

THAI SOLAR ENERGY PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION (UNAUDITED)**

31 MARCH 2022

AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Thai Solar Energy Public Company Limited

I have reviewed the interim consolidated financial information of Thai Solar Energy Public Company Limited and its subsidiaries, and the interim separate financial information of Thai Solar Energy Public Company Limited. These comprises the consolidated and separate statements of financial position as at 31 March 2022, the related consolidated and separate statements of comprehensive income, changes in equity, and cash flows for the three-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

Nuntika Limviriyalers

Certified Public Accountant (Thailand) No. 7358

Bangkok

12 May 2022

Thai Solar Energy Public Company Limited
Statement of Financial Position
As at 31 March 2022

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March	31 December	31 March	31 December
		2022	2021	2022	2021
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Assets					
Current assets					
Cash and cash equivalents		1,043,709	849,068	79,480	79,389
Short-term restricted bank deposits		10,345	9,125	10,345	9,125
Financial assets measured at amortised cost		468	468	468	468
Trade and other receivables	7	396,422	371,513	359,722	327,699
Current portion of long-term loans to subsidiaries	12.3	-	-	78,570	78,520
Inventories		29,363	26,302	-	-
Refundable Value Added Tax		62,993	71,077	-	-
Undue input Value Added Tax		480,190	419,219	284	289
Other current assets		2,121	3,152	1,150	2,884
Total current assets		2,025,611	1,749,924	530,019	498,374
Non-current assets					
Long-term restricted bank deposits		47,028	46,237	1,050	1,050
Long-term loans to subsidiaries	12.3	-	-	5,537,130	5,830,078
Receivables from disposal of investments	12.2	-	-	1,383,683	1,383,683
Investments in subsidiaries		-	-	1,199,150	1,199,150
Investments in joint ventures	8.2	2,062,642	2,049,707	350,000	350,000
Investment properties		101,693	101,931	89,978	89,978
Property, plant and equipment	9	9,437,671	10,463,170	88,032	89,745
Right-of-use assets	9	199,433	302,292	20,539	22,597
Goodwill		47,969	48,540	-	-
Intangible assets	9	4,650,973	4,885,480	3,058	3,357
Deferred tax assets		28,193	22,021	-	-
Other non-current assets		35,641	37,615	19,939	19,812
Total non-current assets		16,611,243	17,956,993	8,692,559	8,989,450
Total assets		18,636,854	19,706,917	9,222,578	9,487,824

Director _____ Director _____

The accompanying notes are an integral of these consolidated and separate financial statements.

Thai Solar Energy Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 March 2022

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		31 March	31 December	31 March	31 December
		2022	2021	2022	2021
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Liabilities and equity					
Current liabilities					
Short-term borrowings from financial institutions	10.1	170,000	230,000	170,000	230,000
Construction and other payables		176,223	152,266	66,772	45,075
Financial liabilities measured at fair value through profit or loss - derivative liabilities	6	547	-	547	-
Current portion of right in power purchase agreement payables		854	843	-	-
Current portion of lease liabilities		22,883	29,092	7,241	7,989
Current portion of long-term borrowings	10.2	524,606	600,856	318,442	331,321
Current portion of debentures	10.3	2,348,955	2,348,498	2,348,955	2,348,498
Income tax payable		6,450	5,537	-	-
Other current liabilities		33,271	38,949	10,767	12,705
Total current liabilities		3,283,789	3,406,041	2,922,724	2,975,588
Non-current liabilities					
Right in power purchase agreement payables		24,713	24,934	-	-
Lease liabilities		201,181	288,317	3,487	4,862
Long-term borrowings from financial institutions	10.2	7,568,826	8,393,802	1,780,936	1,854,569
Debentures	10.3	1,098,552	1,098,311	1,098,552	1,098,311
Financial liabilities measured at fair value through other comprehensive income - derivative liabilities	6	-	50,463	-	-
Employee benefit obligations		22,770	21,559	22,770	21,559
Provision for decommissioning costs		5,865	31,115	2,740	2,722
Deferred tax liabilities		48,466	42,924	3,061	3,557
Other non-current liabilities		72	72	72	72
Total non-current liabilities		8,970,445	9,951,497	2,911,618	2,985,652
Total liabilities		12,254,234	13,357,538	5,834,342	5,961,240

The accompanying notes are an integral of these consolidated and separate financial statements.

