**Power Solution Technologies Public Company Limited and its subsidiaries**

**Notes to consolidated financial statements**

**For the year ended 31 December 2021**

**1. General information**

**1.1 Corporate information**

Power Solution Technologies Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the distribution and installation of all types of power control system and power backup system, construction of power plant and production and distribution of electricity generated from solar power to state enterprises. The registered office of the Company is at PST Building 325/1, Phaholyothin Road, Sai Mai Sub-district, Sai Mai District, Bangkok.

On 25 June 2021, the Company registered with the Ministry of Commerce the change of its address to No. 389 PSTC Building, Vibhavadi Rangsit Road, Samsen Nai Sub-district, Phaya Thai District, Bangkok.

**1.2** **Coronavirus disease 2019 Pandemic**

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

**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 Power Solution Technologies Public Company Limited and its subsidiaries (“the Group”) as follows.

|  |  |  |  |
| --- | --- | --- | --- |
|  | Country of | Percentage of | |
| Company’s name | incorporation | shareholding | |
|  |  | 2021 | 2020 | |
|  |  | (%) | (%) | |
| **Subsidiaries held by the Company** |  |  |  | |
| Solar Power Plant Sector |  |  |  | |
| Kanha Solar Power Company Limited | Thailand | 100 | 100 | |
| Solar Go Green Company Limited | Thailand | 100 | 100 | |
| Power We Green Company Limited | Thailand | 100 | 100 | |
| PST Energy 2 Company Limited | Thailand | 100 | 100 | |
| Big Power Corporation Company Limited | Thailand | - | 100 | |
| Greyhound Inter Trade Company Limited | Thailand | - | 30 | |
| PST Power Joint Venture | Thailand | 100 | 100 | |
| Biomass Power Plant Sector |  |  |  | |
| Bio Go Green Company Limited | Thailand | - | 100 | |
| PST Energy 1 Company Limited | Thailand | 100 | 100 | |
| Bio Green Energy 1 Company Limited | Thailand | - | 100 | |
| Bio Green Energy 2 Company Limited | Thailand | 100 | 100 | |
| Bio Green Energy 3 Company Limited | Thailand | - | 100 | |
| Bio Green Energy 5 Company Limited | Thailand | - | 100 | |
| Biogas Power Plant Sector |  |  |  | |
| Millionaire Suphan Biogreen Power Company Limited | Thailand | 100 | 100 | |
| Aran Power Company Limited | Thailand | 100 | 100 | |
| Nawarat Beverage Company Limited | Thailand | - | 51 | |
| Other Renewable Power Plant Sector |  |  |  | |
| PST (Ubonratchathani) Company Limited | Thailand | - | 100 | |
| PST Energy 3 Company Limited | Thailand | 100 | 100 | |
| Global Solar Energy Company Limited | Thailand | 100 | 100 | |
| (Formerly known as “PST Energy 4  Company Limited”) |  |  |  | |
| PST Energy 7 Company Limited | Thailand | 100 | 100 | |
| PST Energy 8 Company Limited | Thailand | 100 | 100 | |
| Wind Go Green Company Limited | Thailand | - | 100 | |

|  |  |  |  |
| --- | --- | --- | --- |
|  | Country of | Percentage of | |
| Company’s name | incorporation | shareholding | |
|  |  | 2021 | 2020 | |
|  |  | (%) | (%) | |
| **Subsidiaries held by the Company (continue)** |  |  |  | |
| Fuel Distribution Sector |  |  |  | |
| Biggas Technology Company Limited | Thailand | 100 | 100 | |
| Construction Service Sector |  |  |  | |
| PSTC Engineering Company Limited | Thailand | 100 | 100 | |
| TSHI Engineering Company Limited | Thailand | 90 | 90 | |
| Other Business Sector |  |  |  | |
| PST Energy Company Limited | Thailand | 100 | 100 | |
| **Subsidiaries held by PST Energy Company Limited** |  |  |  | |
| Biomass Power Plant Sector |  |  |  | |
| Well Korat Energy Company Limited | Thailand | 100 | 100 | |
| Biogas Power Plant Sector |  |  |  | |
| Srayaisom Power Plant Company Limited | Thailand | 100 | 100 | |
| Kunputpeng Power Plant Company Limited | Thailand | 100 | 100 | |
| Other Renewable Power Plant Sector |  |  |  | |
| PST MSW 1 Company Limited | Thailand | - | 80 | |
| Other Business Sector |  |  |  | |
| PSTC International Company Limited | Thailand | 100 | 100 | |
|  | |  |  | |
| **Subsidiary held by Biggas Technology Company Limited** | |  |  | |
| Fuel Distribution and Logistics Sector |  |  |  | |
| JN Energy Corporation Company Limited | Thailand | 100 | 100 | |
| BGT Logistics Company Limited | Thailand | 98 | - | |
|  | |  |  | |
| **Subsidiary held by Big Power Corporation Company Limited** | |  |  | |
| Solar Power Plant Sector |  |  |  | |
| Greyhound Inter Trade Company Limited | Thailand | - | 40 | |
|  | |  |  | |
| **Subsidiary held by Greyhound Inter Trade Company Limited** | |  |  | |
| Solar Power Plant Sector |  |  |  | |
| PST - GIT Joint Venture Company Limited | Thailand | - | 100 | |
|  | |  |  | |
| **Subsidiary held by PST Energy 2 Company Limited** | |  |  | |
| Solar Power Plant Sector |  |  |  | |
| PES - ERS Joint Venture Company Limited | Thailand | - | 100 | |
|  |  |  |  | |

Disposal of subsidiaries

* In February 2021, the Group disposed investments in subsidiaries as follows.

a) Disposed investment in Nawarat Beverage Company Limited (11% of shareholding) to non-related party,

b) Disposed all investments in Bio Green Energy 1 Company Limited to non-related party,

c) Disposed all investments in Greyhound Inter Trade Company Limited, PES - ERS Joint Venture Company Limited and PST - GIT Joint Venture Company Limited at cost.

* In April 2021, the Group disposed all investments in Bio Green Energy 3 Company Limited to non-related party.
* In June 2021, the Group disposed all investments in Bio Go Green Company Limited to non-related party.
* In September 2021, the Group disposed all investments in Bio Green Energy 5 Company Limited to non-related party.

Such subsidiaries ended being the Group’s subsidiaries since the date of investment disposal.

Dissolution of subsidiaries

- In February 2021, a meeting of the Board of Directors of the Company passed resolutions approving the dissolution of these 7 subsidiaries as follow.

a) Wind Go Green Company Limited (WGG)

b) PST (Ubonratchathani) Company Limited (UBN)

c) Big Power Corporation Company Limited (BPC)

d) PST MSW 1 Company Limited (MSW1)

e) PST Energy 3 Company Limited (PSTE3)

f) PST Energy 7 Company Limited (PSTE7)

g) PST Energy 8 Company Limited (PSTE8)

Such subsidiaries filed for deregistration in May 2021. Currently, such subsidiaries have been during the liquidation process.

Purchase of subsidiary

* In March 2021, Biggas Technology Company Limited (“BIGGAS”), which is a subsidiary of the Company, acquired ordinary shares in BGT Logistics Company Limited (“BGTL”) from a shareholder by Baht 4,559,900, comprising of 45,599 shares with a value of Baht 100 per share. As a result, BIGGAS became major shareholder with 91% of shareholding. The registration of change in the number of share capital held by BIGGAS was completed on 23 March 2021 and BGTL became a subsidiary of the Company by holding shares through BIGGAS since thereon.

These consolidated financial statements include the statement of financial position of BGTL as at 31 December 2021 and the statement of comprehensive income for the period as from 23 March 2021 to 31 December 2021. During the year, the Company recognised identifiable assets and liabilities that existed as of the acquisition date for allocation cost of business acquisition.

Details of the fair value and net book value of net assets of BGTL as at the date of being a subsidiary of BIGGAS are as follows:

|  | (Unit: Thousand Baht) | | |
| --- | --- | --- | --- |
|  | Fair Value | Book Value | |
| **Assets** |  |  | |
| Cash and cash equivalent | 3,135 | 3,135 | |
| Trade and other receivables | 4,755 | 4,755 | |
| Other current assets | 774 | 774 | |
| Equipment | 17,856 | 17,856 | |
| Other non-current assets | 46 | 46 | |
| Deferred tax asset | 1,164 | - | |
| Total assets | 27,730 | 26,566 | |
| **Liabilities** |  |  | |
| Trade and other payables | 5,661 | 5,661 | |
| Short-term loan | 200 | 200 | |
| Other current liabilities | 13 | 13 | |
| Lease Liabilities | 16,534 | 16,534 | |
| Long-term loan | 10,590 | 10,590 | |
| Provision for employee benefits | 366 | - | |
| Total liabilities | 33,364 | 32,998 | |
| **Net asset value** | (5,634) | (6,432) | |
| Investment portion (%) | 91.2 | |  | |
| Net asset attributable to investment portion  of BIGGAS | (5,138) | |  | |
| Purchase price | 4,560 | |  | |
| Positive goodwill | 9,698 | |  | |

Material balances and transactions between the Company and its subsidiaries, investments in the subsidiaries as recorded in the Company's account and shareholders’ equity of the subsidiaries have been eliminated from these consolidated financial statements.

b) The Company is deemed to have control over an investee 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's accounting policies.

e) Material balances and transactions between the Group has 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 of the Company present investments in subsidiary companies under the cost method.

