation measures	4,000
Total	56,431

Source: Thailand Power Development Plan



Power plant projects according to Thailand Power Development Plan for the 2018 - 2037 period are projects with commitments and a power trading agreement has been signed. Pilot project for electrical power management and projects in accordance with government promotion policies, including major power projects and new renewable energy power plants. The total contracted power production capacity is 20,343 megawatts, with the following details:

Table summarizing the new power development capacity that will occur between 2018-2025 according to the PDP 2018 plan, first revision.

Power plant type	New electricity production capacity (Megawatts)
renewable energy power plant	3,185
community power plant	1,933
Pumped-Storage Hydropower Plant	500
Cogeneration power plant	2,112
Combined-Cycle Power Plant	9,656
Coal/lignite power plant	600
Import from abroad	2,357
Total	20,343

Source: Thailand Power Development Plan

Projects included in Thailand Power Development Plan for the period 2018 - 2037 are projects on domestic electricity and importing electricity from abroad to maintain the stability of the electrical system and respond to the increasing demand for electricity, including replacing old power plants that have expired, with an additional combustion power capacity of 36,088 megawatts. The details are as follows.

Table summarizing new power generation capacity for 2026-2037 according to the PDP 2018 plan, first revision.

Power plant type	New electricity production capacity (Megawatts)
renewable energy power plant	15,684
Combined-Cycle Power Plant	5,440
Coal/lignite power plant	600
Import from abroad	3,500
New power plants	6,900
Energy conservation measures	4,000
Total	36,088

In preparing a forecast for the country's electricity demand, the Office of the National Economic and Social Development Council (NESDB) has prepared an estimate of the trend of long-term economic expansion (GDP) from 2017 to 2037 with an average of 3.8% per year, using an average population decline rate of -0.02% per year.

For the forecast value of electricity demand used in the PDP 2018 revision, first revision, the forecast value of total net electric power demand (Energy) of System 3 of the Electricity Authority and Net Electric Power (Peak) in 2037 is approximately 367,458 million units and 53,997 megawatts, respectively.

The table displaying the peak demand

Year	PDP 2018, 1st revision	
	Peak Demand (MW)	Electrical energy (million units)
2018	29,696	203,203
2022	35,213	236,488
2570	41,079	277,302
2575	47,303	320,761
2580	53,997	367,458

Source: Thailand Power Development Plan

However, business challenges still remain from the characteristics of the market structure and future competition trends, although the production of renewable energy has many factors that are very attractive to business operations. This is due to electricity being essential for the economic growth of the country and in the future the demand for electricity will increase even more, but when considering the market environment where there are only few buyers (EGAT, PEA, and MEA) and that the government sector determines the market rules (purchasing criteria, related regulations, quantity and purchase rate) which can decide to reduce the Adder in the purchase price of electricity for newly issued power purchase contracts, which is the main income of business operators. In addition, the government sector has also set a ceiling on the amount of electricity purchased from renewable energy, specified in the power purchase agreement. This will limit the size of the market for investment and development of renewable energy in the future. However, if we consider the competition aspect, it is likely that the competition for entering this business will become more intense, especially the competition to obtain PPA due to a large number of people interested in this business. This includes foreigners who have the technology and ability to manage the costs of producing electricity from renewable energy.

For Thailand, renewable energy is a part that contributes to the stability of the country's electrical power. It is also environmentally friendly and help reduce greenhouse gas emissions as wind energy is considered one of the most efficient renewable energy sources. Thailand is located near the equator, so the wind speed is quite low. From a study by the Department of Alternative Energy Development and Energy Efficiency in the development project in 2010, it was found that at an altitude of 90 meters, most areas of the country have an average wind speed of 4 - 5 meters per second. Therefore, wind energy production must use wind turbine technology that is appropriate to the wind conditions in Thailand. Areas with strong winds will be narrow areas such as hills, gorges, or mountain peaks, which will help accelerate the wind speed.

However, wind turbine technology for electricity development is developing rapidly. In addition, the wind currents affecting Thailand are Northeast monsoon and the Southwest monsoon, making the development of electricity with wind energy efficient. There is also a policy to promote investment to receive benefits from the government, enabling many entrepreneurs to successfully develop and build a business of wind energy electricity production. Currently, Thailand has 28 wind power plants that supply electricity into the system (Source : Department of Renewable Energy Development).

Value Chain Management

In Thailand, the power generation business is controlled by the National Environmental Quality Promotion Act, and all power generation projects that have been implemented and all projects have always been fully compliant with environmental standards stipulated in relevant laws.

The Company believes that the Company's operation in solar power generation and distribution business complies with the environmental, health and safety practices as required by law, strictly abides the conditions contained in the Power Purchase Agreement, additional, it is not involved or is a party in any arbitration, litigation or dispute relating to the environment or non-compliance with any applicable environmental law.

In addition, the Company Group has continuously monitored and controlled the electricity generation process, and supplied standardized materials and equipment for maintenance, installed or serviced by professionals. The Company Group has also organized a drill on safety, health and environment, to raise awareness of such area to employees, covering electrical leakage prevention and emergency procedures, which is closely run by experts, in collaboration with the area owner, and to build understanding and coexistence with neighboring communities in harmony by sending representatives to participate in and support local activities and customs held by the communities, and plan to improve the quality of life of the communities in the future.

4.7 Dependence on the company groups of major shareholders

The Company has no policy to depend on the company group of major shareholders or persons related to major shareholders, the business negotiations are based on mutual benefit, and have not mutually transfer of interests, as well as comply with laws relating to the management of conflicts of interest, covering the setting of internal rules that authorize the Audit Committee to monitor the related-party transactions, complete and timely disclosure of legal information, and the appointment of independent advisors to give opinions on related-party transactions when there is any transaction with significant size. The Company independently manages its operations, by not subject to the control of company group of any major shareholders.

4.8 Dividend Policy

The Company's dividend policy is to pay a dividend not exceeding 50% of net profit for the year after the deduction of all types of reserves according to the laws and the Company's Articles of Association. The consideration of dividend payment shall be subject to cash flow and investment plans of the Company during each year as deemed necessary and appropriate by the Board of Directors.



5.) Risk Management

5.1 Risk management policy and important developments in the past year

The Company believes that the risk management throughout the organization is an important part to make the Company achieving its business goals, helping promote the organization to be ready to quickly adapt itself, seeking the business opportunities under changing external environment and ready to deal with the risks that are more complex and severe, by continuously creating a culture of risk management in line with risk management process according to the COSO standard, each employee is required to understand the risks under the works to be responsible through a work-based learning process with close consultation from supervisors. In addition, in the event that any employee found any significant risk, he/she can report to any supervisor at all levels to find ways to manage risk together. In previous year, the Company assigned the Audit Committee to be responsible for risk management and the Executive Committee consisting of high-level executives in each department, is responsible in preparing risk management plans and reporting progress to the Audit Committee and the Board of Directors every quarter. The Company has realized the risks and determined measures to management risks as follows:

5.2 Strategic Risk

5.2.1 Risks from changes in policies of government and other related agencies in the energy and electricity business

The Company is actively and continuously seeking investment, especially in the energy business; however, if there is any change in policies of government and/or other agencies Related, such as Thailand Power Development Plan (PDP), Alternative Energy Development Plan (AEDP), Energy Reform Plan, or even the policy on the anti-dumping of iron and zinc products from China, it will affect the business operations and planning.

The Company has personnel and teams with experience and knowledge in each business of the Company, with the duty of monitoring data and information of government agencies and other relevant agencies to use the said data and information to study and assess the situations to determine the Company's operational guidelines and future business planning.

5.2.2 Risks from dependence on the purchase of electricity from government agencies

EGAT, PEA and MEA are the Company's power buyers, which are state-owned enterprises that are important in power generation, and EGAT also controls all wholesale electricity systems in Thailand. The main revenue of the Company Group is from the sale of electricity to EGAT, PEA and MEA, which the Company is required to follow the power purchase agreement (PPA) and obligations under PPA.

The Company pays attention to the strict compliance of the Power Purchase Agreement, with personnel in charge of controlling Coordinate and submit the power plant performance report. Electricity distribution Maintenance plan includes planning, managing, and preventing problems that may arise from various operations. In the event of an incident that may cause failure to comply with the Power Purchase Agreement, the Company will dispatch personnel to work with both EGAT, PEA and MEA to solve problems together in a timely manner.

5.2.3 Risks of Emerging Incidents

The world that is rapidly changing, both in technology, economy, politics, and government, as well as the perception process of general people, may lead to the emergence of new risks, for example, the severe outbreak of Covid-19 that has been continuous for a long time has impacted every sector, both at the global and national levels.

The Company believes that if all employees in the organization have knowledge and competency and the Company has a good culture that makes the risk management a part of everyday works, the Company, in collaboration with its employees, will be able to deal with that new risk together, as in the case of Covid-19 outbreak that obviously affects the Company's performance, the Company also has a strategy to acquire an electricity generation business that generates a certain revenue in order to mitigate the risks of volatility in the zinc and steel business. It has been a business plan that has been conducted since 2018, and the sacrifices and continued dedication of all employees to generate sales in the zinc and steel business, also lead the Company to believe that we will be able to go through this crisis together.

5.2.4 Risks of Losing Employees who are important to the Company

The rapid expansion of the business increases the demand for personnel in various positions, while the existing employees have to bear more responsibilities that may impair the overall work efficiency of employees, which may affect the operational efficiency, organizational structure and succession plan.

The Company has a policy to develop existing personnel with all-round skills, expand their responsibilities to similar areas of new works, while providing appropriate compensation and welfare to compete with companies in the energy business group. Moreover, the Company has a policy to increase the recruitment of new employees by selecting based on qualifications that are suitable for the job, such as education, experience, work dedication, creativity, analytical thinking and problem solving, etc. In addition, the Company has regularly evaluated its employees to analyze their potential and improve development plans to prepare them for future changes.

5.3 Operational Risk

5.3.1 Risks from the Efficiency of Operating Power Plant

The risks that the Company Group's power generation projects might fail to generate electricity as targets, or unexpected temporary shutdown for maintenance due to wear and tear or deterioration of equipment and machinery, and errors of power plant project management plan and human errors of personnel, resulting in failing to achieve target of revenues.

The Company has assessed the risks from the operations of power plant projects since the beginning phase, the management has followed up the past performance to be applied in determining revenue targets, hired external experts with skills to be in charge of the maintenance program, maintenance plan preparation during intervals with minimum impact on electricity generation, as well as the use of information technology to monitor and analyze indicators that can be tracked in a real time manner, so that the solution plans in advance if happening.

5.3.2 Risks of Climate Change

The climate change may cause physical effects such as the impact on the change in wind direction, change in seasons or unstable weather conditions, affecting the Company's performance, especially the solar and wind power generation businesses.

The Company has monitored wind changes by using information technology to help analyze various values. In addition, the wind turbines chosen by the Company are the model that the direction of turbines can be adjusted to match the wind direction. As for the solar power generation business, the Company is in the process of replacing with the solar panels with modern technology that are more resistant to the changes in hot and humid climates, which will result in more efficiency of electricity generation. In the zinc and steel business, a proactive sales plan will be applied in case of natural disasters that increase the demands of zinc and iron products.

5.3.3 Risks of Safety, Occupational Health and Environment

Safety, occupational health, and the environment are the areas emphasized by the global society, if the Company fails to comply with the standards, its performance, employee performance and image will be affected.

The Company has emphasized the management and operation of safety, occupational health and environment, taking into account the quality of life and safety of employees and surrounding communities, having a standard operating system by implementing an international standard management system in the operation and assigning employees to be in charge of listening to relevant problems from the community. In addition, the Company has also continuously embedded employees, communities and society of awareness on safety, occupational health and environment.

5.4 Financial Risks

5.4.1 Risks from Unfavorable Financial Status for Business Expansion or Investment

The Company is in a transition phase to focus on the investment in energy business, requiring a lot of investment, and most funds spent in the Company's power generation projects are in the form of project finance, with project assets as credit collaterals. If the Company has a greater proportion of net debt than equity, resulting in its financial stability and capital structure, as well as its long-term growth plans.

The Company has focused on effectively generating revenue from its existing businesses to ensure the consistent revenue according to the plan, while building an understanding of its growth strategy and direction with financial institutions along with strict adherence to existing financial contracts in order to make financial institutions, investors and stakeholders confident in the Company and ready to support if the Company requires the investments.

5.5 Risks of Information Technology

5.5.1 Risk of Technological Transformation

The transformation of digital technology is rapidly occurring and plays an increasingly important role in everyday life and businesses if the Company fails to adapt itself to modern technology that can help reduce costs or increase production efficiency.

The Company places great emphasis on implementing technology within the organization, both in the operation and business support functions. In the operation function, the Company emphasizes the use of modern technology to reduce the number of workers, and able to show accurate analysis results to address challenges. In addition, in the business support function, the Company has a policy requiring employees to learn and utilize technology and stipulating the ability to respond to changes in technology as a key skill in recruitment.

5.5.2 Risk of Cyber Security

Cyber threat is one of risks to be concerned by the Company because the Company uses information technology linking operation function with business support function to communicate and transmit information that is used to monitor business operations. If the communication channel is compromised, it may cause damages to the operation function, resulting in failure to generate electricity for sales in accordance with the contract with partners.

The Company has a hedging strategy by choosing digital tools that can help prevent risks of information system, improving the structure of information system to be up to date, hiring an expert acting information system administrator and conducting security experiments, such as hacking tests to identify system vulnerabilities, as well as raising awareness of cyber threats and how to initially prevent the Company from them.

5.6 Compliance Risk

5.6.1 Risk of non-performance of contracts, obligations, relevant laws and regulations

In the power generation business, the Company has a contractual party who are state-owned enterprises including EGAT, PEA and MEA, which all place a great importance on requiring the Company to comply with contracts, obligations, relevant laws and regulations. If failing to comply with, the contract may be terminated, or the Company is required to pay fines that will affect the Company's business operations.

The Company has paid attention to the strict compliance of the Power Purchase Agreement, with personnel in charge of controlling, coordinating. In case of ambiguity on contract interpretation or an incident that may cause the Company to deviate from what law stipulates, the Company will provide an external legal advisor with expertise as a consultant to determine a proper management approach.

5.6.2 Corruption Risk

The Company has realized the importance of conducting business with responsibility by adhering to the principles of Good corporate governance in business operations; however, a risk of deliberate or unintentional corruption may be happened, which may affect the Company's reputation and operations.

The Company has established its Business Ethics and is working to raise awareness and understanding of business ethics, including the anti-corruption issue by establishing an anti-corruption policy and a whistleblower policy for complaints of misconduct or corruption, whereby if any misconduct is observed, it can be reported directly to the Audit Committee. In addition, the Company has sufficient and appropriate risk management and internal control systems in place, including an internal audit unit and independent external experts who are responsible for monitoring work processes and reporting quarterly audit results to the Audit Committee. In 2024, the Company plans to become a member of Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) and become certified as an anti-corruption organization by the CAC in 2025. Additionally, throughout the past year, the Company has not received any complaints or encountered any incidents in which employees or executives acted in violation of anti-corruption issues, nor has the Company or any of its subsidiaries ever been accused of corruption. Moreover, in 2023, there was no complaints about corruption from employees or related parties.

6.) Business Development for Long-term Sustainability

6.1 Overall Framework Policy

The Company has operated its businesses under the principles of Good Corporate Governance, fairly taking into account the interests of all shareholders along with responsibly operating its businesses to other stakeholders, we believe that sustainable growth must be the shared growth by setting up a framework of sustainable development management as follows:

1. To expand businesses with the investment in the energy business, and to maintain the appropriate proportion between clean energy business or renewable energy and other forms of energy or other businesses under the commitment to be a part of global community in accordance with the relevant Sustainable Development Goals (SDGs).
2. To build credibility in conducting businesses in compliance with laws, ethics, and traditions in all areas where its businesses are operated.
3. To create the transparency in organizational management as an organization with moral, transparency, anti-corruption of all forms, political neutrality and promotion of fair competitions.
4. To respect and protect fundamental human rights, equality and non-discrimination.
5. To prioritize stakeholders, assess their expectations by focusing on creating sustainability together through social activities and business activities at the same time.
6. To fairly treat and manage human resources, especially labor employment, as well as properly promote and support the development of skills, knowledge, and morality to existing human resources.
7. To pay attention to the environmental impacts, by applying both negative and positive environmental performance issues into the investment decision-making process.

The Company has required to regularly monitor and assess the expectations of various stakeholders and report

6.2 Value Chain of Energy Business



The Company's value chain of energy business starts with the selection process of reliable suppliers and partners, technology, and expertise, along with reasonable cost price. The Company establishes a guideline for long-term safety and efficiency of all equipment used because the energy business is a long-term service throughout the life of the contract or the life of machinery and equipment. The Company has selected and used the technology from European countries with high standard and qualifications for the climate of Thailand.

For steps of installation and maintenance, the Company has selected and used a sole maintenance service provider as same as the manufacturer so that in the event of any problems, the manufacturer will be reached to find solutions in a timely manner, this will reduce the impacts on both performance and relevant stakeholders.

Since the energy group will operate its business as a contractual partner with the government sector, the Company therefore strictly pays attention to the correct compliance as stipulated in the contract and gives cooperation in other areas for long-term cooperation that will benefit the country. Additionally, we also focus on environment conservation in the area by having a plan to cooperate with the government and communities in developing the area surrounding the business area to become a tourist destination maintaining the beauty of nature, this cooperation is under process to be launched.

Taking care of the community and society in the area where the business is operated is what to be concerned by the Company, we have a process to educate and make the community to understand the potential impacts on the community in the Company's business operation through the Company's personnel selected from local people who have qualifications and competency to coordinate with the community, and convey the Company's news to the community for their understanding, including clarification of risk prevention measures such as an annual fire drill plan.

Additionally, the Company places great importance on the creation of mutual benefits. In 2023, the Company hired people from the local community itself for solar panel cleaning, providing them with fair fees and training them in correct and safe cleaning methods as opposed to hiring external companies for this process. The Company also developed the area around the wind turbine into a community tourist attraction, able to generate income for the community from nearby shops and restaurants.

6.3 Environmental Sustainability Management

While the Company operates a clean energy business, its environmental management approach focuses not only on reducing the impact of the business on the environment, but also considers the promotion and development of that environment in order to create business value for the community. For 2023, the Company operated according to the concrete environmental action plan with a focus on reciprocal coexistence with the local community and support of the Sustainable Development Goals (SDGs) guidelines of the United Nations, as well as guidelines for the reduction of greenhouse gas emissions, promotion of human rights, reduction of social inequalities, and energy access for local communities. This is in accordance with the Company's business commitments as a company operating primarily in energy.

The Company has reviewed the plan to develop the area surrounding the establishment into an eco-tourism attractions, especially in Mukdahan province, where the Company plans to work with the government and community to develop the wind turbine area into a tourist attraction, stimulating the community economy. In 2023, this has already been implemented and has generated income for the community, along with cultivating a nature-loving conscience from the beauty of nature around the establishment. Moreover, at present the Company is continually promoting the creation of a culture of conservation and energy saving, starting with

the actions and habits of employees, such as saving water, saving electricity, or reducing the use of paper in the workplace. The Board of Directors piloted this idea with fully electronic meeting project, not using any paper and replacing it with safe and leading technology. The Company also has its staff coordinate and communicate with local communities in the areas where we operate to receive their opinions on important issues. The Company has had no environmental disputes in the past.

Carbon Footprint Assessment

The Board of Directors has required the Company to prepare and verify the Company's Carbon Footprint Assessment every year in order to support government policies for reduction of the country's greenhouse gas emissions by 20% by 2030. Currently the government sector is considering the Climate Change Act B.E....., a key part of which is the government's authority to call on relevant organizations to submit or report information related to greenhouse gas emissions.

For 2022, the Company has operated the assessment on a limited basis to reflect actual business operations. By following up and evaluating only the period between 1 May 2021 and 31 December 2021, which was when the Company sold all of its steel and zinc businesses and covered the solar energy production business operated by all 8 subsidiaries and the Company's head office according to ISO 14064-1:2018 standard, assessed by Bureau Veritas Certification (Thailand) LTD, which is an assessor registered with the Thailand Greenhouse Gas Management Organization (Public Organization) or "TGO." The Company has a total of 1.95 tons of carbon dioxide equivalent of type 1 greenhouse gas emissions. Most of this comes from the use of fuel for cars, which is in small quantities due to the Company's Work From Home policy. Oil use comes from the operations department's inspection of electricity development sources. There were 3.13 tons of carbon dioxide equivalent of Type 2 greenhouse gas emissions from the use of electrical energy and 1.21 tons of carbon dioxide equivalent of Type 3.

For operations in 2023, the Company determined to have the first year of full operations, covering both the headquarters and the establishments of all subsidiaries, including Winchai Company Limited. The follow up and evaluation were only during the period between 1 January 2022 to 31 December 2022, which has been reviewed and certified by Bureau Veritas Certification (Thailand) LTD. The Company has a total of 2 tons of carbon dioxide equivalent greenhouse gas emissions from Type 1 sources, 292 tons of carbon dioxide equivalent from Type 2 sources, and a total of 58 tons of carbon dioxide equivalent of Type 3 sources. The total of the three categories equals 352 tonnes of carbon dioxide equivalent.

6.4 Sustainability Management in terms of Society

The Company has already managed the sustainability of society, especially in treating labors with fairness and human rights to be established as part of the Company's Business Ethics that all employees are obliged to comply with and to be determined as a clear plan in 2021 and allowing employees or surrounding communities to involve in social sustainability management, as well as setting clear indicators for tracking the progress. However, in the past, many actions on social sustainability management have been undertaken, such as developing and training employees, maintaining fair compensation, establishing a fair recruitment process, especially during Covid-19 situation, the Company have put efforts to help and mitigate the impacts on employees, for example, no termination policy, in case that any employee has to leave job, compensation and contribution will be paid as prescribed by laws or welfare regulations; or issuing a measure of alternative shift working for employees to maintain their income while orders or sales have been significantly dropped during that period.

7.) Management Performance Analysis and Discussion

Overall Performance

Results from the implementation of strategies and plans for the year 2023 show that the Company has an increase proportion of paid up capital in Winchai Company Limited to 75%, so the Company has recognized the positive and consistent performance of Winchai Company Limited and has strengthened the Company's root. The Company believes that continued investment in the energy business has a good future outlook in terms of both performance and support of the Sustainable Development Goals (SDGs) of the global community, especially SDG 7—"Affordable and Clean Energy."

Performance in 2023 proves that the Company's performance has clearly improved due to the implementation of strategies and plans that continuously emphasize the three-dimensional linkage of Governance, Risk Management and Compliance of business operations both operation and financial. In 2023, the Company prepared strategies, business plans, and budgets for 2023, a continuation of the plan from 2021 and 2022, which is a medium-term plan to improve the work system in both the operations section and the governance and internal control and the finance and budget section to be in line with the transition from the steel and zinc business to the energy business. The vision, mission, and goals are still the same as in 2021 and 2022, with emphasis on growth from finding business opportunities in the energy business along with creating sustainability for various stakeholders appropriately. Moreover, the Company developed a corporate governance system with an emphasis on essential matters beneficial to the business according to the principles of the Corporate Governance Survey of Listed Companies (CGR) and continually review important internal control systems in terms of reviewing policies and criteria for conducting related transactions in the overall system. In terms of risk management, the plan will be a continuation from the 2022 plan by establishing a risk management committee consisting of company directors and setting up an internal control and risk management division within the first quarter of 2023, with the management assigned to revamp the risk management and internal control framework to be in line with the changing business to present to the executive committee to consider risks in 2024 and determine a full work plan by 2025.

In addition, the Board of Directors through the Audit Committee follows up on the audit of operating results by the auditor who reports to the Audit Committee every quarter, as well as monitoring the financial status and compliance with existing loan conditions of the Company and its subsidiaries and communicating with financial institutions to understand the direction of the Company's growth, which contributes to the refinancing of all loans of Winchai Co., Ltd., creating a source of capital for the Company to purchase additional shares in Winchai Co., Ltd. which has good and consistent operating results.

As the COVID-19 pandemic improves, the Company continues to look after the wellbeing of its employees as previously, changing the work style to Flexible Hour to decrease the employees' commute and help decrease the organizational Carbon Footprint, which was highly successful. Supporting this initiative, the Company's Information Technology Department supported a wide variety of suitable devices, technologies, and communication formats, allowing work goals to be set and tracked by supervisors and the HR Department

The Board and Management are confident that the investment plans and strategies being implemented will generate sufficient returns for investors in accordance with the National Energy Plan, which was part of the government's energy policy last year. This includes support of clean energy and reducing carbon dioxide emissions to zero in the next 10 years. As such, the Company Group has a continuous investment policy and strategy that is consistent with that of the government sector.

Summary of important operations for the year ended 31 December 2023

On January 24, 2023, the Company's Board of Directors Meeting No. 1/2023 resolved to approve the issuance and offering of debentures No. 1/2023 in an amount not exceeding 400 million baht with a par value of 1,000 baht per unit, 1 year 9 months. The Company's debentures are newly issued bonds to institutional investors and large investors. These Debentures are name-registered, unsubordinated, and unsecured debentures without a Debenture holders' Representative. The interest is due to be paid every 3 months and the Company has the right to redeem it before the maturity date. The Company has received permission to offer bonds from the Securities and Exchange Commission on March 7, 2023 and the Company has offered to sell bonds between March 14-16, 2023, a total of 400,000 units with a par value of 1,000 baht per unit, a total value of 400 million baht of bonds. The Company's bonds has all been sold as offered, the total amount of 400 million baht. Later on March 20, 2023, the Company complied with the objective of issuing and offering the said debentures. The Company paid the final payment for common shares from its investment in Winchai Company Limited ("Winchai") in the proportion of 24.375%, totaling 165 million baht, to The Planet Y Holding Company Limited.

On October 17, 2023, the Special Board of Directors' Meeting No. 1/2023 resolved to approve the proposal to the Extraordinary General Meeting of Shareholders of the Company to consider and approve the sale of all investments in Winchai to Plus Energy Company Limited, a subsidiary of Sermuang Power Corporation Public Company Limited (the Company's shareholder), at a total price of 2,322 million baht by transferring the entire business through Top Empire Co., Ltd. (subsidiary). However, the purchase price may be adjusted according to events that have a significant impact on the value of Winchai's shares, such as the payment of dividends to shareholders of Winchai etc.

In selling all investments in Winchai, the Company can immediately recognize the return from investment in Winchai in the form of cash. which gives a good rate of return and the cash received from the sale of Winchai can be used to invest in expanding other businesses or expanding the business scope of the Company. This gives shareholders the opportunity to receive greater returns. According to the Extraordinary General Meeting of Shareholders No. 1/2024, it was resolved to approve the investment in Nova X Co., Ltd., Nova being a company established in Thailand on June 25, 2020, providing offshore service in the oil and natural gas industries and having been selected to be a provider of crude oil storage and transfer vessels for PTTEP Energy Development Company Limited (PTTEP ED). The Company entered into a contract to provide the said services on June 1, 2023, with a period of 5 years from commercial operation date. It is expected to begin commercial operations in December 2024. PTTEP has the right to extend the service contract for another 5 years after the first 5 years expire. The investment will enable the Company to expand business scope and diversify risk to new businesses that have future growth opportunities.

On January 31, 2024, the Company entered into a share purchase agreement for Winchai with Top Empire Company Limited. The transfer of all shares of Winchai to Top Empire Company Limited has been completed. Currently, the Group is in the process of selling all of Winchai's capital to Plus Energy Company Limited. Therefore, in order to comply with the requirements of Financial Reporting Standards No. 5, non-current assets held for sale and discontinued operations, the Company therefore classified all investments in Winchai, amounting to 2,120 million baht, as assets held for sale and is separated into "assets held for sale" in the separate statement of financial position as of December 31, 2023. Moreover, the Group has presented assets and Winchai's debts are separate items under the heading "assets held for sale" and "liabilities directly related to assets held for sale" in the consolidated statement of financial position as of December 31, 2023, including separate results of Winchai's operations as "profit for the year from discontinued operations" in the consolidated statement of comprehensive income for the year ended December 31, 2023. In addition, the Group has separated Winchai's operations into "profit for the year from discontinued operations" in the consolidated statement of comprehensive income for the year ended on December 31, 2022, shown for

comparison to Winchai's assets and liabilities classified as held for sale and liabilities directly related to assets held for sale as of December 31, 2023, and Winchai's income and expenses classified as profit for the year from discontinued operations and other comprehensive loss for the year from discontinued operations. For the year ending December 31, 2023, details are as shown in the notes to the financial statements.

Analysis of operating results and financial position are as follows:

Performance Summary

Unit: Million Baht

For years ending December 31	Consolidated financial statement		Change	
	2023	2022	Increased/ (Decreased)	%
Revenue from continuing operations - electricity distribution	55.89	54.94	0.95	2%
Gross profit	18.34	19.19	(0.85)	(4%)
Gains from changes in investment status	-	59.89	(59.89)	(100%)
Bargain Purchase Gain	-	6.04	(6.04)	(100%)
Other income (Other expenses)	(2.18)	2.87	(5.05)	(176%)
Administrative Expenses	(49.85)	(54.50)	(4.65)	(9%)
Operating Profit (Loss)	(33.69)	33.49	(67.18)	(201%)
Financial Cost	(34.36)	(29.68)	4.68	16%
Income Tax Benefits (Expenses)	(0.07)	0.39	(0.46)	(118%)
Profit for the Year from Continuing Operations	(68.12)	4.20	(72.32)	(1,722%)
Profit for the year from Discontinued Operations	486.87	440.85	46.02	10%
Profit for the Year	418.75	445.05	(26.30)	(6%)
Total Comprehensive Income for the Year	403.82	431.73	(27.91)	(6%)
Profit Sharing				
Attributable to Equity Holders for the Company	297.71	240.30	57.41	24%
Attributable to Non-controlling Stakeholders of Subsidiaries	121.03	204.75	(83.72)	(41%)
Total Comprehensive Income Sharing				
Attributable to Equity Holders for the Company	286.52	231.32	55.20	24%
Attributable to Non-controlling Stakeholders of Subsidiaries	117.30	200.40	(83.10)	(41%)

Performance Summary

Unit: Million Baht

For years ending December 31	Consolidated financial statement		Change	
	2023	2022	Increased/ (Decreased)	%
Key Financial Ratios				
Gross profit rate	33%	35%		
Operating profit rate	(60%)	61%		
Net profit margin	(122%)	8%		
Primary earnings and losses per share				
Profit per Share from Continuing Operations	(0.40)	0.03	(0.43)	(1,433%)
Profit per Share from Discontinued Operations	2.15	1.40	0.75	54%
Net Profit per Share Attributable to Equity Holders for the Company	1.75	1.43	0.32	22%

Revenue and gross profit - by business segment

The Group has income from continuing operations from electricity distribution for the year ending December 31, 2023 in the amount of 55.89 million baht, an increase of 0.95 million baht or 1.73% compared to the same period of the previous year with total income of 54.94 million baht. In addition, the Group has income from discontinued operations for the year ending December 31, 2023 in the amount of 963.65 million baht, an increase of 184.98 million baht or 23.76% compared to the same period of the previous year, with total income of 778.67 million baht, which received positive influence from natural factors. The details are separated by business segment as follows:

Unit: Million Baht

Performance separated by business segment – electricity production and distribution	Solar Power		Wind Power	
Electricity production capacity	7.825 Megawatts		45.00 Megawatts	
For years ending December 31	2566	2565	2566	2565
Operating income	55.89	54.94	963.65	778.67
Gross profit	18.34	19.19	679.86	517.72
Gross profit rate	33%	35%	71%	66%

Gains from changes in investment status

After the Company's additional investment on January 24, 2022, the Company has a shareholding proportion of 50.625% of Winchai's issued and paid-up common shares and has control over Winchai's important activities. Therefore, the investment status has changed from an associate company to a subsidiary company. The Group realized profit from changing investment status in the amount of 59.89 million baht in the income statement for the year ending December 31, 2022, which occurred from the following 2 items:

1. A difference of 54.55 million baht from the equity method book value that existed before the business combination (Investments in Winchai Company in the proportion of 26.25%) amounts to 819.10 million baht with fair value in the same proportion before business combination in the amount of 873.65 million baht and
2. recognition of the cumulative amount of share of other comprehensive income from associated companies in the amount of 5.34 million baht.

Bargain Purchase Gain

The Group recognized a gain from the bargain purchase in the amount of 6.04 million baht in the income statement for the year ended December 31, 2022, from completing the Company's fair value assessment of the identifiable assets acquired and liabilities assumed by Winchai. The Company invested in Winchai in the proportion of 24.375% on January 24, 2022. The fair value on the date of purchase was found to be Winchai's net assets in the proportion of the Company's investments amounting to 1,579.69 million baht. The Company's cost of purchasing investments in Winchai is 1,573.65 million baht.

Administrative Expenses

The Group's administrative expenses for the year ended 31 December 2023 and the same period of the previous year are 49.85 million baht and 54.50 million baht, respectively. Administrative expenses decreased by 4.65 million baht or 9%, mainly due to professional consultant fees incurred during the business restructuring as per the Company's strategy, financial planning, and legal consultant for investing in businesses.

Financial Cost

The majority of the financial costs arose from interests of long-term debt of the Group and from recognition of right of use according to the Thai Financial Reporting Standards No. 16, "Leases."

Sharing profits with non-controlling stakeholders

For the year ending December 31, 2023, profits attributable to non-controlling stakeholders of Winchai were 121.03 million baht, consisting of 2 items as follows:

1. Net profit for the year ending 31 December 2023 of Winchai in the proportion of other people's investments in common shares of Winchai totaled 137.97 million baht.
2. Amortization of intangible assets acquired from business combinations in the proportion of the other people's investments in Winchai's common shares totaling 16.94 million baht.