Thai Solar Energy Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 March 2022

	Consolidated		Separate	
	financial information		financial information	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Liabilities and equity (Cont'd)				
Equity				
Share capital				
Authorised share capital				
Ordinary shares 2,477,474,454 shares				
of par Baht 1 each	2,477,474	2,477,474	2,477,474	2,477,474
Issued and paid-up share capital				
Ordinary shares 2,117,716,281 shares				
of fully-paid	2,117,716	2,117,716	2,117,716	2,117,716
Premium on ordinary shares	1,045,504	1,045,504	1,045,504	1,045,504
Retained earnings				
Appropriated-legal reserve	134,354	130,022	91,877	91,877
Unappropriated	3,586,518	3,250,080	133,139	271,487
Other components of equity	(501,472)	(193,943)	-	-
Equity attributable to owners of the parent	6,382,620	6,349,379	3,388,236	3,526,584
Non-controlling interests	-	-	-	-
Total equity	6,382,620	6,349,379	3,388,236	3,526,584
Total liabilities and equity	18,636,854	19,706,917	9,222,578	9,487,824

The accompanying notes are an integral of these consolidated and separate financial statements.

Thai Solar Energy Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the three-month period ended 31 March 2022

	Notes	Consolidated financial information		Separate financial information	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Revenue from sales and service		279,968	317,367	-	-
Subsidy for adders		42,741	42,103	-	-
Management service fee income		12,531	11,934	36,708	28,704
Total revenue		335,240	371,404	36,708	28,704
Cost of sales and services		(231,515)	(269,806)	(30,846)	(23,618)
Gross profit		103,725	101,598	5,862	5,086
Dividends income		-	-	172,450	159,538
Other income		1,870	1,975	2,724	3,976
Administrative expenses		(77,777)	(47,452)	(44,191)	(27,343)
Other gains (losses)	8.1	215,143	43,910	(212,569)	(36,323)
Finance costs		(78,301)	(84,691)	(63,120)	(62,065)
Share of profit from investment in joint ventures	8.2	177,435	187,402	-	-
Profit (loss) before income tax		342,095	202,742	(138,844)	42,869
Income tax		(3,153)	(217)	496	424
Profit (loss) for the period		338,942	202,525	(138,348)	43,293
Other comprehensive income (expense) for the period:					
Items that will be reclassified subsequently to profit or loss:					
Currency translation differences		(353,664)	(142,660)	-	-
Change in fair value of hedge derivatives		-	11,368	-	-
Total comprehensive income (expense) for the period		(14,722)	71,233	(138,348)	43,293
Profit (loss) attributable to:					
Owners of the parent		338,942	202,565	(138,348)	43,293
Non-controlling interests		-	(40)	-	-
		338,942	202,525	(138,348)	43,293
Total comprehensive income (expense) attributable to:					
Owners of the parent		(14,722)	71,286	(138,348)	43,293
Non-controlling interests		-	(53)	-	-
		(14,722)	71,233	(138,348)	43,293
		Baht	Baht	Baht	Baht
Earnings (loss) per share					
Profit (loss) per share		0.16	0.10	(0.06)	0.02

The accompanying notes form part of this interim financial information.