**3. New financial reporting standards**

**3.1 Financial reporting standards that become effective in the current year**

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. 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 2022**

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 2022. 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, for some standards, providing temporary reliefs or temporary exemptions for users.

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 Revenue and expense recognition**

*Sales income*

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

b) Sales of electricity - Revenue from sale of electricity is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue from sale of electricity is measured at the amount of the electricity tariff adders netting of fuel adjustment charge (Ft), excluding value added tax, of electricity supplied.

*Services income*

a) Revenue from construction service - The Group considers that the construction contracts have one obligation. The Group recognised revenue from construction service by using the result from the stage of completion based on the assessment of the project engineers or controllers.

The Group will consider the probability of revenue recognition from the contract changes, damage claims, delays in delivering work and fines according to the contracts by recognising revenue in case of a high probability that there is no significant reversal amount of revenue recognised.

If the amount and completion of construction contracts cannot be reasonably measured, the service income from construction contracts will be recognised based on the recoverable actual cost.

b) Rendering of services - Service revenue is recognised when services have been rendered taking into account the stage of completion, measuring based on the information from the project engineers or controllers of the Group or comparison of actual construction cost incurred up to the end of the period and total anticipated construction costs to be incurred to completion.

The recognised revenue which is not yet due per the contracts has been presented under the caption of “Contract asset” in the statement of financial position.

The obligation to transfer goods or services to a customer for which the Group has received consideration or an amount of consideration is due from the customer is presented under the caption of “Contract liability” in the statement of financial position.

*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).

*Dividend income*

Dividends are recognised as income when the right to receive the dividend is established.

*Finance cost*

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

**4.2 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.

**4.3 Contract assets/Contract liabilities**

Contract asset is the Group’s right to consideration in exchange for goods or services that the Group has transferred to a customer, when that right is conditioned on something other than the passage of time. The recognised revenue which is not yet due per the contracts has been recognised as contract asset as well. In case of construction contract, contract asset is recognised to the extent that amount of accumulated recognised income exceeds billed receivable amount. The Group recognises contract asset at cost less allowance for impairment (if any). The amounts recognised as contract assets are reclassified to trade receivables when the Group’s right to consideration is unconditional such as upon completion of services and acceptance by the customer.

Contract liability is the Group’s obligations to transfer goods or services to a customer for which the Group has received consideration from the customer (or has right to consideration). In case of construction contract, contract liability is recognised to the extent tha amount of billed receivable exceeds accumulated recognised income. Contract liabilities are recognised as revenue when the Group performs under the contract.

**4.4 Inventories**

Inventories are valued at the lower of cost (under the weighted average method) and net realisable value. Work in process includes costs and labour costs of installation, which is not yet completed.

Spare parts and supplies are valued at the lower of average cost and net realisable value and are charged to the cost when consumed.

Allowance for diminution in value of inventories is set up for old, obsolete, slow-moving or deteriorated inventories.

**4.5 Investments in subsidiaries and joint venture**

Investment in joint venture is accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries are accounted for in the separate financial statements using the cost method less loss on impairment of investments (if any).

## 4.6 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 30 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

**4.7 Property, plant and equipment/Depreciation**

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

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

Buildings 20 and 30 years

Building improvement 5, 10, 15 and 20 years

Buildings and building improvement - power plant 10, 20 and 25 years

Solar cell and related equipment 5, 10, 20 and 25 years

Tools and equipment 5 and 15 years

Furniture, office equipment and computers 3 and 5 years

Motor vehicles 5 years

Equipment for rent 5 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

An item of property, 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.

**4.8 Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**4.9 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 a systematic 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:

|  |  |
| --- | --- |
| Computer software | 3 and 5 years |
| Right to generate and sell electricity | 25 years |

**4.10 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

**4.11 Business combination**

The cost of an acquisition is measured at fair value which is the amount of cash or cash equivalents, or the fair market value of any other consideration given as determined at the date of acquisition.

For investment in subsidiaries, the Group accounts for acquisition-related costs such as professional fees and other consulting fees, as expenses in the period in which the costs are incurred and the services are rendered.

At the acquisition date, the Group measures components of non-controlling interests amount by identifying the acquiree’s net assets to the present proportionate share.

4.12 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 Group 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.

4.13 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, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received. 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 22 years

Buildings and building improvement 3 years

Buildings and building improvement - power plant 20 years

Solar power and related equipment 7 years

Tools and equipment 1 and 3 years

Furniture, office equipment and computers 2 and 3 years

Motor vehicles 1 and 5 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.

Right-of-use assets are presented as part of property, plant and equipment in the statement of financial position.

***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.

**The Group as a lessor**

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

**4.14 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 associates, 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.

**4.15 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Group’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 determining income.

**4.16 Impairment of non-financial assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the property, 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 unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

**4.17 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 Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund’s assets are held in a separate trust fund and the Group’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. 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 post-employment benefits 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.

**4.18 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.

**4.19 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 they recognise 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.

**4.20 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 or for which at contract inception the Group expected payment by the customer less than one year and the Group has applied the practical expedient regarding not to adjust the effects of 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 FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value including interest income recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

The Group may elect to measure financial assets at FVTPL if doing so eliminates, or significantly reduces a recognition inconsistency (Accounting mismatch).

**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.

**Recognition and derecognition of financial instruments**

Financial assets are recognised or derecognised on the trade date, i.e., the date on which the Group becomes a party to contractual provisions of the instrument / the settlement date, i.e., the date on which an asset is delivered to or by the Group. This includes regular way trades.

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.

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 and contract assets, 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.

**4.21 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 observable 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:

**Revenue from contracts with customers**

***Determination of timing of revenue recognition***

In calculating the revenue recognised over time, the management is required to use judgement regarding measuring progress towards complete satisfaction of a performance obligation, measuring based on information provided by the Group’s engineers or project managers or measuring based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs to be incurred to completion.

**Allowance for expected credit losses of trade accounts receivable and contract assets**

In determining an allowance for expected credit losses of trade accounts receivableand contract assets, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group’s historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

**Property plant and equipment/Depreciation**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the 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 property, 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 judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

**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 judgment 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 5 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 property, plant and equipment and goodwill recognised by the Group.

**6. Related party transactions**

The relationships between the Company and its related parties are summarised below.