Financial position summary

Unit: Million Baht

	Consolidated financial statement		Change	
	31 December 2023	31 December 2022	Increased/ (Decreased)	%
Current Asset	5,105.43	454.71	4,650.72	1,023%
Non-current assets	420.32	5,218.82	(4,798.50)	(92%)
Total Assets	5,525.75	5,673.53	(147.78)	(3%)
Current liability	2,961.89	621.00	2,340.89	377%
Non-current assets	125.77	2,678.15	(2,552.38)	(95%)
Total Liabilities	3,087.66	3,299.15	(211.49)	(6%)
Shareholder's Equity	2,438.09	2,374.38	63.71	3%
Key Financial Ratios				
Return on Assets (%)	7.58%	7.84%		
Return on equity (%)	17.18%	18.74%		
Liquidity ratio (times)	1.72	0.73		

As of 31 December 2023, the Group had current assets of 5,105.43 million baht, an increase of 4,650.72 million baht or 1,023% from 31 December 2022 and non-current assets of 420.32 million baht, a decrease of 4,798.50 million baht or 92% from December 31, 2022, and the Group has current liabilities of 2,961.89 million baht, an increase of 2,340.89 million baht or 377% from December 31, 2022, and non-current liabilities of 125.77 million baht, decreased by 2,552.38 million baht or 95% from December 31, 2022. Such significant change is mainly a result of the Group presenting Winchai's assets and liabilities as separate items under the section of "assets held for sale" in the amount of 4,890.33 million baht in current assets and "liabilities directly related to assets held for sale" amounting to 2,504.81 million baht in current liabilities in the consolidated statement of financial position as of December 31, 2023. However, the Group's return on assets in 2023 decreased to 7.58%, compared to 7.84 in 2022, and the Group's liquidity ratio in 2023 increased to 1.72, equal to 0.73 times of 2022.

The shareholders' equity of the Company Group amounted to 2,438.09 million baht as of December 31, 2023, an increase of 63.71 million baht compared to December 31, 2022, mainly from the operating results from the investment in Winchai. However, the rate of return on equity in 2023 decreased to 17.18% compared to 18.74% in 2022.

Cash Flow Summary, unit: million baht

Unit: Million Baht

For years ending December 31	Consolidated financial statement	
	2023	2022
Net cash flow from operating activities	745.10	483.24
Net cash flow used in investing activities	(194.53)	(791.01)
Net cash flow from (used in) financing activity	(406.70)	399.73
Cash and cash equivalents at the beginning of the year	129.40	37.44
Cash and cash equivalents increase	143.87	91.96
Ending cash and cash equivalents from discontinued operation	(69.01)	-
Cash and cash equivalents at the end of the year	204.26	129.40

For the year ended 31 December 2023, the Group had net cash flow from operating activities of 745.10 million baht, compared to 483.24 million baht for the year ended 31 December 2022. The increase was due to operating profits, mainly performance of discontinued operations in the consolidated financial statements.

In addition, the Group had net cash flows used in investment activities during the year ended 31 December 2023, in the amount of 194.53 million baht, from additional investment in Winchai's common shares in the net amount of 165 million baht and an increase in restricted deposits of 23.88 million baht.

The Group had net cash used in financing activities during the year ended 31 December 2023 in the amount of 406.70 million baht from 442.51 million baht of repayment of long-term loans to financial institutions and the subsidiary announcing the interim dividend payment. The total amount of dividends paid to shareholders was 340.11 million baht. In addition, the Company issued and offered bonds worth a total of 400.00 million baht during the first quarter of 2023, so cash was received from the issuance of bonds in the amount of 392.15 million baht.

Table of Important Financial Ratios

Important Financial Ratios	Consolidated Financial Statements ending December 31		
	2021	2022	2023
Liquidity ratio (times)	0.85	0.73	1.72
Quick Liquidity Ratio (times)	0.78	0.71	0.07
Accounts Receivable Turnover Ratio (times)	9.78	5.37	8.32
Average Collection Period (days)	36.80	67.08	43.27
Gross Profit Margin (percent)	16.76	64.41	32.81
Operating Profit (loss) Margin (percent)	(73.65)	58.59	(121.88)
Net Profit Margin (percent)	223.51	53.39	749.20
Return on equity (%)	9.30	18.74	17.18
Return on Assets (%)	7.41	7.84	7.58
Liability ratio per equity (Times)	0.25	1.39	1.27
Interest Coverage Ratio (times)	11.73	5.38	5.65

Financial Ratio Calculation

- Liquidity Ratio = Current Assets / Current Liabilities
- Quick Liquidity Ratio = (Cash and Bank Deposits + Marketable Securities + Trade Accounts and Notes Receivable - Inventories) / Current Liabilities
- Accounts Receivable Turnover Ratio = Net Sales / (Trade Accounts Receivable before Doubtful Accounts + Trade Notes Receivable) (Average)
- Average Collection Period = 360 / Accounts Receivable Turnover Ratio
- Gross Profit Margin = Gross Profit / Net Revenue from Sales and Services
- Operating Profit Margin = Operating Profit / Net Sales and Service Income
- Net Profit Margin = Net Profit / Total Revenue
- Return on Equity = Net Profit / Shareholders' Equity
- Return on Assets = Net Profit / Total Assets
- Debt to Equity Ratio = Total Liabilities / Shareholders' Equity
- Interest Coverage Ratio = Cash Flow from Operations + Interest Expenses from Operations + Taxes / Interest Expenses from Operations and Investments

Asset Management Capabilities

Statement of Financial Position as of December 31, 2023 and 2022

As of 31 December	Consolidated financial statement		Change	
	2023	2022	Million THB	Percentage (%)
Current Asset	5,105.43	454.71	4,650.72	1,022.79
Non-current assets	420.32	5,218.82	(4,798.50)	81.95
Total Assets	5,525.75	5,673.53	(147.78)	(2.60)

The total assets of the Company and its subsidiaries as of December 31, 2023, amounted to 5,525.75 million baht, a decrease of 147.78 million baht, or 2.60% from the previous year.

The efficiency ratio	Consolidated Financial Statements ending December 31		
	2021 (Restated)	2022	2023
Return on Assets (%)	7.41	7.84	7.58

In the Consolidated Financial Statements as of December 31, 2023, the return on assets in the year 2023 showed a decrease from the previous year from 7.84% to 7.58%

Liquidity and Capital Adequacy of the Company

Statement of Financial Position (Condensed) as of December 31, 2023 and 2022

As of 31 December	Consolidated financial statement		Change	
	2023	2022	Million THB	Percentage (%)
Current liability	2,961.89	621.00	2,340.89	376.95
Non-current assets	125.77	2,678.15	(2,552.38)	(95.30)
Total Liabilities	3,087.66	3,299.15	(211.49)	(6.41)

As of December 31, 2023, the total liabilities of the Company and its subsidiaries amounted to 3,087.66 million baht, a decrease of 211.49 million baht, or 6.41%, from the previous year.

Liquidity ratio	Consolidated Financial Statements ending December 31		
	2021	2022	2023
Liquidity ratio (times)	0.85	0.73	1.72
Quick Liquidity Ratio (times)	0.78	0.71	0.07

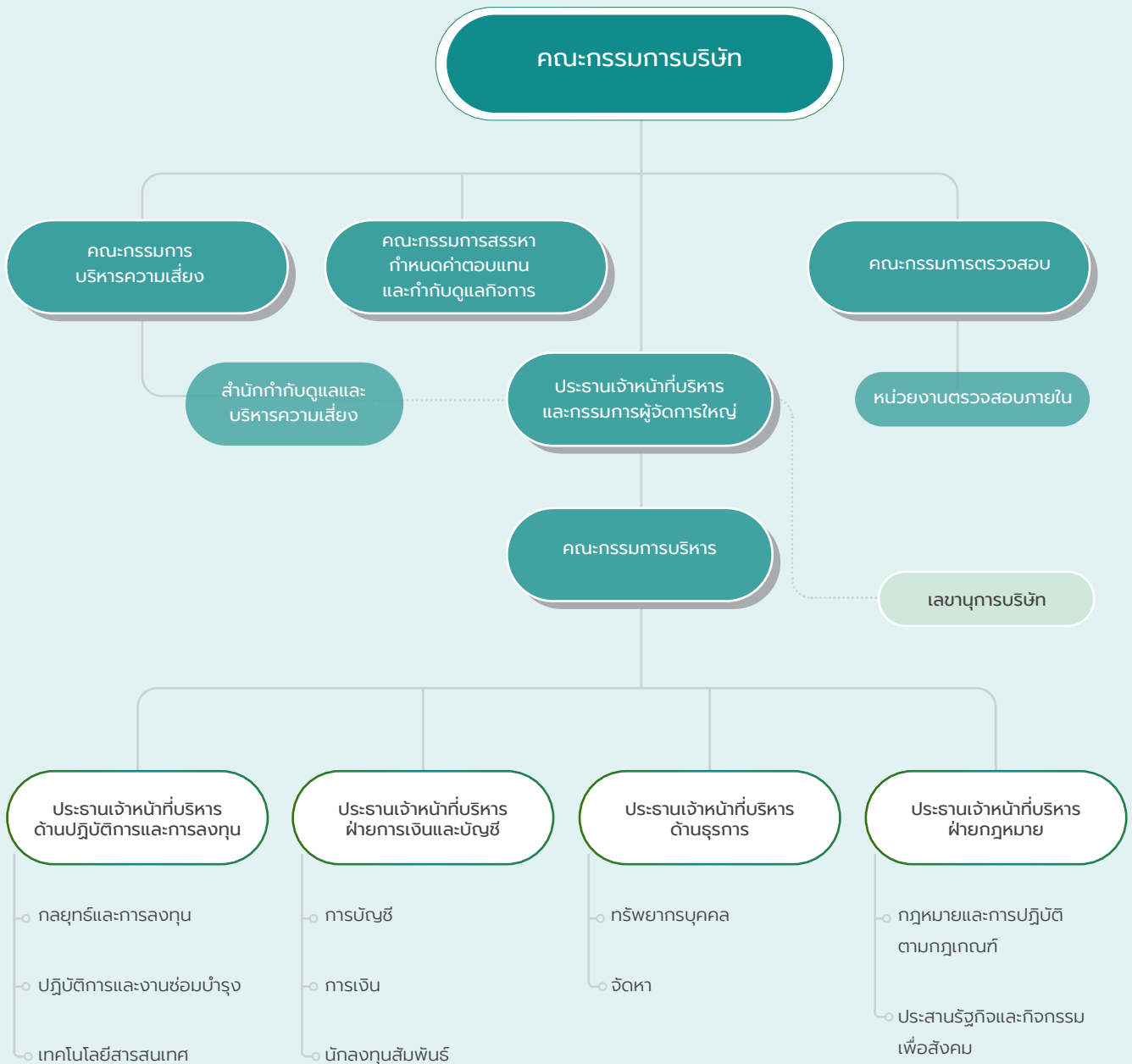
As of December 31, 2023, the Consolidated Financial Statements show a liquidity ratio of 0.07.

Corporate Governance



8.) Corporate Governance Structure

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9.) Policy Overview of Corporate Governance and Significant Performance on Corporate Governance

The Board of Directors and management of the Company adhere to the principles of Good corporate governance according to the code of corporate governance for listed companies in 2017 prescribed by the Securities and Exchange Commission, and the Stock Exchange of Thailand, to maintain and enhance the values of shareholders in a long run.

The Board of Directors has established a policy on corporate governance consisting of a corporate governance structure and a risk management process, strategy formulation, financial reporting and internal control. In addition, the Board of Directors has prepared business ethics applied to the directors, executives and employees of the Company as well as other persons acting on behalf of the Company, covering areas such as human rights, labor, health and sanitation, safety, security, environment, conflicts of interest, use of inside information, corruption, internal control, and information disclosure, etc., in accordance with international standards.

The Company has published the policy on corporate governance and the guidelines on the Company's website at www.novaempire.co.th for the convenience of executive directors and employees to access and use as references. In order to follow up the compliance with the policy on corporate governance, the Chief Executive Officer is responsible for evaluating the enforcement of corporate governance documents, as well as the level of compliance, and reporting the results to the Board of Directors at least once a year.

The Company has paid great attention on the compliance with the principles of corporate governance referenced from the code of good corporate governance for listed companies in 2017, stipulated by the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand (SET), which has been improved to be in line with the criteria of ASEAN CG Scorecard. The code of good corporate governance could be summarized into 5 sections (Section 5 related to the structure of the Board of Directors is explained in the topic "10. Significant Information about Board of Directors, Subcommittees, Executives and Employees") as follows:

Section 1 Rights of Shareholders

The Board of Directors has realized and prioritized the basic rights of shareholders including the purchase and transfer of shares, receiving a share of the Company's profits, attending the meetings to independently and equitably exercise their rights of votes in the shareholders' meeting, making decisions on important matters of the Company, appointment or dismissal of directors, determination of Directors' remunerations, appointment of Auditors and determination of Auditor's Remuneration, and being provided of the Company's information in a quick, complete and adequate manner, through accessible channels. All shareholders are encouraged to fully exercise their rights through shareholders' meetings. (The Company has only ordinary shares with one-share-one-vote rule) so that shareholders will involve in making decisions that affect or relate to their rights and interests.

The Company has a policy to promote and facilitate the shareholders including institutional investors, in attending the shareholders' meetings which will be announced of meeting date in advance through the disclosure channel of Stock Exchange of Thailand. In 2023, two shareholders' meetings were held: The Annual General Meeting of Shareholders 2023 was held on April 26, 2023, the Record Date for which was set on March 27, 2023, in order to consider various agendas as required by law, including the Annual Performance Report, review of Annual Financial Statement, appointment of directors retiring by rotation, determine directors' remuneration, and appointment and remuneration of auditor. In addition, an important agenda matter was

requesting approval to increase the Company's objectives to be clearer and more flexible to support business operations in various ways, as well as providing management services to affiliated companies and within the Group and amending the memorandum of association to be consistent as well.

The Company chose to hold all three meetings via electronic conferencing for the safety of the shareholders amid the Covid-19 pandemic and to help reduce greenhouse gas emission, scheduling meetings in the afternoon to give shareholders time to prepare. The Company also allowed shareholders to submit documents for registration to attend the meeting in advance of the meeting date in order to reduce the time required for document review on the meeting day itself. In addition, the Company provided a Call Center to recommend methods and procedures for registration and attendance in electronic format. Under normal conditions, the Company uses a barcode system for registration and vote counting, in order to help expedite the registration process and vote processing, and provides stamp duties for shareholders to grant their proxies.

The Company conducts its meetings with transparency and with auditable mechanisms in place, also providing shareholders with the opportunity to ask questions and express opinions related to the agenda and summarized in the meeting minutes. In addition, directors, relevant senior management and auditors attend shareholders' meetings in order to answer questions and acknowledge the opinions of the shareholders.

The Company has assigned Thailand Securities Depository Company Limited, which is the Company's registrar, to deliver the shareholders' meeting invitation letter and meeting documents to shareholders at least 14 days prior to the meeting. The Company also publishes the invitation letter and meeting documents for the shareholders' meeting on the Company's website in both Thai and English, so that shareholders can access information related to the shareholders' meeting conveniently and quickly. The invitation letter for the shareholders' meeting contains sufficient and complete details of the various agenda items, along with the opinion of the Board of Directors and clear specification regarding whether a matter is for acknowledgement or consideration, and attaches a proxy form as prescribed by the Ministry of Commerce, as well as a proposed list of independent directors in the proxy form as options for appointment as proxy by shareholders.

The Company provided shareholders with an opportunity to submit questions related to the meeting agenda, to propose matters for consideration in the meeting agenda, and to nominate persons to be considered for election as directors of the Company prior to the Annual General Meeting of Shareholders, 2023, between September 16, 2022, and January 17, 2023. The Company published details in the form of a newsletter regarding the rules and procedures for submitting proposals, which was sent to the Stock Exchange of Thailand and published on the Company's website on September 16, 2022. None of the shareholders proposed any meeting agenda items or nominated any persons to be directors.

The Company clarified rules applying to the meeting including procedures and method to vote on each agenda to shareholders before commencing the meeting. The attending shareholders and shareholders by proxy have the right to vote based on the number of their shares; however, in each agenda their number of votes could not be separated, except shareholder by proxy form C, the Company also provides independent legal advisors (inspector) to supervise the meeting and verify the vote counting in order to comply with the laws and regulations of the Company, in the shareholders' meeting, the Chairperson of the meeting gave the shareholders opportunities to express their opinions and raise questions on matters related to the Company and meeting agendas.

The Company notified the resolutions of the shareholders' meeting by specifying the voting results for each agenda, divided as "Agree", "Disagree" and "Abstain" votes by sending a newsletter to the Stock Exchange of Thailand within the same day after the completion of the shareholders' meeting.

Section 2 Equitable Treatment to Shareholders

The Company has prioritized and given equitable and fair treatment to all shareholders as follows:

The Company has a policy to protect the rights of all shareholders, in both shareholders' meetings in 2023, the Chairperson of the meeting conducted the meeting in accordance with the meeting agendas stated in the invitation letter of shareholders' meeting and there was no additional agenda without advance notice to shareholders. However, all shareholders of the Company have their rights to vote based on the number of shares holding with one-share-one-vote rule.

The Company allowed shareholders who are unable to attend the meeting by themselves, can authorize any of independent directors of the Company or other persons to attend the meeting and vote on their behalf, the proxy forms were prepared in accordance with the forms specified by the Ministry of Commerce. The shareholders can determine the direction of their votes and the proxy forms were delivered to the shareholders together with the invitation letter to the shareholders' meeting. In addition, the proxy forms were also available on the Company's website to be downloaded by shareholders.

The Company has outsourced the third party with expertise and independence to act on behalf of the Company in the registration and vote counting, in which the Company has prepared ballots for shareholders to cast their votes on various agendas. For the agenda regarding the election of directors, the Company provided shareholders with opportunities to exercise their right in electing individual directors, the number of votes in each agenda was counted in an open and transparent manner, the ballots were collected for further inspection, and the minutes of the meeting was prepared and published on the Company's website.

Section 3 Role of Stakeholders

(1) Treatment of the Rights of Stakeholders

The Company is aware of the rights of all groups of stakeholders, both internal and external of the Company and takes care to ensure that those rights are well protected and exercised in order to foster good understanding and cooperation between the Company and stakeholders, which will be beneficial to the operation, build confidence and stability, for the Company and stakeholders, and increase the Company's long-term competitiveness.

Rights of Shareholders

The Company has realized and prioritized the rights of shareholders as the Company's owners, all shareholders are equally and fairly treated by the Company and provided of accurate, transparent and timely information, and the Company's assets have been also maintained. We are committed to operating its business for profitability and sustainable growth.

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The Company has always realized that employees are a valuable resource and the foundation of success, so we are committed to develop the potential of employees throughout their career path, by developing their skills, knowledge and competencies, and also providing equal opportunities for work advancement to all employees with compensation at an appropriate rate. The Company regularly studies and reviews the organizational structure, roles, duties and responsibilities of each function, evaluates the work performance and work progress of employees in order to build potential and readiness within the organization to develop the organization to become a good organization, and pays attention to the determination of policy regarding employee compensations to be in line with the Company's short-term and long-term performances.

The Company places great emphasis on the welfare and safety of its employees by providing basic welfare and benefits as required by law, such as working days, holidays, annual holidays, and various types of leaves, including social security fund, workmen's compensation fund, and provident Fund, by continuously promoting these benefits to employees.

The Company has provided benefits other than those stipulated by law, such as health insurance covering outpatient and inpatient medical treatments, life insurance, accident insurance, annual health check-up, and provided measures to take care of health and sanitation of employees, such as public relations on disease prevention guidelines, and provision of masks and alcohol gel for hand washing of employees and visitors.

The Company has implemented environmental and safety management that is strictly consistent and in accordance with the standards stipulated by the law, by stipulating and promoting good health care and maintenance, and providing a safe working environment as well as controlling hazards and taking actions required to prevent all employees from work accidents and diseases.

Rights of Community, Society and Environment

The Company is aware of being part of society and community, and pays attention to responsibility on community, society and environment. Initially, the Company has focused on learning and understanding the community in order to listen to expectations and find appropriate management measures by focusing on activities that benefit both the Company and community, society and environment, such as participating and supporting local cultural events to create familiarity, trust which is the foundation of the Company to realize its true expectations and to formulate future plans linking the Company's business with the expectations of community, society and environment, for example, engaging people in fire prevention activities in the areas of power transmission lines or power generation sources, setting up a plan for hiring local people, improving and installing active electrical generating equipment in the community, which will be a more concrete plan in 2024

The Company has a policy to prevent and protect the environment by promoting the responsibility on environment. The Company takes actions to reduce the impacts on environment and continuously control activities that may affect the environment, such as management of waste arising from the Company's operations, e.g. production process for steel and zinc products is designed to minimize wastes, campaigning the best use of energy, in particular, reducing carbon emissions in both office buildings and factories, and promoting the use of technology in communication, for example, E-conference to reduce the carbon dioxide emissions from the use of fuel energy for travelling, etc.

Rights of Customers

The Company is committed to improving service efficiency and offering products and services to meet customer needs, as well as taking various actions to make customers confident and satisfied in the Company's services. We also have a clear policy that all customers will be fairly and equally treated with respect and good manners based on the principle of "Customer Centricity" or prioritizing customers, focusing on understanding the customers' needs and ensuring that all employees adhere to these actions.

At present, the Company has prepared channels of email and telephone to support the contacts from customers, where the customers can contact for information, notify changes including complaints through the Company's Sales Department.

The Company has a policy on protecting personal information of customers by requiring the processing of personal information to be cautiously and carefully done. The processing of personal information is limited to the extent necessary for the operating purpose, effective customer care, and related commercial activities, as required by laws.

Right of Trade Partners

The Company has a policy on fairly and equitably treating trade partners, whereby the Company has stipulated the principles of good corporate governance and business ethics so that the Company's trade partners could be confident in the selection process of the Company's trade partners in all cases, the Company has a clear policy to organize a bidding competition, additionally, contract negotiation between trade partners and the Company will be in accordance with general commercial conditions.

The Company has a policy to encourage its trade partners to comply with the principles of good corporate governance and business ethics of the Company in areas such as labor, health, safety, security, environment and corruption, etc. Initially, the Company's trade partners must not be illegal in those areas to enhance business standard and to create sustainable stability for the Company's trading partners.

In addition, the Company has paid attention in respecting the intellectual property rights of trade partners and others by requiring the directors, executives, employees and any other person acting on behalf of the Company, to avoid infringement on the intellectual property rights of trade partners and others, meanwhile, directors, executives, employees and any other person acting on behalf of the Company are required to protect and monitor the Company's intellectual property for the benefits of the Company.

Rights of Competitors

The Company has promoted and supported fair and open competition and will not perform any action that violates or conflicts with the laws related to trade competition or that may cause damage to the reputation of competitors. The Company competes in the market by offering good products and services at reasonable prices and confronts its competitors with honesty and professionalism.

Rights of Creditors

The Company is always striving to maintain a lasting relationship between the Company and its creditors with a policy to treat creditors equally and fairly by providing them with accurate, transparent and verifiable information and strictly adhering to the terms and conditions of the contract with creditors including repayment of principal, interest and fees, maintaining financial ratios and other conditions, etc. In the event that the Company fails to comply with any of the conditions, the creditors will be notified soonest to jointly consider and find solutions. In the previous year, the Company had not any default and obligations of guarantees.

(2) Respect on Human Rights

The Company has supported the respect on human rights internally enacted, including the United Nations' declaration and conventions on human rights. The Company's directors, executives and employees and any other person acting on behalf of the Company shall respect on human dignity, privacy and the rights of individuals whom they have contacted during working by not taking any action or support to any infringement or harassment on human rights, as set forth in the principles of good corporate governance and business ethics of the Company

(3) Anti-corruption & Anti-bribery

In 2021, the Company has revised its anti-corruption policy to prepare it in various areas and have a plan to join the Thai Private Sector Collective Action Coalition against Corruption (Collective Action Coalition). The Company has established a work plan for 2022 as the year of building a sustainable ethical corporate culture, including anti-corruption, so that the employees and society will understand and support the Company in conducting business in an ethical manner. Moreover, the Company is preparing to apply for certification as an anti-corruption organization from the Thai Private Sector Collective Action against Corruption (CAC) in 2025. The results of the review found that the Company is ready for the certification.

(4) Handling of whistle blowing and protection of whistle-blower

The Company has updated the Policy on Complaints Handling and Whistleblowing for Misconduct and Corruption and the Policy on Complaint Investigation and Whistleblowing of Misconduct and Corruption to protect relevant persons including whistleblower, accused, any person who assists in any relevant process by establishing channels for receiving complaints or whistleblowing that are convenient, secure, and have a transparent and credible process to prevent misconducts and corruptions that may occur in the Company and its companies in the Company Group, and as an administrative tool in detecting corruptions or misconducts, as well as reduce the damage from misconduct or corruption. The duties and guidelines for employees and management at all levels have been clearly established by opening the channel to send the complaints to the Audit Committee, or notifying the supervisors trusted by whistleblower at all levels, and having a fair investigation process by an investigation and punishment committee appointed by the persons involved in each department who have no interest in that matter. The process will be confidential to minimize the impact on the whistleblower with fair punishment measures, the results will be reported to the Audit Committee.



Section 4 Disclosure of Information and Transparency

The Company has complied with the requirements of the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), regarding disclosure of material information by disclosing the Company's financial data and development, information related to business operations, performance, and important news through the website of the Stock Exchange of Thailand for transparent and fair disclosure of information.

The Company recognizes that the Company's information, both financial and non-financial, affects the decisions of shareholders and investors alike. As such, in order to properly disclose important information quickly and transparently, the Company established investor relations officers to communicate with shareholders and general investors on a regular basis. Interested parties can contact the Investor Relations Department to obtain information at investorrelations@novaempire.co.th. In 2022, the Company disclosed 19 topics of information via the SET's system.

The Board of Directors is responsible for the Company's Annual Financial Statement and the financial data appearing in the Annual Report, such annual financial statement has been prepared in accordance with the generally accepted accounting standards of Thailand. The Company has chosen an appropriate accounting policy and applied the same accounting policy for each fiscal year. The Board of Directors has appointed the Audit Committee to be in charge of the quality of financial reports and the internal control system of the Company, as well as adequate disclosure of important information in the notes to the annual financial statement to ensure the accuracy, integrity and adequacy of accounting records for the benefits of shareholders and general investors. In addition, the Board of Directors also prepared a report of the Board of Directors to be presented in the annual report to the shareholders in terms of operating results and important issues that occurred in the year.

In 2023, there have been no incidents in which the Company faced any proceedings from a regulatory authority due to non-declaration of nondisclosure of material information within the specified period.

On February 29, 2024, the Board of Directors assessed the Company's corporate governance system and concluded that current practices are appropriate for driving existing strategies and plans for achieving the Company's goals and are in line with guidelines set forth in the Principles of Good Corporate Governance for Listed Companies 2017 by the of the Securities and Exchange Commission and the Stock Exchange of Thailand.

10.) Key Information about the Board of Directors, Subcommittees, Executives, and Employees

10.1 Structure of the Board of Directors

directors. There were 4 female directors, 1 non-executive director who has knowledge and experience in the energy business, 2 directors who were executives of the Company, and 2 directors who were executives of subsidiaries. The Annual General Meeting of Shareholders 2023 resolved to decrease the number of Board of Directors members by not electing new director to replace Mr. Kriengchai Trinapakorn, whose term ended. Therefore, the Company currently have half of independent directors, 4 out of the total of 8. Currently also, the Company has no directors or independent directors holding positions in more than 4 listed companies and currently have no director holding positions of director in more than 3 listed companies. The Company also has a policy that does not allow any executive director to hold a directorship in more than 2 other listed companies, excluding subsidiaries, affiliates, and joint ventures of the Company, for which the Company needs to supervise management for efficiency purposes. The Company has more than 1 director with experience working in the Company's realm of business.

The Company's governance structure requires the presence of three subcommittees - the Audit Committee, the Nomination, Remuneration, and Corporate Governance Committee, and the Risk Management Committee - to help consolidate the Organization more completely and thereby enable more efficient, comprehensive response to business changes.

Company policy designates that the Chairman of the Board must be an independent director and, at present, the Company is in the process of recruiting an independent and suitable person for this role. However, in 2023, Mr. Niti Jungnitnirundr, an independent director, is Vice Chairman of the Board to act as chairman of the Board of Directors' meetings and shareholders' meetings.

The Company has established the criteria and qualifications of independent directors which are stricter than the regulations stipulated by the SEC and the Stock Exchange of Thailand as follows:

The independent director must have all the qualifications required and must be able to equally look after the interests of all shareholders and avoid any conflict of interest, and could independently give opinions, as follows:

- (1) Holding no more than 0.5 % of total voting shares of the Company, parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company, including the shareholding of persons related to the independent directors.
- (2) Not currently be or never been the Company's executive director, worker, employee, salaried consultant, or controlling parties of the Company, parent company, subsidiary, affiliate, subsidiary in same level, major shareholder(s), or controlling parties of the Company, unless It has been at least two years after the person has held the position, such prohibited characteristic does not include cases where an independent director had been a government official or an advisor of the government sector which is a major shareholder or controlling parties.
- (3) Not by blood or legally registered as parents, spouse, sibling and child including spouse of child, executives, major shareholders, controlling parties of the Company, or persons who will be nominated as directors, executives, or controlling parties of the Company or subsidiary.

- (4) Not currently having or never had any business relations with the Company, parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company in the way that such relation may impede the person from having independent views. Also, the person should not currently be or never be a significant shareholder or controlling person for persons having business relations with the Company, parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company, unless it has been at least two years after the person has held the position.

The business relationship under first paragraph includes regular commercial transactions for conducting business, renting or leasing real estate, transactions relating to assets or services, or giving or receiving financial assistance by accepting or lending, guaranteeing, giving assets as collateral for liabilities, including other similar behaviors, causing the Company or contractual party to have debt burden to pay another party, from 3% of the net tangible assets of the Company, or from 20 Million Baht or more., whichever is lower. The calculation of debt burden shall be in accordance with the calculation method for the value of related-party transactions under the Notification of the Capital Market Supervisory Board on rules of related-party transactions, mutatis mutandis, but in considering the said debt burden, the debt incurred during one year prior to the date of having a business relationship with the same person must be included.

- (5) Not currently being or never been the auditor of the Company, parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company and not currently be or never be a significant shareholder, controlling person, or partners of current auditor's auditing firm which the auditor of the Company, parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company is under, unless It has been at least two years after the person has held the position.
- (6) Not currently be providing or never provided professional services, legal consulting, nor financial consulting services to the Company, parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company, with a fee more than 2 Million Baht per year and the person should not currently be or never be a significant shareholder, controlling person, or partners of current service providers, unless it has been at least two years after the person has held the position.
- (7) Not currently a director appointed to represent the Company's directors, major shareholders, or the shareholder related to major shareholder.
- (8) Not currently be operating under similar business nature and significant competition to the Company or subsidiary; or not a significant partner of the partnership, or executive director, salaried worker, employee, or consultant; or holding more than 1% of voting shares of any other companies operating under similar business nature and significant competition to the Company and subsidiary.
- (9) Individuals cannot have any other characteristics that would prevent them from giving independent opinions about the Company's operations.

After being appointed as an independent director, independent director may be assigned by the Board of Directors to make decisions in the business operations of the company, parent company, subsidiary, associate, subsidiary in same level, major shareholder(s) or controlling persons of the company in a collective decision manner

The Company may appoint a person currently having or had ever been in a business relationship or professional service in excess of the above value as an independent director. If the Board of Directors has carefully considered and is of the opinion that the appointment of such person will not affect the independent performance of duties and opinions, and the following information shall be disclosed in the invitation letter of shareholders' meeting under the agenda regarding the appointment of independent directors.

- (1) Nature of business relationship or professional service that makes such person failed to meet specified qualification;
- (2) Reason and necessity to maintain or appoint such person as independent director;
- (3) Opinion of the Board of Directors in proposing the appointment of such person as independent director.

The Board of Directors has established as a policy that independent directors may lose their independence after working for a period of 9 years or 3 consecutive terms.

The name list and number of shares held by directors as of December 31, 2023, are as follows:

No.	Name	Position	Number of shares held as of December 31 65	Number of shares held as of December 31 66	Increase / (Decrease)
1	Mr. Niti Jungnitrundr	Vice Chairman, Independent Director	-	-	-
	Spouse		-	-	-
	Minor Children		-	-	-
2	Ms. Parleerat Panboonhom	Director/Chief Executive Officer Risk Management Committee	81,968,783	53,033,164	(28,935,619)
3	Dr. Prasit Kanchanasakdichai	Director	15,280,000	15,280,000	-
	Spouse		-	-	-
	Minor Children		-	-	-
4	Mr. Sudwin Panyawongkhanti	Independent Director	-	-	-
	Spouse	Chairman of the Audit Committee	-	-	-
	Minor Children	Risk Management Committee	-	-	-
5	Mr. Kriengchai Trinapakorn	Director	-	-	-
	Spouse		-	-	-
	Minor Children		-	-	-
6	Dr. Ratana Sithiprasasna	Independent Director Audit Committee Member Nomination, Remuneration, and Corporate Governance Committee Member	-	-	-
	Spouse		-	-	-
	Minor Children		-	-	-

No.	Name	Position	Number of shares held as of December 31 65	Number of shares held as of December 31 66	Increase / (Decrease)
7	Assoc. Prof. Dr. Punchada Sirivunnabood	Independent Director Audit Committee Chairman of Member Nomination, Remuneration, and Corporate Governance Committee Chairman of the Risk Management Committee	-	-	-
8	Mr. Tossri Khowsurat	Director	6,501,800	6,501,800	-
	Spouse		-	-	-
	Minor Children		-	-	-
9	Ms. Sukanya Tipmanee	Director	-	-	-
		Member Nomination, Remuneration, and Corporate Governance Committee Member			
		Risk Management Committee			

Remarks: 1. Directors No. 2, 7, and 9 are single and do not have any child or person living as husband or wife according to the definition of the relevant criteria.
2. The number of shares held in comparison to the number of shares sold was 169,949,024 shares at a par value of 0.50 baht per share.

10.2 Diversity of the Board

The Board of Directors must consist of persons with extensive expertise and experience in various fields required for the Company's business, and a number of directors sufficient to supervise the business of the Company, for not less than 5 people as stipulated by law and not more than 12 people, with at least one person having experience related to the main business of the Company, and at least one person having experience in accounting and finance.

The Board of Directors believes that the diversity of the Board of Directors will provide the Board with a broad perspective that will enhance the decision-making process and be able to effectively function its roles, the composition of the Board is therefore diverse in each field of knowledge and expertise, and consists of at least one lady director; however, in the selection of directors, the emphasis is on the work experience and qualifications of each director.

The Board of Directors is mainly composed of independent directors and non-executive directors; at least one-third of the total number of directors, but not less than 3 directors, must be independent directors.

10.3 บทบาทของประธานกรรมการและประธานเจ้าหน้าที่ฝ่ายบริหาร

The Chairperson of the Board has different roles and duties from the Chief Executive Officer. The Chairperson of the Board is elected by the Board of Directors, act as the Chairperson of the meeting by controlling the meetings of the Board of Directors in accordance with the agenda of the meeting, and encouraging all directors to participate in the meeting, such as raising questions or observations, giving advice and suggestions to executives, and supporting the Company's business, but will not interfere in the management of the Company.