Thai Solar Energy Public Company Limited
Statement of Changes in Equity (Unaudited)
For the three-month period ended 31 March 2022

Consolidated financial information										
Attribute to owners of the parent										
Note	Issued and called-up share capital Baht Thousand	Premium on ordinary capital Baht Thousand	Retained earnings		Other components of equity			Total owners of the parent Baht Thousand	Non-controlling interests Baht Thousand	Total Baht Thousand
			Appropriated - legal reserve Baht Thousand	Unappropriated Baht Thousand	Changes in parent's ownership interest in subsidiary Baht Thousand	Translation of financial statements Baht Thousand	Fair value of hedge derivatives Baht Thousand			
Opening balance at 1 January 2021	2,117,716	1,045,504	106,758	2,865,347	(18,292)	(143,759)	(55,972)	5,917,302	2,031	5,919,333
Change in equity for the period										
Appropriation of legal reserve	-	-	608	(608)	-	-	-	-	-	-
Total comprehensive income (expense) for the period	-	-	-	202,565	-	(142,647)	11,368	71,286	(53)	71,233
Closing balance at 31 March 2021	<u>2,117,716</u>	<u>1,045,504</u>	<u>107,366</u>	<u>3,067,304</u>	<u>(18,292)</u>	<u>(286,406)</u>	<u>(44,604)</u>	<u>5,988,588</u>	<u>1,978</u>	<u>5,990,566</u>
Opening balance at 1 January 2022	2,117,716	1,045,504	130,022	3,250,080	(16,464)	(129,516)	(47,963)	6,349,379	-	6,349,379
Change in equity for the period										
Disposal of subsidiaries	-	-	-	1,828	(1,828)	-	47,963	47,963	-	47,963
Appropriation of legal reserve	-	-	4,332	(4,332)	-	-	-	-	-	-
Total comprehensive income (expense) for the period	-	-	-	338,942	-	(353,664)	-	(14,722)	-	(14,722)
Closing balance at 31 March 2022	<u>2,117,716</u>	<u>1,045,504</u>	<u>134,354</u>	<u>3,586,518</u>	<u>(18,292)</u>	<u>(483,180)</u>	<u>-</u>	<u>6,382,620</u>	<u>-</u>	<u>6,382,620</u>

The accompanying notes form part of this interim financial information.

Thai Solar Energy Public Company Limited
Statement of Changes in Equity (Unaudited) (Cont'd)
For the three-month period ended 31 March 2022

	Separate financial information				Total Baht Thousand
	Issued and called-up share capital Baht Thousand	Premium on ordinary capital Baht Thousand	Appropriated - legal reserve Baht Thousand	Unappropriated Baht Thousand	
Opening balance at 1 January 2021	2,117,716	1,045,504	80,091	188,686	3,431,997
Change in equity for the period					
Total comprehensive income (expense) for the period	-	-	-	43,293	43,293
Closing balance at 31 March 2021	<u>2,117,716</u>	<u>1,045,504</u>	<u>80,091</u>	<u>231,979</u>	<u>3,475,290</u>
Opening balance at 1 January 2022	2,117,716	1,045,504	91,877	271,487	3,526,584
Change in equity for the period					
Total comprehensive income (expense) for the period	-	-	-	(138,348)	(138,348)
Closing balance at 31 March 2022	<u>2,117,716</u>	<u>1,045,504</u>	<u>91,877</u>	<u>133,139</u>	<u>3,388,236</u>

The accompanying notes form part of this interim financial information.

Thai Solar Energy Public Company Limited
Statement of Cash Flows (Unaudited)
For the three-month period ended 31 March 2022