| Name | Relationship |
| --- | --- |
| Kanha Solar Power Company Limited | Subsidiary |
| Solar Go Green Company Limited | Subsidiary |
| Power We Green Company Limited | Subsidiary |
| PST Energy Company Limited | Subsidiary |
| PST Energy 1 Company Limited | Subsidiary |
| PST Energy 2 Company Limited | Subsidiary |
| PST Energy 3 Company Limited | Subsidiary |
| Global Solar Energy Company Limited | Subsidiary |
| (Formerly known as “PST Energy 4 Company Limited”) |  |
| PST Energy 7 Company Limited | Subsidiary |
| PST Energy 8 Company Limited | Subsidiary |
| PSTC Engineering Company Limited | Subsidiary |
| Aran Power Company Limited | Subsidiary |
| Millionaire Suphan Biogreen Power Company Limited | Subsidiary |
| Biggas Technology Company Limited | Subsidiary |
| Bio Green Energy 2 Company Limited | Subsidiary |
| TSHI Engineering Company Limited | Subsidiary |
| PST Power Joint Venture | Subsidiary |
| Srayaisom Power Plant Company Limited | Subsidiary (held by a subsidiary) |
| Kunputpeng Power Plant Company Limited | Subsidiary (held by a subsidiary) |
| PSTC International Company Limited | Subsidiary (held by a subsidiary) |
| JN Energy Corporation Company Limited | Subsidiary (held by a subsidiary) |
| BGT Logistics Company Limited | Subsidiary (held by a subsidiary) |
| Well Korat Energy Company Limited | Subsidiary (held by a subsidiary) |
| Nawarat Beverage Company Limited | Associate (being subsidiary until February 2021) |
| Thai Pipeline Network Company Limited | Joint venture |
| PV Green Company Limited | Other investment (held by the Company) |
| Lightup Design Company Limited | Other investment (held by the Company) |
| Triple S ECO Company Limited | Other investment (held by a subsidiary) |
| G-able Company Limited | Common director |
| CH.Chana Anantapanich Company Limited | Common director |
| The Imperial Angkor Palace Company Limited | Common director |
| TCC Property Management Company Limited | Common director |
| TCC Business Management Company Limited | Common director |
| TCC Land International (Thailand) Company Limited | Common director |
|  |  |
|  |  |
|  |  |
| Surathip Sriburi Public Company Limited | Common director |
| Surathip Vienglavo Public Company Limited | Common director |
| Ichi Consulting Company Limited | Common director |
| Intelligent Sign System Company Limited | Common director |
| Terabyte Comtel Company Limited | Common director |
| SHL Corp Company Limited | Common director |
| Plaza Athenee Company Limited | Common director |
| Residence Retail Company Limited | Common director |
| S.A.S. Trading Company Limited | Common director |
| Asset World Corp Public Company Limited | Common director |
| Asset World Wex Company Limited | Common director |
| Hermitage Consultant Company Limited | Common director |
| T52 Asset Company Limited | Common director |
| We Retail Public Company Limited | Common director |
| Directors | Directors of the Group |
| Greyhound Inter Trade Company Limited | Ended being subsidiary in February 2021 |
| PES - ERS Joint Venture Company Limited | Ended being subsidiary in February 2021 |
| PST - GIT Joint Venture Company Limited | Ended being subsidiary in February 2021 |
| Bio Green Energy 1 Company Limited | Ended being subsidiary in February 2021 |
| Bio Green Energy 3 Company Limited | Ended being subsidiary in April 2021 |
| Bio Go Green Company Limited | Ended being subsidiary in June 2021 |
| Wind Go Green Company Limited | Ended being subsidiary in June 2021 |
| PST (Ubonratchathani) Company Limited | Ended being subsidiary in June 2021 |
| Big Power Corporation Company Limited | Ended being subsidiary in June 2021 |
| PST MSW 1 Company Limited | Ended being subsidiary in June 2021 |
| Bio Green Energy 5 Company Limited | Ended being subsidiary in September 2021 |

During the years, the Group had significant business transactions with persons or 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.

(Unit: Million Baht)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |  |
|  | 2021 | 2020 | 2021 | 2020 | Transfer Pricing Policy |
| **Transactions with subsidiaries** | |  |  |  |  |
| Revenue from construction | - | - | 62.9 | 9.0 | Cost plus margin |
| Sales income | - | - | - | 2.1 | Cost plus margin |
| Other income | - | - | 24.8 | 37.3 | Contract price |
| Interest income | - | - | 0.7 | 20.7 | 4.00% - 5.00% per annum (2020: 4.25% - 5.00% per annum) |
| Dividend income | - | - | 14.2 | 1,156.6 | As declared |
| Interest expenses | - | - | 5.5 | 4.5 | 3.75% - 5.00% per annum (2020: 0.90% - 5.00% per annum) |
| Other expense | - | - | 0.7 | - | Contract price |
| **Transactions with joint ventures** | |  |  |  |  |
| Other income 18.8 | | 16.4 | - | - | Contract price |
| **Transactions with related parties** | |  |  |  |  |
| Sales income | - | 2.2 | - | 2.2 | Cost plus margin |
| Other expenses | - | 0.2 | - | 0.2 | Contract price |

As at 31 December 2021 and 2020, the balances of the accounts between the Group is as follows:

(Unit: Thousand Baht)

|  | Consolidated  financial statements | | | Separate financial statements | |
| --- | --- | --- | --- | --- | --- |
|  | 2021 | | 2020 | 2021 | 2020 |
| **Trade and other receivables - related parties (Note 8)** | |  | |  |  |
| Subsidiaries | - | | - | 379,853 | 485,757 |
| Joint venture | 1,830 | | - | - | - |
| Related companies (related by shareholders |  | |  |  |  |
| and/or directors) | 18,075 | | 1,480 | 18,075 | - |
| Total | 19,905 | | 1,480 | 397,928 | 485,757 |
| Less: Allowance for expected credit losses | (5,607) | | - | (5,966) | (5,605) |
| Total trade and other receivables - related parties, net | 14,298 | | 1,480 | 391,962 | 480,152 |
| **Trade and other payables - related parties (Note 22)** |  | |  |  |  |
| Subsidiaries | - | | - | 28,103 | 146,776 |
| Total trade and other payables - related parties | - | | - | 28,103 | 146,776 |

Short-term loans to related party

As at 31 December 2021 and 2020, the balances of short-term loans to related party and the movement in loans are as follows:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | |
|  | Balance as at |  | | Balance as at |
|  | 31 December | During the year | | 31 December |
|  | 2020 | Increase | Decrease | 2021 |
| **Short-term loans to related party** | |  |  |  |
| Associate |  |  |  |  |
| Nawarat Beverage Company Limited | - | 55,061 | - | 55,061 |
| Total | - | 55,061 | - |  |
| Less: Allowance for expected credit losses | - |  |  | (55,061) |
| Shot-term loan to related party, net | - |  |  | - |

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Separate financial statements | | | |
|  | Balance as at |  | | Balance as at |
|  | 31 December | During the year | | 31 December |
|  | 2020 | Increase | Decrease | 2021 |
| **Short-term loans to related parties** | |  |  |  |
| Subsidiaries |  |  |  |  |
| Bio Go Green Company Limited | 250 | - | (250) | - |
| Nawarat Beverage Company Limited | 55,061 | - | (55,061) | - |
| Millionaire Suphan Biogreen PowerCompany Limited | 2,133 | 300 | - | 2,433 |
| PST Power Joint Venture | - | 6,939 | - | 6,939 |
| TSHI Engineering Company Limited | - | 40,000 | (40,000) | - |
| PST Energy Company Limited | - | 3,552 | - | 3,552 |
| Aran Power Company Limited | - | 7,000 | - | 7,000 |
| Associate |  |  |  |  |
| Nawarat Beverage Company Limited | - | 55,061 | - | 55,061 |
| Total | 57,444 | 112,852 | (95,311) | 74,985 |
| Less: Allowance for expected credit losses | (55,061) |  |  | (55,061) |
| Shot-term loan to related parties, net | 2,383 |  |  | 19,924 |

Short-term loans to related parties are unsecured and due at call. Interest is charged at rates of 4.00% - 5.00% per annum (2020: 4.25% - 5.00% per annum).

Set out below is the movement in the allowance for expected credit losses of loans to related parties and accrued interest receivables.

(Unit: Thousand Baht)

|  |  |  |
| --- | --- | --- |
|  | Consolidated financial statements | |
|  | 2021 | 2020 |
| Beginning balance | 55,061 | - |
| Provision for expected credit losses | - | 55,061 |
| Ending balance | 55,061 | 55,061 |

The allowance for expected credit losses of loans to related parties amounting to Baht 55 million was mainly due to the problem in a subsidiary’s operation, as a result of decreasing in repayment ability. In 2020, the allowance was presented as a part of administrative expenses in the statement of comprehensive income of the Company.

Short-term loans from related parties

As at 31 December 2021 and 2020, the balances of short-term loans from related parties and the movement in loans are as follows:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Separate financial statements | | | |
|  | Balance as at |  | | Balance as at |
|  | 31 December | During the year | | 31 December |
|  | 2020 | Increase | Decrease | 2021 |
| **Short-term loans from related parties** | |  |  |  |
| Subsidiaries | | |  |  |
| PST Energy 3 Company Limited | 3,514 | - | (3,514) | - |
| Global Solar Energy Company Limited | 29,106 | - | (69) | 29,037 |
| (Formerly known as “PST Energy 4Company Limited”) |  |  |  |  |
| PST Energy 7 Company Limited | 2,211 | - | (2,211) | - |
| PST Energy 8 Company Limited | 4,681 | - | (4,681) | - |
| Wind Go Green Company Limited | 600 | - | (600) | - |
| Aran Power Company Limited | 18,874 | - | (18,874) | - |
| PST (Ubonratchathani) Company Limited | 244 | - | (244) | - |
| Kanha Solar Power Company Limited | 17,000 | - | (14,250) | 2,750 |
| Biggas Technology Company Limited | 140,000 | - | (30,000) | 110,000 |
| Bio Go Green Company Limited | - | 9,500 | (9,500) | - |
| Total short-term loans from related parties | 216,230 | 9,500 | (83,943) | 141,787 |

Short-term loans from related parties are unsecured and due at call. Interest is charged at rates of 3.75% - 5.00% per annum (2020: 0.9% - 5.0% per annum).