Chief Executive Officer is responsible for managing the affairs of the Company and supervises the operations of the company in accordance with the regulations, resolutions of the shareholders' meetings, resolutions of the Board of Directors, policy and business plan of the Company and related laws.

The Chief Executive Officer is the top management of the Company, plays the role of chief and leader of the Company's executive team, has duties and responsibilities to the Board of Directors in managing the company in accordance with its direction, strategies and budgets approved by the Board of Directors to achieve the goals. Where necessary, the Chairperson of the Board and Chief Executive Officer may be the same person, the Company has set measures to ensure an appropriate balance, for example, at present, the Chairperson of the Board has no right to be a casting vote at the Board of Directors' meeting. The Company is in process of nominating two qualified persons to hold the positions of the Chairperson of the Board and Chief Executive Officer.

10.4 Duties and Responsibilities of the Board

The Board of Directors gives approvals to the Company's vision, mission, strategies, directions and policy in operations, business plan and the annual budget, and supervises the management to act in accordance with the policies and business plans determined under the scope of laws, objectives and the Company's Articles of Association and resolutions of the Board of Directors and Shareholders' Meeting, taking into account the best interests of the Company and its stakeholders. In order to create the sustainable stability for the Company and to add value to shareholders in long term, the Board of Directors has determined to review and approve the Company's vision, mission, strategies, directions and operating policy on an annual basis, to adapt to the changing business situations and conditions, details of the powers, duties and responsibilities of the Board of Directors.

The Board of Directors supervises the compliance with the regulations on procedures and disclosures of transactions that may lead to conflicts of interest, in accordance with the regulations of the SEC, the Stock Exchange of Thailand, and relevant regulators by appointing the Audit Committee to consider and approve, and give opinions on transactions that may have conflicts of interest. In entering into a transaction that may have a conflict of interest that is large or material to the Company's business operations, the management is required to ask for approve for such transactions from the Board of Directors, and the Company will report transactions with interested persons to the Board of Directors on a quarterly basis. In the past, there was no transaction that appeared the transfer of interest to the person who may have a conflict of interest with the Company.

The powers, duties and responsibilities of the Board of Directors are defined with reference to the Public Limited Companies Act, the Securities and Exchange Act, Regulations of the Stock Exchange of Thailand, and the Company's Articles of Association. The powers, duties, and responsibilities of the Board of Directors, including the powers to consider and approve are as follows:

- (1) To perform and assume responsibilities and duties with care and honesty, taking into account the best interests of the Company and its shareholders;
- (2) To be responsible in managing the affairs of the Company, establish long-term business strategies and plans, organize a suitable organizational structure, and supervise business operations on a daily basis;
- (3) To approve the directions, vision, values and expectations in the leadership of the Company;
- (4) To consider, approve, make decision on important transactions and take any action, and in some cases, give decision-making power to others in accordance with applicable laws, the Company's objectives and Articles of Association, resolutions of shareholders' meetings, including the Company's policy on corporate governance.
- (5) To effectively operate the Company in compliance with generally accepted rules on corporate governance and control.

- (6) To approve and supervise goals, strategies and action plans including any changes in the aforementioned goals, strategies and operational plans.
- (7) To prepare accurate and complete reports on the Company's business operations and finance for shareholders and general investors.
- (8) To monitor, audit and make internal control over financial reporting on an adequate manner, to ensure the governance is in line with its objectives, legal requirements, and Policy on Corporate Governance of the Company.
- (9) To evaluate and discuss about the optimal capital structure, dividend payment policy, strategies for financing, and optimal funding composition on a regular basis.
- (10) To consider and approve the payment of interim dividends to shareholders from time to time, if considering that the Company is profitable enough to do so.
- (11) To be responsible in reviewing the draft of annual financial statement prepared by the management team to ensure that the annual financial statement is accurately and completely prepared, and reflects the Company's financial status and operating results, for the benefits of shareholders and general investors.
- (12) To prepare the annual report with the management team.
- (13) To consider, approve and determine the overall business operations of the Company and its subsidiaries.
- (14) To proactively plan for risk management and handle the Company's critical business risks by mainly taking into account strategic, financial and legal risks.
- (15) To carry out transactions that may cause a conflict of interest of the management team, Board of Directors, and shareholders including the person related to such persons, in the same way as Arm's Length Basis under general commercial terms, and without impacts on the interests of the Company and minor shareholders.
- (16) To arrange the internal control for the Company in an adequate and appropriate manner and assign a person responsible for the internal audit function to monitor and audit the internal control of the Company, and to report any failure or weakness in significant controls, as well as to suggest solutions.
- (17) To prepare agendas and opinions to be proposed to the shareholders' meeting
- (18) To recruit candidates for director positions with appropriate knowledge, capability and experience to increase the potential of the Board of Directors and main subsidiaries.
- (19) To consider and propose the remuneration of the Board of Directors to shareholders for consideration and approval.
- (20) To have the power to appoint and remove the Chief Executive Officer of the Company; monitor, audit and arrange an annual performance evaluation for the Chief Executive Officer.
- (21) To monitor, audit and provide appropriate and effective risk management in terms of security and protection of personnel, information, and other assets.
- (22) To provide adequate procedures and processes to prevent the Company from being involved in any corruption.
- (23) To provide the assessment of performance, duties and abilities in performing their duties.

Throughout 2023, the Board of Directors also monitored various issues related to corporate governance, for which the Audit Committee was assigned to monitor a review of the internal control system. The Audit Committee has resolved to appoint ISBAR Corporation Company Limited (ISBAR) as the Company's internal auditor for the year 2023. Throughout 2023, the continuity plan from 2022 was set based on assessment of significant risk, which consisted of reviewing the procurement process according to the Working Instructions prepared by the management in 2022; reviewing the entire inter-company transaction process to ensure that it is strictly in accordance with the applicable laws; business continuity management in operation that continues from the information technology test in 2022; and the annual review of the adequacy of the internal control system, which must be conducted every year. ISBAR has reviewed the internal control system and

collaborated with the management to improve the internal control system on the issues discovered which were presented to the meeting of Audit Committee three times in 2023. The result of the audit that was conducted by ISBAR can be summarized as follows: the Company has an adequate and appropriate internal control system.

In addition, all disclosure of information was monitored and checked to ensure it was accurate and complete, and follow-up was carried out with directors, executives, and employees regarding compliance with various rules and regulations relating to corporate governance and regarding any complaints, although thus far there have been no complaints and it does not appear that any directors, executives, or employees are acting in a manner inconsistent with the Company's internal rules for the above-mentioned matters.

10.5 Attendance of meetings of the Board and sub-committees

The Board of Directors and sub-committees are required to hold meetings to consider matters within the scope of their duties and responsibilities stipulated in the Charter, in which the Company secretary will coordinate the date, time and main agenda of each meeting in advance every year, so that the directors can arrange times and attend the meetings in unison. Meeting agenda will be clearly prepared in each meeting and the meeting invitation letter together with supporting documents will be delivered to relevant directors at least 7 days in advance, except in the case of urgency, to allow directors to have sufficient time to study information before attending the meeting. At each meeting, high-level executives involved will attend the meetings to clarify details and answer inquiries. The Chairperson of the meeting has a duty to allow all directors to openly express their opinions before voting and summarize the resolution of the meeting on each agenda. Any director with interests, whether directly or indirectly, is not entitled to vote and must leave the meeting during the consideration of any agenda related to him/her.

The Board of Directors requires a meeting of the Board of Directors to not be attended by executive directors and management for at least once a year, so that the directors could consider and review the performance of the executive board and the Company, as well as to consider and discuss management-related issues or in the interest of the Board. The results of the meeting will be notified to the Chief Executive Officer for further consideration and improvement. In addition, the Board of Directors also requires the Company's Auditors to attend a meeting with the Board of Directors but without executive directors and management at least once a year.

The Company secretary is responsible in recording the minutes in writing and storing the manuscript together with the meeting invitation letter and supporting documents, and then saving it in an electronic copy for convenience of directors and those involved in the audit.

In 2023, the meetings of the Board of Directors and subcommittees were held as follows:

No.	Name	Board of Directors' Meetings (10 times)	Audit Committee Meetings (6 times)	Nomination, Remuneration, and Corporate Governance Committee Meetings (2 times)
1.	Mr. Niti Jungnitnirundr	10/10		
2.	Ms. Parleerat Panboonhom	10/10		
3.	Dr. Prasit Kanchanasakdichai	8/10		
4.	Mr. Sudwin Panyawongkhanti	10/10	6/6	
5.	Dr. Ratana Sithiprasasna	10/10	6/6	2/2
6.	Assoc. Prof. Dr. Punchada Srivunnabood	10/10	6/6	2/2
7.	Mr. Kriengchai Trinapakorn	2/2		
8.	Mr. Tossri Khowsurat	5/10		
9.	Ms. Sukanya Tipmanee	10/10		2/2

10.6 Duties and Responsibilities of the Audit Committee and the Appointment of External Auditors

The Audit Committee consists of 3 independent directors. In 2023, the Audit Committee was responsible for reviewing the Company's financial reporting process, the internal control system and internal audit system, compliance with laws applicable to the Company's business, consideration and selection (including proposals for removal) of Company auditors, and review of any connected transactions, stakeholders' transactions, or transactions that may lead to conflicts of interest, etc.

In performing their duties regarding the consideration and selection (including proposals for removal) of the Company auditors, the Audit Committee will consider and select auditors based on the evaluation criteria of the Company, which consists of experience, performance, business knowledge, and audit expertise, as well as the independence of said auditors in the previous year, for proposal to the Board of Directors and at the shareholders' meeting for consideration and appointment of said auditors. In the 2023 Annual General Meeting of Shareholders held on April 26, 2023, the meeting appointed Mr. Supachai Panyawattano, Certified Public Accountant Registration No. 3930, and/or Ms. Isaraporn Wisutthiyan, Certified Public Accountant Registration No. 7480, and/or Mr. Preecha Arunnara, Certified Public Accountant License No. 5800, auditors from EY Office Limited, to be the auditors of the Company and its subsidiaries. The audit fee is 990,000 baht (increased by 30,000 baht from 2022); for 10 subsidiaries 1,780,000 baht (increased by 70,000 baht from 2022); and for the investment promotion certificates of subsidiaries 230,000 baht, excluding other out of pocket expenses of not more than 100,000 baht per year. In addition, in 2023, the Company has no expenses and other service fees (Non-audit Fees) paid to the auditors.

In this regard, Ms. Isaraporn Wisutthiyan is responsible for auditing the Company's accounts and providing opinions on the Company's financial statements for the year ending December 31, 2023 (for three consecutive years).

The Audit Committee has the powers, duties and responsibilities as follows:

- 1.1 To review and ensure the Company's correct financial reports in accordance with generally accepted accounting standards and with adequate disclosure.
- 1.2 To review that the Company has an internal control system and internal audit systems that are appropriate and effective.
- 1.3 To review and ensure that the Company has a system for accepting complaints and whistleblowing of misconducts and corruptions, as well as to enable the employees and other stakeholders to confidently provide information on concerns about the impropriety of financial reports or other matters, to ensure that all complaints are independently investigated of facts with appropriate monitoring.
- 1.4 To review the Company to comply with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, and laws relating to the Company's businesses.
- 1.5 To approve changes to accounting policies or to adopt new accounting policies prior to the enforcement (Early Adoption) before proposing to the Board of Directors for consideration and approval.
- 1.6 To consider and propose to propose, re-elect, terminate, and determine the Company's Auditor's remuneration.
- 1.7 To have a specific meeting with the Auditors at least 1 time a year to discuss various matters deemed necessary to discuss by the Audit Committee or the Auditors privately.
- 1.8 To review the independence of the Auditors and establish a policy for receiving services other than auditing from the same audit firm.
- 1.9 To consider and review related-party transactions or transactions that may lead to conflicts of interest, to be in line with the laws and regulations of the Stock Exchange of Thailand, the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, and other relevant laws to ensure that such transactions are reasonable and in the best interest of the Company.
- 1.10 To review and ensure that the Company has an appropriate and effective risk management system.
- 1.11 To consider the independence of the internal audit function and approve the appointment, transfer, terminate, and consider the Chief of Internal Audit's performance and accomplishments.
- 1.12 To review and comment on the internal audit plan, operations of the Internal Audit Office and to coordinate with the Auditors.
- 1.13 To prepare the Audit Committee's report and disclose it in the Company's annual report, the said report must be signed by the Chairperson of the Audit Committee and must contain at least the following information:
 - (1) Opinions on the accuracy, completeness, and reliability of the Company's financial report.
 - (2) Opinions on the sufficiency of the Company's internal control system.
 - (3) Opinions on the compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, and other laws relating to the Company's businesses.
 - (4) Opinions on the suitability of auditors.
 - (5) Opinions on transactions that may have conflict of interest.
 - (6) The number of the Audit Committee's meetings and the meeting attendance of each member of the Audit Committee.
 - (7) Overall opinions or observations received by the Audit Committee in the performance of their duties under the charter.
 - (8) Other transactions deemed that the shareholders and general investors should know within the scope of duties and responsibilities assigned by the Board of Directors.

- 1.14 To have the power to hire consultants or third parties to give opinions or advices if necessary.
- 1.15 To have the power to invite the management or any relevant person of the Company to give opinions, attend meetings or provide relevant information.
- 1.16 To regularly report the performance of the Audit Committee to the Board of Directors.
- 1.17 To annually self-evaluate their performance.
- 1.18 To consider, review and assess the sufficiency of the Charter and propose to the Board of Directors for consideration and approval of the changes.
- 1.19 To audit suspected behaviors that the directors, managers, or persons responsible in the Company's operations have committed an offense under the Securities and Exchange Act, detected and reported by the Auditors; and the Audit Committee will report the preliminary audit results to the Board of Directors, the Office of the Securities and Exchange Commission, and the Auditor within 30 days from the date of receiving the notification from the Auditors. The suspected behaviors that must be reported and the method for obtaining facts about such behaviors are in accordance with the notification of the Capital Market Supervisory Board.
- 1.20 In performing duties of the Audit Committee, if it is found or suspected that any of the following transactions or actions may have a material impact on the Company's financial position and performance, the Audit Committee shall report to the Board of Directors for amendments within the timeframe deemed appropriate by the Audit Committee
 - (1) Transactions that cause conflicts of interest
 - (2) Corruptions or unusual or material defects in the internal control system.
 - (3) Violation of Securities and Exchange Act, regulations of the Stock Exchange of Thailand or laws relating to the Company's businesses.

If the Board of Directors or executives fail to make amendments within the timeframe under first paragraph, any member of the Audit Committee may report such transaction or action to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.
- 1.21 Additional powers and duties as assigned by the Board of Directors

At least one member of the Audit Committee must have sufficient knowledge and expertise to review the reliability of the Annual Financial Statement. At present, Mr. Sudwin Panyawongkhanti, the Chairperson of the Audit Committee, is qualified because he had served as a partner in a nationally renowned auditing firm for more than 20 years.

10.7 Duties and responsibilities of the Nomination, Remuneration and Corporate Governance Committee

The Nomination, Remuneration and Corporate Governance Committee consists of at least 3 directors and a majority must be independent directors, with the office term based on the office term of directorship; the member of the Nomination, Remuneration and Corporate Governance Committee who vacates the office by rotation may be re-appointed. Followings are powers and duties of the Nomination, Remuneration and Corporate Governance Committee:

- 1.1 To consider and review as well as make recommendations to the Board of Directors on qualifications, size, structure, composition, office term, work processes and practices of the Board of Directors and sub-committees.
- 1.2 To consider and propose prospective persons to serve as directors for the Board of Directors so that the Board of Directors will consider and propose for approval for the appointments at the shareholders' meeting, or the Board of Directors will consider and approve the appointment to replace any resigned director or appoint a new director.

- 1.3 To evaluate and determine the successors to the positions of Chief Executive Officer, senior management, together with the Chairperson of the Board and Chief Executive Officer, and to annually report the results of the succession plan to the Board of Directors.
- 1.4 To consider and nominate persons of the Company to serve as directors in subsidiaries, associate and joint ventures of the Company.
- 1.5 To determine the remuneration of the Board of Directors, Sub-committees, to propose to the Board of Directors and the shareholders' meeting for consideration and approval.
- 1.6 To prepare criteria and policies for determining the remunerations for the Board of Directors to propose to the Board for approval and/or to propose to the shareholders' meeting for approval, as the case may be.
- 1.7 To consider and review the Policy on Corporate Governance and propose to the Board of Directors for the approval of any changes.
- 1.8 To consider and review Business Ethics and the effectiveness of compliance monitoring and enforcement systems of Business Ethics.
- 1.9 To ensure that the Board of Directors has an annual performance assessment.
- 1.10 To annually self-evaluate their performance.
- 1.11 To take any other action or to perform based on the powers and responsibilities as assigned by the Board of Directors from time to time.

The Charter of the Nomination, Remuneration, and Corporate Governance Committee requires that meetings be held at least 2 times per year, to be called by the Chairperson of the Nomination, Remuneration, and Corporate Governance Committee, or by the Company Secretary by order of the Chairperson of the Nomination, Remuneration, and Corporate Governance Committee, not less than 7 days before the meeting date, except for in urgent cases, for which the meeting may be held by other methods or the meeting date may be set earlier. In 2023, two meetings were held for consideration of the organizational structure, follow-up of guidelines for the development of the good corporate governance principles of the Organization, as well as for the recruitment of replacement directors in case of directors retiring by rotation.

10.8 Performance Evaluation of the Board and Subcommittees

The Company has designated that an annual performance evaluation of the Board of Directors as a whole and individually be carried out in order to assess the Board's performance in accordance with good corporate governance guidelines. The performance evaluation process can be summarized as follows:

- The Company Secretary prepares and reviews the performance evaluation form to ensure that it is accurate, complete, and in accordance with the rules prescribed by regulatory agencies, and presents it to the Board of Directors for consideration and evaluation.
- The Company Secretary summarizes the performance of the Board of Directors, including strengths and any matters for improvement, and presents this to the Nomination Committee for their consideration and recommendations prior to presenting it to the Board of Directors for consideration and for further improvement of operations for increased efficiency.

The Performance Evaluation Form of the Board of Directors covers a variety of assessment aspects, including the structure and diversity of Directors; assessment of the performance of duties according to relevant laws, rules, and regulations; understanding of the roles and responsibilities of directors; understanding of the vision and mission, strategy, work plan, financial structure, and Company investments; access to information and senior management; and working atmosphere among directors.

10.9 Nomination of directors and skill diversity of the Board

The Company has prioritized the nomination and selection of directors by requiring the qualifications of the Company's directors and independent directors to be consistent with the laws and regulations of relevant regulators as well as the Company's Articles of Association.

The Company will nominate directors by considering educational background, work experience, knowledge and expertise, especially in the energy industry, including skills that are unavailable in the Board of Directors, as well as other diversities, such as gender, to encourage the Board of Directors to more efficiently perform their duties.

The Board of Directors is aware of the nomination of directors with various qualifications and takes into account the essential elements for effective decision-making and management, the Nomination, Remuneration and Corporate Governance has established the guideline for determining the components as specified with Board Skill Matrix, a tool helping in nominating knowledgeable and competent directors with a wide range of skills and experience suitable for energy businesses, divided into 5 areas including: knowledge and understanding in the Company's business, business development and strategic planning, accounting and finance, risk management, and good corporate governance and sustainable development, each area is required at least one director with special expertise.

The Company's directors should have the qualifications of directorship and should not have any prohibited characteristics as stipulated by laws, and should not hold a directorship in more than 4 listed companies. Additionally, the Company's executive directors should not hold a directorship in other companies and in more than 3 listed companies, excluding subsidiaries, affiliates, and joint ventures of the Company, so that directors will be able to effectively perform their duties and responsibilities.

The Nomination, Remuneration and Corporate Governance Committee is responsible for the selection process of the Company's directors by considering, nominating and selecting persons with qualification suitable for holding the Company's directorship, then summarizing the results of the selection before proposing to the Board of Directors or shareholders' meeting for further consideration and approval (as the case maybe).

The Company's directors will have an office term for 3 years and any director who vacates office may be re-elected, the appointment, dismissal, or the vacation of the company's directorship will be in accordance with the Company's Article of Association, and appointed by the shareholders' meeting, except in the case of any director resigning during the office term, and the Board resolves to appoint a new director to replace the resigned director with the remaining office term to be held by the resigned director, except the term of that resigned director is less than two months, the shareholders' meeting will consider and appoint based on following criteria:

- At each shareholders' meeting, one-third of the total number of director, whom have served the longest term, shall retire by rotation. Those retired directors may be re-elected.
- The shareholders shall have the number of votes equal to the number of shares they are holding.
- Each shareholder must exercise all votes in selecting one or more persons as the director(s) provided that, such votes cannot be devisable.
- All candidates will be ranked in order descending from the one with the highest number to the lowest number of votes until the positions to be elected are filled. Where the votes are tied, which otherwise causes the number of directors to be exceeded, the Chairperson of the shareholders' meeting will cast the vote.

In the event that any director wishes to resign from the position, he/she is required to submit a resignation letter to the Company, the resignation will be effective from the date the Company receives the resignation letter. However, the shareholders' meeting may vote for the directors to vacate office before their office term is expired, with a supporting vote of not less than three-fourths of the total number of shareholders with voting rights attending the meeting and having shares totaling not less than one-half of the total number of shares of the total number of shareholders with voting rights attending the meeting.

10.10 Succession plan for key positions and nomination of senior management

The Board of Directors requires the Nomination, Remuneration and Corporate Governance Committee to be responsible in the process, together with the Human Resources Department, for considering, nominating and selecting qualified persons for key positions, and establishing a Succession Plan for the position of senior management based on qualifications, knowledge and competence suitable for the management of the Company's affairs, taking into account the agility of the organization and the changing of technology, some areas may be performed by outsourced experts under the control of top management to be consistent with the Company's plans.

10.11 Remuneration of the Board of Directors and Sub-committees

The Board of Directors has established and approved the director's remuneration framework and policy to propose to the shareholders' meeting for approval. The compensation must be in line with the duties and responsibilities, containing a combination and compositions of both short-term and long-term motivation, including taking into account factors such as the Company's businesses and performance, market and industry norms, economic condition, as well as duties and responsibilities of the Board and sub-committees, etc. The Board of Directors requires the Nomination, Remuneration and Corporate Governance Committee to consider the remuneration of directors, and then propose to the Board of Directors and the shareholders' meeting for consideration and approval every year. In addition, the Nomination, Remuneration and Corporate Governance Committee will consider and review the remuneration structure of the Board of Directors and sub-committees every 3 year to be in line with the market and industry trends.

At present, the remuneration of directors consists of annual compensation and meeting allowance only and any other benefits have not been provided to the directors of the Company.



The Annual General Meeting of Shareholders 2023 considered, approved, and adjusted the directors' remuneration to be consistent with other comparable companies in Energy Business as follows:

	Board of Directors		Audit Committee		Nomination, Remuneration, and Corporate Governance Committee	Risk Management Committee
	Annual	Meeting Allowance	Annual	Meeting Allowance	Meeting Allowance	Meeting Allowance
Chairman	750,000	35,000				
Vice Chairman	650,000	30,000				
Chairman of the Audit Committee			420,000	25,000		
Audit Committee			150,000	10,000		
Chairman of the Nomination and Remuneration Committee					10,000	
NRC					10,000	
Chairman of the Risk Management Committee						20,000
Risk Management Committee						20,000
Risk Management Committee	150,000	10,000				
Directors*						

Remarks: *Directors shall receive a remuneration of 100,000 baht and not entitled to meeting allowance.

Remuneration for each director in 2023 is as follows:

Name and Surname	Board of Directors		Audit Committee		Nomination, Remuneration, and Corporate Governance Committee		Total
	Annual Compensation	Meeting Allowance Per Time	Annual Compensation	Meeting Allowance Per Time	Annual Compensation	Meeting Allowance Per Time	
Dr. Prasit Kanchanasakdichai	150,000	80,000					230,000
Mr. Niti Jungnitnirundr	650,000	300,000					950,000
Mr. Tossri Khowsurat	150,000	50,000					200,000
Mr. Kriengchai Trinapakorn	47,671	20,000					67,671
Ms. Parleerat Panboonhom	150,000						150,000
Ms. Sukanya Tipmanee	150,000						150,000
Dr. Ratana Sithiprasasna	150,000	100,000	150,000	60,000		20,000	480,000
Mr. Sudwin Panyawongkhanti	150,000	100,000	420,000	150,000			820,000
Assoc. Prof. Dr. Punchada Srivunnabood	150,000	100,000	150,000	60,000		20,000	480,000
Total	1,747,671	750,000	720,000	270,000		40,000	3,527,671

Remarks: Two directors, Ms. Parleerat and Ms. Sukanya, expressed their intent to receive only annual directors' remuneration and the Company did not have any other forms of remuneration paid to the directors.

10.12 Power and Duties of the Management

The Board of Directors has clearly determined the scope of powers, duties and responsibilities of the Board of Directors and the management. In short, the Board of Directors has the power and duties to establish policies and monitor the performance of the management, the management has the power and duties to implement the policy and report its performance to the Board of Directors.

The Board of Directors assigns the Chief Executive Officer, who holds the highest management position of the Company, to have powers, duties and responsibilities as follows:

- (1) To be responsible for managing the affairs of the Company in compliance with the guidelines and resolutions of the Board of Directors, as well as the Company's Policy on Corporate Governance.
- (2) To have the powers to make decisions on matters that are not reserved as the decision-making power of the Board of Directors in compliance with the relevant laws, orders or resolutions of the Board of Directors. The Chief Executive Officer must take reasonable actions to enable the Company to operate and develop its businesses in accordance with the relevant laws, the Company's Articles of Association, resolutions of the shareholders' meeting or the Board of Directors.
- (3) To form the organization of the Company and the allocation of personnel according to the guidelines set by the Board of Directors.
- (4) To ensure the Company will effectively comply with generally accepted rules on corporate governance and controls.
- (5) To approve and control the budgets and operational plans, including any changes to such budgets and operational plans.
- (6) To make an internal risk management plan to handle the business risks associated with the Company by considering the strategic risks, operations and laws; and to establish a Risk Committee Management consisting of the management of the Company to act on supporting the performance of duties of the Chief Executive Officer.
- (7) To propose a business strategy plan of the Company and its main subsidiaries to the Board of Directors for approval and to propose solutions in other issues that are strategically important to the Company.
- (8) To carry out transactions that may cause a conflict of interest of the management team, Board of Directors, and shareholders, including the person related to such persons, in the same way as Arm's Length Basis under general commercial terms, and without impacts on the interests of the Company and minor shareholders.
- (9) To arrange the internal control for the Company adequately and appropriately, as part of action plans and working procedures of the Company to be a reasonable guarantee that the Company shall be able to effectively achieve the objective related to the use of resources, maintenance of the Company's assets, reliability of both internal and external financial reports, and the compliance with the Company's Policy on Corporate Governance and related laws and regulations.
- (10) To establish a person responsible for the internal audit function to inspect the Company's working procedures in accordance with the approved internal audit plan, report any failure or weakness in its critical controls, and provide relevant advices. The internal audit function must directly report to the Audit Committee.
- (11) To be responsible for communication and cooperation with employees or employee representatives as deemed appropriate to create a reliable business cooperation practice by mainly taking into account the experiences and understanding of employees.

- (12) To have the power to request a shareholders' meeting and represent the Company (or appoint a representative) at the shareholders' meeting of the main subsidiaries, including voting as assigned by the Board of Directors, and monitor the business development results, status and profits of main subsidiaries.
- (13) To monitor and audit whether the risk management on security and personnel protection, information and other assets is appropriate and effective.
- (14) To provide the management and adequate measures to enforce employees to comply with the Company's Policy on Corporate Governance (if any) and report significant non-compliance to the Board of Directors.
- (15) To implement appropriate process and steps to prevent the Company from being involved in corruption. The Chief Executive Officer is required to conduct an annual audit of such process risk and make corrective actions for any deficiencies found and report the audit results to the Board of Directors.

10.13 Supervision of Subsidiaries and Associated Companies

The Company has a mechanism in place for the supervision of its subsidiaries and associates, allowing for good oversight and regulation of management and operations and to safeguard the Company's interests. To this end, the Company has appointed representatives to hold directorships and senior management positions in said companies. The Board of Directors has assigned the Nomination, Remuneration, and Corporate Governance Committee to consider and provide recommendations of qualified persons for nomination to directorships or senior management positions in all subsidiaries. Furthermore, in order to ensure unified, coordinated governance, the Company has taken steps to ensure that the powers, duties, and responsibilities of the directors and executives of subsidiaries, as well as the criteria for intercompany transactions and other important transactions, be in line with the Company's guidelines. The Company has also provided quarterly reports on the financial status and performance of its main subsidiaries to the Board of Directors.

10.14 Policy on Human Resource Development and Compensation Management

The Company has a challenging goal to become an energy organization with an active corporate culture that is modern and adaptable to a rapidly changing era, so employee skills and attributes are essential to make the Company achieving such goal. The Company assigns Human Resources Department to plan and define employee attributes in all processes from recruiting, interviewing, and probation, and using personality test for preliminary screening, as well as planning to develop personnel through trainings in various areas. In addition, the Company has designed a model of compensation to employees that are fair and suitable for each business in which the company operates, and such compensation model could be internally and externally competitive to attract, motivate and retain potential people in the organization for sustainable growth of the Company, creation of shareholders' values based on the Company's operating principles.

At present, as of December 31, 2023, the Company has a total number of employees of 16, who have high-level positions and responsibilities. Due to the nature of the business in producing electricity from solar and wind energy that does not call for a large workforce, it does not require a large number of employees.

The remuneration structure for employees and management consists of:

Remuneration structure	Main Target
1. Salary & fixed benefits	The compensation management to be competitive with overall market, such as salary and overtime, etc.
2. Compensation based on short-term performance	Improve the management of supervisor's team and drive the operations to achieve the Company's strategic goals such as determining bonus payments.
3. Compensation based on long-term performance	To create long-term value for the Company such as provident funds.
4. Welfares and other benefits	To offer insurance plans and benefits tailored to the events of each life stage by taking into account the economic conditions and standard of living, such as awards to encourage employees with long service years, provident funds, diligence allowances, compensation and special compensation for retired employees, medical treatment for employees and their families, and activities, or parties, etc. In addition, the Company also promotes the personnel development in many ways, for example, providing employees with trainings, domestic and overseas study tours, etc.

For years ending December 31, 2023, the Company pays remunerations for all 16 employees, which includes salaries, wages, and other benefits for a total of 31,732,652.01 baht, part of which is the remuneration of 5 high-level executives for a total of 21,564,549 baht. The Company has 6 male and 10 female employees, aged between 27-46 years.

The Company has a policy to continually and properly promote and develop the knowledge and competence for its employees of each position and function in accordance with the annual training plan, by sending employees to attend training programs from both public and private sectors, including in-house trainings to be annually organized. Such trainings are focused on providing employees with the skills, knowledge, understanding and ability to effectively perform their jobs, encouraging them to participate in activities for the unity of employees in the organization; shall be systematically and continuously developed.

In 2023, the Company has a policy to develop employees' potential with in-house trainings to enhance the level of their knowledge, competence, and skills of employees for accurate workings. This includes reviewing the use of Microsoft Team, SharePoint and OneDrive to support operations, as well as reviewing knowledge about good corporate governance principles, business ethics, and anti-corruption measures, all of which are participated by all employees.

10.15 Company Secretary

The duties and responsibilities of the Company Secretary are defined in reference to the Public Limited Companies Act, the Securities and Exchange Act and the Code of Corporate Governance for Listed Companies in 2017 stipulated by the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand. The Company Secretary has duties and responsibilities as follows:

- (1) To Provide advices on laws and regulations related to the performance of duties of the Board of Directors, and business operation of the Company;
- (2) To prepare documents and supporting information for the Board of Directors 'meetings and shareholders' meetings.
- (3) To coordinate and monitor to ensure the compliance with the resolutions of the Board of Directors and the shareholders' meeting.
- (4) To prepare and maintain a register of directors, invitation letter of the Board's meetings, minutes of the Board's meetings, Annual Report, invitation letter to shareholders' meeting, and minutes of the shareholders' meetings.
- (5) To maintain reports of stake holding reported by directors or executives.
- (6) To prepare information and explanation of the Company's businesses including other information related to the Company's business operations to newly appointed directors.
- (7) To oversee the activities of the Board of Directors and shareholders.



11.) Internal Control

The Company's Internal Control system is a process supervised by the Board of Directors and the management to reasonably ensure that the Company has achieved following objectives:

- To efficiently and effectively operate;
- To assure the reliability of financial reports; and
- To comply with the Company's Policy on Corporate Governance related laws and regulations.

The Company uses the framework of internal control structure in compliance with the international standards of The Committee of Sponsoring Organizations of the Treadway Commission (COSO) and the guidelines provided by SEC Office, consisting of 5 areas as following details:

11.1 Controlling Environment

The Company has an organizational structure that facilitates the efficient administration of the management and the performance of employees, and establishes clear and appropriate business goals, taking into account the possibilities of the set goals, and communicates such goals to employees at least once a year as a guideline for employees.

The Company has a principle of "Business Ethics" covering requirements to prohibit directors, executives and employees of the Company to behave in a manner that could cause a conflict of interest with the Company, guidelines for treating both internal and external stakeholders, employees, customers, trading partners, competitors and government agencies, including requirements related to environment, assets, internal controls, accounting, reporting and disclosure of information, management and protection of personal information, all employees can directly consult or report the violations of the Code of Conduct to the Audit Committee. The formulation of policy and practices are based on considering the fairness for stakeholders and the benefits of the Company in a long run.

The Audit Committee is responsible for supervising and promoting the Internal Control over Financial Reporting (ICFR) to be accurate and suitable for the nature of the Company's businesses.

11.2 Risk Assessment

The objective of the Company's risk management is to proactively and effectively identify, assess and manage anticipated risks, which is proper to the objective of the Company. We use the information obtained from risk management processes to manage its holistic corporate risk, which is a repetitive and continuous process. The objective is to help support the Company to achieve its given goals and objectives, and maintain risk status at an acceptable level by managing critical threats and taking advantage of critical opportunities. The management of each line is responsible for ensuring the risks management in daily strategic and business processes, the Company's employees have duties and responsibilities for managing risks within the scope of their work, and the management is responsible for assessing the risks of the Company on a regular basis by owning and managing the major risks of the Company. Such major risks will be quarterly reported to the Board of Directors by the management.