	Notes	Consolidated financial information□		Separate financial information□	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Cash flows from operating activities					
Profit (loss) before income tax		342,095	202,742	(138,844)	42,869
Adjustments for:					
Depreciation		75,025	91,135	3,837	3,434
Amortisation	9	14,840	13,645	469	491
Share of profit from investments in joint ventures	8.2	(177,435)	(187,402)	-	-
Provision for long-term employee benefits obligations		1,211	1,076	1,211	1,076
Unrealised (gain) loss on exchange		(56,495)	(193,980)	212,034	35,190
Fair value loss on securities		547	-	547	-
Loss (gain) from disposal/write-off equipment		-	4,507	-	(4)
Gain from disposal of subsidiaries	8.1	(234,437)	-	-	-
Loss from write-off withholding tax		1	-	-	-
Dividends income		-	-	(172,450)	(159,538)
Interest income		(88)	(93)	(2,245)	(3,704)
Finance cost		78,301	84,691	63,120	62,065
Loss on impairment of goodwill		571	571	-	-
		44,136	16,892	(32,321)	(18,121)
Changes in operating assets and liabilities					
Trade and other receivables		24,618	(33,729)	(4,702)	(3,522)
Inventories		(3,061)	(11,125)	-	-
Refundable Value Added Tax		8,084	13,254	-	-
Undue input Value Added Tax		(60,971)	(2,247)	5	31
Other current assets		(704)	4	-	-
Other non-current assets		1,983	2,066	(136)	(51)
Other payables		2,785	(75,565)	19,656	14,613
Other current liabilities		(5,678)	(41,977)	(1,938)	(1,670)
Cash flows from (used in) operating activities		11,192	(132,427)	(19,436)	(8,720)
<u>Add</u> Income tax received		2,693	-	2,693	-
<u>Less</u> Income tax paid		(3,829)	(1,707)	(959)	(846)
Net cash from (used in) operating activities		10,056	(134,134)	(17,702)	(9,566)

The accompanying notes form part of this interim financial information.

Thai Solar Energy Public Company Limited
Statement of Cash Flows (Unaudited) (Cont'd)
For the three-month period ended 31 March 2022

	Notes	Consolidated		Separate	
		financial information□		financial information□	
		31 March	31 March	31 March	31 March
		2022	2021	2022	2021
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Cash flows from investing activities					
Proceeds from disposal of subsidiaries	8.1	530,869	-	-	-
(Increase) decrease in restricted bank deposits		(2,011)	2,125	(1,220)	1,251
Long-term loans made to subsidiaries	12.3	-	-	(12,035)	(21,620)
Repayments received from long-term loans to subsidiaries	12.3	-	-	95,830	127,266
Purchase of property, plant and equipment		(875,179)	(187,340)	(73)	(175)
Proceeds from disposals of equipment		4	-	-	4
Purchase of intangible asset		(197)	(244)	(170)	(244)
Interest received		4	4	5	4,065
Dividends received		136,500	100,388	144,450	100,388
Net cash (used in) from investing activities		(210,010)	(85,067)	226,787	210,935
Cash flows from financing activities					
Proceeds from short-term loans from financial institutions	10.1	100,000	10,000	100,000	10,000
Repayment to short-term loans from financial institutions	10.1	(160,000)	-	(160,000)	-
Repayment to lease liabilities		(10,557)	(10,885)	(2,247)	(2,281)
Proceeds from long-term borrowings	10.2	691,189	188,705	-	-
Repayment to long-term borrowings	10.2	(137,179)	(199,710)	(86,934)	(137,269)
Cash dividends payment		-	-	-	(105,885)
Interest expenses and financial service fees		(89,997)	(81,336)	(59,811)	(66,124)
Net cash from (used in) financing activities		393,456	(93,226)	(208,992)	(301,559)

The accompanying notes form part of this interim financial information.

Thai Solar Energy Public Company Limited
Statement of Cash Flows (Unaudited) (Cont'd)
For the three-month period ended 31 March 2022

	Consolidated financial information□		Separate financial information□	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Net increase (decrease) in cash and cash equivalents	193,502	(312,427)	93	(100,190)
Cash and cash equivalents at beginning of the period	849,068	883,246	79,389	124,975
Effect of exchange differences on cash and cash equivalents	2	313	(2)	7
Effect of exchange differences on translation of financial statements	1,137	104,455	-	-
Cash and cash equivalents at end of the period	1,043,709	675,587	79,480	24,792
Non-cash transactions				
Significant non-cash transactions are as follows:				
Payables arising from construction and purchases of equipment	1,146	12,983	8	-
Capitalise borrowing cost to property, plant and equipment and intangible assets	38,206	4,554	-	-

The accompanying notes form part of this interim financial information.