Directors and management’s benefits

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses to its directors and management as below.

(Unit: Million Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Short-term employee benefits | 25.4 | 32.7 | 13.2 | 20.2 |
| Post-employment benefits | 1.3 | 1.1 | 1.1 | 0.8 |
| Total | 26.7 | 33.8 | 14.3 | 21.0 |

Guarantee obligations with related parties

The Company has outstanding guarantee obligations to its related parties, as described in Notes 40.3 and 40.5.

**7. Cash and cash equivalents**

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Cash | 597 | 2,516 | 91 | 160 |
| Bank deposits | 80,183 | 146,049 | 8,618 | 11,987 |
| Total | 80,780 | 148,565 | 8,709 | 12,147 |

As at 31 December 2021, bank deposits in saving accounts and fix accounts carried interests between 0.05% - 0.25% per annum (2020: 0.125% - 0.250% per annum).

**8. Trade and other receivables**

(Unit: Thousand Baht)

|  | | Consolidated  financial statements | | | | | | Separate  financial statements | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | 2021 | | | 2020 | | | 2021 | | | 2020 | |
| Trade accounts receivable - related parties | | |  | | | | | |  | | | |
| Aged on the basis of due dates | |  | | |  | | |  | | |  | |
| Not yet due | | 1,816 | | | 1,466 | | | - | | | 209 | |
| Past due | |  | | |  | | |  | | |  | |
| Up to 3 months | | - | | | - | | | - | | | 291,058 | |
| 3 - 6 months | | - | | | - | | | - | | | 677 | |
| 6 - 12 months | | - | | | - | | | - | | | 748 | |
| Over 12 months | | 3,325 | | | - | | | 277,314 | | | 5,720 | |
| Total trade accounts receivable - related parties | | 5,141 | | | 1,466 | | | 277,314 | | | 298,412 | |
| Trade accounts receivable - non-related parties | | | | | |  | | | | | | |
| Aged on the basis of due dates | |  | | |  | | |  | | |  | |
| Not yet due | | 161,317 | | | 507,695 | | | 82,917 | | | 68,165 | |
| Past due | |  | | |  | | |  | | |  | |
| Up to 3 months | | 47,999 | | | 81,101 | | | 11,486 | | | 2,118 | |
| 3 - 6 months | | 25,089 | | | 1,017 | | | 13,280 | | | 919 | |
| 6 - 12 months | | 11,219 | | | 8,878 | | | 61 | | | 124 | |
| Over 12 months | | 40,625 | | | 108,250 | | | 26,377 | | | 101,028 | |
| Total | | 286,249 | | | 706,941 | | | 134,121 | | | 172,354 | |
| Less: Allowance for expected credit losses | | (16,978) | | | (17,017) | | | (523) | | | (523) | |
| Total trade accounts receivable - non-related parties - net | | 269,271 | | | 689,924 | | | 133,598 | | | 171,831 | |
| Total trade accounts receivable - net | | 274,412 | | | 691,390 | | | 410,912 | | | 470,243 | |
| Other receivables | | | |  | | |  | | |  | |
| Other receivables - related parties | 8,927 | | | - | | | 99,151 | | | 70,002 | |
| Other receivables - non-related parties | 1,698 | | | 2,795 | | | 2 | | | 106 | |
| Other advances | 20,034 | | | 3,198 | | | 2,926 | | | 98 | |
| Interest receivables - related parties | 5,837 | | | 14 | | | 21,463 | | | 117,343 | |
| Interest receivables - non-related parties | 93 | | | 806 | | | 93 | | | 165 | |
| Accrued income - non-related parties | 10,332 | | | 58,523 | | | 4,054 | | | 8,884 | |
| Total | 46,921 | | | 65,336 | | | 127,689 | | | 196,598 | |
| Less: Allowance for expected credit losses | (5,607) | | | (959) | | | (5,966) | | | (5,605) | |
| Total other receivables - net | 41,314 | | | 64,377 | | | 121,723 | | | 190,993 | |
| Total trade and other receivables - net | 315,726 | | | 755,767 | | | 532,635 | | | 661,236 | |

The normal credit term is 30 to 90 days.

Set out below is the movement in the allowance for expected credit losses of trade receivables.

|  |  | (Unit: Thousand Baht) | | |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Beginning balance | 17,976 | 11,987 | 6,128 | 2,576 |
| Provision for expected credit losses | 94 | 10,240 | 476 | 5,605 |
| Amount recovered | (130) | (4,251) | (115) | (2,053) |
| Increase from change in investment type | 5,604 | - | - | - |
| Provision for expected credit losses for non-current assets held for sale | (959) | - | - | - |
| Ending balance | 22,585 | 17,976 | 6,489 | 6,128 |

**9. Contract assets/Contract liabilities**

**9.1** **Contract balances**

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Contract assets |  |  |  |  |
| Unbilled receivables - non-related parties | 272,227 | 198,779 | 73,600 | - |
| Total contract assets | 272,227 | 198,779 | 73,600 | - |
| Contract liabilities |  |  |  |  |
| Advance received from customer - non-related parties | 35,856 | 136,520 | - | - |
| Total contract liabilities | 35,856 | 136,520 | - | - |

**9.2  Revenue to be recognised for the remaining performance obligations**

As at 31 December 2021, revenue totaling Baht 510 million is expected to be recognised in the future in respect of performance obligations under contracts with customers that are unsatisfied (or partially unsatisfied) (2020: Baht 849 million) (the Company only: Baht 328 million (2020: Nil)).The Group expects to satisfy these performance obligations within 2 years.

The above information does not include revenue to be recognised for the unsatisfied portions of performance obligations related to contracts with a duration of one year or less and where the revenue is recognised in the amount that the entity has a right to invoice.

**10. Inventories**

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | |
|  | Cost | | Reduce cost to net realisable value | | Inventories - net | |
|  | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Finished goods | 35,070 | 36,937 | (2,028) | (1,036) | 33,042 | 35,901 |
| Raw material and supplies | 65,631 | 34,862 | (3,546) | (1,525) | 62,085 | 33,337 |
| Total | 100,701 | 71,799 | (5,574) | (2,561) | 95,127 | 69,238 |

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | | |
|  | Cost | | Reduce cost to net realisable value | | Inventories - net | |
|  | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Finished goods | 16,387 | 17,321 | (2,028) | (1,036) | 14,359 | 16,285 |
| Total | 16,387 | 17,321 | (2,028) | (1,036) | 14,359 | 16,285 |

**11. Restricted bank deposits**

These represent fixed deposits which the Group has pledged with the banks to secure credit facilities, short-term and long-term loans and bank guarantees of the Group.

**12. Other non-current financial assets**

Other non-current financial assets are investments in non-listed equity which are designated to measure fair value through profit or loss as details below.

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | |
| Company’s name | Paid-up capital | | Shareholding percentage | | Carrying value | |
|  | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
|  |  |  | (%) | (%) |  |  |
| PV Green Company Limited | 18,000 | 18,000 | 19.99 | 19.99 | 3,598 | 3,598 |
| Lightup Design Company Limited | 75,800 | 75,800 | 5.00 | 10.00 | 10,000 | 20,000 |
| Triple S Eco Company Limited | 60,000 | 60,000 | 15.00 | 15.00 | 9,000 | 9,000 |
| Total |  |  |  |  | 22,598 | 32,598 |
| Less: Loss on measurement of investment |  |  |  |  | (9,000) | (9,000) |
| Net |  |  |  |  | 13,598 | 23,598 |

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | | |
| Company’s name | Paid-up capital | | Shareholding percentage | | Carrying Value | |
|  | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
|  |  |  | (%) | (%) |  |  |
| PV Green Company Limited | 18,000 | 18,000 | 19.99 | 19.99 | 3,598 | 3,598 |
| Lightup Design Company Limited | 75,800 | 75,800 | 5.00 | 10.00 | 10,000 | 20,000 |
| Total |  |  |  |  | 13,598 | 23,598 |

The Group’s management considered that book value of all other non-current financial assets is equivalent to fair value.