11.3 Operational Control

The Company has established policies and procedures for managing many areas including transactions in finance, procurement, and administration. The Company has clearly defined the authority and the limit of approval for each level of management in the policy on determining the approval authority approved by the Board of Directors. The authorization function will be separated from the accounting and data recording function, and the function of keeping assets for cross checking.

In transactions with major shareholders, directors, executives, or people related to such persons, the Company has a strict measure to monitor and ensure that those transactions are conducted in accordance with regulations, practices and approved by the given approval process to prevent conflicts of interest by taking into account the best interests of the Company as a priority.

11.4 Information and Communication System

The Company pays attention to information and communication system in order to communicate information that is correct and sufficient for the decision-making of the Board of Directors, management, shareholders and related persons. The Company has adopted an accounting policy in accordance with generally accepted accounting standards and suitable for the Company's businesses. We appropriately and verifiably store accounts and supporting documents, prepare invitation letters to the meeting together with supporting documents, including minutes of the Board of Directors 'meetings and the shareholders' meetings to propose to the Board of Directors and shareholders (as the case may be) for consideration before the meeting within a reasonable time and as required by laws.

11.5 Monitoring System

The Company has a clear process for monitoring the internal control system and report any significant errors and weaknesses in the internal control, along with details of corrections in which the management provides ongoing monitoring and period evaluation to ensure that the Company has stable and practical internal systems. The ongoing monitoring includes regular reviews of performance and significant financial data, analysis and monitoring of operational reports that may identify abnormalities indicating failures in the internal control system, etc. In addition, the management is responsible for reporting to the Audit Committee and the Board of Directors on any cases that appear or suspect of corruption, illegal conduct or misconduct that could seriously affect the Company's reputation and financial position.

11.6 Internal Audit

The internal audit function is committed to independently and fairly perform their duties and provide consultation for value added and improvement of the Company's performance to achieve its business objectives and goals. The internal audit function is independent from the management by directly reporting to the Audit Committee on the performance of internal audit, objectives, powers, duties and responsibilities of the internal audit function, including duties and responsibilities of the head of internal audit function. The appointment, transfer or termination of the head of the internal audit function and any other function under the internal audit function will be approved by the Audit Committee.



In 2023, Audit Committee Meeting No.1/2023, held on February 22, 2023, has resolved to appoint ISBAR Corporation Company Limited (ISBAR) as the Company's internal auditor for the year 2023. Throughout 2023, the internal audit plan was set based on assessment of the organization's significant risk, which consisted of reviewing the procurement process according to the Working Instructions prepared by the management in 2022; reviewing the entire related-party transactions process to ensure that it is strictly in accordance with the applicable laws; business continuity management in operation that continues from the information technology test in 2022; and the annual review of the adequacy of the internal control system, which must be conducted every year, each of which can be summarized as follows:

1. Controlling the procurement process The internal control system was assessed according to the following topics: 1) Recruiting vendors and registering vendors into the system; 2) Purchase requisition and budget management; 3) Inspecting and evaluating vendors; and 4) Repayments. Moderate risk was detected due to the lack of directly responsible purchasing staffs. The management, in turn, hired employees for this position in late 2023.
2. Controlling related-party transactions No significant issues were found. However, the management clarified that the Company plans to proceed on related-party transactions that are existing contracts which have not yet entered the approval process because the term of the contracts has not yet expired. Early termination can cause more harm than good. The Service Contract between Prodigy Sete Co., Ltd. and Winchai Co., Ltd. will expire in the third quarter of 2024. The management will prepare to take action in advance to ensure that it has been completed in compliance with the applicable laws and is beneficial to the Company (if necessary).
3. Annual evaluation of the internal control system according to the internal control system assessment form prepared by the Office of the Securities and Exchange Commission ISBAR has presented it to the Audit Committee, with the opinion that the Company has an adequate internal control system consistent with the assessment form.

In this regard, business continuity management in the area of operation that continues from the information technology test in 2022 will continue in 2024 to be in line with the new business related to offshore petroleum production (Offshore business).

12.) Related-party transactions

12.1 Measures and procedures for approving related-party transactions

The Company has established policies and procedures for related-party transactions to be transparent and for the best interest of the Company. We have established the guidelines for internal operations relating to the transactions between the Company or its subsidiaries and connected persons in accordance with the rules on related-party transactions based on related notifications of SEC and the Stock Exchange of Thailand. The stakeholders will not be able to involve in the consideration and approval of the said transaction to ensure that it will not move or transfer the benefits between companies or shareholders of the Company, but it is a transaction that the Company considers the best interests of its shareholders as a whole.

In addition, the Board of Directors' meeting held on 9 November 2020 resolved to revise the policy on transactions between directors or executives and the Company or its subsidiaries based on Section 89/12 of the Securities and Exchange Act, as follows:

The Company and its subsidiaries may have related-party transactions such as trading of raw materials, goods, inventory, buying or selling of assets for business operation, renting or leasing assets for future business operations with directors, executives or related persons; therefore, the Board of Directors resolved to approve in the principle that the Company or its subsidiaries can undertake such transactions if those transactions are regular business transactions or support regular business of the Company or its subsidiaries which has a commercial agreement with general trade terms, and the Accounting Department is assigned to collect and summarize such related-party transaction to quarterly propose to the Audit Committee's meeting, so that the Audit Committee will further report to the Board of Directors.

A commercial agreement with general trade terms means a commercial agreement in the same manner as a normal person would do with general contractual party in the same situation, with trade bargaining power that will not be influenced by the status as director, executive or related person such as:

- Regular transactions that the Company or its subsidiaries have with other trading partners (other than a director, executive or a person related to a director or executive), in which the related products or services have clear standard characteristics and prices. When compared to the transactions made by the Company or its subsidiaries with other trading partners, and transactions with directors, executives or related parties have not different prices, conditions or agreements.
- The transactions made by the Company or its subsidiaries only with director, executive or a related person but the related products or services have clear standard characteristics and prices, with many purchaser and sellers in the market, the Company or its subsidiaries could find information about the standard characteristics and prices in the market to compare with transactions with directors, executives or related persons, and when compared, prices, conditions or other agreements are not different.
- The transactions usually made by the Company or its subsidiaries with other trading partners (other than a director, executive or a person related to a director or executive) in which the related products or services have specific characteristics or are tailored made, so the prices of product could not be compared, but the Company or its subsidiaries could demonstrate that the gross profit margin obtained from inter-transactions is not different from transactions with other trading partners, or the gross profit margin obtained by directors, executives or related persons from inter-transaction is not different from transactions with other trading partners, and other conditions or agreements are not different.

If the law requires the related-party transactions must be approved by the Board of Directors' meeting or shareholders' meeting, the Company will assign the Audit Committee to attend the meeting for consideration and giving opinions on the necessity of transactions and justification of that transaction to ensure that the proposed transaction is in the best interest of the Company and the transactions are annually gathered and disclosed in the Annual Report of the Company.

12.2 Policy or tendency of related-party transactions in the future

For related-party transactions that may occur in the future, the Company will strictly comply with the laws and accounting standards. In the event that the Company's practice or policy is different from those stipulated by law, whether on the grounds of amendment of those laws or accounting standards, or compliance with the same standards as the best practice of leading listed companies, the Company assigns the Audit Committee to consider, amend, and propose to the Board of Directors for consideration and approval.

In the future, the Company may have related-party transactions with companies or juristic persons in which the director or major shareholder is a connected person, especially, transaction with The Prodigy Group Co., Ltd., where Ms. Parleerat Panboonhom, the Company's director, is a connected person, most transactions are transactions that support the Company's energy business by calculating the compensation in accordance with general commercial terms. However, companies in the Prodigy Group do not have the same business conditions or competition with the Company and, in the past, Prodigy Group companies have supported the Company's business as experts in energy business management.

In addition, the Company may have a related-party transaction with Nathalin Group (Nathalin) or a person related to Nathalin in matters related to the energy business in the form of future technology or capital cooperation. Since Ms. Parleerat Panboonhom, director of the Company, has a relationship according to the definition of "close relative" by being a child of major shareholder and controlling person of Nathalin. However, the management of Nathalin and the Company are independent from each other without any other relationships that might put the Company under the control of Nathalin. Therefore, decisions will depend on the resolution of the Board of Directors' meeting, and the resolution of the shareholders' meeting (as the case maybe).

Additionally, the Company may have a connected transaction with The Prodigy Sete Company Limited, where Ms. Parleerat Panboonhom is a director and major shareholder. The key item involves Winchai Company Limited hiring The Prodigy Sete Company Limited to provide consulting and representation services for Winchai Company Limited in project management, including operations and maintenance; procurement; finance; relevant laws and regulations; public relations; and coordination with various government agencies, the general public, and local communities in the surrounding areas, whereby compensation is calculated based on general commercial terms.

12.3 Connected Transactions of the Company and Subsidiaries, Individuals, or Businesses that May Pose Conflicts of Interest

For the year ended December 31, 2023, the Group has related transactions in accordance with trade terms and criteria as agreed upon in normal business as follows:

No.	Counterparty	Total value (baht)
Transactions between the Company and subsidiary companies		
1	Sky Solar Roof Company Limited	41,199.96
2	Sky Solar Power Company Limited	45,200.04
3	NW Green Power Company Limited	82,400.01
4	NW Energy Company Limited	41,199.96
5	NW Solar Company Limited	32,900.04
6	Sunny Solar Company Limited	32,900.04
7	Sun Link Power Company Limited	5,400.00
8	Solar Town Company Limited	41,199.96
9	The Solar Arcade Company Limited	6,000.00
10	Winchai Company Limited	9,225,000.00
11	Winchai Company Limited	467,650,762.85
Transactions between subsidiary companies and related companies		
12	The Prodigy Group Company Limited	1,702,696.10
13	The Prodigy Sete Company Limited	24,742,268.04
14	Plus Energy Company Limited	155,351,990.10
15	Nathalin Company Limited	2,208,287.00
Advance payment transactions between subsidiary companies and related companies (jointly held directors and shareholders)		
16	The Prodigy Sete Company Limited	2,546,449.02

Items 1 - 10: Transactions between the Company and its subsidiaries in which the Company holds 99.99% of shares and 75.00% of the shares are services and support regarding the business operations of the subsidiaries that have the same trade terms as those with third parties or are comparable. The Company uses the calculation method of cost plus 3% additional profit (Cost Plus Method).

Item 11: Transactions between the Company and its subsidiaries in which the Company holds 75.00% of shares are interest expenses from loans in the amount of 6.45 million baht at an interest rate based on THOR plus a fixed percentage according to the contract which uses the Cost Plus Method for calculation and dividends receivable according to the announced rate of interim dividend payment of 271.86 million baht and 189.34 million baht, which was approved by the subsidiary's board meeting during the 2nd quarter of 2023 and the 4th quarter of 2023.

Item 12: Transaction between the Company and a related company that has a joint director and shareholder, Ms. Parleerat Panboonhom, and a joint director, Ms. Sukanya Tipmanee, which is a contract to provide office space and equipment at the price specified in the contract with the same trade conditions as with third parties or comparable.

Item 13: Transaction between a subsidiary company, Winchai Company Limited and a related company that has a joint director and shareholder, Ms. Parleerat Panboonhom, and a joint director, Ms. Sukanya Tipmanee, which is a technical consultant fee at the price specified in the contract with the same trade conditions as with third parties or comparable.

Item 14: Transactions between a subsidiary, Winchai Company Limited, and a related company that includes Sermuang Power Corporation Public Company Limited, which is a major shareholder of the Company and Plus Company. Energy Co., Ltd., which is a transaction of interest income from loans in the amount of 1.62 million baht at an interest rate according to THOR plus a fixed percentage according to the contract, which uses the Cost Plus Method calculation and dividends paid in the amount of 90.62 million baht and 63.11million baht, totaling 153.73million baht, according to the announced rate of interim dividend payments, which was approved by the Board of Directors meeting of Winchai Company Limited during the 2nd quarter of 2023 and the 4th quarter of 2023.

Item 15: Transaction between a subsidiary company and a related company, namely Nathalin Company Limited, with the highest ranking shareholder being a close relative (father) and the Company's directors and executives, namely Ms. Parleerat Panboonhom, which is a rental transaction for building space and roof for installing solar panels, including common fee charge, electricity fee and property taxes from renting said building space at the prices specified in the contract with the same trade terms as those with third parties or comparable.

Item 16: Repayment of advance payments between service users (subsidiaries) to service providers (related companies with joint directors and shareholders, that is Ms. Parleerat Panboonhom and joint director, that is Ms. Sukanya Tipmanee). It is a transaction that the service provider reserves to pay the necessary operating expenses of the subsidiary. The service provider demands reimbursement with the amount based on actual expenses as specified in the contract.

As of December 31, 2023, the Group has outstanding balances of related transactions as follows:

No.	Counterparty	Total value (baht)
Outstanding balances between the Company and subsidiary companies		
1	Sky Solar Roof Company Limited	24,160.59
2	Sky Solar Power Company Limited	26,585.23
3	NW Green Power Company Limited	48,064.40
4	NW Energy Company Limited	23,796.79
5	NW Solar Company Limited	19,136.96
6	Sunny Solar Company Limited	19,149.80
7	Sun Link Power Company Limited	3,192.88
8	Solar Town Company Limited	24,160.59
9	The Solar Arcade Company Limited	1,605.00

No.	Counterparty	Total value (baht)
10	Winchai Company Limited	772,500.00
11	NW Energy Company Limited	6,000,000.00
12	NW Energy Company Limited	83,214.25
13	Top Empire Company Limited	249,950.00
Outstanding balances between the subsidiaries and related companies (jointly held directors and shareholders)		
14	The Prodigy Sete Company Limited	2,219,916.17
15	Nathalin Company Limited	13,000.00

Items 1 - 10: Outstanding balances between the Company and its subsidiaries in which the Company holds 99.99% of shares and 75.00% of the shares are outstanding balances from services and support regarding the business operations of the subsidiaries that have the same trade terms as those with third parties or are comparable. The Company uses the calculation method of cost plus 3% additional profit (Cost Plus Method).

Items 11 - 12: Outstanding balances between the Company and its subsidiaries. Item 11 is the outstanding loan principal that the Company gave to its subsidiaries as a short-term loan to support repairs and improvements to power plant from a fire incident. Item 12 is the outstanding interest of item 11. The calculation of loan interest uses the Cost Plus Method.

Item 13: Outstanding balances between the Company and its subsidiaries. It is the outstanding balance of 9,998 registered common shares with a value of 100 baht per share. On the day of the Company establishment's meeting, November 1, 2023, 25% of the total share value was called in for payment.

Item 14: Outstanding balance between a subsidiary and a related company that has a joint director and shareholder, Ms. Parleerat Panboonhom, and a joint director, Ms. Sukanya Tipmanee, is the outstanding balance for technical consultant fees at the price specified in the contract with the same trade terms as with third parties or comparable. The outstanding balance is paid back in advance to the service provider (related company), from the reserve for necessary operating expenses of the subsidiary. The service provider demands reimbursement with the amount based on actual expenses as specified in the contract.

Item 15: Outstanding balance between a subsidiary company and a related company, namely Nathalin Company Limited, with the highest ranking shareholder being a close relative (father) and the Company's directors and executives, namely Ms. Parleerat Panboonhom, which consists of the outstanding balance for the roof rental for installing solar panels, outstanding balance of electricity fee from renting building space and deposit payment from renting the building space at the prices specified in the contract with the same trade terms as those with third parties or comparable.



13.) General Information and Other Key Information

Company Name:	Nova Empire Public Company Limited
Company Registration Number:	0107537001714
Business Type:	Holding company for investment in other businesses, including solar and wind power electricity generation and other energy-related businesses
Registered Address (Head Office):	No. 88 Bang Na-Trat 30 Alley, Debaratana Road, Bang Na Tai Sub-district, Bang Na District, Bangkok Metropolis
Telephone Number:	02-399-2210
Website:	http://www.novaempire.co.th
Email address:	investorrelations@novaempire.co.th
Registered Capital:	85,214,353 baht, divided into 170,428,706 ordinary shares with a par value of 0.50 baht per share
Paid-Up Capital:	84,974,512 baht, divided into 169,949,024 ordinary shares with a par value of 0.50 baht per share

The list of the top 10 shareholders as of January 8, 2024, is as follows (the total number of shares sold is 139,990,823 shares at a par value of 0.50 baht per share)

List	Number of Shares	Percent Proportion
Ms. Parleerat Panboonhom	53,033,164	31.21
Sernsang Power Corporation Public Company Limited	32,330,000	19.02
Dr. Prasit Kanchanasakdichai	15,280,000	8.99
MORGAN STANLEY & CO. INTERNATIONAL PLC	11,615,200	6.83
Mr. Tossri Khowsurat	6,501,800	3.83
Ms. Sureeyot Kowsurat	6,500,000	3.82
MITSIAM INTERNATIONAL LTD.	6,000,000	3.53
Mr. Kittipong Wejjanchai	5,445,000	3.20
Ms. Wiriyaporn Posayanonda	2,592,593	1.53
Ms. Chuthathip Twisuvan	2,592,593	1.53
Total	141,890,350	83.49

A group of major shareholders who, by behavior, have a significant influence on the policy-making, management or operation of the Company, for example, a person has been assigned to be an Authorized Director.

The group of major shareholders who, by circumstance, have a significant influence on the Company's management policies or operations as of December 31, 2023, are as follows:

- Ms. Parleerat Panboonhom Chief Executive Officer

Shareholders' Agreement None

Investor Relations Contact

Telephone Number	»»»	02-399-2210
Email	»»»	investorrelations@novaempire.co.th

Compliance Department and Company Secretary

Telephone	»»»	02-399-2210
Email	»»»	comsec@novaempire.co.th

Details of Securities Registrar

Registrar Name	»»»	THAILAND SECURITIES DEPOSITORY COMPANY LIMITED
Headquarters location	»»»	93 Ratchadaphisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok Metropolis 10400
Telephone	»»»	: +66 2009 9000
Fax	»»»	+66 2009 9991
Customer Relations	»»»	+66 2009 9999
Website	»»»	http://www.set.or.th/tsd

Auditor Details

Auditor Name	»»»	Ms. Isaraporn Wisutthiyan, (Certified Public Accountant Registration. No. 7480)
Office Name and Location	»»»	EY OFFICE COMPANY LIMITED 193/136-137 Lake Rajada Office Complex, 33 rd Floor, Rajadapisek Road, Klongtoey, Bangkok 10110
Telephone	»»»	+66 264 0777
Fax	»»»	+66 264 0789-90
Website	»»»	https://www.ey.com/th/en/home

Details of Independent Legal Advisor

Name	»»»	Kudan and Partners Company Limited
Headquarters location	»»»	Gaysorn Tower, 23 rd Floor, Units C&F, No. 127 Ratchadamri Road, Lumpini Sub-district, Pathum Wan District, Bangkok Metropolis
Telephone	»»»	+66 2838 1750
Fax	»»»	+66 2838 1795
Website	»»»	https://www.kap.co.th

Legal Dispute in 2023 -None-

Financial statement



14.) Report on Responsibility of the Board of Directors to the Financial Statement

The Board of Directors of Nova Empire Public Company Limited is responsible for the consolidated financial statements of the Company and its subsidiaries and separate financial statements of the Company, including information, data disclosure and financial presentations as appeared in the 2023 Annual Financial Statements to be prepared in accordance with Thai Financial Reporting Standards, and using appropriate accounting policies to be practiced on a regular basis, using discretion and estimating as necessary in a careful and reasonable manner. In addition, information is sufficiently disclosed in the notes to the Annual Financial Statement. The said Annual Financial Statement has been audited and independent Auditor of the Company also gave unconditioned opinions.

The Board of Directors has continuously emphasized their duties and responsibilities to be in line with the Policy on Corporate Governance in order to efficiently, transparently and reliably operate the Company, and provides appropriate control system and risk management system, including an appropriate and effective internal control system on many areas to reasonably ensure that the accounting information is accurate, complete and sufficient to maintain the Company's assets, as well as to prevent corruption or materially unusual transaction.

In addition, the Board of Directors has appointed the Audit Committee consisting of independent directors to review accounting policies and to oversee the quality of information contained in financial reports, to review the adequacy of the internal control system and internal audit, including a risk management system, and to consider the disclosure of related-party transactions, the opinions of the Audit Committee on such matters have been included in the Audit Committee Report as shown in the Annual Report.

The Board of Directors gave an opinion that the overall internal control system at an satisfactory level, and the internal audits can reasonably build confidence that the consolidated annual financial statements of the Company and its subsidiaries and the separate financial statements for the year ended 31 December 2023 are reliable in accordance with financial reporting standards and comply with applicable laws and regulations.

(Parleerat Panboonhom) (Sukanya Tipmanee)
Directors Authorized to Sign

15.) Audit Committee Report

Dear Shareholders of Nova Empire Public Company Limited

The Audit Committee of Nova Empire Public Company Limited consists of 3 independent directors who are highly qualified and experienced in finance, accounting, and business administration; and meet all the qualifications as specified in the Audit Committee Charter established in accordance with the guidelines and requirements of the Office of Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). Presently, the Audit Committee consists of:

1. Mr. Sudwin Panyawongkhanti Chairman of the Audit Committee
2. Dr. Ratana Sithiprasasna Audit Committee
3. Assoc. Prof. Dr. Punchada Srivunnabood Audit Committee

All members of the Audit Committee are not executives, employees or consultants of the Company. The Audit Committee Charter, approved by the Board of Directors, requires the audit committee meetings to be held at least 4 times a year. In 2023, the Company held a total of 6 audit committee meetings to report all meeting results to the Board of Directors. At each meeting, a senior management involved, those responsible in internal audit function and the Auditors attended the meetings on relevant agendas. The Audit Committee has performed the duties and responsibilities assigned as follows:

- To review quarter financial statements and Annual Financial Statements for the year of 2023 to propose to the Board of Directors for consideration and approval. These financial statements have been prepared in accordance with generally accepted accounting principles and are accurate and provided adequate information disclosure.
- To review the adequacy and effectiveness of the internal control system of the Company by using the SEC's internal control system adequacy assessment form to be prepared in accordance with the concept of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) as part of the assessment on the adequacy of the Company's internal control system and submitted to the Board of Directors.
- To review the adequacy and evaluation of the effectiveness of the risk management system, compliance with the laws applicable to the Company's businesses by holding a meeting with the management and the internal audit function to provide useful suggestions for the Company's management.
- To consider and approve an annual audit program that has been prepared in accordance with the risk guidelines, and the audit results of the internal audit function, it is concluded that the Company's internal system is effective without any key non-compliance.
- To review the related-party transactions, transactions of stakeholders, or transactions that may cause conflicts of interest with the Company to ensure that the Company operates in accordance with regular business conditions and complies with the Securities and Exchange Act.
- To review and evaluate their own performance in accordance with the Audit Committee Charter and Corporate Governance Guidelines which results are satisfactory.
- To consider and select a qualified Auditor, and propose the appointment and the auditor's fee for the year of 2023 to the Board of Directors.

From the performance of the Audit Committee as mentioned above, the Audit Committee has considered and gave an opinion that the Company has prepared annual financial statements in accordance with generally accepted accounting standards and having sufficient data disclosure, having internal control system and internal audit system that is effective enough without any material non-compliance, complying with laws and regulations applicable to the Company's businesses and the related-party transactions are reasonable with the highest benefits according to the Company's policy.

The Audit Committee has considered and selected auditors based on the Company's evaluation criteria, experience, performance and the independence of the auditor's operations in the past year, and was of the opinion that the auditors of EY Office Company Limited had satisfactory performance. In addition, EY Office Company Limited is an internationally recognized auditing office. The Audit Committee agreed that EY Office Limited's auditors should be proposed as the Company's auditor for the year 2023 and considered determining the auditor's remuneration and has proposed it for the approval of the Annual General Meeting of Shareholders on April 26, 2023.

(Sudwin Panyawongkhanti)
Chairman of the Audit Committee

16.) Financial statement

Nova Empire Public Company Limited

Financial statement

December 31, 2023



รายงานของผู้สอบบัญชีรับอนุญาต

เสนอต่อผู้ถือหุ้นของบริษัท โนวา เอ็มไพร์ จำกัด (มหาชน)

Opinion

I have audited the accompanying consolidated financial statements of Nova Empire Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Nova Empire Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Nova Empire Public Company Limited and its subsidiaries and of Nova Empire Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for opinion

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

Emphasis of matter

I draw attention to Note 29 to the consolidated financial statements regarding the classification of investment in Winchai Company Limited as “Assets held for sale” in the separate statement of financial position as at 31 December 2023. The Group has also classified the assets and liabilities of Winchai Company Limited under the captions of “Assets held for sale” and “Liabilities directly associated with assets held for sale” in the consolidated statement of financial position as at 31 December 2023. Moreover, the operating results of Winchai Company Limited were separately presented under “Profit for the year from discontinued operation” in the consolidated statements of comprehensive income for the year ended 31 December 2023 and the Group has restated the consolidated statements of comprehensive income for the year ended 31 December 2022, presented herein as comparative information.

My opinion is not qualified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

Asset held for sale and discontinued operations

As discussed in Note 29 to the consolidated financial statements, on 17 October 2023, the meeting of the Company's Board of Directors passed a resolution approving to propose, for the shareholder's approval, the disposal of all investment in Winchai Company Limited "Winchai". This was subsequently approved by the shareholders at the Extraordinary General Meeting of Shareholder on 30 January 2024 and the Company is currently in the process of disposing of such investment and expect to be completed in 2024. If the investment disposal meets the requirements of TFRS 5 - Assets held for sale and discontinued operations, the Group is required to change the presentation of this investment in the financial statements for the year ended 31 December 2023 and related disclosures, to present it as assets held for sale and discontinued operations. It must also measure the value of assets held for sale at the lower of its carrying amount and fair value less costs to sell and restate the statement of comprehensive income for the year ended 31 December 2022, presented herein for comparative purposes. There are thus risks with respect to the presentation and disclosures related to the disposal of the investment and the valuation of the assets.

I assessed whether the Group's presentation and disclosure of the required information regarding the disposal of Winchai complied with TFRS 5 - Assets held for sale and discontinued operations. Procedures performed included:

- Reviews of the minutes of the Board of Directors' meeting and the Extraordinary General Meeting of Shareholders of the Company, and other relevant documents related to the disposal of Winchai, to assess whether the disposal of Winchai should be classified as assets held for sale and a discontinued operation.
- Comparison of the fair value less costs to sell and net book values of the assets and liabilities that are related directly to Winchai, to consider the impairment of the assets.
- Review of the disclosures made in the notes to the financial statements.

In addition, I examined the changes in presentation required to restate the financial statements for the year ended 31 December 2022 (restated), presented herein for comparative purposes, and audited the disclosure of such changes in the related notes to the financial statements.

The consideration of impairment of assets of the Solar Group

As at 31 December 2023, the Group had equipment, intangible assets and right-of-use assets of the Solar Group with net book values of Baht 414 million in the consolidated statement of financial position while the Company had investment in subsidiary of Baht 248 million in the separate statement of financial position. The Group's management performed impairment testing of these assets during the current year and concluded that no provision for impairment loss was required. I focused on auditing and considering the impairment of such assets since a provision for impairment of assets is a significant accounting estimate that requires management to exercise judgment with respect to the projections of future operating performance and the assessment of future plans, as well as the assessment of the appropriate discount rate.

I have examined management's assessment of indicator that assets of the Group may be impaired, identification of cash generating units and selection of financial models by gaining an understanding of management's decision-making process and assessing whether the decisions made were consistent with how assets are utilised. In addition, I tested the significant assumptions applied by management in preparing estimates of future cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results, in order to evaluate the exercise of management judgment in estimating these cash flows. I also evaluated the discount rate applied by management through analysis of the average costs of the Group and of the industry and tested the calculation of the realisable values of the assets using the selected financial model. In addition, I assessed the adequacy of the disclosure of information relating to impairment assessment on assets in the notes to the consolidated financial statements.

Other Information

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

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

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group'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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the 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 Thai Standards on Auditing 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 financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 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 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 to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 those charged with governance 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 those charged with governance 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 those charged with governance, I determine those matters that were of most significance in the audit of the 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.

I am responsible for the audit resulting in this independent auditor's report.

Isaraporn Wisutthiyan
Certified Public Accountant (Thailand) No. 7480

EY Office Limited
Bangkok: 29 February 2024

งบแสดงฐานะการเงิน

บริษัท โนวา เอ็มไพร์ จำกัด (มหาชน) และบริษัทย่อย

ณ วันที่ 31 ธันวาคม 2566

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents	7	204,261,853	129,395,507	194,898,874	28,580,469
Restricted bank deposits	10	-	3,876,303	-	-
Trade and other receivables	6, 8	6,718,472	304,678,348	1,045,567	1,026,946
Short-term loan to related party	6	-	-	6,000,000	-
Other current assets	9	4,119,940	16,761,134	2,846,035	3,237,592
		<u>215,100,265</u>	<u>454,711,292</u>	<u>204,790,476</u>	<u>32,845,007</u>
Assets held for sale	29	<u>4,890,330,025</u>	-	<u>2,119,913,750</u>	-
Total current assets		<u>5,105,430,290</u>	<u>454,711,292</u>	<u>2,324,704,226</u>	<u>32,845,007</u>
Non-current assets					
Restricted bank deposits	10	2,266,127	351,483,262	157,704	70,635
Investments in subsidiaries	11	-	-	247,749,920	2,367,413,720
Power plant, plant and equipment	12	204,280,836	2,754,825,912	1,114,193	594,912
Intangible assets	13	117,065,926	1,918,265,296	1,422,448	1,536,349
Right-of-use assets	17 a)	96,449,472	192,717,201	1,014,491	2,026,211
Deferred tax assets	22	253,374	247,152	-	-
Other non-current assets		-	1,282,573	-	-
Total non-current assets		<u>420,315,735</u>	<u>5,218,821,396</u>	<u>251,458,756</u>	<u>2,371,641,827</u>
Total assets		<u>5,525,746,025</u>	<u>5,673,532,688</u>	<u>2,576,162,982</u>	<u>2,404,486,834</u>

The accompanying notes are an integral part of the financial statements.

งบแสดงฐานะการเงิน (ต่อ)

บริษัท โนวา เอ็มไพร์ จำกัด (มหาชน) และบริษัทย่อย

ณ วันที่ 31 ธันวาคม 2566

(Unit: Baht)					
	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	6, 14	13,931,015	20,581,873	11,100,542	10,663,196
Account payable for purchase of investment in subsidiary		-	165,000,000	-	165,000,000
Current portion of long-term loans from financial institutions	15	40,685,659	411,282,045	-	-
Current portion of debenture	16	395,545,713	-	395,545,713	-
Short-term loan from related party	6	-	-	-	267,000,000
Current portion of lease liabilities	17 b)	4,951,830	7,648,825	1,061,049	1,011,884
Income tax payable		358,851	544,358	-	-
Other current liabilities		1,604,208	15,941,417	1,403,022	360,879
		457,077,276	620,998,518	409,110,326	444,035,959
Liabilities directly associated with assets held for sale	29	2,504,813,145	-	-	-
Total current liabilities		2,961,890,421	620,998,518	409,110,326	444,035,959
Non-current liabilities					
Long-term loans from financial institutions - net of current portion	15	6,968,000	1,984,211,128	-	-
Lease liabilities - net of current portion	17 b)	106,012,955	194,825,606	-	1,061,049
Derivative liabilities	31.1	-	199,313,800	-	-
Provision for decommissioning costs		-	93,006,674	-	-
Deferred tax liabilities	22	8,400,509	203,571,269	-	-
Long-term employee benefits obligations	18	4,389,713	3,224,991	4,389,713	3,224,991
Total non-current liabilities		125,771,177	2,678,153,468	4,389,713	4,286,040
Total liabilities		3,087,661,598	3,299,151,986	413,500,039	448,321,999

The accompanying notes are an integral part of the financial statements.

งบแสดงฐานะการเงิน (ต่อ)

บริษัท โนวา เอ็มไพร์ จำกัด (มหาชน) และบริษัทย่อย

ณ วันที่ 31 ธันวาคม 2566

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Shareholders' equity					
Share capital					
Registered					
170,428,706 ordinary shares of Baht 0.5 each		85,214,353	85,214,353	85,214,353	85,214,353
Issued and called up share capital					
169,949,024 ordinary shares of Baht 0.5 each		84,974,512	84,974,512	84,974,512	84,974,512
Share premium		606,999,356	606,999,356	606,999,356	606,999,356
Surplus from the change in the ownership interest					
in subsidiary		142,318,935	142,318,935	-	-
Retained earnings					
Appropriated - statutory reserve	19	10,000,000	10,000,000	10,000,000	10,000,000
Appropriated - general reserve	20	106,000,000	106,000,000	106,000,000	106,000,000
Unappropriated		907,244,816	795,914,256	1,354,689,075	1,148,190,967
Other component of shareholders' equity		(15,794,669)	(4,600,828)	-	-
Equity attributable to owners of the Company		1,841,742,950	1,741,606,231	2,162,662,943	1,956,164,835
Non-controlling interests of the subsidiaries		596,341,477	632,774,471	-	-
Total shareholders' equity		2,438,084,427	2,374,380,702	2,162,662,943	1,956,164,835
Total liabilities and shareholders' equity		5,525,746,025	5,673,532,688	2,576,162,982	2,404,486,834
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors

งบกำไรขาดทุนเบ็ดเสร็จ

บริษัท **เอนา** เอ็มโพร จำกัด (มหาชน) และบริษัทย่อย

สำหรับปีสิ้นสุดวันที่ 31 ธันวาคม 2566

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022 (Restated)	2023	2022
Profit or loss:					
Continuing operations					
Sales of electricity	23	55,892,355	54,936,236	-	-
Cost of sales of electricity		(37,553,257)	(35,750,980)	-	-
Gross profit		18,339,098	19,185,256	-	-
Dividend income	11	-	-	461,196,735	753,000,000
Gain on change in status of investment		-	59,885,601	-	-
Gain on bargain purchase		-	6,043,851	-	-
Other income		(2,181,428)	2,874,351	11,133,798	8,158,838
Administrative expenses		(49,845,722)	(54,498,480)	(47,799,243)	(52,844,837)
Operating profit (loss)		(33,688,052)	33,490,579	424,531,290	708,314,001
Finance cost		(34,357,690)	(29,677,475)	(31,648,837)	(19,582,411)
Profit (Loss) before income tax		(68,045,742)	3,813,104	392,882,453	688,731,590
Income tax benefit (expenses)	22	(74,634)	386,725	-	-
Profit (Loss) for the year from continuing operations		(68,120,376)	4,199,829	392,882,453	688,731,590
Discontinued operation					
Profit for the year from discontinued operation	29	486,865,762	440,850,534	-	-
Profit for the year		418,745,386	445,050,363	392,882,453	688,731,590
Other comprehensive income:					
Discontinued operation					
Other comprehensive loss for the year from discontinued operation	29	(14,925,121)	(13,323,181)	-	-
Other comprehensive loss for the year		(14,925,121)	(13,323,181)	-	-
Total comprehensive income for the year		403,820,265	431,727,182	392,882,453	688,731,590

The accompanying notes are an integral part of the financial statements.