1 General information

Thai Solar Energy Public Company Limited ("the Company") is a public company limited which is incorporated and domiciled in Thailand. The Company is listed on the Stock Exchange of Thailand and its parent company is P.M. Energy Company Limited (incorporated in Thailand) ("Parent Company"). The address of the Company's registered office is as follows:

725 Metropolis Building, 19th Floor, Sukhumvit Rd., Klongton Nua, Wattana, Bangkok.

For reporting purposes the Company, its subsidiaries and joint venture are referred to as "the Group".

The principal business operations of the Group are generation and distribution of electricity from solar power and biomass to government and private company.

The interim consolidated and separate financial information was authorised for issue by the Board of Directors on 12 May 2022.

This interim consolidated and separate financial information has been reviewed, not audited.

2 Basis of preparation

The interim consolidated and separated financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2021.

An English version of these interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2021.

New and amended Thai Financial Reporting Standards effective for the accounting periods beginning on or after 1 January 2022 do not have material impact on the Group.

4 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

5 Segment and revenue information

The principal business operations of the Group are generation and distribution of electricity from solar power and biomass and operating its business in Thailand and in Japan. Segment information is presented in respect of the Group's geography segments which are domestic and international. The two segments presented were classified and reviewed by authorised persons which are Chief Executive Officer and the Executive Committee.

Financial information by geography segment

	For the three-month period ended 31 March (Million Baht)									
	Domestic		International		Total		Elimination		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Revenue from operations	345.61	330.95	16.34	59.74	361.95	390.69	(26.71)	(19.29)	335.24	371.40
Other income	3.14	4.31	0.95	1.36	4.09	5.67	(2.22)	(3.69)	1.87	1.98
Dividends income	418.25	173.24	-	-	418.25	173.24	(418.25)	(173.24)	-	-
Cost of operations	(212.73)	(212.36)	(25.55)	(57.38)	(238.28)	(269.74)	6.76	(0.07)	(231.52)	(269.81)
Operating profit	554.27	296.14	(8.26)	3.72	546.01	299.86	(440.42)	(196.29)	105.59	103.57
Administrative expenses	(79.31)	(53.28)	(18.19)	(13.24)	(97.50)	(66.52)	19.72	19.07	(77.78)	(47.45)
Profit (loss) before finance cost and taxes	474.96	242.86	(26.45)	(9.52)	448.51	233.34	(420.70)	(177.22)	27.81	56.12
Finance costs	(81.06)	(82.75)	(4.01)	(10.18)	(85.07)	(92.93)	6.77	8.24	(78.30)	(84.69)
Other gains (losses)	(213.92)	(21.37)	230.28	(2.38)	16.36	(23.75)	198.78	67.66	215.14	43.91
Share of profit from investments in joint ventures	177.44	187.40	-	-	177.44	187.40	-	-	177.44	187.40
Operating results before taxes	357.42	326.14	199.82	(22.08)	557.24	304.06	(215.15)	(101.32)	342.09	202.74
Income tax	(2.50)	0.46	(0.65)	(0.68)	(3.15)	(0.22)	-	-	(3.15)	(0.22)
Net profit (loss)	354.92	326.60	199.17	(22.76)	554.09	303.84	(215.15)	(101.32)	338.94	202.52
Timing of revenue recognition										
At a point in time									322.71	359.47
Over time									12.53	11.93
Total revenue									335.24	371.40
Total assets	18,344.52	18,497.02	10,490.02	10,530.70	28,834.54	29,027.72	(10,197.69)	(10,097.29)	18,636.85	18,930.43
Total liabilities	12,608.38	13,300.22	8,088.88	7,771.09	20,697.26	21,071.31	(8,443.03)	(8,131.45)	12,254.23	12,939.86

6 Fair value

The following table presents financial assets and liabilities that are measured at fair value, excluding where its fair value is approximating the carrying amount.

	Consolidated financial information	
	Level 2	
	31 March 2022	31 December 2021
	Baht Thousand	Baht Thousand
Financial liabilities		
Hedging derivatives - Interest rate swaps	-	50,463
Derivatives - Foreign currency forwards	547	-
	Separate financial information	
	Level 2	
	31 March 2022	31 December 2021
	Baht Thousand	Baht Thousand
Financial liabilities		
Derivatives - Foreign currency forwards	547	-

Valuation techniques used to measure fair value level 2

Fair value of interest rate swaps are calculated as the present value of the estimated future cash flows based on observable yield curve.