**13. Investments in subsidiaries**

Details of investments in subsidiaries as presented in separate financial statements are as follows:

| Company’s name | Paid-up capital | | Shareholding percentage | | | Cost | | Dividend received  during the year | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2021 | 2020 | 2021 | 2020 | | 2021 | 2020 | 2021 | | 2020 |
|  | (Thousand Baht) | (Thousand Baht) | (%) | (%) | | (Thousand Baht) | (Thousand Baht) | (Thousand Baht) | | (Thousand Baht) |
| **Subsidiaries held by the Company** | | |  |  | |  |  |  | |  |
| Solar Power Plant Sector | | |  |  | |  |  |  | |  |
| Kanha Solar Power  Company Limited | 57,000 | 57,000 | 100 | 100 | | 57,000 | 57,000 | 14,250 | | 9,690 |
| Solar Go Green Company Limited | 20,000 | 20,000 | 100 | 100 | | 20,000 | 20,000 | - | | - |
| Power We Green  Company Limited | 38,500 | 38,500 | 100 | 100 | | 38,500 | 38,500 | - | | - |
| PST Energy 2 Company Limited | 65,700 | 65,700 | 100 | 100 | | 65,700 | 65,700 | - | | 5,059 |
| Big Power Corporation  Company Limited | - | 250 | - | 100 | | - | 250 | - | | - |
| Greyhound Inter Trade  Company Limited | - | 3,250 | - | 30 | | - | 1,393 | - | | - |
| PST Power Joint Venture | 7,081 | 7,081 | 100 | 100 | | 7,081 | 7,081 | - | | - |
| Biomass Power Plant Sector | | |  |  | |  |  |  | |  |
| Bio Go Green Company Limited | - | 37,172 | - | 100 | | - | 37,172 | - | | - |
| PST Energy 1 Company Limited | 76,500 | 76,500 | 100 | 100 | | 76,500 | 76,500 | - | | - |
| Bio Green Energy 1  Company Limited | - | 25 | - | 100 | | - | 25 | - | | - |
| Bio Green Energy 2  Company Limited | 25 | 25 | 100 | 100 | | 25 | 25 | - | | - |
| Bio Green Energy 3  Company Limited | - | 25 | - | 100 | | - | 25 | - | |  |
| Bio Green Energy 5  Company Limited | - | 100 | - | 100 | | - | 100 | - | | - |
| Biogas Power Plant Sector |  |  |  |  | |  |  |  | |  |
| Millionaire Suphan Biogreen Power Company Limited | - | 200,000 | - | 100 | | - | 215,996 | - | | - |
| Aran Power Company Limited | - | 386,000 | - | 100 | | - | 405,000 | - | | - |
| Nawarat Beverage Company Limited | - | 50,000 | - | 51 | | - | 20,400 | - | | - |
| Other Renewable Power Plant Sector | |  |  |  | |  |  |  | |  |
| PST (Ubonratchathani)  Company Limited | - | 500 | - | 100 | | - | 500 | - | | - |
| PST Energy 3 Company Limited | 240 | 3,925 | 100 | 100 | | 240 | 3,925 | - | | - |
|  |  |  |  |  | |  |  |  | |  |
| Global Solar Energy  Company Limited | 30,000 | 30,000 | 100 | 100 | | 30,000 | 30,000 | - | | - |
| (Formerly known as “PST Energy 4 Company Limited”) |  |  |  |  | |  |  |  |  | |
| PST Energy 7 Company Limited | 156 | 2,575 | 100 | 100 | | 156 | 2,575 | - | - | |
| PST Energy 8 Company Limited | 312 | 5,075 | 100 | 100 | | 312 | 5,075 | - | - | |
| Wind Go Green Company Limited | - | 1,000 | - | 100 | | - | 1,000 | - | - | |
| Fuel Distribution and Logistics Sector | |  |  |  | |  |  |  |  | |
| Biggas Technology  Company Limited | 1,430,000 | 1,430,000 | 100 | 100 | | 6,634,840 | 6,634,840 | - | 1,141,840 | |
| Construction Service Sector | |  |  |  | |  |  |  |  | |
| PSTC Engineering  Company Limited | 10,000 | 10,000 | 100 | 100 | | 10,000 | 10,000 | - | - | |
| TSHI Engineering  Company Limited | 50,000 | 50,000 | 90 | 90 | | 45,000 | 45,000 | - | - | |
| Other Business Sector |  |  |  |  | |  |  |  |  | |
| PST Energy Company Limited | 1,082,700 | 1,082,700 | 100 | 100 | | 1,082,700 | 1,082,700 | - | | - |
| **Subsidiary held by PST Energy Company Limited** | | |  |  | |  |  |  | |  |
| Biomass Power Plant Sector |  |  |  |  | |  |  |  | |  |
| Well Korat Energy  Company Limited | - | 660,000 | - | 100 | | - | - | - | | - |
| Biogas Power Plant Sector |  |  |  |  | |  |  |  | |  |
| Srayaisom Power Plant  Company Limited | - | 260,500 | - | 100 | | - | - | - | | - |
| Kunputpeng Power Plant Company Limited | - | 43,500 | - | 100 | | - | - | - | | - |
| Other Renewable Power Plant Sector | |  |  |  | |  |  |  | |  |
| PST MSW 1 Company Limited | - | 25 | - | 80 | | - | - | - | | - |
| Other Business Sector |  |  |  |  | |  |  |  | |  |
| PSTC International  Company Limited | 5,800 | 5,800 | 100 | 100 | | - | - | - | | - |
|  |  |  |  |  | |  |  |  | |  |
|  |  |  |  |  | |  |  |  | |  |
|  |  |  |  |  | |  |  |  | |  |
|  |  |  |  |  | |  |  |  | |  |
| **Subsidiary held by Biggas Technology Company Limited** | | |  |  | |  |  |  | |  |
| Fuel Distribution and Logistics Sector | |  |  |  | |  |  |  | |  |
| JN Energy Corporation  Company Limited | 317,500 | 317,500 | 100 | 100 | | - | - | - | | - |
| BGT Logistics Company Limited | 20,000 | - | 98 | - | | - | - | - | | - |
| **Subsidiary held by Big Power Corporation Company Limited** | | |  |  | |  |  |  | |  |
| Solar Power Plant Sector |  |  |  |  |  | |  |  |  | |
| Greyhound Inter Trade  Company Limited | - | 3,250 | - | 40 | - | | - | - | - | |
| **Subsidiary held by Greyhound Inter Trade Company Limited** | | |  |  |  | |  |  |  | |
| Solar Power Plant Sector |  |  |  |  |  | |  |  |  | |
| PST - GIT Joint Venture  Company Limited | - | 25 | - | 100 | - | | - | - | - | |
| **Subsidiary held by PST Energy 2 Company Limited** | | |  |  |  | |  |  |  | |
| Solar Power Plant Sector |  |  |  |  |  | |  |  |  | |
| PES - ERS Joint Venture Company Limited | - | 25 | - | 100 | - | | - | - | - | |
| Total investment in subsidiaries |  |  |  |  | 8,068,054 | | 8,760,782 | 14,250 | 1,156,589 | |
| Less: Allowance for impairment of investments | |  |  |  | (994,031) | | (874,420) | - | - | |
| Investments in subsidiaries - net |  |  |  |  | 7,074,023 | | 7,886,362 | 14,250 | 1,156,589 | |

Disposal of subsidiaries

* In February 2021, the Company disposed investments in subsidiaries as follows.

a) Disposed investment in Nawarat Beverage Company Limited (11% of shareholding) to a non-related party at Baht 55,000, it resulted shareholding in Nawarat Beverage Company Limited decreased from 51% to 39% and the Company has canceled the submission of representatives to join the board of directors of such company, resulted to change the status from subsidiary to associate since the date of investment disposal.

b) Disposed all investments in Bio Green Energy 1 Company Limited to a non-related party at totally Baht 8,500,000.

c) Disposed all investments in Greyhound Inter Trade Company Limited, PES - ERS Joint Venture Company Limited and PST - GIT Joint Venture Company Limited at cost.

* In April 2021, the Company disposed all investments in Bio Green Energy 3 Company Limited to a non-related party.
* In June 2021, the Company disposed all investments in Bio Go Green Company Limited to a non-related party.
* In September 2021, the Company disposed all investments in Bio Green Energy 5 Company Limited to a non-related party.

Such subsidiaries ended being the Group’s subsidiaries since the date of investment disposal.

Dissolution of subsidiaries

* In February 2021, a meeting of the Board of Directors of the Company passed resolutions approving the dissolution of these 7 subsidiaries as follow.

a) Wind Go Green Company Limited

b) PST (Ubonratchathani) Company Limited

c) Big Power Corporation Company Limited

d) PST MSW 1 Company Limited

e) PST Energy 3 Company Limited (PSTE3)

f) PST Energy 7 Company Limited (PSTE7)

g) PST Energy 8 Company Limited (PSTE8)

BPC and MSW1 filed for deregistration on 5 May 2021. WGG and UBN filed for deregistration on 14 May 2021. Currently, such subsidiaries have been during the liquidation process.