งบกำไรขาดทุนเบ็ดเสร็จ (ต่อ)

บริษัท โนวา เอ็มไพร์ จำกัด (มหาชน) และบริษัทย่อย

ณ วันที่ 31 ธันวาคม 2566

		(Unit: Baht)			
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
Note	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
		(Restated)			
Profit (Loss) attributable to:					
Equity holders of the Company					
		(68,120,675)	4,199,829	392,882,453	688,731,590
	29	<u>365,835,580</u>	<u>236,100,108</u>	-	-
		<u>297,714,905</u>	<u>240,299,937</u>	<u>392,882,453</u>	<u>688,731,590</u>
Non-controlling interests of the subsidiaries					
		<u>121,030,481</u>	<u>204,750,426</u>		
		<u>418,745,386</u>	<u>445,050,363</u>		
Total comprehensive income attributable to:					
Equity holders of the Company					
		(68,120,675)	4,199,829	392,882,453	688,731,590
	29	<u>354,641,740</u>	<u>227,122,919</u>	-	-
		<u>286,521,065</u>	<u>231,322,748</u>	<u>392,882,453</u>	<u>688,731,590</u>
Non-controlling interests of the subsidiaries					
		<u>117,299,200</u>	<u>200,404,434</u>		
		<u>403,820,265</u>	<u>431,727,182</u>		
Basic earnings (loss) per share					
	24				
Profit (loss) attributable to equity holders of the Company					
		(0.40)	0.03	2.31	4.09
		<u>2.15</u>	<u>1.40</u>	-	-
		<u>1.75</u>	<u>1.43</u>	<u>2.31</u>	<u>4.09</u>

The accompanying notes are an integral part of the financial statements.

งบแสดงการเปลี่ยนแปลงส่วนของผู้ถือหุ้น
บริษัท โนวา เอ็มโพร จำกัด (มหาชน) และบริษัทย่อย
สำหรับปีสิ้นสุดวันที่ 31 ธันวาคม 2566

(Unit: Baht)

Consolidated financial statements

	Equity attributable to owners of the Company											
	Issued and paid-up share capital	Share premium	Surplus from the change in the ownership interest in subsidiary	Retained earnings		Other components of shareholders' equity			Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
				Appropriated - statutory reserve	Appropriated - general reserve	Cost of hedging reserve	Share of other comprehensive income from associate	Total other component of shareholders' equity				
Balance as at 1 January 2022	69,999,412	311,989,886	-	10,000,000	106,000,000	555,614,319	-	4,376,361	4,376,361	1,057,979,978	30	1,057,980,008
Profit for the year	-	-	-	-	-	240,299,937	-	-	-	240,299,937	204,750,426	445,050,363
Other comprehensive loss for the year	-	-	-	-	-	-	(4,600,828)	(4,376,361)	(8,977,189)	(8,977,189)	(4,345,982)	(13,323,181)
Total comprehensive income (loss) for the year	-	-	-	-	-	240,299,937	(4,600,828)	(4,376,361)	(8,977,189)	231,322,748	200,404,434	431,727,182
Increased share capital	14,975,100	295,009,470	-	-	-	-	-	-	-	309,984,570	-	309,984,570
Dividend paid by subsidiary to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(251,000,000)	(251,000,000)
Increase in equity attributable to non-controlling interest	-	-	-	-	-	-	-	-	-	-	1,540,688,942	1,540,688,942
Interest of the subsidiary from change in status of investment	-	-	142,318,935	-	-	-	-	-	-	142,318,935	(657,318,935)	(715,000,000)
Cumulative effect of the change in interest in subsidiary	-	-	142,318,935	10,000,000	106,000,000	795,914,256	-	-	(4,600,828)	1,741,606,231	632,774,471	2,374,380,702
Balance as at 31 December 2022	84,974,512	606,999,356	-	10,000,000	106,000,000	795,914,256	(4,600,828)	-	(4,600,828)	1,741,606,231	632,774,471	2,374,380,702
Balance as at 1 January 2023	84,974,512	606,999,356	142,318,935	10,000,000	106,000,000	795,914,256	(4,600,828)	-	(4,600,828)	1,741,606,231	632,774,471	2,374,380,702
Profit for the year	-	-	-	-	-	297,714,905	-	-	-	297,714,905	121,030,481	418,745,386
Other comprehensive loss for the year	-	-	-	-	-	-	(11,193,841)	-	(11,193,841)	(11,193,841)	(3,731,280)	(14,925,121)
Total comprehensive income (loss) for the year	-	-	-	-	-	297,714,905	(11,193,841)	-	(11,193,841)	286,521,064	117,299,201	403,820,265
Increase in equity attributable to non-controlling interest of the subsidiary from additional investment in subsidiary	-	-	-	-	-	-	-	-	-	-	50	50
Dividend paid (Note 27)	-	-	-	-	-	(186,384,345)	-	-	-	(186,384,345)	-	(186,384,345)
Dividend paid by subsidiary to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(153,732,245)	(153,732,245)
Balance as at 31 December 2023	84,974,512	606,999,356	142,318,935	10,000,000	106,000,000	907,244,816	(15,794,669)	-	(15,794,669)	1,841,742,950	596,341,477	2,438,084,427

The accompanying notes are an integral part of the financial statements.

งบแสดงการเปลี่ยนแปลงส่วนของผู้ถือหุ้น
บริษัท โนวา เอ็มไพร์ จำกัด (มหาชน) และบริษัทย่อย
สำหรับสิ้นสุดวันที่ 31 ธันวาคม 2566

(Unit: Baht)

	Separate financial statements					Total shareholders' equity
	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Retained earnings Appropriated - general reserve	Unappropriated	
Balance as at 1 January 2022	69,999,412	311,989,886	10,000,000	106,000,000	459,459,377	957,448,675
Total comprehensive income for the year	-	-	-	-	688,731,590	688,731,590
Increased share capital	14,975,100	295,009,470	-	-	-	309,984,570
Balance as at 31 December 2022	<u>84,974,512</u>	<u>606,999,356</u>	<u>10,000,000</u>	<u>106,000,000</u>	<u>1,148,190,967</u>	<u>1,956,164,835</u>
Balance as at 1 January 2023	84,974,512	606,999,356	10,000,000	106,000,000	1,148,190,967	1,956,164,835
Total comprehensive income for the year	-	-	-	-	392,882,453	392,882,453
Dividend paid (Note 27)	-	-	-	-	(186,384,345)	(186,384,345)
Balance as at 31 December 2023	<u>84,974,512</u>	<u>606,999,356</u>	<u>10,000,000</u>	<u>106,000,000</u>	<u>1,354,689,075</u>	<u>2,162,662,943</u>

The accompanying notes are an integral part of the financial statements.

Cash flow statements

Nova Empire Public Company Limited and its subsidiaries

For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Cash flows from operating activities					
Profit (Loss) before tax from continuing operations		(68,045,742)	3,813,104	392,882,453	688,731,590
Profit before tax from discontinued operation		490,283,843	441,021,904	-	-
Profit before tax		422,238,101	444,835,008	392,882,453	688,731,590
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:					
Depreciation and amortisation	12, 13, 17	235,287,131	221,572,249	1,332,462	1,220,918
Allowance for impairment loss on assets		61,800,000	-	-	-
Allowance for expected credit losses		22,436,832	-	-	-
Net difference of right-of-use assets and lease liabilities arising from contracts termination		(397,570)	-	-	-
Share of profit from investment in associate		-	(9,688,498)	-	-
Gain on change in status of investment		-	(59,885,601)	-	-
Gain on bargain purchase of subsidiary		-	(6,043,851)	-	-
Gain on fair value of derivative instrument		(159,591)	(6,253,503)	-	-
Loss on written off equipment		6,328,478	-	-	-
Dividend income	11.1	-	-	(461,196,735)	(753,000,000)
Long-term employee benefits obligations		1,164,722	642,836	1,164,722	987,364
Interest income		(5,945,526)	(2,265,883)	(1,407,216)	(53,457)
Interest expenses		160,143,967	108,060,043	31,648,837	19,582,411
Profit (loss) from operating activities before changes in operating assets and liabilities		902,896,544	690,972,800	(35,575,477)	(42,531,174)
Operating assets (increase) decrease					
Trade and other receivables		(8,987,088)	(61,306,105)	(268,571)	(678,852)
Other current assets		(32,132)	(11,591,311)	696,855	(1,230,220)
Other non-current assets		649,089	977,684	-	-
Operating liabilities increase (decrease)					
Trade and other payables		(4,412,000)	(9,497,822)	(507,060)	3,520,657
Other current liabilities		(1,028,112)	(7,276,386)	1,042,143	81,742
Cash paid under derivative instrument		(8,085,039)	(5,496,449)	-	-
Cash flows from (used in) operating activities		881,001,262	596,782,411	(34,612,110)	(40,837,847)
Cash received from interest income		5,945,526	2,265,883	1,407,216	53,457
Cash paid for interest expenses		(148,411,987)	(111,355,199)	(27,238,257)	(15,658,529)
Cash paid for corporate income tax expense		(1,999,483)	(4,450,457)	(305,298)	(216,163)
Net cash flows from (used in) operating activities		736,535,318	483,242,638	(60,748,449)	(56,659,082)

The accompanying notes are an integral part of the financial statements.

Cash flow statements (continued)

Nova Empire Public Company Limited and its subsidiaries

For the year ended 31 December 2023

					(Unit: Baht)	
					<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
<u>Note</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>		
Cash flows from investing activities						
Decrease (increase) in restricted bank deposits	(23,880,169)	400,009,949	(87,069)	(70,635)		
Increase in short-term loan to subsidiary	6	-	-	(6,000,000)	-	
Cash paid for increase in share capital of a subsidiary		-	-	-	(13,500,000)	
Net cash paid for purchases of investment in subsidiary	(165,000,000)	(1,163,501,571)	(165,000,000)	(1,250,000,000)		
Cash received from dividend income		-	-	461,196,735	753,000,000	
Cash paid for acquisition of power plant, plant and equipment	(5,578,511)	(26,786,823)	(670,122)	(405,430)		
Cash paid for acquisition of intangible assets	(74,900)	(733,859)	(56,000)	(1,609,329)		
Net cash flows from (used in) investing activities	<u>(194,533,580)</u>	<u>(791,012,304)</u>	<u>289,383,544</u>	<u>(512,585,394)</u>		
Cash flows from financing activities						
Increase (decrease) in short-term loans from subsidiaries	6	-	-	(267,000,000)	267,000,000	
Cash received from debentures	16	392,147,655	-	392,147,655	-	
Cash received from long-term loans from financial institutions	15	-	3,141,759,870	-	446,175,000	
Repayment of long-term loans from financial institutions	15	(442,511,787)	(2,793,744,913)	-	(450,000,000)	
Payments of principle portion of lease liabilities		(7,648,826)	(7,272,092)	(1,080,000)	(964,998)	
Dividend paid		(186,384,345)	-	(186,384,345)	-	
Dividend paid by subsidiary to non-controlling interest		(153,732,245)	(251,000,000)	-	-	
Proceeds from increase in share capital		-	309,984,570	-	309,984,570	
Cash received for share capital of subsidiary from non-controlling interests		50	-	-	-	
Net cash flows from (used in) financing activities		<u>(398,129,498)</u>	<u>399,727,435</u>	<u>(62,316,690)</u>	<u>572,194,572</u>	
Net increase in cash and cash equivalents		143,872,240	91,957,769	166,318,405	2,950,096	
Cash and cash equivalents at beginning of year		129,395,507	37,437,738	28,580,469	25,630,373	
Cash and cash equivalents at end of year from discontinued operation	29	<u>(69,005,894)</u>	-	-	-	
Cash and cash equivalents at end of year	7	<u>204,261,853</u>	<u>129,395,507</u>	<u>194,898,874</u>	<u>28,580,469</u>	
		-	-	-	-	
Supplemental cash flows information:						
Non-cash items consist of:						
Account payable for investment in subsidiary		-	165,000,000	249,950	165,000,000	
Increase in right-of-use assets and lease liabilities		-	3,803,897	-	3,037,931	
Account payables for purchase of fixed assets		1,239,291	2,013,958	-	-	

The accompanying notes are an integral part of the financial statements.

Notes to consolidated financial statements

Nova Empire Public Company Limited and its subsidiaries

For the year ended 31 December 2023

1. General information

Nova Empire Public Company Limited (“the Company”) is a listed company incorporated and domiciled in Thailand. Its major shareholder is Miss Parleerat Panboonhom. The Company is principally engaged in the investment. The registered address is at No. 88 Soi Bangna-Trad 30, Debaratana Road, Bangna Tai, Bangna, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Nova Empire Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023	2022
			Percent	Percent
<u>Subsidiaries directly owned by the Company</u>				
The Solar Arcade Co., Ltd.	Investment company	Thailand	99.99	99.99
Winchai Co., Ltd. ⁽¹⁾ ("Winchai")	Manufacture and distribution of electricity	Thailand	75.00	75.00
Top Empire Co.,Ltd.	Investment company	Thailand	99.98	-

⁽¹⁾ Change status from associate company to a subsidiary in 2022 and classify as assets held for sale during the current year (Note 29)

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2023</u> Percent	<u>2022</u> Percent
<u>Subsidiaries indirectly owned by the Company</u>				
Held by The Solar Arcade Co., Ltd.				
NW Energy Co., Ltd.	Manufacture and distribution of electricity	Thailand	99.99	99.99
NW Green Power Co., Ltd.	Manufacture and distribution of electricity	Thailand	99.99	99.99
NW Solar Co., Ltd.	Manufacture and distribution of electricity	Thailand	99.99	99.99
Sky Solar Power Co., Ltd.	Manufacture and distribution of electricity	Thailand	99.99	99.99
Sky Solar Roof Co., Ltd.	Manufacture and distribution of electricity	Thailand	99.99	99.99
Solar Town Co., Ltd.	Manufacture and distribution of electricity	Thailand	99.99	99.99
Sun Link Power Co., Ltd.	Manufacture and distribution of electricity	Thailand	99.99	99.99
Sunny Solar Co., Ltd.	Manufacture and distribution of electricity	Thailand	99.99	99.99

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and associate under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Business Combinations

Business combination are accounted for using the acquisition method, excluding a business combination under common control. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of the Group's previously held equity interest in the acquiree, in a business combination achieved in stages.

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group measures the identifiable assets acquired and the liabilities assumed at acquisition date fair value and classifies and designates them in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

4.2 Non-Current Assets Held for Sale and Discontinued Operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The criteria for held for sale classification is regarded as met only when the sale is highly probable, and the asset or disposal group is available for immediate sale in its present condition. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the plan to sell the asset and the sale expected to be completed within one year from the date of the classification.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations;
- Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to resale

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of comprehensive income.

4.3 Revenue and expense recognition

Revenue from sales of electricity

Revenue from sale of electricity is recognised at a point in time when control of the asset is transferred to the buyer, generally upon delivery of the electricity. Revenue from sale of electricity is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting discounts.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.4 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.5 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

4.6 Power plant, plant and equipment and depreciation

Power plant, plant and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of power plant, plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Land improvements	5,12 and 25 years
Buildings and premises	19,20 and 25 years
Machinery and equipment	5 - 25 years
Furniture, fixtures and office equipment	3 - 10 years

Depreciation is included in profit or loss.

No depreciation is provided on assets under construction.

An item of power plant, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.7 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	Useful lives
Power sale and purchase agreements	18 and 22 years
Computer software	5 - 10 years
Right in transmission line	25 years

4.8 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.9 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Land	25 - 30	years
Building	3 and 10	years
Rooftop area	25	years
Machinery and equipment	10	years
Office equipment	3	years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.10 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associate, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in profit or loss.

4.12 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the power plant, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment (except for goodwill), if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

4.14 Provisions

General provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provision for decommissioning costs

The Group recognises provision for decommissioning costs at the present value of the estimated cost of decommissioning at the end of the lease. The recognised provision for decommissioning costs is determined based on projected decommissioning costs and various assumptions, including as to abandonment time, future inflation rate and the present value of estimated decommissioning costs, calculated using the discount rate provided by management. These costs are included as part of the cost of the related assets.

4.15 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.16 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (“FVOCI”), or fair value through profit or loss (“FVTPL”). The classification of financial assets at initial recognition is driven by the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (“EIR”) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVOCI (debt instruments)

The Group measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows and to sell the financial asset and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss. These financial assets include derivatives.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.17 Derivatives and hedge accounting

Derivatives

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss unless the derivative is designated and effective as a hedging instrument under cash flow hedge. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to a variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

At the inception of a hedging relationship, the Group formally designates and documents the hedging relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation, at the inception of the hedge and on an ongoing basis, includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements, including analysis of the sources of hedge ineffectiveness and how the hedge ratio is determined.

A hedging relationship qualifies for hedge accounting if it meets all of the following hedge effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk is not the dominant factor in the value changes that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Hedges that meet all of the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in profit or loss. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in profit or loss.

Any adjustment to the carrying value of fair value hedges relating to items carried at amortised cost, is amortised through profit or loss over the remaining term of the hedge using the effective interest method. The amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

The Group designates only the intrinsic value of the options and the financial instrument excluding the foreign currency basis spread as a hedging instrument. The change in fair value of the time value of the options and the foreign currency basis spread of financial instrument that relates to the hedged item is separately accounted for as a cost of hedging which is recognised in other comprehensive income and accumulated in a separate component of equity under cost of hedging reserve.

If the hedged item is transaction-related, the cost of hedging reserve accumulated in other comprehensive income is reclassified to profit or loss when the hedged item affects profit or loss. If the hedged item is time-period related, then the reserve accumulated in other comprehensive income is reclassified to profit or loss on systematic and rational basis. The reclassified amounts are recognised in profit or loss in the same line as the hedged item. If the hedged item is a non-financial item, then the reserve is removed directly from equity and included in the initial carrying amount of the recognised non-financial item. Furthermore, if the Group expects that some or all of the loss accumulated in cost of hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in profit or loss. The cash flow hedge reserve is adjusted to the lower (in absolute amounts) of the cumulative gain or loss on the hedging instrument and the cumulative change in fair value of the hedged item.

The way cash flow hedge reserve accumulated in other comprehensive income are subsequently accounted for, depends on the nature of the underlying hedged transaction. If the hedged transaction subsequently results in the recognition of a non-financial item, the reserve accumulated in equity is removed from the separate component of equity and included in the initial cost or other carrying amount of the hedged asset or liability. This is not a reclassification adjustment and is not recognised in other comprehensive income for the period. For any other cash flow hedges, the reserve accumulated in other comprehensive income is subsequently reclassified to profit or loss as a reclassification adjustment in the same period which the hedged cash flows affect profit or loss.

If cash flow hedge accounting is discontinued, the cash flow hedge reserve accumulated in other comprehensive income must remain in equity if the hedged future cash flows are still expected to occur. Otherwise, the reserve will be immediately reclassified to profit or loss as a reclassification adjustment. After discontinuation, once the hedged cash flow occurs, the way the reserve remaining in equity is accounted for depends on the nature of the underlying transaction as described above.

4.18 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1	Use of quoted market prices in an active market for such assets or liabilities
Level 2	Use of other observable inputs for such assets or liabilities, whether directly or indirectly
Level 3	Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Power plant, plant and equipment/Depreciation

In determining depreciation of power plant, plant and equipment, the management is required to make estimates of the useful lives and residual values of the power plant, plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review power plant, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Allowance for impairment of non-financial assets

In determining allowance for impairment of a non-financial asset, the management is required to exercise judgements regarding determination of the recoverable amount of the asset, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the cash-generating unit being tested. The recoverable amount is sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to power plant, plant and equipment, goodwill and other intangibles recognised by the Group.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements	financial statements	financial statements	financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Other income - management fee	-	-	9,732	8,005	Cost plus margin
Interest expenses	-	-	6,454	99	The rate based on THOR plus a fixed contract rate
Purchase of assets	-	-	589	937	Cost plus margin
Dividend income	-	-	461,197	753,000	As declared

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer Pricing Policy
	financial statements		financial statements		
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Transactions with related person or related companies</u>					
Cost of sales	156	-	-	-	Contract price
Interest income	1,620	-	83	-	Contract price
Other income	-	41	-	41	Agreed price
Technical professional service expense	24,742	24,742	-	-	Contract price
Other expenses	3,755	3,595	1,703	1,669	Contract price
Purchases of assets	-	1,322	-	725	Agreed price

The balances of the accounts as at 31 December 2023 and 2022 between the Group and those related parties are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade and other receivables - related parties (Note 8)</u>				
Subsidiaries	-	-	1,046	1,027
<u>Other non-current assets - deposits</u>				
Related company (Common director/shareholder)	101	101	-	-
<u>Trade and other payables - related parties (Note 14)</u>				
Subsidiaries	-	-	-	99
Related companies (Common director/shareholder)	2,358	2,155	989	85
Total	2,358	2,155	989	184

Loan to related party and loan from related party

The balances of loans between the Group and those related parties and the movement in loans are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at 31 December 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2023
Short-term loan to related party				
Plus Energy Co., Ltd. (Subsidiary's shareholder)	-	89,000	(89,000)	-

Short-term loan to related party carries interest at rate based on THOR plus a fixed contract rate and falls due within August 2023. The Group fully received the loan repayment and its interest during the current year.

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2023
Short-term loan to related party				
NW Energy Co., Ltd. (Subsidiary)	-	6,000	-	6,000

Short-term loan to related party carries interest at a fixed contract rate and falls due at call.

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2022	Increase during the period	Decrease during the period	Balance as at 31 December 2023
Short-term loan from related party				
Winchai Co., Ltd. (Subsidiary)	267,000	-	(267,000)	-

Short-term loan from related party carries interest at rate based on THOR plus a fixed contract rate and falls due within June 2023. During the current year, the Company has already repaid the full repayment of the loan and its interest.

Directors and management's remuneration

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Short-term employee benefits	25,092	23,691	25,092	23,691
Post-employment benefits	928	793	928	793
Total	26,020	24,484	26,020	24,484

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 28.3 to the financial statements.

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	119	29	1	-
Bank deposits	273,149	129,367	194,898	28,580
Total	273,268	129,396	194,899	28,580
Classified as assets held for sale (Note 29)	(69,006)	-	-	-
Total Cash and cash equivalents	<u>204,262</u>	<u>129,396</u>	<u>194,899</u>	<u>28,580</u>

As at 31 December 2023, bank deposits in saving accounts and fixed deposits carried interests between 0.35 and 0.60 percent per annum (2022: between 0.15 and 0.35 percent per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	135,674	100,524	-	-
<u>Other receivables</u>				
Accrued income of electricity	132,463	176,271	-	-
Other receivables - related parties	-	-	1,046	1,027
Other receivables - unrelated parties	45,528	27,883	-	-
Total other receivables	177,991	204,154	1,046	1,027
Less : Allowance for expected credit losses	(22,437)	-	-	-
Total other receivables - net	155,554	204,154	1,046	1,027
Total	291,228	304,678	1,046	1,027
Classified as assets held for sale (Note 29)	(284,510)	-	-	-
Total trade and other receivables	<u>6,718</u>	<u>304,678</u>	<u>1,046</u>	<u>1,027</u>

9. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Prepaid expenses	14,554	13,507	656	636
Receivables from the Revenue				
Department	1,689	2,417	1,686	2,203
Input vat	624	624	155	153
Others	492	213	349	246
Total	17,359	16,761	2,846	3,238
Classified as assets held for sale (Note 29)	(13,239)	-	-	-
Total Other current assets	4,120	16,761	2,846	3,238

10. Restricted bank deposits

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Current				
Saving accounts	20	20	-	-
Current accounts	16,163	3,856	-	-
Total	16,183	3,876	-	-
Classified as assets held for sale (Note 29)	(16,183)	-	-	-
Net	-	3,876	-	-
Non-current				
Saving accounts	361,757	350,191	158	71
Fixed deposit accounts	1,300	1,292	-	-
Total	363,057	351,483	158	71
Classified as assets held for sale (Note 29)	(360,791)	-	-	-
Net	2,266	351,483	158	71

As at 31 December 2023, the Group has bank deposits before classification as assets held for sale totalling Baht 379.24 million (2022: 355.36 million) (the Company only: Baht 0.16 million (2022: Baht 0.07 million) that pledged with the banks to secure credit facilities.

11. Investments in subsidiaries

11.1 Details of investments in subsidiaries as presented in separate financial statements

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the year	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
			(%)	(%)				
The Solar Arcade Co., Ltd.	247,500	247,500	99.99	99.99	247,500	247,500	-	-
Winchai Co., Ltd. ⁽¹⁾	990,000	990,000	75.00	75.00	2,119,914	2,119,914	461,197	753,000
Top empire Co., Ltd.	250	-	99.98	-	250	-	-	-
Total					<u>2,367,664</u>	<u>2,367,414</u>	<u>461,197</u>	<u>753,000</u>
Classified as assets held for sale (Note 29)					<u>(2,119,914)</u>	<u>-</u>		
Total Investments in subsidiaries					<u>247,750</u>	<u>2,367,414</u>		

⁽¹⁾ Change status from associate company to a subsidiary in 2022 and classification as assets held for sale in the current year (Note 29)

On 21 June 2023, the meeting of Board of Directors of Winchai Company Limited passed a resolution approving the interim dividend payments in respect of operation profit and retained earnings under promoted operations at Baht 36.61 per share, or for a total of Baht 362.48 million. The Company received dividend of Baht 271.86 million and the non-controlling interests of Winchai received dividend of Baht 90.62 million.

On 30 October 2023, the meeting of Board of Directors of Winchai Company Limited passed a resolution approving the interim dividend payments in respect of operation profit and retained earnings under promoted operations at Baht 25.50 per share, or for a total of Baht 252.45 million. The Company received dividend of Baht 189.34 million and the non-controlling interests of Winchai received dividend of Baht 63.11 million.

On 14 September 2023, the Company's Board of Director's Meeting No. 5/2023 passed a resolution approving the establishment of Top Empire Company Limited, the Company's subsidiary, which is principally engaged in the investment. The Company registered the establishment of the aforementioned company in Thailand with the Ministry of Commerce on 2 November 2023, with a registered share capital of Baht 1 million (10,000 ordinary shares of Baht 100 each), and 25% called-up. The Company invested Baht 0.25 million in this company, representing a 100% interest.

11.2 Details of investment in subsidiary that have material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(%)	(%)						
Winchai Company Limited	25	25	596	633	121	205	154	251

11.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests

Summarised information about financial position

(Unit: Million Baht)

	Winchai Company Limited	
	<u>2023</u>	<u>2022</u>
Current assets	384	671
Non-current assets	3,138	3,326
Current liabilities	401	397
Non-current liabilities	1,912	2,312

Summarised information about comprehensive income

(Unit: Million Baht)

	For the year ended 31 December	
	<u>2023</u>	<u>2022</u>
Sales of electricity	964	840
Profit for the year	552	492
Other comprehensive income for the year	(15)	(9)
Total comprehensive income for the year	537	523

Summarised information about cash flow

(Unit: Million Baht)

	For the year ended 31 December	
	<u>2023</u>	<u>2022</u>
Cash flow from operating activities	878	760
Cash flow from (used in) investing activities	240	(43)
Cash flow used in financing activities	(1,138)	(714)
Net increase (decrease) in cash and cash equivalents	(20)	3

12. Power plant, plant and equipment

Movements of power plant, plant and equipment for the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					Total	Separated financial statements
	Land improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Assets under construction		
Cost:							
1 January 2022	-	-	248,755	314	7,038	256,107	314
Increase from change in status of investment to subsidiary	220,232	46,593	2,283,532	2,232	66,791	2,619,380	-
Additions	-	5,568	15,325	4,173	2,067	27,133	405
31 December 2022	220,232	52,161	2,547,612	6,719	75,896	2,902,620	719
Additions	-	-	384	225	6,209	6,818	670
Transfer In (Out)	654	-	14,133	48	(14,835)	-	-
Write off	-	-	(9,829)	(168)	-	(9,997)	-
Classified as assets held for sale (Note 29)	(220,886)	(51,583)	(2,297,072)	(5,930)	(62,727)	(2,638,198)	-
31 December 2023	-	578	255,228	894	4,543	261,243	1,389
Accumulated depreciation:							
1 January 2022	-	-	24,428	30	-	24,458	30
Depreciation for the year	9,350	2,463	110,461	1,062	-	123,336	94
31 December 2022	9,350	2,463	134,889	1,092	-	147,794	124
Depreciation for the year	10,008	2,289	117,442	1,509	-	131,248	151
Depreciation on write off	-	-	(3,563)	(105)	-	(3,668)	-
Classified as assets held for sale (Note 29)	(19,358)	(4,713)	(192,189)	(2,152)	-	(218,412)	-
31 December 2023	-	39	56,579	344	-	56,962	275

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(Unit: Thousand Baht)

	Consolidated financial statements					Total	Furniture, fixtures and office equipment
	Land improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Assets under construction		
Allowance for impairment loss							
1 January 2023	-	-	-	-	-	-	-
Additions	-	-	-	-	61,800	61,800	-
Classified as assets held for sale (Note 29)	-	-	-	-	(61,800)	(61,800)	-
31 December 2023	-	-	-	-	-	-	-
Net book value:							
31 December 2022	210,882	49,698	2,412,723	5,627	75,896	2,754,826	595
31 December 2023	-	539	198,649	550	4,543	204,281	1,114
Depreciation for the year							
2022: Baht 17 million included in cost of sales of electricity - continuing operations and 106 million included in cost of sales of electricity - discontinuing operations and the balance in administrative expenses (the Company only: Included in administrative expenses).						123,336	94
2023: Baht 18 million included in cost of sales of electricity - continuing operations and 113 million included in cost of sales of electricity - discontinuing operations and the balance in administrative expenses (the Company only: Included in administrative expenses).						131,248	151

The Group have mortgaged their power plant, plant and equipment with net book value as at 31 December 2023 of Baht 2,562 million to secure its credit facilities obtained from financial institutions. This includes Baht 2,358 million classified as assets held for sale (2022: Baht 2,754 million).

13. Intangible assets

The net book value of intangible assets as at 31 December 2023 and 2022 is presented below.

	Consolidated financial statements				Separate financial statements
	Power sale and purchase agreements	Right in transmission line	Computer software	Total	Computer software
(Unit: Thousand Baht)					
Cost:					
As at 1 January 2022	142,111	-	44	142,155	44
Additions	-	-	734	734	1,609
Increase from change in status of investment	1,504,008	367,760	1,591	1,873,359	-
As at 31 December 2022	1,646,119	367,760	2,369	2,016,248	1,653
Additions	-	-	75	75	56
Classified as assets held for sale (Note 29)	(1,504,008)	(367,760)	(715)	(1,872,483)	-
As at 31 December 2023	142,111	-	1,729	143,840	1,709
Accumulated amortisation:					
As at 1 January 2022	11,079	-	2	11,081	2
Amortisation for the year	71,182	15,522	198	86,902	115
As at 31 December 2022	82,261	15,522	200	97,983	117
Classified as assets held for sale (Note 29)	(131,227)	(32,088)	(161)	(163,476)	-
Amortisation for the year	75,451	16,566	250	92,267	170
As at 31 December 2023	26,485	-	289	26,774	287
Net book value:					
As at 31 December 2022	1,563,858	352,238	2,169	1,918,265	1,536
As at 31 December 2023	115,626	-	1,440	117,066	1,422
Amortisation for the year					
2022				86,902	115
2023				92,267	170

The power sale and purchase agreements were acquired through a business combination.

14. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade and other payables - related parties (Notes 6)				
Trade payables	13	-	-	-
Other payables	6	8	870	-
Accrued expenses	2,339	2,147	119	85
Accrued interest expenses	-	-	-	99
Total - related parties	<u>2,358</u>	<u>2,155</u>	<u>989</u>	<u>184</u>
Trade and other payables - unrelated parties				
Trade payables	4,517	4,901	971	174
Other payables	183	1,702	116	1,662
Accrued expenses	10,072	11,824	7,982	8,643
Accrued interest expenses	1,987	-	1,043	-
Total - unrelated parties	<u>16,759</u>	<u>18,427</u>	<u>10,112</u>	<u>10,479</u>
Total	19,117	20,582	11,101	10,663
Classified as liabilities directly associated with assets held for sale (Note 29)	<u>(5,186)</u>	-	-	-
Total trade and other payables	<u>13,931</u>	<u>20,582</u>	<u>11,101</u>	<u>10,663</u>

15. Long-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Long-term loans from financial institutions				
The solar group	47,654	88,292	-	-
Winchai ⁽¹⁾	1,933,397	2,307,201	-	-
Total	<u>1,981,051</u>	<u>2,395,493</u>	-	-
Classified as liabilities directly associated with assets held for sale (Note 29)	<u>(1,933,397)</u>	-	-	-
Total long-term loans from financial institutions	47,654	2,395,493	-	-
Less: Current portion	<u>(40,686)</u>	<u>(411,282)</u>	-	-
Long-term loans from financial institutions - net of current portion	<u>6,968</u>	<u>1,984,211</u>	-	-

⁽¹⁾Including the cumulative of fair value hedge adjustments

Movements in the long-term loans account during the year ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Beginning balance of the year	2,395,493	126,374	-	-
Increase from change in status of investment	-	2,086,418	-	-
Addition during the year	-	3,141,760	-	446,175
Loan repayment during the year	(442,512)	(2,793,745)	-	(450,000)
Amortisation of finance cost during the year	4,766	16,750	-	3,825
Fair value hedge adjustments	23,304	(182,064)	-	-
Classified as liabilities directly associated				
with assets held for sale (Note 29)	(1,933,397)	-	-	-
Ending balance of the year	<u>47,654</u>	<u>2,395,493</u>	<u>-</u>	<u>-</u>

Details of long-term loans from financial institutions as at 31 December 2023 are below.