The fair value of forward foreign exchange contracts is determined by using forward exchange rates on the statement of financial position date, with the resulting value discounted back to present value.

7 Trade and other receivables

Trade and other receivables as at 31 March 2022 and 31 December 2021 comprise the following:

	Consolidated financial information		Separate financial information	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Trade receivables	210,544	199,692	-	-
<u>Less</u> Expected credit loss	-	-	-	-
Total trade receivables, net	210,544	199,692	-	-
Amounts due from and advances to related parties (Note 12.2)	4,469	4,469	190,783	187,115
Prepaid expenses	11,477	20,482	3,544	3,652
Dividends receivable (Note 12.2)	164,500	136,500	164,500	136,500
Other receivables	11,977	12,155	8,533	8,688
Advance payment	1,955	6,715	862	244
Total other receivables	194,378	180,321	368,222	336,199
<u>Less</u> Expected credit loss	(8,500)	(8,500)	(8,500)	(8,500)
Total other receivables, net	185,878	171,821	359,722	327,699
Total trade and other receivables	396,422	371,513	359,722	327,699

All outstanding trade receivables are not yet due.

8 Investments in subsidiaries and joint ventures

8.1 Movements of investments in subsidiaries

Disposal of investment under TSE Group International Pte. Ltd.

On 1 March 2022, TSE Group International Pte. Ltd. disposed investment in Ishikawa Hanamizuki 1 G.K. for a consideration of Baht 703.10 million. The Group deconsolidated and ceased consolidating this subsidiary since 1 March 2022. The Group recognised a gain from disposal of investment amounting to Baht 234.46 million under "Other gains (losses)" in the statement of comprehensive income in consolidated financial information for the three-month period ended 31 March 2022.

Disposal of investment under Solar Assets Pte. Ltd.

On 1 March 2022, Solar Assets Pte. Ltd. disposed investment in Ibaraki Ushiku 2 G.K. for a consideration of Baht 13.39 million. The Group deconsolidated and ceased consolidating this subsidiary since 1 March 2022. The Group recognised a loss from disposal of investment amounting to Baht 0.02 million under "Other gains (losses)" in the statement of comprehensive income in consolidated financial information for the three-month period ended 31 March 2022.

8.2 Movements of investments in joint ventures

Movements of investments in joint ventures for three-month periods ended 31 March 2022 and 2021 are as follows:

	Consolidated financial information		Separate financial information	
	Equity method		Cost method	
	2022	2021	2022	2021
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Opening net book value	2,049,707	1,992,688	350,000	350,000
Share of profit	177,435	187,402	-	-
Dividends received	(164,500)	(148,050)	-	-
Closing net book value	2,062,642	2,032,040	350,000	350,000

Thai Solar Renewable Company Limited, joint venture, has pledged share certificates of its subsidiary, Siam Solar Energy 1 Company Limited, amounting to Baht 1,080 million (31 December 2021: Baht 1,080 million) as collateral for the subsidiary's credit facilities granted by a commercial bank. In addition, Siam Solar Energy 1 Company Limited has mortgaged its land including constructions thereon and machinery with a total net book value of Baht 4,363.91 million (31 December 2021: Baht 4,424.52 million) and pledged bank deposits amounting to Baht 349 million (31 December 2021: Baht 305 million) as collateral for credit facilities granted by a commercial bank.