During 2021, PSTE3, PSTE7 and PSTE8 have been during the process of decreasing of their registered share capital as follow

a) PSTE3 decreased registered share capital from Baht 15,400,000 to Baht 962,500 comprising 96,250 ordinary shares with the par value of Baht 10 per share and later decreased registered share capital from Baht 962,500 to Baht 240,630 comprising 24,063 ordinary shares with the par value of Baht 10 per share.

b) PSTE7 decreased registered share capital from Baht 10,000,000 to Baht 625,000 comprising 62,500 ordinary shares with the par value of Baht 10 per share and later decreased registered share capital from Baht 625,000 to Baht 156,250 comprising 15,625 ordinary shares with the par value of Baht 10 per share.

c) PSTE8 decreased registered share capital from Baht 20,000,000 to Baht 1,250,000 comprising 125,000 ordinary shares with the par value of Baht 10 per share and later decreased registered share capital from Baht 1,250,000 to Baht 312,500 comprising 31,250 ordinary shares with the par value of Baht 10 per share.

Purchase of subsidiary

* In March 2021, Biggas Technology Company Limited (“BIGGAS”) acquired ordinary shares in BGT Logistics Company Limited (“BGTL”) from a shareholder by Baht 4,559,900, comprising of 45,599 shares with a value of Baht 100 per share. As a result, BIGGAS became major shareholder with 91% of shareholding. The registration of change in the number of share capital held by BIGGAS was completed on 23 March 2021 and BGTL became a subsidiary of the Company by holding shares through BIGGAS since thereon. In same day, BGTL registered to increase 150,000 shares from 50,000 shares to 200,000 shares with a par value of Baht 100 per share, totaling Baht 20,000,000 of total registered share capital. BIGGAS acquired all increased shares totaling Baht 15,000,000, as a result, shareholding percentage increased from 91% to 98%.

Discontinued Operations and allowance for impairment of investments in subsidiaries

* During 2021, the Board of Directors’ meeting passed a resolution to sell five companies in the group of biogas and biomass power plant companies which are subsidiaries of the Group, Millionaire Suphan Biogreen Power Company Limited, Aran Power Company Limited, Srayaisom Power Plant Company Limited, Kunputpeng Power Plant Company Limited and Well Korat Energy Company Limited. The Group is expected to be completed within a year from the reporting date. Therefore, at 31 December 2021, the group of these biogas and biomass power plant companies are classified as a disposal group held for sale and as a discontinued operation as described in Note 20.
* During the year 2021, the meeting of the Board of Directors of the Company passed a resolution approved the recognition of Baht 140 million and Baht 587 million, respectively (2020: Nil and Baht 874.42 million, respectively) as an allowance for impairment of investments in subsidiaries under the fuel distribution and the biogas power plant and the biomass power plant. It’s a result of the sale amount of the fuel distribution (Natural gas for vehicles) has decreased and the significant rise in the biogas power plant and the biomass power plant’s cost of raw materials.

Details of allowance for impairment of investments in subsidiaries are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
|  |  | (Unit: Million Baht) | |
|  | Separate financial statement | | |
|  | 2021 | 2020 | |
| PST Energy Company Limited | 783.61 | 205.80 | |
| PST Energy 1 Company Limited | 70.42 | 70.42 | |
| Nawarat Beverage Company Limited | - | 20.40 | |
| Aran Power Company Limited | - | 405.00 | |
| Millionaire Suphan Biogreen Power Company Limited | - | 172.80 | |
| Biggas Technology Company Limited | 140.00 | - |
| Total | 994.03 | 874.42 | |

**14. Investment in joint venture**

14.1 Details of investment in joint venture:

Investment in joint venture represents investment in entity which is jointly controlled by a subsidiary and another company. Details of the investment as at 31 December 2021 and 2020 is as follows:

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Company’s name | Nature of business | Country of incorporation | Shareholding percentage | | Cost | | Carrying amounts based on equity method | |
|  |  |  | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
|  |  |  | (%) | (%) |  |  |  |  |
| Held by Biggas Technology company Limited | | |  |  |  |  |  |  |
| Thai Pipeline Network | Fuel logistics by | Thailand | 55.41 | 55.41 | 3,727,676 | 3,727,676 | 3,709,814 | 3,704,913 |
| Company Limited | pipeline transport |  |  |  |  |  |  |  |
|  | system |  |  |  |  |  |  |  |
| Total |  |  |  |  | 3,727,676 | 3,727,676 | 3,709,814 | 3,704,913 |

14.2 Share of comprehensive income and dividend received

During the years 2021 and 2020, the Company recognised its share of profit/loss and comprehensive income from investment in the joint venture and dividend income in the consolidated financial statements as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | |  | | (Unit: Thousand Baht) | | |
| Joint venture | Share of profit/loss from investment in joint venture during the year | | | Share of other comprehensive income from investment in joint venture  during the year | | Dividend received  during the year | |
|  | 2021 | 2020 | | 2021 | 2020 | 2021 | 2020 |
| Thai Pipeline Network Company Limited | (3,453) | (1,101) | | 8,354 | (18,930) | - | - |
| Total | (3,453) | (1,101) | | 8,354 | (18,930) | - | - |

14.3 Summarised financial information about material joint venture of Thai Pipeline Network Company Limited.

Summarised information about financial position as at 31 December 2021 and 2020 is as follow.

|  | (Unit: Thousand Baht) | |
| --- | --- | --- |
|  | 2021 | 2020 |
| Cash and cash equivalents | 54,820 | 46,401 |
| Other current assets | 31,332 | 19,398 |
| Non-current assets | 9,161,971 | 4,806,443 |
| Other current liabilities | (259,802) | (362,040) |
| Current portion of long - term loan from bank | (15,637) | - |
| Long-term loan from bank - net of current portion | (6,388,298) | (1,875,604) |
| Non-current liabilities | (237,471) | (296,528) |
| Net assets | 2,346,915 | 2,338,070 |
| Shareholding percentage (%) | 55.41 | 55.41 |
| Share of net assets | 1,300,426 | 1,295,525 |
| Elimination entries | 2,409,388 | 2,409,388 |
| Carrying amounts of joint venture based on equity method | 3,709,814 | 3,704,913 |

Summarised information about comprehensive income for the years ended 31 December 2021 and 2020 is as follow.

| (Unit: Thousand Baht) | | |
| --- | --- | --- |
|  | 2021 | 2020 |
| Interest income | 61 | 302 |
| Other income | 1,882 | 564 |
| Administrative expenses | (8,249) | (2,541) |
| Finance cost | (1,359) | (697) |
| Income tax revenue | 1,434 | 384 |
| Net loss | (6,231) | (1,988) |
| Other comprehensive income | (19,086) | (34,162) |
| Total comprehensive income | (25,317) | (36,150) |

**15. Investment in associate**

15.1 Details of investments in associate

Investment in associate represents investment in entity which is jointly controlled by a subsidiary and another company. Details of the investment as at 31 December 2021 and 2020 is as follows:

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | Consolidated financial statements / Separate financial statements | | | | | |
| Company’s name | Nature of business | Country of incorporation | Shareholding percentage | | Cost | | Carrying amounts based on equity method | |
|  |  |  | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
|  |  |  | (%) | (%) |  |  |  |  |
| Nawarat Beverage | Generate electricity | Thailand | 39 | - | - | - | - | - |
| Company Limited\* | by biogas |  |  |  |  |  |  |  |
| Total |  |  |  |  | - | - | - | - |

\* Fair value of investment as at the status change date comprised Baht 20 million of cost net of Baht 20 million of provision for impairment.

15.2 Share of comprehensive income and dividend received

During the years 2021 and 2020, the Company recognised its share of profit/loss and comprehensive income from investment in the associate and dividend income in the consolidated financial statements as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | |  | | (Unit: Thousand Baht) | |
| Joint venture | Share of profit/loss from investment in joint venture during the year | | Share of other comprehensive income from investment in joint venture  during the year | | Dividend received  during the year | |
|  | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Nawarat Beverage  Company Limited | - | - | - | - | - | - |
| Total | - | - | - | - | - | - |

15.3 Movement of investments in associate

In February 2021, the Company disposed investment in Nawarat Beverage Company Limited, as a result, shareholding percentage decreased from 51% to 39% and changed the status from subsidiary to associate since thereon as described in Note 13. The Company got loss from operations and the Company set up allowance for loss on impairment with total amount, therefore, assessed no fair value of investment in such company. The receipt from disposal of investment was recognised as other income in profit or loss.

**16. Investment properties**

A The net book value of investment properties as at 31 December 2021 is presented below.

|  | (Unit: Thousand Baht) | |  |
| --- | --- | --- | --- |
|  |  | Consolidated financial statements |
| **Net book value at beginning of year** |  | - |
| Acquisition of assets |  | 32,239 |
| Less: Accumulated depreciation |  | - |
| Depreciation |  | (269) |
| **Net book value at end of year** |  | 31,970 |

The additional information of the investment properties as at 31 December 2021 stated below:

|  |  |  |
| --- | --- | --- |
| (Unit: Thousand Baht) | | |
|  |  | Consolidated financial statements |
| The fair value |  | 36,283 |

The fair value of the above investment properties has been determined using the cost approach based on valuation performed by an accredited independent valuer.