- a) The long-term loans from financial institution of the subsidiaries in the Solar Group as at 31 December 2023 are Thai Baht loans of Baht 48 million, carry interest at rates of MLR-1.25% to MLR-1.75% per annum and are to be repaid in full in 120 monthly installments from the date of receiving the loans. The loans are secured with bank deposits and certain assets of the Solar Group, consisting of equipment, leasehold rights to roof space and the beneficiary rights to insurance of all assets, as well as guarantees provided by directors and the Company. Moreover, as stipulated in the loan agreements, the Solar Group is required to open savings accounts to receive payment from sales of electricity and to make settlement of the loans to the financial institution.

b) On 27 July 2022, Winchai, classified as assets held for sales, entered into a credit facilities agreement providing total facilities of Baht 2,773 million. Details are as follows.

- 1) A USD loan facility equivalent to Baht 2,723 million, carried interest at a rate of SOFR plus a fixed contract rate. The loan and interest are to be repaid in 27 quarterly installments, with the first quarterly installment due on 30 September 2022. To hedge the interest and exchange rate risks of the loan, Winchai entered into capped cross currency swap contract and cross currency swap contract which were summarised below.

Effective date	Amount to receive		Amount to pay	
	Notional amount	Interest rate	Notional amount	Interest rate
9 September 2022	USD 39 million	The rates based on SOFR plus a fixed contract rate	Baht 1,428 million	The rates based on THOR plus a fixed contract rate ⁽¹⁾
30 November 2022	USD 35 million	The rates based on SOFR plus a fixed contract rate	Baht 1,279 million	The rates based on THOR plus a fixed contract rate

⁽¹⁾ Not exceeding the capped interest rate

- 2) A Baht 50 million bank guarantee facility.

These credit facilities were secured by the pledge of power plants, buildings and equipment, all ordinary shares of Winchai, savings deposit, the right to lease land owned by Winchai and other rights in Romklao Wind Farm, as agreed with the financial institution, and guarantees provided by Winchai's shareholders.

As at 31 December 2023, the outstanding balance of the loan was USD 57.57 million (2022 : USD 68.52 million).

Under the loan agreement, the Group is required to comply with certain conditions, such as maintaining a debt to equity ratio and a debt service coverage ratio in accordance with the rates stipulated in the agreement, maintaining a certain equity ratio and complying with limitations on capital reduction and dividend payments.

16. Debentures

On 24 January 2023, the Company's Board of Director's meeting No.1/2023 passed the resolutions approved the issuance of debentures No. 1/2023, amounting to not over Baht 400 million, carry interest at a rate of 6.80 percent per annum, to be offered to institutional investors and high-net-worth investors. On 7 March 2023, the issuance of debentures was approved by The Office of the Securities and Exchange Commission. The debentures have a tenor of 1 year and 9 months, a face value of Baht 1,000 each and are registered, unsubordinated, unsecured, with debenture holders' representative and with an early redemption option for the Company. Interest is payable every three months.

The outstanding balance of debentures as at 31 December 2023 is as follows.

	(Unit: Thousand Baht) Consolidated/Separate financial statements
Debentures	400,000
Less: Unamortised costs related to debentures issuance	(4,454)
Debentures - net	<u>395,546</u>

Movements of the outstanding balance of debentures during the year ended 31 December 2023 are summarised below.

	(Unit: Thousand Baht) Consolidated/Separate financial statements
Balance as at 1 January 2023	-
Addition during the period	400,000
Expenses related to debentures issuance during the year	(7,852)
Amortisation of costs related to debentures issuance during the year	3,398
Balance as at 31 December 2023	<u>395,546</u>

The conditions regarding the rights and obligations of the debenture issuer stipulate certain covenants which, among other things, require the Company to maintain the interest bearing debt to equity ratio at the rate prescribed in the agreement.

17. Leases - The Group as a lessee

The Group has lease contracts for assets used in its operations. Leases generally have lease terms of 3 - 26 years.

a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

	Consolidated financial statements				Separate financial statements
	Land and building	Rooftop area	Office equipment	Total	Building and office equipment
	(Unit: Thousand Baht)				
As at 1 January 2022	-	107,225	-	107,225	-
Additions	2,581	109	1,114	3,804	3,038
Increase from change in status of investment	93,023	-	-	93,023	(1,012)
Contract termination	(5,014)	(5,950)	(371)	(11,335)	-
As at 31 December 2022	90,590	101,384	743	192,717	2,026
Depreciation for the year	(5,451)	(5,951)	(371)	(11,773)	(1,012)
Lease cancellation	(5,522)	-	-	(5,522)	-
Classified as assets held for sale (Note 29)	(78,973)	-	-	(78,973)	-
As at 31 December 2023	644	95,433	372	96,449	1,014

b) Lease liabilities

	Consolidated				Separate
	financial statements		financial statements		
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
Lease payments	272,077	294,935	1,080	2,160	
Less: Deferred interest expenses	(83,170)	(92,460)	(19)	(87)	
Total	188,907	202,475	1,061	2,073	
Classified as liabilities directly associated with assets held for sale (Note 29)	(77,942)	-	-	-	
Total lease liabilities	110,965	202,475	1,061	2,073	
Less: Current portion	(4,952)	(7,649)	(1,061)	(1,012)	
Lease liabilities - net of current portion	106,013	194,826	-	1,061	

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Balance at beginning of year	202,475	117,045	2,073	-
Additions	-	3,804	-	3,038
Increase from change in status of investment	-	88,897	-	-
Accretion of interest	8,560	8,744	68	115
Repayments	(16,209)	(16,015)	(1,080)	(1,080)
Lease cancellation	(5,919)	-	-	-
Classified as liabilities directly associated with assets held for sale (Note 29)	(77,942)	-	-	-
Balance at end of year	<u>110,965</u>	<u>202,475</u>	<u>1,061</u>	<u>2,073</u>

A maturity analysis of lease payments is disclosed in Note 31.2 under the liquidity risk.

c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	11,773	11,335	1,012	1,012
Interest expense on lease liabilities	8,560	8,744	68	115

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 16 million (2022: Baht 16 million), (the Company only: Baht 1 million (2022: Baht 1 million)) including the cash outflow related to short-term lease.

18. Long-term employee benefits obligations

Long-term employee benefits obligations, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Long-term employee benefits obligations at beginning of year	3,225	2,238	3,225	2,238
Increase from change in status of investment	-	345	-	-
Included in profit or loss:				
Current service cost and interest cost	1,165	988	1,165	987
Reversal of long-term employee benefits obligations	-	(346)	-	-
Long-term employee benefits obligations at end of year	<u>4,390</u>	<u>3,225</u>	<u>4,390</u>	<u>3,225</u>

The Group expects not to make any long-term employee benefit payments during the next year.

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 20 years (2022: 20 years) (the Company only: 20 years (2022: 20 years)).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Discount rate	2.70	2.70	2.70	2.70
Salary increase rate	5.00	5.00	5.00	5.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	2023			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(719)	874	(719)	874
Salary increase rate	874	(721)	874	(721)

(Unit: Thousand Baht)

	2022			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(553)	679	(553)	679
Salary increase rate	637	(526)	637	(526)

19. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

20. General reserve

As at 31 December 2023 and 2022, the balance of Baht 106 million is a general reserve set aside from net profit in the past for non-specific purposes.

21. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Salaries and wages and other employee benefits	39,693	35,741	38,136	34,113
Depreciation and amortisation expenses	235,287	221,572	1,332	1,221
Consultant and professional fees	7,772	21,333	6,493	14,776
Technical professional service expense (Note 6)	24,742	24,742	-	-

22. Income tax

Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(Restated)		
Current income tax:				
Current income tax charge	5,885	1,136	-	-
Adjustment in respect of income tax of previous year	-	(39)	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(2,392)	(1,312)	-	-
Income tax expense (benefit)	3,493	(215)	-	-
Income tax expense - discontinued operation (Note29)	(3,418)	(172)	-	-
Income tax expense (benefit) reported in the statements of comprehensive income	<u>75</u>	<u>(387)</u>	<u>-</u>	<u>-</u>

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Restated)			
Accounting profit (loss) before tax - continuing operations	(68,046)	3,813	392,882	688,732
Accounting profit before tax - discontinued operation (Note 29)	490,284	441,023	-	-
Accounting profit before tax	<u>422,238</u>	<u>444,836</u>	<u>392,882</u>	<u>688,732</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	84,448	88,967	78,576	137,746
Adjustment in respect of income tax of previous year	-	(39)	-	-
Effects of:				
Promotional privileges (Note 23)	(128,976)	(87,970)	-	-
Non-deductible expenses	17,955	929	813	922
Deductible temporary differences and tax loss on which deferred tax assets have not been recognised	30,069	11,955	12,850	11,937
Tax exemption income	-	(137)	(92,239)	(150,605)
Additional deductible expense allowed	(3)	(5)	-	-
Share of profit from investment in associate	-	(1,938)	-	-
Gain from change status of investment	-	(11,977)	-	-
Total	<u>(80,955)</u>	<u>(89,143)</u>	<u>(78,576)</u>	<u>(137,746)</u>
Income tax expense (benefit)	3,493	(215)	-	-
Income tax expense - discontinued operation (Note 29)	(3,418)	(172)	-	-
Income tax expense (benefit) reported in the statements of comprehensive income	<u>75</u>	<u>(387)</u>	<u>-</u>	<u>-</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Deferred tax assets		
Accumulated depreciation - equipment	16,554	15,286
Unused tax loss	232	162
Total	16,786	15,448
Classified as assets held for sale (Note 29)	(4,986)	-
Total deferred tax assets	11,800	15,448
Deferred tax liabilities		
Accumulated amortisation - right-of-use assets	(1,165)	(1,431)
Accumulated amortisation - intangible assets	(216,554)	(217,341)
Total	(217,719)	(218,772)
Classified as liabilities directly associated with assets held for sale (Note 29)	197,771	-
Total deferred tax liabilities	(19,948)	(218,772)
Deferred tax liabilities - net	<u>(8,148)</u>	<u>(203,324)</u>

Presented in the statements of financial position as follows:

Deferred tax assets	253	247
Deferred tax liabilities	(8,401)	(203,571)
Total	(8,148)	(203,324)

As at 31 December 2023, the Group has deductible temporary differences and unused tax losses totaling Baht 217 million (2022: Baht 158 million) (the Company only: Baht 214 million (2022: Baht 154 million)), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses of the Group amounting to Baht 217 million (the Company only: Baht 214 million) will expire by 2028.

23. Promotional privileges

The subsidiaries in the Solar Group have received promotional privileges from the Board of Investment for the manufacture of electricity, pursuant to the 10 investment promotion certifications issued on 30 April 2014 and Winchai has received promotional privileges from the Board of Investment for the manufacture of electricity from wind power, pursuant to the 1 investment promotion certification issued on 15 June 2016. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted activities commenced generating revenues and a 50% reduction of corporate income tax on income derived from the promoted operations for a period of 5 years after the tax-exemption period ends.

All of the Group's sales revenues from continuing operations and discontinued operation (Note 29) are revenues from sales of electricity generated by activities that have been granted promotional privileges.

24. Basic earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

The following table sets forth the computation of basic earnings (loss) per share for the years ended 31 December 2023 and 2022:

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
		(Restated)		
From continuing operations				
Profit (loss) for the year (Thousand Baht)	(68,121)	4,200	392,882	688,732
Weighted average number of ordinary shares (Thousand shares)	169,949	168,321	169,949	168,321
Earnings (loss) per share (Baht per share)	(0.40)	0.03	2.31	4.09
From discontinued operation				
Profit for the year (Thousand Baht)	365,836	236,100	-	-
Weighted average number of ordinary shares (Thousand shares)	169,949	168,321	-	-
Earnings per share (Baht per share)	2.15	1.40	-	-

25. Segment information

For management purposes, the Group are organised into business units based on types of products and there are two reportable segments: (1) solar power segment and (2) wind power segment. During the current year, the Group classified investment in Winchai as “Assets held for sale” and presented the subsidiary’s operations in the wind power segment separately as “Profit for the year from discontinued operation” (Note 29). As a result, the Group’s main operations are in a single reporting segment, namely the solar power segment, and the revenues, operating profits and assets reflected in these financial statements pertain to that operating segment.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year ended 31 December 2023, the Group has revenue from continuing operations from one major customer in amount of Baht 54.06 million (2022: Baht 53.37 million derived from one major customer).

26. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group contribute to the fund monthly at the rate of 3 percent of basic salary. The employees contribute to the fund monthly at rate of 2 - 15 percent of basic salary. The fund, which is managed by licensed fund managers, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 amounting to Baht 0.6 million (2022: Baht 0.6 million) (the Company only: Baht 0.6 million (2022: Baht 0.6 million)) were recognised as expenses.

27. Dividend

On 17 October 2023, the Company’s special meeting of Board of Directors No.1/2023 passed a resolution to the Company’s payment of interim dividend in respect of operation profit and retained earnings at Baht 1.11 per share, or for a total of Baht 188.64 million. The Company already paid the dividend payment during the current year.

28. Commitments and contingent liabilities

28.1 Capital commitments

As at 31 December 2023, the Group had capital commitments of Baht 0.5 million relating to the installation of equipment of the solar group. (2022: Baht 0.4 million relating to the installation of equipment of the solar group and Winchai)

28.2 Long-term service commitments

Winchai, classified as assets held for sales, has entered into service agreements. The terms of the agreements are generally between 1 and 25 years.

Future minimum service fees payable under these agreements as at 31 December 2023 and 2022 were as follows:

	(Unit: Million)			
	2023		2022	
	Baht	Euro	Baht	Euro
Payment within:				
1 year	3	1	25	1
2 to 5 years	2	3	17	3
Over 5 years	-	18	-	18
Total	<u>5</u>	<u>22</u>	<u>42</u>	<u>22</u>

28.3 Guarantees

- a) As at 31 December 2023, the Company has guaranteed bank credit facilities of the subsidiaries in the Solar Group for a total of Baht 353 million (2022: 353 million).
- b) As at 31 December 2023, the Company has guaranteed bank credit facilities of Winchai in proportion of 75% of loan facilities or Baht 2,080 million (2022: 50.63% of loan facilities or Baht 1,404 million).
- c) As at 31 December 2023, there were outstanding bank guarantees issued by the banks on behalf of Winchai, classified as assets held for sale, amounting to Baht 22 million (2022 : 22 million) in respect of certain performance bonds as required in the normal course of business which is guarantee contractual performance for transmission line and guarantee contractual for land rental.

28.4 Dispute

In 2021, Winchai's wind turbines, classified as assets held for sale, were damaged by a natural disaster. The management, considering the significant damage, made an approval to advance Baht 22 million to a counterparty to repair the wind turbines. However, the management considered that the contractual counterparty must be responsible for the repair cost of the wind turbines in accordance with the contract. The management called for the claim compensation for the repairment of wind turbines and has initiated a claim for compensation. The counterparty has disputed the claim because the cause of the damage did not meet the criteria of damage for which the contractual counterparty is responsible. Due to a significant increase in credit risk, Winchai has recognised expected credit loss of the advance in full as a part of profit or loss of discontinued operation during the current year.

29. Asset held for sale and discontinued operations

On 17 October 2023, the Company's special meeting of Board of Directors No.1/2023 passed a resolution to propose, for the shareholder's approval in the Extraordinary General Meeting of Shareholder, the disposal of all investment in Winchai to Plus Energy Company Limited, which is a subsidiary of Sermuang Power Corporation Public Company Limited (the Company's shareholder). The disposal will be carried out through an entire business transfer by Top Empire Company Limited (subsidiary) at a price of Baht 2,322 million. However, the disposal price is subject to adjustments based on circumstances that significantly impact Winchai's share price, such as dividend payments to Winchai's shareholders. This was subsequently approved by the shareholders at the Extraordinary General Meeting of Shareholder No. 1/2024 on 30 January 2024.

On 31 January 2024, the Company restructured its ownership within the Group through a sales and purchase agreement with Top Empire Company Limited and has already transferred all of its shares in Winchai to Top Empire Company Limited. Currently, the Group is in the process of disposing all of its investment in Winchai to Plus Energy Company Limited and expect to be completed in 2024.

To comply with the requirements of TFRS 5 Non-current Assets Held for Sale and Discontinued Operations, as at 31 December 2023, the Company, therefore, classified investment in Winchai of Baht 2,120 million as assets held for sale in the separate statement of financial position. The Group also presented the assets and liabilities of Winchai under the caption of "Assets held for sale" and "Liabilities directly associated with assets held for sale" in the consolidated statement of financial position. Moreover, the operating results of Winchai were separately presented under "Profit for the year from discontinued operation" in the consolidated statements of comprehensive income for the year ended 31 December 2023. In addition, the Group presents the operating results of Winchai as "Profit for the year from discontinued operation" in the consolidated statements of comprehensive income for the year ended 31 December 2022 as presented herein for comparative purpose.

Winchai's assets and liabilities classified as assets held for sale as at 31 December 2023 are, as follows:

	(Unit: Thousand Baht)
	Consolidated
	financial statements
	<hr/>
Assets	
Cash and cash equivalents	69,006
Trade and other receivables	284,510
Other current assets	13,239
Restricted bank deposits	376,974
Power plant, plant and equipment	2,357,986
Intangible assets	1,709,007
Right-of-use assets	78,973
Other non-current assets	635
	<hr/>
Assets held for sale	4,890,330
Liabilities	
Trade and other payables	5,186
Accrued income tax	4,636
Other current liabilities	13,309
Long-term loans from financial institutions	1,933,397
Lease liabilities	77,942
Derivative liabilities	182,691
Provision for decommissioning costs	94,867
Deferred tax liabilities	192,785
	<hr/>
Liabilities directly associated with assets held for sale	2,504,813
	<hr/>
Net assets directly associated with disposal group	2,385,517
	<hr/> <hr/>

The cumulative income or expenses directly recognised in other comprehensive income related to the assets classified as held for sale as at 31 December 2023 are, as follows:

	(Unit: Thousand Baht)
	Consolidated
	financial statements
	<hr/>
Cost of hedging reserve	23,872
	<hr/> <hr/>

The operating results of Winchai that was presented as profit from discontinued operation included in the consolidated statement of comprehensive income for the years ended 31 December 2023 and 2022 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	<u>2566</u>	<u>2565</u>
Profit or loss:		
Sale of electricity	963,648	778,678
Cost of sales of electricity	(283,786)	(260,953)
Gross profit	679,862	517,725
Other income	27,991	14,071
Administrative expenses	(91,783)	(10,913)
Operating profit	616,070	520,883
Share of profit from investment in associate	-	9,688
Finance cost	(125,786)	(89,548)
Profit before income tax	490,284	441,023
Income tax expense	(3,418)	(172)
Profit for the year from discontinued operation	<u>486,866</u>	<u>440,851</u>
Other comprehensive income:		
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax:		
Share of other comprehensive income from		
investment in associate	-	(4,376)
Net changes in cost of hedging	(14,925)	(8,947)
Other comprehensive loss for the year from discontinued operation	<u>(14,925)</u>	<u>(13,323)</u>
Total comprehensive income for the year from discontinued operation	<u>471,941</u>	<u>427,528</u>
Profit (loss) attributable to:		
Equity holders of the Company	365,836	236,100
Non-controlling interests of the subsidiaries	121,030	204,751
Total comprehensive income attributable to:		
Equity holders of the Company	354,642	227,123
Non-controlling interests of the subsidiaries	117,299	200,405

(Unit: Thousand Baht)

	<u>2566</u>	<u>2565</u>
Cash flows from operating activities	887,448	767,015
Cash flows from (used in) investing activities	(27,321)	223,812
Cash flows from (used in) financing activities	(523,295)	290,430

Cash flow information of discontinued operation which including in the consolidated statements of cash flow for the years ended 31 December 2023 and 2022 was as follows:

30. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value				
Derivatives				
Capped cross currency swap contract	-	91 ⁽¹⁾	-	91
Cross currency swap contract	-	91 ⁽¹⁾	-	91

⁽¹⁾ classified as liabilities directly associated with assets held for sale (Note 29)

(Unit: Million Baht)

	Consolidated financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value				
Derivatives				
Capped cross currency swap contract	-	90	-	90
Cross currency swap contract	-	101	-	101
Interest rate swaps contracts	-	8	-	8

31. Financial instruments

31.1 Derivatives and hedge accounting

(Unit: Thousand Baht)

	Consolidated financial statements	
	<u>2023</u>	<u>2022</u>
Derivative liabilities		
Derivative liability designated as hedging instruments		
Capped cross currency swap contract	91,149	90,066
Cross currency swap contract	91,484	100,945
Derivative liability not designated as hedging instruments		
Interest rate swap contracts	58	8,303
Total	<u>182,691</u>	<u>199,314</u>
Classified as liabilities directly associated with assets held for sale (Note 29)	<u>(182,691)</u>	<u>-</u>
Total	<u>-</u>	<u>199,314</u>

Derivatives designated as hedging instruments

Fair value hedge

The capped cross currency swap contract and cross currency swap contract are designated as fair value hedging instruments for the floating rate loans described in Note 15 b) to the consolidated financial statements.

There is an economic relationship between the hedged item and the hedging instrument as the terms of the cross currency rate swap agreements match the terms of the float rate loan (i.e., notional amount, and the maturity, payment and reset dates). The Group has established a hedge ratio of 1:1 as the underlying risk of the cross currency rate swap agreements is identical to the hedged risk component.

Hedge ineffectiveness can arise from:

- Differences in the interest rate curves applied to discount the hedged item and hedging instrument.
- Differences in the timing of cash flows of the hedged item and hedging instrument.
- Differences in how the counterparties' credit risk impacts the fair value movements of the hedging instrument and hedged item.

Details of derivatives that are treated as hedging instrument as at 31 December 2023 and 2022 which their maturity are more than 5 years, are as follows.

Float rate borrowing

Capped cross currency swap contract

Notional amount	: Baht 1,087.53 million (2022: Baht 1,311.58 million)
Average float rate (%)	: Rate based on THOR plus 2.95 percent per annum which capped interest rate not exceeding 5.7 percent per annum
Average exchange rate	: 36.70 Baht per 1 USD

Cross currency swap contract

Notional amount	: Baht 1,025.15 million (2022: Baht 1,203.21 million)
Average float rate (%)	: Rate based on THOR plus 2.95 percent per annum
Average exchange rate	: 36.70 Baht per 1 USD

The impact of the hedging instruments on the statement of financial position as at 31 December 2023 and 2022 is as follows:

Consolidated financial statements				
As at 31 December 2023				
	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness
	(Thousand US dollar)	(Thousand Baht)		(Thousand Baht)
Capped cross currency swap contract	29,641	91,149	Derivative liabilities ⁽¹⁾	1,083
Cross currency swap contract	27,933	91,484	Derivative liabilities ⁽¹⁾	(9,461)

⁽¹⁾ Classified as liabilities directly associated with assets held for sale (Note 29)

Consolidated financial statements				
As at 31 December 2022				
	Notional amount	Carrying amount	Line item in the statement of financial position	Change in fair value used for measuring ineffectiveness
	(Thousand US dollar)	(Thousand Baht)		(Thousand Baht)
Capped cross currency swap contract	35,738	90,066	Derivative liabilities	90,066
Cross currency swap contract	32,785	100,945	Derivative liabilities	100,945

The impact of the hedging instruments on the statement of financial position as at 31 December 2023 and 2022 is as follows:

(Unit: Thousand Baht)

Consolidated financial statements								
As at 31 December								
	Carrying amount		Accumulated fair value adjustments		Line item in the statement of financial position		Change in fair value used for measuring ineffectiveness	
	2023	2022	2023	2022	2023	2022	2023	2022
Float-rate borrowing	1,933,397	2,307,201	(158,760)	(182,064)	Long-term Loans ⁽¹⁾	Long-term loans	23,304	(182,064)

⁽¹⁾ Classified as liabilities directly associated with assets held for sale (Note 29)

The impact of the hedged items on the statement of comprehensive income for the year ended 31 December 2023 and 2022 and shareholders' equity as at 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

Consolidated financial statements				
	Shareholders' equity as at 31 December		Statement of comprehensive income for the year ended 31 December	
	Cost of hedging reserve		Cost of hedging recognised in other comprehensive income	
	2023	2022	2023	2023
Float-rate borrowing	23,872 ⁽¹⁾	8,947	14,925 ⁽¹⁾	8,947

⁽¹⁾ Related to the assets classified as held for sale (Note 29)

The ineffectiveness recognised in profit or loss was immaterial.

31.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, short-term, long-term loans and debenture. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, outstanding trade receivables are regularly monitored. The Group's trade receivables from continuing operations are government which has low risk.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to its borrowings of Winchai that are denominated in foreign currencies as described in Note 15 b) to the consolidated financial statements. It is classified as liabilities directly associated with assets held for sale.

As at 31 December 2023 and 2022, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial liabilities		Average exchange rate	
	2023	2022	2023	2022
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	58	68	34.39	34.73

The Group manages its foreign currency risk by hedging transactions that are expected to occur within 6 years and 6 months period for hedges of long-term loans. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of the derivative to match the terms of the hedged exposure. For hedges of forecast transactions, the derivative covers the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting payable that is denominated in the foreign currency.

At 31 December 2023 and 2022, the Group hedged its long-term loans. This foreign currency risk is hedged by using capped cross currency swap contract and cross currency swap contract.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its long-term loans. Most of the Group's financial assets and liabilities bear floating interest rates which are close to market rate.

The Group manages its interest rate risk by having floating interest rates. To manage this, the Group enters into capped cross currency swap contract and cross currency swap contract, in which it agrees to exchange interest rate by reference to an agreed-upon notional principal amount.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2023							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate
	Within 1 year	1-5 years	Over 5 years				
(% per annum)							
Financial assets							
Cash and cash equivalent	-	-	-	196	8	204	Note 7
Trade and other receivables	-	-	-	-	7	7	-
Restricted bank deposits	-	-	-	2	-	2	0.35 - 0.60
	-	-	-	198	15	213	
Financial assets - assets held for sale							
Cash and cash equivalent	-	-	-	69	-	69	Note 7
Trade and other receivables	-	-	-	-	285	285	-
Restricted bank deposits	-	-	-	377	-	377	0.35 - 0.60
	-	-	-	446	285	731	
Financial liabilities							
Trade and other payables	-	-	-	-	14	14	-
Long-term loans	-	-	-	48	-	48	Note 15
Debenture	396	-	-	-	-	396	6.80
Lease liabilities	5	19	87	-	-	111	3.69 - 4.77
	401	19	87	48	14	569	
Financial liabilities - liabilities directly associated with assets held for sale							
Trade and other payables	-	-	-	-	5	5	-
Long-term loans	-	-	-	1,933	-	1,933	Note 15
Lease liabilities	2	10	66	-	-	78	3.69 - 3.84
	2	10	66	1,933	5	2,016	

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2022

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
<u>Financial assets</u>							
Cash and cash equivalent	-	-	-	119	10	129	Note 7
Trade and other receivables	-	-	-	-	305	305	-
Restricted bank deposits	-	-	-	355	-	355	0.15 - 0.35
	-	-	-	474	315	789	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	21	21	-
Account payable for purchase of investment in subsidiary	-	-	-	-	165	165	-
Long-term loans	-	-	-	2,395	-	2,395	Note 15
Lease liabilities	7	32	163	-	-	202	3.69 - 4.77
	7	32	163	2,395	186	2,783	

(Unit: Million Baht)

Separate financial statements

As at 31 December 2023

	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% per annum)
	Within 1 year	1-5 years	Over 5 years				
<u>Financial assets</u>							
Cash and cash equivalent	-	-	-	195	-	195	Note 7
Trade and other receivables	-	-	-	-	1	1	-
Short-term loan to subsidiary	6	-	-	-	-	6	7.67
	6	-	-	195	1	202	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	11	11	-
Debenture	396	-	-	-	-	396	6.80
Lease liabilities	1	-	-	-	-	1	4.77
	397	-	-	-	11	408	

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2022							
Fixed interest rates							
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate	
							(% per annum)
Financial assets							
Cash and cash equivalent	-	-	-	29	-	29	Note 7
Trade and other receivables	-	-	-	-	1	1	-
	-	-	-	29	1	30	
Financial liabilities							
Trade and other payables	-	-	-	11	-	11	-
Account payable for purchase of investment in subsidiary	-	-	-	-	165	165	-
Short-term loans from subsidiary	-	-	-	267	-	267	Note 6
Lease liabilities	1	1	-	-	-	2	4.77
	1	1	-	278	165	445	

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of floating rate long-term loans from financial institutions, short-term loan and derivative affected as at 31 December 2023 and 2022.

Consolidated financial statements						
Currency	2023			2022		
	Increase/ decrease	Effect on profit before tax	Effect on equity	Increase/ decrease	Effect on profit before tax	Effect on equity
	(%)	(Thousand Baht)		(%)	(Thousand Baht)	
MLR	+0.80	(381)	-	+0.50	(442)	-
	-0.80	381	-	-0.50	442	-
THBFIX	+1.00	-	4,572 ⁽¹⁾	+1.00	-	10,972
	-1.00	-	(4,572) ⁽¹⁾	-1.00	-	(10,972)

⁽¹⁾ The effect on equity of assets held for sale (Note 29)

The above analysis has been prepared assuming that the amounts of the floating rate loans and all other variables remain constant over one year. Moreover, the floating legs of these loans are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions and should be used with care.

Liquidity risk

The Group monitors liquidity risk by maintaining sufficient cash and cash equivalents for the Group's operations and using credit facilities from bank. The Group has access to sufficient sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	13,931	-	-	13,931
Long-term loans	-	42,397	14,027	-	56,424
Debenture	-	426,231	-	-	426,231
Lease liabilities	-	10,092	37,862	111,665	159,619
Total	-	492,651	51,889	111,665	656,205
Non-derivatives - liabilities directly associated with assets held for sale					
Trade and other payables	-	5,186	-	-	5,186
Long-term loans	-	354,369	1,625,472	-	1,979,841
Lease liabilities	-	5,100	20,443	86,914	112,457
Total	-	364,655	1,645,915	86,914	2,097,484
Derivatives - liabilities directly associated with assets held for sale					
Derivatives : Net payment	-	23,830	109,305	-	133,135

(Unit: Thousand Baht)

Consolidated financial statements

As at 31 December 2022

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	20,581	-	-	20,581
Account payable for purchase of investment in subsidiary	-	165,000	-	-	165,000
Long-term loans	-	398,226	1,547,261	527,495	2,472,982
Lease liabilities	-	16,208	63,177	215,550	294,935
Total	-	600,015	1,610,438	743,045	2,953,498
Derivatives					
Derivatives : Net payment	-	31,934	85,792	29,865	147,591

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2023

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	11,101	-	-	11,101
Debenture	-	426,231	-	-	426,231
Lease liabilities	-	1,080	-	-	1,080
Total	-	438,412	-	-	438,412

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2022

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	10,663	-	-	10,663
Account payable for purchase of investment in subsidiary	-	165,000	-	-	165,000
Short-term loans from subsidiary	-	267,000	-	-	267,000
Lease liabilities	-	1,080	1,080	-	2,160
Total	-	443,743	1,080	-	444,823

31.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The methods and assumptions used by the Grouping estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, restricted bank deposits, trade and other receivables, trade and other payable, account payable for purchase of investment in subsidiary and short-term loans from subsidiary, the carrying amounts in the statement of financial position approximate their fair value.
- b) The carrying amounts of long-term loans and debenture carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

During the current year, there were no transfers within the fair value hierarchy.

32. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 December 2023, the Group's debt-to-equity ratio was 1.27:1 (2022: 1.39:1) and the Company's was 0.19:1 (2022: 0.23:1).

33. Events after reporting period

33.1 On 30 January 2024, the Extraordinary General Meeting of Shareholders No. 1/2024 passed the resolution to approve the investment in Nova X Company Limited (Nova X) which is incorporated in Thailand. The Company will purchase 1.2 million shares of Nova X, with a par value of Baht 100 each, representing 100% shareholding, from The Prodigy Group Company Limited, a legal entity whose ultimate parent shareholder is Miss Parleerat Panboonhom (90% shareholding) at a total price of Baht 513.5 million. The payment is to be made in two portions. The first portion of Baht 213.5 million will be paid upon the completion of the share transfer transaction. The second portion of Baht 300 million will be gradually paid when the counterparty of Nova X exercises the right to extend the service agreement as specified in the agreement to buy and sell Nova X shares. Currently, the Company is in process of purchasing of Nova X.

Nova X is a limited company incorporated on 25 June 2020 and principally engaged in provision of offshore services related to oil and gas industry. It is the first Thai company which have been selected as the provider of floating storage and offloading for crude oil to PTTEP Energy Development Company (PTTEP ED). Nova X entered into the service agreement with PTTEP ED on 1 June 2023. The term of the service agreement is 5 years from the date of the operation begin generating revenue which is expected in December 2024, with PTTEP ED being entitled to extend the service period for further 5 years following the expiration of the initial 5-year term.

33.2 On 1 December 2023, the Company's special meeting of Board of Directors No.3/2023 passed the resolution to approve the establishment Energy Empire Company Limited, which is principally engaged in the investment. The Company registered the establishment of the aforementioned company in Thailand with the Ministry of Commerce on 26 January 2024, with a registered share capital of Baht 1 million (10,000 ordinary shares of Baht 100 each), 25% called-up. The Company invested Baht 0.25 million in this company, representing a 100% interest.

34. Reclassification

The Group reclassified the consolidated statement of comprehensive income for the year ended 31 December 2022, presented for comparative purposes, to comply with the requirements of TFRS 5 Non-current Assets Held for Sale and Discontinued Operations, as described in Note 29 to the consolidated financial statements.

The amounts of restatement affecting the consolidated statement of comprehensive income for the year ended 31 December 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	For the year ended 31 December 2022		
	As previously reported	Increase (Decrease)	As restate
Profit or loss:			
<i>Continuing operations</i>			
Sale of electricity	833,614	(778,678)	54,936
Cost of sales of electricity	(296,704)	(260,953)	(35,751)
Gross profit	536,910	(517,725)	19,185
Other income	82,874	(14,071)	68,803
Administrative expenses	(65,412)	(10,913)	(54,499)
Operating profit	554,372	(520,883)	33,489
Share of profit from investment in associate	9,688	(9,688)	-
Finance cost	(119,225)	(89,548)	(29,677)
Profit before income tax	444,835	(441,023)	3,812
Income tax benefit	215	172	387
Profit for the year from continuing operation	445,050	(440,851)	4,199
<i>Discontinued operation</i>			
Profit for the year from discontinued operation	-	440,851	440,851
Profit for the year	445,050	-	445,050
Other comprehensive income:			
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax			
Share of other comprehensive income from investment			
in associate	(4,376)	(4,376)	-
Net change in cost of hedging	(8,947)	(8,947)	-
Other comprehensive loss from continuing operation	(13,323)	13,323	-
Other comprehensive loss from discontinued operation	-	(13,323)	(13,323)
Other comprehensive loss for the year	(13,323)	-	(13,323)
Total comprehensive income for the Year	431,727	-	431,727

35. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 29 February 2024.