9 Property, plant and equipment, intangible assets and right-of-use assets

Movements of property, plant and equipment, intangible assets and right-of-use assets for the three-month period ended 31 March 2022 are as follows:

	Consolidated financial information			Separate financial information		
	Property, plant and equipment	Intangible assets	Right-of-use assets	Property, plant and equipment	Intangible assets	Right-of-use assets
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Opening net book value	10,463,170	4,885,480	302,292	89,745	3,357	22,597
Disposal of subsidiaries (Note 8.1)	(1,419,673)	-	(89,923)	-	-	-
Additions	913,385	196	1,559	66	170	-
Disposals and write-off, net	(4)	-	-	-	-	-
Depreciation and amortisation	(66,558)	(14,840)	(8,229)	(1,779)	(469)	(2,058)
Foreign currency translation differences	(452,649)	(219,863)	(6,266)	-	-	-
Closing net book value	9,437,671	4,650,973	199,433	88,032	3,058	20,539

Borrowing costs incurring from the borrowings for the construction of the power plants during the period were capitalised in property, plant and equipment and included as "Additions" for Baht 38.21 million (31 December 2021: Baht 117.63 million). The Group used the capitalisation rates of 2.81% to 4.58% per annum (31 December 2021: 2.82% to 4.58% per annum) to calculate the borrowing costs for the capitalisation. The capitalisation rate is the actual rate of the borrowings which were used for the construction.

Land, building and equipment with the net book value amounting to Baht 7,723.13 million (31 December 2021: Baht 8,724.29 million) have been pledged as collaterals for credit facilities obtained from commercial bank.

10 Borrowings

10.1 Short-term borrowings from financial institutions

Movements in short-term borrowings from financial institutions for the three-month period ended 31 March 2022 are analysed as follows:

	Consolidated and Separate financial information Baht Thousand
Opening net book value	230,000
Cash inflows (outflows):	
Additions	100,000
Repayment	(160,000)
Closing net book value	170,000

As at 31 March 2022, the short-term borrowings comprised promissory notes issued to financial institution amounting to Baht 170 million with interest rate of 2.70% and 3.05% per annum. The principal repayments are due on 18 and 22 May 2022, respectively.

10.2 Long-term borrowings from financial institutions

Movements in long-term borrowings from financial institutions for the three-month period ended 31 March 2022 are analysed as follows:

	Consolidated financial information	Separate financial information
	Baht Thousand	Baht Thousand
Opening net book value	8,994,658	2,185,890
Cash inflows (outflows):		
Additions	691,189	-
Repayment	(137,179)	(86,934)
Non-cash changes:		
Disposal of subsidiaries (Note 8.1)	(1,104,210)	-
Foreign currency translation differences	(353,498)	-
Amortisation of financial service fee	2,472	422
Closing net book value	8,093,432	2,099,378
<u>Less</u> Current portion of long-term borrowings	(524,606)	(318,442)
Long-term borrowings payable more than 1 year	7,568,826	1,780,936

The long-term borrowings from financial institutions of the Group are secured by the pledge and the assignment of rights over the Group's bank deposits, land with construction thereon and machinery, the assignment of rights under all project agreements, pledge of the certain shares held by the subsidiaries and the jointly controlled entity's shares held by the Company, pledge of the Company's shares that held by P.M. Energy Company Limited, shares of subsidiaries, and the right to receive dividends from subsidiaries and jointly controlled companies, and guarantee by the Company amounting to Baht 9,714.41 million.

The loan agreements contain covenants imposed on the Group as specified in the agreements, related to such matters as dividend payment, reduction of share capital, merger or consolidation with any other entities and maintenance of certain debt to equity and debt service coverage ratios.

10.3 Debentures

There was no movement of debentures during the three-month period ended 31 March 2022.

11 Dividends

Subsidiaries

On 14 February 2022, the Board of Directors Meeting of TSE Rooftop Co., Ltd. approved an interim dividend payment in respect of operating result for the year ended 31 December 2021 to the shareholders at Baht 0.44 per share amounting to Baht 7.95 million and appropriate its net income to legal reserve amounting to Baht 0.42 million. The dividends were paid to shareholders on 25 February 2022.

On 3 March 2022, the Board of Directors Meeting of Siam Solar Power Plc. approved an interim dividend payment in respect of operating result for the year ended 31 December 2021 to the shareholders at Baht 0.09 per share amounting to Baht 27.60 million and appropriate its net income to legal reserve amounting to Baht 1.29 million. The dividends were paid to shareholders on 22 March 2022.