The Group has mortgaged investment properties amounting to approximately Baht 31.9 million (the Company only: Nil) as collateral against credit facilities received from financial institutions.

**17. Property, plant and equipment**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| (Unit: Thousand Baht) | | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Net book value: |  |  |  |  |
| Property, plant and equipment | 1,279,380 | 2,064,057 | 247,469 | 187,760 |
| Right-of-use assets (Note 26) | 345,907 | 320,153 | 157,075 | 158,004 |
| Total | 1,625,287 | 2,384,210 | 404,544 | 345,764 |

Movements of property, plant and equipment for the years ended 31 December 2021 and 2020 are summarised below.

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | | | | | |
|  | Land | Building and building improvement | Building and building improvement - power plant | Machinery and equipment - power plant | Tools and equipment | Furniture, office equipment and computers | Motor vehicles | Equipment for rent | Construction in progress | Total |
| **Cost** |  |  |  |  |  |  |  |  |  |  |
| As at 1 January 2020 | 708,633 | 110,013 | 447,513 | 1,748,622 | 138,574 | 30,098 | 85,195 | 9,315 | 408,704 | 3,686,667 |
| Additions | 29,859 | 67 | - | 8,052 | 2,343 | 666 | - | - | 108,133 | 149,120 |
| Disposals | - | - | - | (187) | (190) | (636) | (27,509) | - | - | (28,522) |
| Write-off | - | - | - | - | - | - | - | - | (73) | (73) |
| Transfer in (out) | - | - | 194,252 | 226,525 | 7,603 | - | - | - | (428,380) | - |
| Adjustments of right-of-use assets | - | - | - | (316,258) | - | - | (34,982) | - | - | (351,240) |
| As at 31 December 2020 | 738,492 | 110,080 | 641,765 | 1,666,754 | 148,330 | 30,128 | 22,704 | 9,315 | 88,384 | 3,455,952 |
| Additions | 275,433 | - | - | 674 | 7,214 | 2,641 | 2,518 | - | 279,257 | 567,737 |
| Disposals | (36,307) | (10,013) | - | - | (2,033) | (6,932) | (381) | - | - | (55,666) |
| Write-off | (390) | (75) | - | - | (11,492) | (2,636) | - | - | (1,255) | (15,845) |
| Transfer in (out) | - | 87,347 | - | - | 41,180 | 26,430 | 15,029 | - | (169,986) | - |
| Increase from investment in subsidiary | - | - | - | - | 572 | 345 | 1,632 | - | 134 | 2,683 |
| Decrease from change in investment in |  |  |  |  |  |  |  |  |  |  |
| subsidiary to associate | (6,300) | - | (15,720) | (52,103) | - | - | (1,133) | - | - | (75,256) |
| Adjustments of right-of-use assets | - | - | - | - | (25,664) | - | (8,465) | - | - | (34,129) |
| Adjustments of investments in properties | (22,654) | (9,584) | - | - | - | - | - | - | - | (32,238) |
| Adjustments of non-current assets |  |  |  |  |  |  |  |  |  |  |
| held for sale | (330,212) | - | (396,318) | (1,364,639) | - | - | (3,582) | - | (7,569) | (2,102320) |
| As at 31 December 2021 | 618,062 | 177,755 | 229,727 | 250,686 | 158,107 | 49,976 | 28,322 | 9,315 | 188,965 | 1,710,918 |
| **Accumulated depreciation** | |  |  |  |  |  |  |  |  |  |
| As at 1 January 2020 | - | 32,737 | 86,112 | 327,703 | 25,022 | 22,874 | 46,762 | 9,310 | - | 550,520 |
| Depreciation for the year | - | 5,632 | 21,214 | 37,866 | 8,092 | 2,877 | 2,399 | 5 | - | 78,085 |
| Depreciation on disposals | - | - | - | (84) | (189) | (636) | (18,228) | - | - | (19,137) |
| Adjustments of right-of-use assets | - | - | - | (36,317) | - | - | (13,525) | - | - | (49,842) |
| As at 31 December 2020 | - | 38,369 | 107,326 | 329,168 | 32,925 | 25,115 | 17,408 | 9,315 | - | 559,626 |
|  |  |  |  |  |  |  |  |  |  |  |

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | | | | | |
|  | Land | Building and building improvement | Building and building improvement - power plant | Machinery and equipment - power plant | Tools and equipment | Furniture, office equipment and computers | Motor vehicles | Equipment for rent | Construction in progress | Total |
| Depreciation for the year | - | 6,762 | 21,684 | 27,641 | 7,730 | 3,199 | 1,676 | - | - | 68,692 |
| Depreciation on disposals | - | (4,502) | - | - | (2,029) | (6,015) | (381) | - | - | (12,929) |
| Depreciation on write-off | - | - | - | - | (1,234) | (1,695) | - | - | - | (2,929) |
| Increase from investment in subsidiary | - | - | - | - | 176 | 70 | 1,632 | - | - | 1,878 |
| Decrease from change in investment in |  |  |  |  |  |  |  |  |  |  |
| subsidiary to associate | - | - | (2,600) | (5,940) | - | - | (541) | - | - | (9,081) |
| Adjustments of right-of-use assets | - | - | - | - | (145) | - | - | - | - | (145) |
| Adjustments of non-current assets |  |  |  |  |  |  |  |  |  |  |
| held for sale | - | - | (66,535) | (257,021) | - | - | (3,115) | - | - | (326,671) |
| As at 31 December 2021 | - | 40,629 | 59,875 | 93,848 | 37,423 | 20,674 | 16,679 | 9,315 | - | 278,443 |
| **Provision for impairment** |  |  |  |  |  |  |  |  |  |  |
| As at 1 January 2020 | - | - | 7,425 | 58,601 | 1,760 | - | 1,032 | - | - | 68,818 |
| Increase during the year | 128,112 | - | 56,388 | 573,568 | - | 968 | 9,015 | - | 4,550 | 772,601 |
| Decrease on disposals | - | - | - | (12) | - | - | (9,138) | - | - | (9,150) |
| As at 31 December 2020 | 128,112 | - | 63,813 | 632,157 | 1,760 | 968 | 909 | - | 4,550 | 832,269 |
| Increase during the year | 105,560 | 19,408 | 191,229 | 314,160 | 19,127 | 235 | - | - | - | 697,195 |
| Decrease on write-off | - | - | - | - | (1,727) | (968) | - | - | - | (2,695) |
| Decrease from change in investment in |  |  |  |  |  |  |  |  |  |  |
| subsidiary to associate | (3,699) | - | (9,183) | (14,590) | - | - | (441) | - | - | (27,913) |
| Provision for impairment on non-current |  |  |  |  |  |  |  |  |  |  |
| assets held for sale | (115,681) | - | (212,806) | (931,727) | - | - | (468) | - | (4,550) | (1,345,761) |
| As at 31 December 2021 | 114,292 | 19,408 | - | - | 19,160 | 235 | - | - | - | 153,095 |
| **Net book value** |  |  |  |  |  |  |  |  |  |  |
| As at 31 December 2020 | 610,380 | 71,711 | 470,626 | 705,429 | 113,645 | 4,045 | 4,387 | - | 83,834 | 2,064,057 |
| As at 31 December 2021 | 508,770 | 117,718 | 169,852 | 156,838 | 101,524 | 29,070 | 11,642 | - | 188,965 | 1,279,380 |
| Depreciation for the year |  |  |  |  |  |  |  |  |  |  |
| 2020 (Baht 74.6 million included in cost of sales and services, and the balance in administrative expenses) | | | | | | | |  | | 78,085 |
| 2021 (Baht 54.0 million included in cost of sales and services, and the balance in administrative expenses) | | | | | | | |  | | 68,692 |