Authentication of information

The Company has reviewed the information in this annual report with caution. The Company certifies that the information is correct, complete, true, and does not mislead others, nor missing important information that should be notified. In addition, the Company hereby certifies that

- (1) Financial statements and financial information summarized in the annual report present accurate and complete information regarding financial position, performance and cash flow of the Company and its subsidiaries.
- (2) The Company has established a good information disclosure system to ensure that the Company has disclosed important information of both the Company and its subsidiaries correctly and completely, as well as controlling and supervising compliance with the said system.
- (3) The Company has established a good internal control system and control and supervise compliance with the said system and the Company has reported information on the evaluation of the internal control system as of December 31, 2023 to the auditor and the audit committee of the Company, covering shortcomings and important changes in the internal control system, including wrongful actions that may affect the preparation of financial reports of the Company and its subsidiaries.

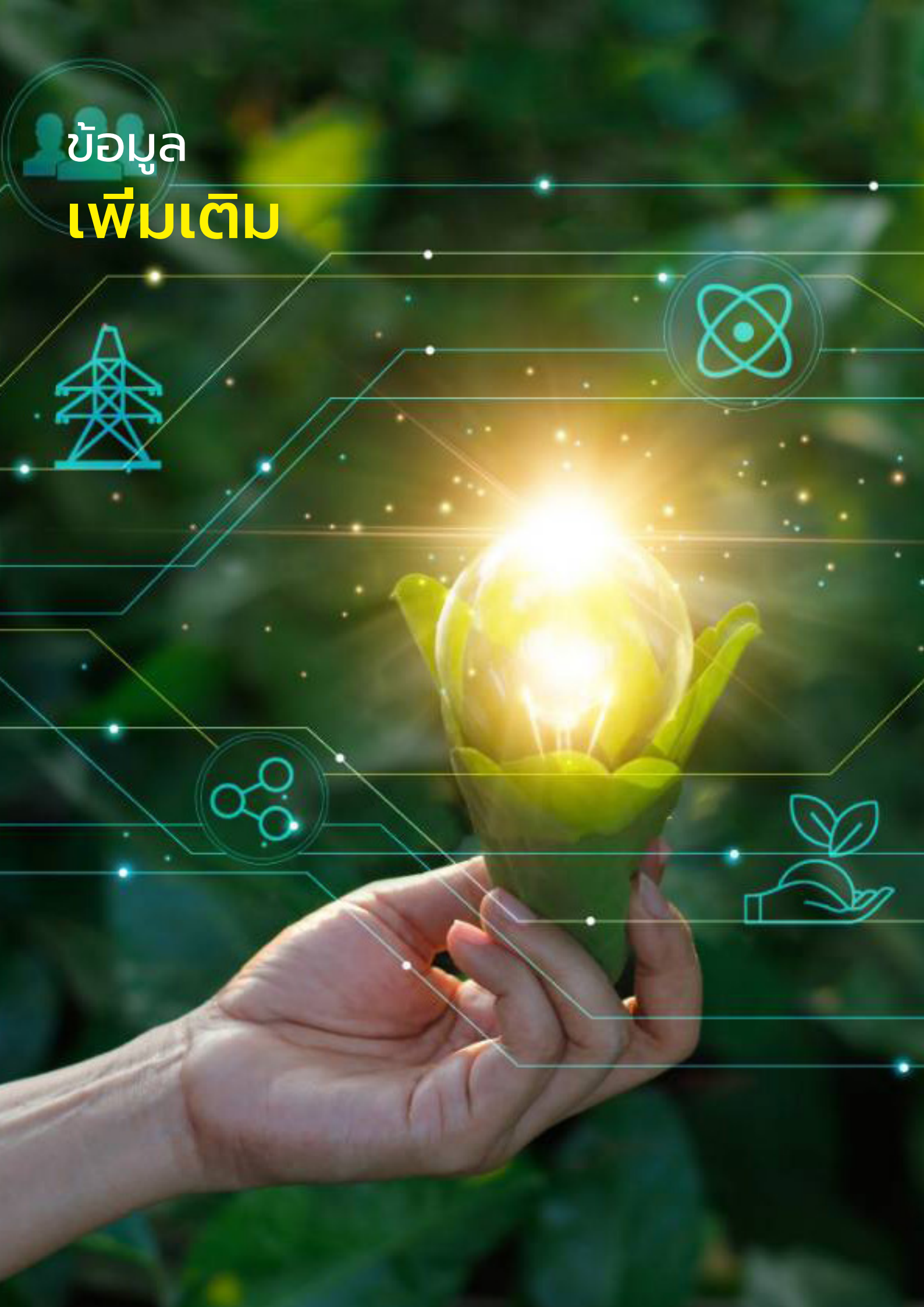
In this case, as evidence that all documents are the same as those that the Company has certified as correct, the Company has assigned Mr. Wongwiwat Hema to sign every page of this document. If any document does not have Mr. Wongwiwat Hema's signature on it, the Company will consider that it is not information that the Company has certified as aforementioned.

(Parleerat Panboonhom) (Sukanya Tipmanee)
Directors Authorized to Sign, Grantor

(Mr. Wongwiwat Hema)
Company Secretary, Authorized Person

ข้อมูล

เพิ่มเติม







Annex 1

Information and Details of Directors

as of December 31, 2023



Mr. Niti Jungnitnirundr

Position:	Vice Chairman
Tenure Starting Date:	April 30, 2021
Age:	66 years
Shares held:	None

Educational Qualifications: Master's Degree of Accounting, Chulalongkorn University
Bachelor's Degree of Accounting, Chulalongkorn University
Post-Graduate Diploma in Auditing, Chulalongkorn University
Certified Public Accountant of Thailand

Director Training Courses: Role of the Chairman Program (RCP) Course, Class of 50/2022
Advanced Audit Committee Program (AACP) Course, Class of 45/2022
The Challenge of Building Cyber Resilience Course
Director Certification Program (DCP) 2020 Course
Cyber Security Awareness Course 2020 by the National Telecom Public Company Limited

Director/Executive Positions Held in SET Listed Companies:

Duration	Position	Organization Name
2019 - July 2023	Independent Director and Audit Committee Member	CIMB Thai Bank Public Company Limited
March 2021 - April 2023	Independent Director and Audit Committee Member	Stark Corporation Pub Co., Ltd.

Positions Held in Other Organizations:

Duration	Position	Organization Name
March 2021 - April 2023	Independent Director	Phelps Dodge International (Thailand) Co., Ltd.
2019 - 2022	Nawamintrathirat University Business Promotion Committee	Nawamintrathirat University
2017 - 2023	Certified Public Accounting Testing Subcommittee Member	Thailand Federation of Accounting Professions Under Royal Patronage
2017 - 2020	Qualified Subcommittee on Auditing Practice Testing in Academic Auditing Member	Thailand Federation of Accounting Professions Under Royal Patronage
2006 - 2020	Director of Auditing Office	Deloitte Touche Tohmatsu Jaiyos. Audit Co., Ltd.
1996 - 2018	Audit Partner	Deloitte Touche Tohmatsu Jaiyos. Audit Co., Ltd.
1998 - 2017	Certified Public Accountant Testing Subcommittee Member, Auditing Professions Regulatory Committee	Thailand Federation of Accounting Professions Under Royal Patronage
2008 - 2011	Advisor to the Audit Advisory Board (formerly the Audit Disciplinary Advisory Board)	The Office of the Securities and Exchange Commission
2005 - 2011	Auditing Professions Committee Member	Thailand Federation of Accounting Professions Under Royal Patronage
2001 - 2004	Professional Development and Continued Education Committee Member	The Institute of Certified Accountants and Auditors of Thailand
2001 - 2003	Qualified Person in the Expert Panel for Consideration of Auditor Performance	The Office of the Securities and Exchange Commission
2000 - 2001	Education Committee Member	The Office of the Securities and Exchange Commission
1999 - 2020	Certified Public Accountant approved by the Office of the Securities and Exchange Commission (S.E.C.)	The Office of the Securities and Exchange Commission (S.E.C.)

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None



Ms. Parleerat Panboonhom

Position: Director
Tenure Starting Date: August 17, 2020
Age: 43 years
Shares held: 53,033,164 shares (as of December 31, 2023)

Educational Qualifications: Master's Degree of Maritime Administration, Chulalongkorn University

Director Training Courses: Director Accreditation Program (DAP) Course, 2021

Director/Executive Positions Held in SET Listed Companies: None

Positions Held in Other Organizations:

Duration	Position	Organization Name
November 2023 - Present	Director	Top Empire Co., Ltd.
November 2023 - Present	Director	Nathalin Wellstar Energy Co., Ltd.
November 2023 - Present	Director	Subpud Energy 1 Co., Ltd.
November 2023 - Present	Director	Subpud Energy 2 Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	Nova Express Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Group Nine Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Vega Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	Romklao Wind Farm Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Ten Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Sete Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Eight Co., Ltd.
2019 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	United Offshore Aviation Co., Ltd.
2018 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	Prodigy House Co., Ltd.
2018 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Generation Co., Ltd.
2017 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	Put On The Ritz Co., Ltd.
2015 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Tech Co., Ltd.
2015 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Group Co., Ltd.
2006 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	Speed Production Co., Ltd.
2006 - 2017	Director	Winchai Co., Ltd.
2015 - 2016	Director	Solar Reform Co., Ltd.
2015 - 2016	Director	Solar Reform 2 Co., Ltd.
2013 - 2016	Director	Solar Valley Co., Ltd.

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None



Dr. Prasit Kanchanasakdichai

Position:	Director
Tenure Starting Date:	November 6, 2015
Age:	60 years
Shares held:	15,280,000 shares (as of December 31, 2023)

Educational Qualifications: PhD in Business Administration (Honors) in Finance, Boston University, USA
 Master's Degree in Business Administration (Marketing), National Institute of Development Administration
 Bachelor's Degree in Engineering (Mechanical Engineering), Kasetsart University

Director Training Courses: Role of the Chairman Program (RCP) Course Certificate, Class of 38, 2016, Thai Institute of Directors (IOD)
 Director Certification Program (DCP) Course Certificate, 2004, Thai Institute of Directors (IOD)
 Assessing Company Performance Enhancing Good Corporate Governance, 2015, Asst. Prof. Mr. J. Thomas Connelly, Chulalongkorn University

Director/Executive Positions Held in SET Listed Companies:

Duration	Position	Organization Name
2023 - Present	Independent Director, Audit Committee Member, Corporate Governance and Risk Management Committee Member	G J Steel Pub Co., Ltd.

Positions Held in Other Organizations:

Duration	Position	Organization Name
2021 - Present	Chairman of the Board/ Managing Director	Thaicons Max Co., Ltd.
2019 - Present	Chairman of the Board/ Managing Director	TCB Solutions Co., Ltd.
2018 - Present	Chairman of the Board/ Managing Director	Thai Barge Container Services Co., Ltd.
2018 - Present	Chairman of the Board/ Managing Director	TIW Industries Co., Ltd.
2015 - 17 August 2020	Chairman of the Board/Chief Executive Officer	Thailand Iron Works Pub Co., Ltd.
2012 - Present	Chairman of the Board/ Managing Director	TCB Daikure Co., Ltd.
2011 - 2017	Director	Daikure (Thailand) Co., Ltd.
2010 - 2020	Independent Director	Nomura Pattanasin Securities Pub Co., Ltd.
2007 - Present	Managing Director	T.C.B. Home Center Co., Ltd.
2004 - Present	Chairman of the Board/ Managing Director	C.M. Manufacturing Co., Ltd.
2004 - Present	Chairman of the Board/ Managing Director	Thai Const & Building Manufacturing Public Co., Ltd.

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None



Mr. Kriengchai Trinapakorn

Position:	Director
Tenure Starting Date:	May 26, 2017 (retired by rotation at the 2023 Annual General Meeting of Shareholders)
Age:	60 years
Shares held:	None

Educational Qualifications: Master's Degree in Business Administration, Ramkamhaeng University
Bachelor's Degree in Marketing, Ramkamhaeng University

Director Training Courses: Director Accreditation Program (DAP) Course, 2016

Director/Executive Positions Held in SET Listed Companies: None

Positions Held in Other Organizations:

Duration	Position	Organization Name
2015 - Present	Advisor	Chulakaset Co., Ltd.
2015 - 2017	Director	Thai Digital Entertainment Content Federation
2015 - 2016	Independent Director	Big Sea Co., Ltd.
2007 - 2010	Marketing Manager	GMM Grammy Pub Co., Ltd.
2005 - 2006	Advisor	Solartron Pub Co., Ltd.
2002 - 2003	Advisor	Digital ONPA Pub Co., Ltd.
2001 - 2002	Deputy Managing Director	IEMarket.Com Co., Ltd.

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None



Mr. Sudwin Panyawongkhanti

Position:	Director
Tenure Starting Date:	May 26, 2017 (retired by rotation at the 2023 Annual General Meeting of Shareholders)
Age:	63 years
Shares held:	None

Educational Qualifications: Master's Degree in Information Technology in Business, Chulalongkorn University
Bachelor's Degree in Accountancy, Chulalongkorn University

Director Training Courses: Risk Management Program for Corporate Leaders (RCL) Course, 2022
Advanced Audit Committee Program (AACP) Course, 2020
Director Certificate Program (DCP) Course, 2556

Director/Executive Positions Held in SET Listed Companies:

Duration	Position	Organization Name
2023 - Present	Chief Accounting and Financial Officer	Gen Kongkai Pub Co., Ltd.
2022 - Present	Director	Gen Kongkai Pub Co., Ltd.
2020 - Present	Independent Director / Audit Committee Member	Charoen Industry Pub Co., Ltd.

Positions Held in Other Organizations:

Duration	Position	Organization Name
2022 - Present	Independent Director, Audit Committee Member	Mukdahan International Hospital Co., Ltd.
2009 - Present	Cooperative Auditing Department Adviser	Cooperative Auditing Department, Ministry of Agriculture and Cooperatives
1986 - Present	Certified Public Accountant	Federation of Accounting Professions Under Royal Patronage
1984 - Present	Federation of Accounting Professions Member	Federation of Accounting Professions Under Royal Patronage
July 1996 - June 2020	Audit Partner	Pricewaterhousecoopers ABAS Co., Ltd.
1999 - June 2020	Certified Public Accountant approved by the Office of the Securities and Exchange Commission (S.E.C.)	The Office of the Securities and Exchange Commission (S.E.C.)

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None



Dr. Ratana Sithiprasasna

Position: Independent Director/ Audit Committee Member / Nomination, Remuneration, and Corporate Governance Committee Member

Tenure Starting Date: August 17, 2020

Age: 62 years

Shares held: None

Educational Qualifications: Doctor of Philosophy, Faculty of Tropical Medicine, Mahidol University Master’s Degree in Entomology, University of California Davis, USA Bachelor of Science in Zoology, Chulalongkorn University

Director Training Courses: Director Accreditation Program (DAP) Course, 2020 Risk Management Program for Corporate Leaders (RCL) Course, 2022

Director/Executive Positions Held in SET Listed Companies: None

Positions Held in Other Organizations:

Duration	Position	Organization Name
1998 - 2006	Medical Research Specialist	US Army Medical Component, Armed Forces Research Institute of Medical Sciences
1986 - 1997	Medical Researcher	US Army Medical Component, Armed Forces Research Institute of Medical Sciences

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None



Assoc. Prof. Dr. Punchada Sirivunnabood

Position:	Independent Director/ Audit Committee Member / Chairman of the Nomination, Remuneration, and Corporate Governance Committee
Tenure Starting Date:	August 18, 2020
Age:	45 years
Shares held:	None

Educational Qualifications: Ph.D. in Political Science, Northern Illinois University Master's Degree in Political Science, Ohio University Bachelor's Degree in Political Science, Chulalongkorn University

Director Training Courses: Director Accreditation Program (DAP) Course, 2020 Risk Management Program for Corporate Leaders (RCL) Course, 2022 Advanced Audit Committee Program (AACCP) Course, 2022

Director/Executive Positions Held in SET Listed Companies: None

Positions Held in Other Organizations:

Duration	Position	Organization Name
2023 - Present	Deputy Director of Institute of Human Rights and Peace Studies	Mahidol University
2010 - Present	Associate Professor	Mahidol University

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None



Mr. Tossri Khowsurat

Position: Director
Tenure Starting Date: November 12, 2021
Age: 35 years
Shares held: : 6,501,800 shares (as of December 31, 2023)

Educational Qualifications: Bachelor of Commerce in Finance, Deakin University, Melbourne, Australia

Director Training Courses: Director Accreditation Program (DAP) Course, 2020

Director/Executive Positions Held in SET Listed Companies: None

Positions Held in Other Organizations:

Duration	Position	Organization Name
April 2017 - Present	Director	Ubon Biogas Co., Ltd.
April 2017 - Present	Director	Ubon Sunflower Co., Ltd. Ubon Biogas Co., Ltd.
April 2017 - Present	Director	Ubon Biogas Co., Ltd.

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None



Miss Sukanya Tipmanee

Position:	Director / Nomination, Remuneration, and Corporate Governance Committee Member
Tenure Starting Date:	August 17, 2020
Age:	36 years
Shares held:	None

Educational Qualifications: Bachelor's Degree in Accounting, Chulalongkorn University

Director Training Courses: Director Accreditation Program (DAP) Course, 2020 Risk Management Program for Corporate Leaders (RCL) Course, 2022

Director/Executive Positions Held in SET Listed Companies: None

Positions Held in Other Organizations:

Duration	Position	Organization Name
November 2023 - Present	Director	Top Empire Co., Ltd.
November 2022 - Present	Director	Nathalin Wellstar Energy Co., Ltd.
November 2022 - Present	Director	Subpud Energy 1 Co., Ltd.
November 2022 - Present	Director	Subpud Energy 2 Co., Ltd.
April 2017 - Present	Director / Finance Director	The Prodigy Group Co., Ltd.
April 2017 - Present	Director	The Prodigy Tech Co., Ltd. The Prodigy Partner Co., Ltd. Speed Production Co., Ltd. Prodigy House Co., Ltd. The Prodigy Generation Co., Ltd. Nova Express Co., Ltd. United Offshore Aviation Co., Ltd. The Prodigy Group Nine Co., Ltd. The Prodigy Vega Co., Ltd. Romklao Wind Farm Co., Ltd. The Prodigy Ten Co., Ltd. The Prodigy Sete Co., Ltd. The Prodigy Eight Co., Ltd.
2016 - 2017	Accounting and Finance Manager	Laguna Holiday Club Co., Ltd.
2009 - 2016	Audit Manager	Pricewaterhousecoopers ABAS Co., Ltd.

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None

Information and Details of Executive Directorss

Ms. Parleerat Panboonhom

Position: Director
Tenure Starting Date: August 17, 2020
Age: 43 years
Shares held: 53,033,164 shares (as of December 31, 2023)
Educational Qualifications: Master's Degree of Maritime Administration, Chulalongkorn University
Director Training Courses: Director Accreditation Program (DAP) Course, 2021
Director/Executive Positions Held in SET Listed Companies: None

Positions Held in Other Organizations:

Duration	Position	Organization Name
November 2023 - Present	Director	Top Empire Co., Ltd.
November 2023 - Present	Director	Nathalin Wellstar Energy Co., Ltd.
November 2023 - Present	Director	Subpud Energy 1 Co., Ltd.
November 2023 - Present	Director	Subpud Energy 2 Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	Nova Express Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Group Nine Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Vega Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	Romklao Wind Farm Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Ten Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Sete Co., Ltd.
2020 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Eight Co., Ltd.
2019 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	United Offshore Aviation Co., Ltd.
2018 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	Prodigy House Co., Ltd.
2018 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Generation Co., Ltd.
2017 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	Put On The Ritz Co., Ltd.
2015 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Tech Co., Ltd.
2015 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	The Prodigy Group Co., Ltd.
2006 - Present	Chairperson of the Board of Directors / Director / Chief Executive Officer	Speed Production Co., Ltd.
2006 - 2017	Director	Winchai Co., Ltd.
2015 - 2016	Director	Solar Reform Co., Ltd.
2015 - 2016	Director	Solar Reform 2 Co., Ltd.
2013 - 2016	Director	Solar Valley Co., Ltd.

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None

Miss Sukanya Tipmanee

Position:	Director / Nomination, Remuneration, and Corporate Governance Committee Member
Tenure Starting Date:	August 17, 2020
Age:	36 years
Shares held:	53,033,164 shares (as of December 31, 2023)
Educational Qualifications:	Bachelor's Degree in Accounting, Chulalongkorn University
Director Training Courses:	Director Accreditation Program (DAP) Course, 2020 Risk Management Program for Corporate Leaders (RCL) Course, 2022
Director/Executive Positions Held in SET Listed Companies:	None

Positions Held in Other Organizations:

Duration	Position	Organization Name
November 2023 - Present	Director	Top Empire Co., Ltd.
November 2022 - Present	Director	Nathalin Wellstar Energy Co., Ltd.
November 2022 - Present	Director	Subpud Energy 1 Co., Ltd.
November 2022 - Present	Director	Subpud Energy 2 Co., Ltd.
April 2017 - Present	Director / Finance Director	The Prodigy Group Co., Ltd.
April 2017 - Present	Director	The Prodigy Tech Co., Ltd. The Prodigy Partner Co., Ltd. Speed Production Co., Ltd. Prodigy House Co., Ltd. The Prodigy Generation Co., Ltd. Nova Express Co., Ltd. United Offshore Aviation Co., Ltd. The Prodigy Group Nine Co., Ltd. The Prodigy Vega Co., Ltd. Romklao Wind Farm Co., Ltd. The Prodigy Ten Co., Ltd. The Prodigy Sete Co., Ltd. The Prodigy Eight Co., Ltd.
2016 - 2017	Accounting and Finance Manager	Laguna Holiday Club Co., Ltd.
2009 - 2016	Audit Manager	Pricewaterhousecoopers ABAS Co., Ltd.

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None

Dr. Patcharee Thawornwasu

Position: Chief Operating and Investment Officer
Tenure Starting Date: November 1, 2021
Age: 43 years
Shares held: None
Educational Qualifications: Ph.D. in Energy Science, Kyoto University, Japan
Director Training Courses: None
Director/Executive Positions Held in SET Listed Companies: None

Positions Held in Other Organizations:

Duration	Position	Organization Name
November 2022 - Present	Director	Nathalin Wellstar Energy Co., Ltd.
November 2022 - Present	Director	Subpud Energy 1 Co., Ltd.
November 2022 - Present	Director	Subpud Energy 2 Co., Ltd.
April 2017 - Present	กรรมการ	The Prodigy Group Co., Ltd.
	Director	The Prodigy Tech Co., Ltd.
		The Prodigy Partner Co., Ltd.
		Speed Production Co., Ltd.
		Prodigy House Co., Ltd.
		The Prodigy Generation Co., Ltd.
		Nova Express Co., Ltd.
		United Offshore Aviation Co., Ltd.
		The Prodigy Group Nine Co., Ltd.
		The Prodigy Vega Co., Ltd.
		Romklao Wind Farm Co., Ltd.
		The Prodigy Ten Co., Ltd.
		The Prodigy Sete Co., Ltd.
		The Prodigy Eight Co., Ltd.

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None

Ms. Pornpassorn Chaipinyo

Position: Acting Chief Accounting and Financial Officer
Tenure Starting Date: September 11, 2020
Age: 34 years
Shares held: None
Educational Qualifications: Bachelor of Business Administration in Accounting, Assumption University
Director Training Courses: Accounting and Finance Orientation Course (e-Learning CFO's Orientation Course), 2020 CFO Refresher Course, Class 2/2021, The Stock Exchange of Thailand CFO in Practice Course, Class 10, Thailand Federation of Accounting Professions Under Royal Patronage

Director/Executive Positions Held in SET Listed Companies: None

Positions Held in Other Organizations:

Duration	Position	Organization Name
2020 - Present	Chief Accounting and Financial Officer	The Solar Arcade Co., Ltd. Sky Solar Roof Co., Ltd. Sky Solar Power Co., Ltd. NW Green Power Co., Ltd.
2019 - May 2021	Accounting and Finance Manager	The Prodigy Group Co., Ltd. The Prodigy Tech Co., Ltd. The Prodigy Generation Co., Ltd. Prodigy Partner Co., Ltd. Romklao Wind Farm Co., Ltd. The Prodigy Eight Co., Ltd. Prodigy Group Nine Co., Ltd. The Prodigy Ten Co., Ltd. The Prodigy Sete Co., Ltd. The Prodigy Vega Co., Ltd. Nova Express Co., Ltd. Put On The Ritz Co., Ltd. The Phenomena Co., Ltd. Royal Ammunition Co., Ltd. Speed Production Co., Ltd. Prodigy House Co., Ltd. United Offshore Aviation Co., Ltd.
2011 - 2019	Audit Manager	Pricewaterhousecoopers ABAS Co., Ltd.

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None

Mr. Thiti Siriphairote

Position: Chief Legal Officer

Tenure Starting Date: March 10, 2021

Age: 46 years

Shares held: None

Educational Qualifications: September 2019 Master of Laws (Honors), National Institute of Development Administration

December 2004 Thai Barrister-at-Law, Law Student Bureau, The Thai Bar Under the Royal Patronage

February 1999 Bachelor of Laws, Thammasat University

Director Training Courses: None

Director/Executive Positions Held in SET Listed Companies: None

Positions Held in Other Organizations:

Duration	Position	Organization Name
2005 - 2020	Director of Legal Affairs	Pricewaterhousecoopers Legal & Tax Consultants Co., Ltd.

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None

Mr. Wongwiwat Hema

Position: Company Secretary / Head of Company Compliance Department
Tenure Starting Date: August 17, 2020
Age: 45 years
Shares held: None
Educational Qualifications: Bachelor of Laws, Chulalongkorn University
Director Training Courses: Company Secretary Course by the Thai Listed Companies Association (FPCS 23)
Director/Executive Positions Held in SET Listed Companies: None

Positions Held in Other Organizations:

Duration	Position	Organization Name
April 2019 - Present	Legal Adviser	Sonprasert Law Office Co., Ltd.
2018 - 2019	Director of the Office of Company Secretary	Total Access Communication Pub Co., Ltd.
2017 - 2018	Director of the Office of Company Secretary	Intouch Holdings Pub Co., Ltd.
2016 - 2017	Company Secretary and Compliance Manager at Vietnam Office	Berli Jucker Pub Co., Ltd.
2012 - 2016	Assistant Company Secretary to Corporate Governance and Shareholder Relations Division	PTT Exploration and Production Pub Co., Ltd.

Family relationship with other directors, executives, or major shareholders of the Company or a subsidiary: None



Attachment 2

Details of Directors and Executives of Subsidiaries

as of December 31, 2023

Company's name	Director/Executive	Authority to Bind the Company
The Solar Arcade Company Limited	Mr. Phattiya Rattanasuwan and Dr. Patcharee Thawornwasu	Signature of any one of the Directors
Sky Solar Roof Company Limited	Dr. Patcharee Thawornwasu	One Director's signature and official Company seal affixed
Sky Solar Power Company Limited	Dr. Patcharee Thawornwasu	One Director's signature and official Company seal affixed
NW Green Power Company Limited	Dr. Patcharee Thawornwasu	One Director's signature and official Company seal affixed
NW Energy Company Limited	Dr. Patcharee Thawornwasu	One Director's signature and official Company seal affixed
NW Solar Company Limited	Dr. Patcharee Thawornwasu	One Director's signature and official Company seal affixed
Sunny Solar Company Limited	Dr. Patcharee Thawornwasu	One Director's signature and official Company seal affixed
Sun Link Power Company Limited	Dr. Patcharee Thawornwasu	One Director's signature and official Company seal affixed
Solar Town Company Limited	Dr. Patcharee Thawornwasu	One Director's signature and official Company seal affixed
Winchai Company Limited	Ms. Parleerat Panboonhom Dr. Patcharee Thawornwasu Mr. Varut Tummavarankub and Ms. Sukanya Tipmanee	One Director's signature and official Company seal affixed
Top Empire Company Limited	Ms. Parleerat Panboonhom and Ms. Sukanya Tipmanee	Ms. Parleerat Panboonhom and Ms. Sukanya Tipmanee sign together



Attachment 3

Details of the Head of Internal Audit

- (1) Details of the names of persons assigned by the Company to act as Head of Internal Audit.
The Company has hired Isbar Corporation Company Limited to act as the Head of Internal Audit.
- (2) Educational qualifications and diplomas or related certificates of Head of Internal Audit and Compliance

Mr. Sirisak Manitkunakarn, Chief Executive Officer - Isbar Corporation Company Limited

- Masters of Business Administration, Payab University, Chiang Mai
- Bachelor of Accounting, Payab University, Chiang Mai
- Certified Internal Auditor (CIA)
- Certification in Risk Management Assurance (CRMA)
- Certified Professional Internal Audit of Thailand (CPIAT), the Institute of Internal Auditors of Thailand
- CSA Certificate (OMEGA)

(3) Work Experience and Relevant Training

- o 2018- Currently, Chief Executive Officer/ Isbar Corporation Company Limited
- o 2021 -Currently, Audit Committee, Mukdahan International Hospital Co., Ltd.
- o 2018 - Currently, Audit Committee / Hinsitsu (Thailand) Public Company Limited
- o 2011 -2018 Central Committee Member, Lecturer / the Institute of Internal Auditors of Thailand
- o 2011 Assistance Vice President (AVP)/ Krung Thai Bank Public Company Limited
- o 2010 Internal Audit Officer Level 5 / Thailand Tobacco Monopoly
- o 2021 Director Accreditation Program (DAP)
- o 2018 CAC SME Certification Project

(4) Duties and Responsibilities of the Head of Compliance

Focus on enforcement and supervision of the Company's conduct, ensuring that it strictly complies in all respects with rules, regulations, requirements, or guidelines established by the regulatory bodies of listed companies and other laws relevant to the Company's business operations.



Attachment 4

Assets Used in Business Operations

Company assets utilized in business operations can be divided into 3 main categories as follows:

Assets Details	Net Book Value Consolidated financial statement As of December 31, 2023 (Million Baht)	Net Book Value Consolidated financial statement As of December 31, 2022 (Million Baht)
Property, Plant, and Equipment (PP&E)	204.28	2,754.83
Intangible assets	117.07	1,918.27
Right-of-use assets	96.45	192.72
Total	417.80	4,865.82

1.1) Property, plant, and equipment

As of December 31, 2023, the Company Group has Property, Plant and Equipment assets with a total net book value of approximately 204.28 million THB, most of which are machinery and equipment for generating electricity from solar energy. Details are as follows:

Assets Details	Net Book Value Consolidated financial statement As of December 31, 2023 (Million Baht)	Net Book Value Consolidated financial statement As of December 31, 2022 (Million Baht)
Land improvement	-	210.88
Buildings and structures	0.54	49.70
Machinery and equipment	198.65	2,412.72
Office Furnishings, Fixtures, and Equipment (FF&E)	0.55	5.63
Construction Works in Progress	4.54	75.90
Total	204.28	2,754.83

Depreciation of property and equipment is calculated from cost price on a straight line basis over their expected useful lives as follows:

Land improvement	5 and 25
Buildings and structures	20 and 25 Year
Machinery and equipment	5 - 25 Year
Office Furnishings, Fixtures, and Equipment	3 - 10 Year

No depreciation is provided for Works in Progress assets.

1.2) Intangible assets

As of December 31, 2023, the Company Group has Intangible assets with a total net book value of approximately 1,918.27 million THB, most of which are power purchase agreements (PPA), which are intangible assets acquired through business combinations. Details are as follows:

Assets Details	Net Book Value Consolidated financial statement As of December 31, 2023 (Million Baht)	Net Book Value Consolidated financial statement As of December 31, 2022 (Million Baht)
Power Purchase Agreements (PPA)	115.63	1,563.86
Right to use transmission lines	-	352.24
Computer Programs	1.44	2.17
Total	117.07	1,918.27

The Company Group amortizes intangible assets with finite useful lives on a straight line basis over their useful lives as follows:

Power Purchase Agreements (PPA)	18 and 22	Year
Computer Programs	5 - 10	Year
Right to use transmission lines	25	Year

1.3) Right-of-use assets

As of December 31, 2023, the Company Group has assets in the Rights of Use category with a total net book value of approximately 96.44 million THB, mainly consisting of rights to use land, property, and rooftops for production and sales of solar energy electricity and office equipment. Details are as follows:

Assets Details	Net Book Value Consolidated financial statement As of December 31, 2023 (Million Baht)	Net Book Value Consolidated financial statement As of December 31, 2022 (Million Baht)
Land and property	0.64	90.59
Property Rooftop Area	95.43	101.38
Office Equipment	0.37	0.74
Total	96.44	192.72

Depreciation of Rights of Use assets is calculated by reference to its cost price on a straight line basis over the lease period or the expected useful life of the Rights of Use asset, whichever is shorter, as follows:

Land	25 - 30	Year
Property	3 and 10	Year
Property Rooftop Area	25	Year
Office Equipment	3	Year

Policy on Investment and Supervision of Subsidiaries and Associate Companies

The Company's policy on investment and supervision of subsidiaries and associate companies is to invest in businesses that will benefit and support the business operations of the Company and to enhance the stability and performance of the Company in its supervision of the businesses of subsidiaries and associate companies. The Company has appointed Directors with appropriate experience to represent said business operations.



Attachment 5

Good Corporate Governance Policies

Commitment of Board of Directors

Nova Empire Public Company Limited (“Company”) aims to be a leading and successful business organization to create long-term values to shareholders and stakeholders. To achieve such objectives, the Company studies and applies the good corporate governance principles, universal principle, and code of practice or guideline of business operation of the companies that are sustainably successful and recognizes righteousness according to applicable laws in every area where the business is operated.

The Board of Directors has gathered the principles of the Company’s corporate governance in this “corporate governance policy” which include structure and authority of the Board of Directors, respect for rights of shareholders and equality of shareholders, roles of the Company to stakeholders of the organization, the principles of information disclosure and transparency, and risk management and internal control. It is consistent with the principles of good corporate governance of listed companies according to a guideline of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission.

The Board of Directors, as a representative of shareholders, is committed to performing duties in supervising and monitoring the Company and entities within the group (“Group”) to operate businesses under the Company’s corporate governance principle. The executives and employees will implement it in support of the decision and definition of policy or other code of practices for sustainable growth of the Company.