On 3 March 2022, the Board of Directors Meeting of Oscar Save The World Co., Ltd. approved an interim dividend payment in respect of operating result for the period ended 30 September 2021 to the shareholders at Baht 6.87 per share amounting to Baht 40 million and appropriate its net income to legal reserve amounting to Baht 2.62 million. The dividends were paid to shareholders on 30 March 2022.

On 16 March 2022, the Board of Directors Meeting of TSE Group International Pte. Ltd. approved an interim dividend payment in respect of operating result for the year 2021 to the shareholders at Yen 49 per share amounting to Yen 880 million. The dividends were paid to shareholders on 16 March 2022.

12 Related party transactions

12.1 Sales of services and dividends

For the three-month periods ended	Consolidated financial information		Separate financial information	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Sales of services				
Subsidiaries	-	-	24,177	16,770
Joint venture	12,650	12,053	12,650	12,053
	12,650	12,053	36,827	28,823
Dividends income				
Subsidiaries	-	-	7,950	11,488
Joint venture	-	-	164,500	148,050
	-	-	172,450	159,538

12.2 Outstanding balances arising from sales/purchases of goods and services

	Consolidated financial information		Separate financial information	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Amounts due from and advances to related parties				
Subsidiaries	-	-	186,314	182,646
Joint venture	4,469	4,469	4,469	4,469
	4,469	4,469	190,783	187,115
Dividends receivable				
Joint venture	164,500	136,500	164,500	136,500
Receivables from disposal of investments				
Subsidiaries	-	-	1,383,683	1,383,683

12.3 Long-term loans to subsidiaries

The movements of long-term loans to subsidiaries during the three-month period ended 31 March 2022 are as follows:

	Separate financial information	
	31 March 2022 Baht Thousand	31 March 2021 Baht Thousand
Opening net book value	5,908,598	6,214,590
Cash changes:		
Additions	12,035	21,620
Repayment received	(95,830)	(127,266)
Non-cash changes:		
Foreign currency translation differences	(209,103)	(84,820)
Closing net book value	5,615,700	6,024,124

Long-term loans to subsidiaries are in form of loan agreements denominated in Japanese Yen, Singapore Dollar and Thai Baht. Loans amounting to Baht 5,420.83 million with no interest and the remaining amount carry interest at 4.3% per annum which are due for repayment at call, and within 2022 and 2028, respectively.

The management do not have intention to call the for repayment of loans due at call in the next 12 months amounting to Baht 5,332.32 million and classify these loans as long-term accordingly.

12.4 Key management compensation

	Consolidated financial information		Separate financial information	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
	For the three-month periods ended			
Short-term employee benefits	10,616	9,542	5,740	4,947
Post-employment benefits	441	407	441	407
	11,057	9,949	6,181	5,354

13 Commitments and contingencies

13.1 Capital commitments

As at 31 March 2022 and 31 December 2021, capital expenditure contracted but not recognised as liabilities are as follows:

	Currency	Consolidated and Separate financial information	
		31 March 2022	31 December 2021
Power plants	USD Thousand	16,694	17,555
Power plants	JPY Thousand	11,818,680	11,818,680

13.2 Power purchase agreements

During the three-month period ended 31 March 2022, the Group does not have new power purchase agreements in addition to those agreements disclosed in Note 38.2 to the 2021 annual financial statements.

13.3 Commitments and significant agreements

During the three-month period ended 31 March 2022, there is no material change in significant commitments and agreements from those disclosed in Note 38.3 to the 2021 annual financial statements.

13.4 Contingencies

Guarantees

As at 31 March 2022, there were outstanding bank guarantees of Baht 6 million (31 December 2021: Baht 6 million) issued by banks on behalf of the Company and its subsidiaries in respect of certain performance as required in the normal course of business.

14 Events after the reporting period

On 12 April 2022, the Annual General Meeting of Shareholders approved dividends payment in respect of operating result for the year 2021 to the shareholders at Baht 0.04 per share amounting to Baht 74.12 million. The dividends were paid to shareholders on 22 April 2022.