Board of Directors

Roles and duties of the Board of Directors and the Management

- 1.1.1 The Board of Directors has the duty to supervise operations of the Company and consortium according to laws, objectives, and the articles of associations as well as the resolution of the shareholder’s meeting. Each director shall, under discretion, make a decision related to business carefully and truthfully with no interest by recognizing the validity and highest benefits of the Company.
- 1.1.2 The management has a duty to determine a strategic plan for practice in accordance with the Company’s vision and mission and manage daily works and businesses of the Company.
- 1.1.3 The Board of Directors authorizes the sub-committee, the chief executive officer and the management as specified in the charter of each sub-committee and the policy regarding approval authority of the Company in following matters. The Board of Directors reserves approval authority for important matters provided that these cases require consideration and approval from the Board of Directors.
 - Strategy, business plan and key performance indicator
 - 2) Expenses and costs beyond specified amount in subject matters
 - 3) Investment in a new business and investment sale
 - 4) Organization structure and appointment of top executives
 - 5) Succession plan of top executives

- 6) Top executive's remuneration
- 7) Appointment of directors, top executives and financial highest-ranked executive
- 8) Important agreements and significant businesses
- 9) Crucial litigation and prosecution
- 10) Essential policies
- 11) Obligation about terms of loan and credit from a bank or a financial institution at significant level.
- 12) Dividend payment, interim dividend payment, and proposal for dividend payment approval to annual general meeting

Duties and responsibilities of the Board of Directors

The Board of Directors as a representative gaining trust from shareholders has duties to define a right organization's culture provided that every director shall behave as a good role model and supervise operations to ensure that the organization's culture is propagated and implemented entirely at all levels.

The Board of Directors has following duties and responsibilities:

- (1) Supervise operations of the Company and consortium in accordance with laws, objectives, articles of association and resolution of the shareholder's meeting.
- (2) Lead and define strategic objectives of the Company with aims to enhance sustainable value creation and operate the business with responsibility for stakeholders.
- (3) Review and approve the vision, mission, organizational culture, value and code of ethics of the Company.
- (4) Review and approve a strategy, business plan, budget and key performance indicator and monitor the management to implement the strategy as well as follow up results and give related suggestion.
- (5) Consider approving key transactions and operations in some cases, authorize others to make decision as per the laws related to the Company's objectives, articles of association, resolution of the shareholder's meeting, and corporate governance of the Company such as new investment project, property sale and purchase, important investment budget and other particulars as specified by law.
- (6) Consider approving and /or agreeing to transactions of the Company and consortium to be in accordance with notices, requirements and code of practice of the supervisory sector.
- (7) Consider approving the appointment, performance assessment, remuneration and discharge of top executives.
- (8) Consider approving the policy and remuneration of Company's employees.
- (9) Supervise the disclosure process for subject matters of the Company to be adequate and timely.
- (10) Take care of the Company to have a risk management system and framework and efficient internal control as well as set the acceptable risks of the Company.
- (11) Supervise the Company to have a correct and reliable accounting and reporting system with audit from external auditors.
- (12) Provide the sufficient and suitable internal control to monitor the internal control of the Company and report failures or weakness in any important control and suggest a solution.
- (13) Monitor the internal control about financial reporting adequately to meet the objectives, laws and the corporate governance policy of the Company.
- (14) Prevent a conflict of interest and deal with any transaction that may cause conflict of interest of the management, Board of Directors, and shareholders as well as related persons on arm's length basis under normal trade conditions with no effect on benefits of the Company and minor shareholders.

- (15) Review the corporate governance policy of the Company and evaluate efficiency and practice of such policy on a yearly basis.
- (16) Supervise the implementation of the Company's corporate governance policy, accepted by the subsidiaries, and associates.
- (17) Review the balance sheet and profit and loss statement draft provide by the management to ensure that the annual balance sheet and profit and loss statement are correct and complete and reflect financial status of the Company and operating result for benefits of shareholders and investors.

Chairperson of the Board and Chief Executive Officer

Chairperson of the Board performs duty as a chairperson of the board meeting and shareholder's meeting.

Chairperson of the Board and Chief Executive Officer shall be knowledgeable, skilled, experienced and qualified and must not be the same person to balance authority by separating governance from management unless it is necessary for the Chairperson of the Board and Chief Executive Officer to be the same person. In this case, the Company must provide a measure to ensure suitable balancing; for example, Chairperson of the Board has no right to finalize the vote in the board meeting (casting vote) etc.

Chief Executive Officer, in whatever position, has role to be a leader and leads the Company's management with duty and responsibility for the Board of Directors in managing the Company according to a guideline, strategy, and budget approved by the Board of Directors to achieve goals.

Elements and varieties of the Board of Directors

The Board of Directors shall consist of persons, skilled and experienced in different fields necessary for the Company's business operation, and the number of directors is enough for governing the Company including 5-12 directors provided that at least a person is experienced about main business of the Company and at least a person specializes in accounting and finance.

The Board of Directors believes that variety of directors will render the Board to have broader perspective in support of decision process and to perform duties efficiently. So, the elements of the Board of Directors must be various in terms of knowledge and expertise in each field with at least a female director. However, the director nomination is still focused on work experience and qualification of each director as follows.

The Board of Directors is comprised of independent directors and non-executive directors with the independent directors for at least one-third of the whole board, or at least 3 persons.

Sub-Committee

The Board of Directors appoints 2 sub-committees to ease burdens and screen works of the Board of Directors as follows:

- (1) Audit Committee
- (2) Nomination remuneration and corporate governance committee

Each subcommittee has a charter identifying components, authority, duty and responsibility approved by the Board of Directors.

Independent Director

The independent director must have all the qualifications required and must be able to equally look after the interests of all shareholders and avoid any conflict of interest, and could independently give opinions, as follows:

- (1) Holding no more than 0.5% of total voting shares of the Company, parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company, including the shareholding of persons related to the independent directors.
- (2) Not currently be or never been the Company's executive director, worker, employee, salaried consultant, or controlling parties of the Company, parent company, subsidiary, affiliate, subsidiary in same level, major shareholder(s), or controlling parties of the Company, unless It has been at least two years after the person has held the position, such prohibited characteristic does not include cases where an independent director had been a government official or an advisor of the government sector which is a major shareholder or controlling parties.
- (3) Not by blood or legally registered as parents, spouse, sibling and child including spouse of child, executives, major shareholders, controlling parties of the Company, or persons who will be nominated as directors, executives, or controlling parties of the Company or subsidiary.
- (4) Not currently having or never had any business relations with the Company, parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company in the way that such relation may impede the person from having independent views. Also, the person should not currently be or never be a significant shareholder or controlling person for persons having business relations with the Company, parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company, unless it has been at least two years after the person has held the position.

The business relationship under first paragraph includes regular commercial transactions for conducting business, renting or leasing real estate, transactions relating to assets or services, or giving or receiving financial assistance by accepting or lending, guaranteeing, giving assets as collateral for liabilities, including other similar behaviors, causing the Company or contractual party to have debt burden to pay another party, from 3% of the net tangible assets of the Company, or from 20 Million Baht or more, whichever is lower. The calculation of debt burden shall be in accordance with the calculation method for the value of related-party transactions under the Notification of the Capital Market Supervisory Board on rules of related-party transactions, mutatis mutandis, but in considering the said debt burden, the debt incurred during one year prior to the date of having a business relationship with the same person must be included.

- (5) Not currently being or never been the auditor of the Company, parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company and not currently be or never be a significant shareholder, controlling person, or partners of current auditor's auditing firm which the auditor of the Company, parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company is under, unless It has been at least two years after the person has held the position.
- (6) Not currently be providing or never provided professional services, legal consulting, nor financial consulting services to the Company, parent company, subsidiary, affiliate, major shareholder(s), or controlling parties of the Company, with a fee more than 2 Million Baht per year and the person should not currently be or never be a significant shareholder, controlling person, or partners of current service providers, unless it has been at least two years after the person has held the position.
- (7) Not currently a director appointed to represent the Company's directors, major shareholders, or the shareholder related to major shareholder.
- (8) Not currently be operating under similar business nature and significant competition to the Company or subsidiary; or not a significant partner of the partnership, or executive director, salaried worker, employee, or consultant; or holding more than 1% of voting shares of any other companies operating under similar business nature and significant competition to the Company and subsidiary.
- (9) Individuals cannot have any other characteristics that would prevent them from giving independent opinions about the Company's operations.

After being appointed as an independent director, independent director may be assigned by the Board of Directors to make decisions in the business operations of the company, parent company, subsidiary, associate, subsidiary in same level, major shareholder(s) or controlling persons of the company in a collective decision manner.

The Company may appoint a person currently having or had ever been in a business relationship or professional service in excess of the above value as an independent director. If the Board of Directors has carefully considered and is of the opinion that the appointment of such person will not affect the independent performance of duties and opinions, and the following information shall be disclosed in the invitation letter of shareholders' meeting under the agenda regarding the appointment of independent directors.

- (1) Nature of business relationship or professional service that makes such person failed to meet specified qualification;
- (2) Reason and necessity to maintain or appoint such person as independent director;
- (3) Opinion of the Board of Directors in proposing the appointment of such person as independent director.

The Board of Directors has established as a policy that independent directors may lose their independence after working for a period of 9 years or 3 consecutive terms.

Qualification of directors

Every director must have following minimum qualifications:

- (1) Have knowledge, ability, integrity and honesty.
- (2) Have enough time to dedicate knowledge and competency and perform duties for the Company.
- (3) Have qualifications and not possess characteristics prohibited by law related to the Public Limited Companies Act and other relevant laws.

Director nomination and appointment

The nomination, remuneration, and corporate governance committee shall be responsible for director nomination by selecting a qualified person and proposing him/her to the Board of Directors to consider appointment or ask approval in the shareholder's meeting as per the articles of association.

The nomination remuneration and corporate governance committee will provide a "skill matrix" to consider suitability together with variety in various aspects such as independence, age, race, gender, to ensure that overall components of the Board of Directors are consistent with the business operation and strategies at present and in the future. Nevertheless, to consider appointment of an existing director to be in service for another rotation, the nomination remuneration and corporate governance committee will consider factors and performance, record of attendance and participation in the meetings and support of activities of the Board of Directors.

To recruit a person to be director, the nomination remuneration and corporate governance committee will consider recruiting personnel from different sources including a person introduced by a Company's director or a person nominated by shareholders as per the criteria specified by the Company, director database of Thai Institute of Directors or suggestion of the external consulting Company.

Term of Office

A director has service rotation as specified in the articles of association. A director that retires by rotation may be reelected to take a new position.

Age limitation of directors

The Board of Directors has no policy to set the maximum age or age of retirement of directors, but will consider knowledge, ability and useful advice with the Company, and enough time for duty performance as a director.

Orientation and continuing knowledge development of directors

The Company secretary has duty to coordinate with executives regarding the orientation for new directors to realize important and necessary information before duty performance.

The Company supports directors to develop their knowledge continuously in different forms such as domestic and international trainings, field trip in a foreign country, visit of businesses of the consortium that may be beneficial to duty performance. Nevertheless, the Board of Directors will consider performance assessment of the Board of Directors or as requested by the directors properly.

Board of Directors' Meeting

The Board of Directors will organize a board meeting for at least 6 times a year to perform duty efficiently by determining all-year-long objectives in advance, and there may be special meeting and they see necessary.

Quorum and meeting

In a meeting, at least two-third directors shall attend the meeting to have quorum unless it is necessary and important that the committee chairman may determine quorum, of the board meeting that at least half of all directors attend the meeting.

Chairperson of the Board presides over the meeting and has duty to take care of and allocate time in each agenda sufficiently for inquiry with the management and opinion giving on important issues by recognizing benefits of the shareholders and related persons fairly.

In case the chairperson of the Board is a chief executive officer, the audit committee chairman will make a final vote in case of tie vote for any agenda in the meeting.

Meeting agenda

Chairperson of the Board, by discussion with top executives and the company secretary, will be in charge of approval for meeting agenda. Other directors can propose a meeting agenda or other related topics to be considered. The company secretary has duty to deliver an invitation to meeting and meeting regulations and supporting documents to the directors in advance for at least 7 days for the directors to study before the meeting date.

Non-executive directors' meeting

The Board of Directors may define that non-executive directors arrange a meeting for at least once a year with no executive directors or the management to attend that meeting so that they can discuss problems related to the Company's business, interest and the meeting report will be presented to the Board of Directors.

Access to the management and independent advisor

The directors have right to request and receive additional necessary information and access and contact and communicate with the management and Company's secretary as they see fit. However, it is not to interfere with normal business operation of the Company.

Director's position in other companies

Each director should not take a position as a director in more than 3 listed companies unless having approval from the Board of Directors. Nevertheless, the Board of Directors has no policy to the management to be a director in other listed companies outside the consortium unless having approval from the Board of Directors.

Performance assessment of the Board of Directors

The Board of Directors determines self-assessment for the whole Board of Directors, the sub-committees, and individual director on a yearly basis, and the assessment result will be used to enhance work effectiveness of the Board of Directors, to develop the Company's directors.

Succession plan

The Board of Directors provides a succession plan for top executives of the Company to ensure that any important positions will be succeeded in a timely manner when that position becomes vacant, and potentials of the top executives are expanded to be equivalent or similar that their function can be substituted.

Director and executive compensation

The Board of Directors determines and approves the framework and policy about director's remuneration to be proposed to shareholder's meeting for approval. The remuneration shall be subject to duty and responsibility with combination of short-term and long-term incentives at competitive level with other companies in the same industry or having similar size. It must be enough to motivate and retain quality directors with the Company.

Nevertheless, the executive's remuneration will be considered from overall operation of the Company and it must not be abnormally high compared with average return in companies in the same industry by recognizing following principles:

- To ensure that benefits of the executives and shareholders are consistent.
- To be enough to attract, retain and motivate potential personnel of the Company by considering economic condition and the Company's overall operation.

Company Secretary

Company secretary is a secretary of the Board of Directors and has direct responsibility to the Board of Directors through the chairperson of the Board for every matter related to corporate governance and duty performance of the Board of Directors. Every director can access the company secretary. The Board of Directors, under proposal of the top executives, has the duty and authority to appoint and discharge the company secretary.

Contact to the Board of Directors

The shareholders and other stakeholders can contact and communicate with the Board of Directors or audit committee to make an inquiry or complaint through following channels.

- (1) Send a post to the company secretary Nova Empire Public Company Limited
No. 88 Soi Bangna-Trad 30, Theprattana Road, Bangna Tai Sub-district, Bangna District, Bangkok 10260
- (2) Send an email to comsec@novaempire.co.th
- (3) Send an email to auditcom@novaempire.co.th to contact the audit committee
- (4) Send an email to chairperson@novaempire.co.th to contact the committee chairman

Right and equality of shareholders

The Company realizes and emphasizes rights and duties in maintaining benefits of every shareholder equally whether they are minor or foreign shareholders, institutional investors or major shareholders. Every shareholder has rights and equality as follows:

- (1) Right to receive share certificate, transfer share and acknowledge data, overall operation and management policy regularly and timely.
- (2) Right to receive profit share equally.
- (3) Right to attend a shareholder's meeting, give an opinion or suggestion, and engage in making a decision on important changes such as revision of the articles of association, appointment of the Board of Directors, appointment of the auditor, share issuance for capital increase.

Furthermore, every shareholder has equal right as specified by applicable laws and the Company's articles of association.

Nevertheless, the Company has mission to promote and facilitate right exercise of the shareholders as follows:

- (1) Arrange a shareholder's meeting legally and according to a guideline of shareholder's meeting specified by the supervisory sector.
- (2) Arrange a shareholder meeting at a place that shareholders can travel to attend conveniently.
- (3) Promote every shareholder and institutional shareholders to attend the shareholder's meeting.
- (4) Disclose meeting agenda and supporting documents on the Company's website for shareholders to access and study in advance for at least 30 days before the meeting.
- (5) In every shareholder's meeting, at least an independent director is appointed as an authorized person for a shareholder not attending the meeting and informing in the invitation to meeting.
- (6) Related directors and top executives will attend the meeting to answer questions in the shareholder's meeting, and the Company's auditor is invited to the annual general meeting to clear problems about the Company's financial statement.
- (7) Allow the shareholders to propose a topic to be considered as a meeting agenda, and a person is nominated to be elected as the Company's director in the annual general meeting according to the principles specified by the Company.
- (8) Every shareholder has right and equality to know information, give opinion and raise a question to the meeting according to the meeting agenda and proposed topics provided that the meeting president allocates time and promote opinion giving and inquiry in the meeting.
- (9) Shareholders have right to make a separate vote for each proposed agenda. The Board of Directors shall not combine irrelevant matters to be approved as the same resolution. A director is elected individually.
- (10) Make the minutes of shareholder's meeting within 14 days with enough details and questions and answers in the meeting, before publicizing it on the Company's website for shareholders attending the meeting to verify and give opinion on the minutes and it can be used as reference for absent shareholders.

The directors and executives shall submit a report of their interest and related persons according to the principles and methods of interest reporting specified by the Board of Directors to prevent conflict of interest. In case you have interest on any transaction of the Company, you are not allowed to engage in considering and approving that case.

The directors, executive and employees shall not use significant inside information, which is not publicly disclosed, for personal or other's benefits. Offenders will be taken to legal proceedings.

The directors, executive and employees who desire to trade securities of the Company shall comply with the securities trading policy of the Company.

Roles of stakeholders

The Company emphasizes rights of every stakeholder including internal stakeholders i.e. shareholders and employees of the Company or external stakeholders i.e. competitors, trade partners, customers, creditors etc. The Company realizes that support and opinions from every stakeholder group is beneficial to business operation and development of the Company. Therefore, the Company will comply with applicable laws and regulations so that rights of such stakeholders are well maintained. Additionally, the Company's business operation is based on recognition of rights of every stakeholder as follows:

- Shareholders ▶ The Company will operate the business transparently and effectively by focusing on creating good overall operation and stable growth for highest benefits to the shareholders in the long run, and disclosing transparent and reliable data to the shareholders with complete and true presentation of the turnover, financial status, accounting and other reports.
- Employee ▶ The Company will treat every employee equally and fairly with suitable return to the employees. Furthermore, the Company gives precedence to skill, knowledge and potential development of employees on a regular basis such as training, seminar, and workshop. Every employee is given this opportunity thoroughly. In addition, the skilled and highly able employees are motivated to retain with the Company for further organizational development. An anti-corruption guideline is provided, and every employee is implanted to comply with laws and related regulations such as strictly not using internal data etc.
- Trade partner ▶ The Company has a process of selecting a trade partner by asking the trade partners to compete based on equivalent information, and it is selected fairly according to the Company's trade partner evaluation and selection. Moreover, the Company provides a suitable and fair agreement for every party and a tracking system in every procedure of the recruitment process. The Company purchases products from the trade partner subject to the trade conditions, strictly complies with the trade agreement, and does not claim any dishonest benefits from the trade partner.
- Customers ▶ The Company is responsible for customers by maintaining quality and standard of products and services and responding customer' need completely and almost comprehensively to bring satisfaction to the customers in the long run. Additionally, the Company realizes hygiene and safety of the customers as well as giving correct and complete information to customers. It provides channels for the Company's customers to report a problem about unsuitable products or service for the Company to prevent and solve problems about the products and services rapidly.

- Creditor ▶ The Company will comply with contractual terms and conditions with creditors including repayment of principal, interest and guarantee maintenance under related agreements.
- Competitor ▶ The Company ethically follows the good competition framework subjected to legal provisions and supports and promotes a free and fair competition policy.
- Society and public ▶ The Company cares about and emphasizes social and environmental safety as well as quality of life and public of people related to the Company's operations, and promotes the Company's employees to be environmentally and socially conscientious and responsible. The Company renders them to comply with laws and regulations strictly and participates in any activities to construct and maintain environment and society.

Nevertheless, the Company is committed to develop a participation mechanism of stakeholders which is a factor contributing to the Company's business operation to sustainably grow. The Company will disclose important information about these stakeholders sufficiently, reliably and timely.

Information Disclosure and Transparency

The Board of Directors has duty to disclose information including financial and non-financial information completely, sufficiently, reliably and timely to shareholders and stakeholders of the Company to acknowledge such information equally.

The Company assigns a person to supervise investor relation works and to be a representative of the Company to communicate and publicize information and data beneficial to the shareholders, investors, securities analysts and related persons to acknowledge data of the Company. Additionally, the Company emphasizes regular data disclosure in Thai and English for the shareholders to keep them updated about news and information on the Company's website. Information on the Company's website will be always updated.

The Company focuses on the Company's financial statements and information that is publicly disclosed, provided that the audit committee will verify quality of the financial statements and internal control system as well as disclosure of adequate data in the notes to the financial statements and report to the Board of Directors. A report regarding responsibility of the Board of Directors for the financial reporting together with the auditor's report shall be provided with management discussion and analysis in support of the disclosure of the financial statement.

The Company gives precedence to keeping customer's information seriously and always confidential by not using such information for personal or others' benefit unless it is information to be publicized according to applicable laws. In case of a third party engaging in specific work related to nondisclosed information, and undergoing negotiation, it is regarded as storage of internal data which may affect movement of securities price of the Company and that third party. In this case, a confidential agreement with the Company shall be entered into until such information and data are publicized.

Risk management and internal control

Risk Management

The Company provides a risk management framework and policy to be used to identify and manage risks to avoid and minimize potential loss with the Company and utilize it for value addition to the Company.

The Board of Directors assigns the audit committee to monitor and verify risk management and report to the board meeting regularly. The top executives of the organization are obliged to support and implement the policy and report the results to the audit committee occasionally.

Nevertheless, the management appointed by the Company's top executives with members from different sectors has duties and responsibilities to design and implement the risk management framework and manage the Company's risks to be acceptable as specified in the risk management policy. However, the Company identifies, assesses and manages risks in every process from a strategy development and selection, strategy implementation, investment decision and daily work management.

Internal Control

The Company applies the universal internal control standard and code of practice issued by the Office of the Securities and Exchange Commission with the Company's internal control system. The management has duty and responsibility to design and implement the good internal control system to ensure that the Company complies with applicable laws and regulations and has an effective and efficient work process.

The Board of Directors assigns the audit committee to verify efficiency of the internal control system for at least once a year and present to the Board of Directors to consider approving before reporting to the shareholders.

Internal Audit

The Company assigns a person to take care of internal audit work, who is independent in reporting to the audit committee. The audit activities will be in accordance with the strategies, business plans and risk management in any matters.

This policy shall be effective from 9 November 2020 onwards.



Attachment 6

Code of Ethics

Introduction

Code of Ethics are important principles and code of practices for executives, employees to cling to and promote persons related to the Company to comply in the same way with directors as a good example. When everyone in the organization act in a unidirectional manner, it will reflect corporate governance of the Company which is a guideline for the organization's sustainable growth.

Persons to follow the Code of Ethics

Directors, executives and all employees are obliged to comply with this business ethic instruction and do a self-review if they act in consistence with the Code of Ethics. They also have duty to report an incident of violation or noncompliance with the Code of Ethics via specified channels.

Complaint channels

When detecting an act of violation or noncompliance with the Code of Ethics, please proceed with the following:

1. When suspecting without clear evidence, consult a reliable supervisor at all levels, but should not refer to or identify any person for your safety and to protect human right of person accused without adequate evidence.
2. If believing that you have reliable and sufficient evidence that a violation or noncompliance with the Code of Ethics occurs, submit the evidence and report to the chief at highest rank of the human resource department, and identity nondisclosure can be opted.
3. In case of a related person being a top executive, report to the audit committee via email of the committee Auditcom@novaempire.co.th.

Nevertheless, the Company does not support investigation by yourself for safety of the complaint or informant and to maintain personal rights of related persons.

Code of Ethics

1. Environment, health and safety

Principle

The Company operates businesses by emphasizing environment, health and safety and provides a standard management system. The directors, executives and employees as well as business-related persons shall comply with laws, standard policies and requirements regarding environment, health and safety in every area where the Company operates the business. They also should promote effective resource use including work system or information development which resources can be decreased.

Examples of practice

1. Avoid taking any acts that may cause dangers to environment, health, and safety. If it is inevitable, such act shall not be illegal or against local custom and tradition.
2. Use resources in any activities of the Company worthwhile and economically.
3. Promote the development of environmental-friendly work process or technology.
4. Understand an emergency plan and cooperate in any emergency drill provided by the Company.
5. When finding unsafe work condition, cease any operation and correct it to be safe for working before reporting to related persons immediately.

2. Compliance with law, obligation, agreement, and respect for different custom, tradition and culture

Principle

Comply with laws, regulations and respect custom, tradition and culture of every area where the business is operated, and adhere to obligations and agreements.

Examples of practice

1. Study, understand and comply with laws about the Company's business operation and important custom and tradition especially in area where you work.
2. Study, understand and comply with regulations, rules, requirements and procedures related to your jobs according to your duty and responsibility.
3. When finding that any internal rules, requirements or procedures are illegal or contrary to local custom and tradition, consult related sectors before operation.
4. When detecting any violation or noncompliance with the laws, internal rules, requirements, or procedures, report to a supervisor or via complaint channels as per "the regulations of complaint and protection."
5. Respect difference of local culture, custom and tradition without taking any acts contrary to that culture, custom and tradition.

3. Human rights and human resources

Principle

The Company respects human right of every person by treating everyone equally without discrimination, supporting human right and avoiding acts violating the human right.

The Company focuses on human resource which is a main factor to bring about sustainable growth of the Company. The Company thus provides a standard of welfare and remuneration management in different forms to attract decent and smart persons to work for the Company. It has a plan for continuous potential development and treats employees according to labor laws and other regulations related to the labors fairly.

Examples of practice

1. Treat other with respect.
2. Treat each other equally without discrimination related to physical and mental condition, race, nationality, religion, sex, language, age, complexion, education, social status or other matters.
3. Perform duty carefully to prevent risk of violating human right in business operation and from those related to the business operation.
4. Supervise and monitor respect for rights, human right and report to a supervisor to prevent acts that violate the human right.
5. Treat each other equally in every process of employment including recruitment, remuneration, working hours, assignment, performance assessment, training and development, and career path, without discrimination.
6. Do not use forced labor from human trafficking or child labor illegally as well as employee punishment that may physically or mentally abuse them such as threatening, unlawful detention, intimidation, harassment or using violence in any form.

4. Conflict of interest

Principle

Every decision must be emphasized on highest benefits of the Company by recognizing impacts on stakeholders. Decision for personal or others' interest unlawfully or immorally is prohibited. However, the Company realizes that the conflict of interest is possible, but when knowing such case, you should not be involved with, make a decision on or make personal benefits without considering the Company's interest. In case of conflict of interest, you should report to the supervisor or responsible sectors as soon as possible.

Examples of practice

1. Do not operate a business that competes or be a partner, shareholder having decision power, director or executive in a business that competes with, or has the same business as the Company or in a juristic person that the Company owns. If it is inevitable, report to the supervisor immediately.
2. Do not engage in any transaction with a party related to you such as family, close relatives or persons that you own or are a partner despite benefits to the Company.
3. Do not seek benefits from information or what you or others know from your position and responsibility.
4. Avoid doing other jobs for personal benefits rather than jobs under your duty and responsibility.
5. The employees should not spend working hours to search information, contact a person or trade any securities or assets regularly for
6. personal or others' benefit, which it is not for the Company's interest.
7. In case of conflict of interest with the Company, report to the supervisor immediately.

5. Data and property management

Principle

Using and storing data and property shall meet good management standard based on related laws and overall impacts on stakeholders. It is aimed to ensure that any data and property are utilized for highest benefits of the Company and are exploited that may prejudice the Company.

Company's property includes moveable properties such as office supplies, tools, machine, computer system for control and processing, software etc. and real estate such a lands, premises, which include technology and other intellectual properties of the Company.

Examples of practice

1. Record and report information correctly and straightforwardly.
2. Documents or data must be stored and destroyed with a suitable method by each type of the document or data.
3. Use documentary evidence in support of correct, true and complete accounting and financial reports.
4. Keep data or documents in support of any approval especially related to the accounting and financial transactions safe, systematic, and traceable. When the term of data or document storage is due, their disposal must be right and suitable for each type of document or data.
5. Any persons to keep data in possession or custody of the Company shall protect personal information of employees and persons related to business operation. Therefore, disclosure or transmission of personal information of the employees and related persons will be performed as required by normal duty without violating legal rights.

6. Confidentiality and transparency of information disclosure

Principle

Information of all kinds created or obtained during duty performance is confidential information and shall not be disclosed to irrelevant persons unless such information is legally publicized.

The Company emphasizes correct, complete, timely and true disclosure to assure stakeholders of the Company.

Examples of practice

1. Not to use information of the Company for personal or others' benefits illegally.
2. Supervise the responsible sectors not to disclose exaggerated or unnecessary information, especially for data that may cause misunderstanding or affect abnormal securities trading. In case of information about co-investors or other partners, approval from co-investors or partners or as identified in the existing agreement is required.
3. Keep data confidential such as official secrets, inventions, software, technology, academic knowledge etc. not to be released to irrelevant persons unless having approval from authorized persons or compliance with laws.
4. When detecting an abnormality or defect or invalidity of any information, including accounting and financial particulars, it is necessary to report to the commander or the finance and accounting department immediately.

7. Anti-Corruption

Principle

The Company resists all kinds of corruption by adhering to laws related to anti-corruption in every area where the business is operated and not engaging in any fraud directly or indirectly. The directors, executive and every employee shall comply with verification of adequacy and suitability of the anti-fraud measures regularly for at least once a year. The fraud must be inspected by the audit department. Nevertheless, the directors, executives or supervisors at all level are obliged to monitor subordinates not to violate or fail to comply with ethics in this regard, as well as to communicate and educate related persons.

Examples of practice

1. Not to do any fraud of all kinds with all methods or get involved with corruption directly or indirectly and for recruitment, their profile must be thoroughly examined to prevent fraud.
2. Operate works correctly, transparently, honestly, traceably when contacting, coordinating, asking approval, requesting permission, doing legal acts or transactions with government officials or public or private sectors.
3. To do any transaction or legal act with unfamiliar third party, the profile, background, reputation of that person must be thoroughly examined as well as conditions in that legal act or transaction to ensure that there will not be any fraud in any cases.
4. Hiring a government official in case of an advisor or employee, related persons have duty to ensure that the employment condition is legal, transparent, suitable and not corrupted.
5. Hiring any person to act for the Company, related persons shall inform that person of Code of Ethics in this regard and ensure that the employment condition is legal, transparent, suitable, and not corrupted.
6. Not to ignore or neglect when detecting any actions that may be involved with fraud related to the Company, it is important to report to the supervisor or responsible person and cooperate in fact investigation.
7. The committee has duty and responsibility to determine a policy and supervise the internal control and risk management to support effective anti-fraud, implanted as the organizational culture.
8. The audit committee has duty and responsibility to verify the financial and accounting reporting system, internal control system, internal audit system and risk management system to ensure that they meet universal standard and are circumspect, appropriate, up-to-date and effective.
9. The audit unit has duty and responsibility to audit and verify work operation to be in accordance with this policy and to ensure that the audit control is suitable and adequate.
10. The executives have duty and responsibility to provide a system promoting and supporting anti-fraud acts including guideline for recruiting personnel to work with the Company, and communicating to employees and related persons, as well as reviewing suitability of the systems and measures.

8. Gifts and Entertainment

Principle

Giving or receiving or promising to give any benefit in any form or facilitating or providing entertainment to those related to the business shall be subject to tradition and custom in each area or country as well as applicable laws with comparably suitable value.

Examples of practice

1. Not to give a gift, souvenir, provide entertainment or other benefits unless specified by law, custom, tradition in each area provided that approval from an authority specified by the Company is required. It is necessary to ensure that such giving does not cause a conflict of interest or fraud especially giving with government officials.
2. Not to accept a gift, souvenir, entertainment or other benefits. In case of not being in a position to refuse or it is necessary to accept it to maintain good relationship that it cannot be returned, report to the supervisor immediately provided that the supervisor shall consider, under his/ her discretion, that it does not cause conflict of interest or fraud.
3. Provide evidence of payment identifying value of the property, service or entertainment to be traceable.
4. Recognize that the code of practices in each area may be different. If unsure, ask the supervisor before any operation.

9. Political operation

Principle

The Company respects administrative regime in each area where the business is operated and supports employees in each area to behave in accordance with the administrative regime with different ways. However, the Company is politically neutral not to pay attention to or financially support or otherwise any political party, political movement, political authorities, or candidates for political election, directly or indirectly. The Company is ready to support the government in different aspects as it sees fit.

Examples of practice

1. Avoid any actions that are political expression and may cause other to misunderstand that they are the actions on behalf of the Company.
2. Not to dress in an employee's uniform that may misguide others that they are the Company's employees in attending a political meeting or a public gatherings with political context.
3. Avoid political expression or giving political opinions in workplace or during working hour that may cause disharmony among employees.

10. Trade competition

Principle

The Company adheres to fair competition by recognizing morality in trading and trade competition laws in different countries where the business is operated and realizes that laws in each area may be distinctively enforced in each circumstance.

Examples of practice

1. Not to make any agreement with competitors or any persons that may decrease or restrict trade competition such as joining with others for bid pricing in a tender or price fixing etc.
2. Not to make any agreement with others to jointly abstain from doing a business with customers or any trade partner except for a case of sanction for international trade.
3. Trade competition law is complex. Therefore, any operations related to the competitors require

consultation from legal units and responsible departments every time because there may be some uncertainties in interpreting and enforcing laws in each period.

11. Money laundering

Principle

The Company adheres to laws related to money laundering prevention or property transformation or supports transfer or transformation of properties regarding offence committing to prevent anyone from using the Company as a tool or channel to divert, conceal or cover up the source of property unlawfully obtained.

Examples of practice

1. Before any transaction with a party on behalf of the Company, the profile of that person shall be inspected to see whether he/she is a money-laundering offender or not.
2. In case of detecting an abnormal transaction that may be subject to money laundering, report to the supervisor, legal sectors or financial and accounting department immediately.
3. When acting on behalf of the Company, not to accept payment in cash or cash equivalent in a manner that no payment or receipt confirmation is provided.
4. When acting on behalf of the Company, not to make payment to non-signatory party or any person identified as a recipient in an agreement or make payment through a person or via an unclear channel unless it is compliance with applicable laws such as legal execution, claiming right transfer etc.

This code of ethics shall be effective from 9 November 2020 onwards.

NOVA **EMPIRE**

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