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | | | | | | |
|  | Land | Building and building improvemnent | Building and building improvemnent - power plant | Machinery and equipment - power plant | Tools and equipment | Furniture, office equipment and computers | Motor vehicles | Equipment for rent | Construction in progress | Total |
| **Cost** |  |  |  |  |  |  |  |  |  |  |
| As at 1 January 2020 | 72,930 | 35,429 | 71,735 | 214,460 | 4,427 | 13,041 | 2,077 | 9,315 | - | 423,414 |
| Adjustments of right-of-use assets | - | - | - | (182,797) | - | - | - | - | - | (182,797) |
| Additions | - | - | - | - | 176 | 221 | - | - | 14,284 | 14,681 |
| Disposals | - | - | - | - | (190) | (636) | - | - | - | (826) |
| As at 31 December 2020 | 72,930 | 35,429 | 71,735 | 31,663 | 4,413 | 12,626 | 2,077 | 9,315 | 14,284 | 254,472 |
| Additions | - | - | - | 6 | - | 96 | - | - | 83,177 | 83,279 |
| Disposals | (12,850) | (10,013) | - | - | (2,033) | (4,542) | (31) | - | - | (29,469) |
| As at 31 December 2021 | 60,080 | 25,416 | 71,735 | 31,669 | 2,380 | 8,180 | 2,046 | 9,315 | 97,461 | 308,282 |
| **Accumulated depreciation** |  |  |  |  |  |  |  |  |  |  |
| As at 1 January 2020 | - | 19,710 | 9,410 | 26,126 | 4,180 | 12,006 | 1,586 | 9,310 | - | 82,328 |
| Adjustments of right-of-use assets | - | - | - | (20,641) | - | - | - | - | - | (20,641) |
| Depreciation for the year | - | 1,244 | 2,870 | 1,037 | 154 | 541 | - | 5 | - | 5,851 |
| Depreciation on disposals | - | - | - | - | (189) | (637) | - | - | - | (826) |
| As at 31 December 2020 | - | 20,954 | 12,280 | 6,522 | 4,145 | 11,910 | 1,586 | 9,315 | - | 66,712 |
| Depreciation for the year | - | 774 | 2,703 | 1,180 | 97 | 308 | - | - | - | 5,062 |
| Depreciation on disposals | - | (4,502) | - | - | (2,029) | (4,399) | (31) | - | - | (10,961) |
| As at 31 December 2021 | - | 17,226 | 14,983 | 7,702 | 2,213 | 7,819 | 1,555 | 9,315 | - | 60,813 |
| **Net book value** |  |  |  |  |  |  |  |  |  |  |
| As at 31 December 2020 | 72,930 | 14,475 | 59,455 | 25,141 | 268 | 716 | 491 | - | 14,284 | 187,760 |
| As at 31 December 2021 | 60,080 | 8,190 | 56,752 | 23,967 | 167 | 361 | 491 | - | 97,461 | 247,469 |
| **Depreciation for the year** |  |  |  |  |  |  |  |  |  |  |
| 2020 (Baht 4.1 million included in cost of sales and services, and the balance in administrative expenses) | | | | | | |  |  |  | 5,851 |
| 2021 (Baht 4.0 million included in cost of sales and services, and the balance in administrative expenses) | | | | | | |  |  |  | 5,062 |

During the year 2021, the Group recognised allowance for impairment of assets amounting to Baht 697 million (2020: Baht 773 million) in the consolidated statement of comprehensive income to present such assets at the recoverable amount. Such assets were related to fuel distribution group and power plant group that were facing loss and stopped their operation.

The Group has pledged most of property, buildings and building improvement, power plant and tool and equipment as collateral against credit facilities received from banks.

As at 31 December 2021, the Group certain equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to Baht 58 million (2020: Baht 63 million) (the Company only: Baht 30 million (2020: Baht 36 million)).

**18. Intangible assets**

The net book value of intangible assets as at 31 December 2021 and 2020 is presented below.

|  | (Unit: Thousand Baht) | | |
| --- | --- | --- | --- |
|  | Consolidated financial statements | | |
|  | Right of generation and sales of electricity | Computer software | Total |
| **Cost** |  |  |  |
| As at 1 January 2020 | 290,187 | 6,191 | 296,378 |
| Acquisition | 956 | 411 | 1,367 |
| Write-off | (290,187) | - | (290,187) |
| As at 31 December 2020 | 956 | 6,602 | 7,558 |
| Acquisition | - | 477 | 477 |
| Write-off | - | (393) | (393) |
| Decrease from change in investment type | - | (14) | (14) |
| Decrease from sale of investment in subsidiaries | (956) | - | (956) |
| Increase from investment in subsidiaries | - | 21 | 21 |
| Transfer to assets held for sale | - | (439) | (439) |
| As at 31 December 2021 | - | 6,254 | 6,254 |

|  | (Unit: Thousand Baht) | | |
| --- | --- | --- | --- |
|  | Consolidated financial statements | | |
|  | Right of generation and sales of electricity | Computer software | Total |
| **Accumulated amortisation** |  |  |  |
| As at 1 January 2020 | 37,428 | 4,152 | 41,580 |
| Amortisation for the year | 5,157 | 515 | 5,672 |
| Amoritsation for write-off | (42,585) | - | (42,585) |
| As at 31 December 2020 | - | 4,667 | 4,667 |
| Amortisation for the year | - | 456 | 456 |
| Amoritsation for write-off | - | (393) | (393) |
| Decrease from change in investment type | - | (14) | (14) |
| Increase from investment in subsidiaries | - | 21 | 21 |
| Transfer to assets held for sale | - | (226) | (226) |
| As at 31 December 2021 | - | 4,511 | 4,511 |
| **Net book value** |  |  |  |
| As at 31 December 2020 | 956 | 1,935 | 2,891 |
| As at 31 December 2021 | - | 1,743 | 1,743 |

Right of generation and sales of electricity acquired through acquisition of subsidiary. This right has been granted for 25 years by the relevant government agency.

During the year 2020, the Group wrote off certain right of generation and sales of electricity with net book value of Baht 248 million (2021: Nil) and recognised as part of loss on write-off of assets in consolidated statement of comprehensive income to present such assets at the recoverable amount. Such assets were related power plant group that were facing loss and stopped its operation.

|  | (Unit: Thousand Baht) | |
| --- | --- | --- |
|  |  | Separate financial statements |
|  |  | Computer software |
| **Cost** |  |  |
| As at 1 January 2020 |  | 4,448 |
| Acquisition |  | 50 |
| As at 31 December 2020 |  | 4,498 |
| Acquisition |  | 8 |
| Amortisation |  | (393) |
| As at 31 December 2021 |  | 4,113 |
| **Accumulated amortisation** |  |  |
| As at 1 January 2020 |  | 3,704 |
| Amortisation for the year |  | 295 |
| As at 31 December 2020 |  | 3,999 |
| Amortisation for the year |  | 176 |
| Amortisation for write-off |  | (393) |
| As at 31 December 2021 |  | 3,782 |
| **Net book value** |  |  |
| As at 31 December 2020 |  | 499 |
| As at 31 December 2021 |  | 331 |

**19. Goodwill**

Movements of goodwill for the years ended 31 December 2021 and 2020 are summarised below.

|  |  |  |  |
| --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | |
|  | Consolidated  financial statements | | |
|  | 2021 | | 2020 |
| **Cost** |  | |  |
| Beginning balance | 569,379 | | 569,379 |
| Acquisitions of subsidiaries during the year | 9,698 | | - |
| Ending balance | 579,077 | | 569,379 |
| **Allowance for impairment loss** |  |  | |
| Beginning balance | - | - | |
| Increase during the year | 11,169 | - | |
| Ending balance | 11,169 | - | |
|  | (Unit: Thousand Baht) | | |
|  | Consolidated  financial statements | | |
|  | 2021 | | 2020 |
| **Net book value** |  |  | |
| Beginning balance | 569,379 | 569,379 | |
| Ending balance | 567,908 | 569,379 | |

The Group allocated goodwill acquired in business combination to group of cash generating units for the purpose of impairment testing for 2021 as follows.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | |
|  |  | Consolidated financial statements | | |
|  | Transportation of fuel  business | Natural gas station for vehicles business | Distribution of fuel business | Total |
| Goodwill | 9,698 | 11,169 | 558,210 | 579,077 |

The Group has determined the recoverable amounts of its cash-generating units based on fair value less costs to sell which transportation of fuel business and distribution of fuel business using income approach to measure fair value, the fair value hierarchy level was classified as a level 3. Natural gas station for vehicles business using cost approach to measure fair value, the fair value hierarchy level was classified as a level 2.

Key assumptions used in fair value less costs to sell measurements are pre-tax discount rate between 10% - 11% per annum.

The management has considered growth rate in each business from historical operating result, market, and competitors. For distribution of fuel business, there is less competitors and the expansion of the customers in industrial and logistics group, as a result of continuously increase in growth rate. In 2020, the customers in industrial group doubly increased from the year 2019.

During the year 2021, since the income of natural gas station for vehicles business has decreased, the Company recognises an impairment loss for the gas station service business for vehicles whichare amounting to Baht 11.17 million within the statement of comprehensive income to reduce the carrying amount of the assets to their recoverable amounts.

**20.** **Discontinued Operations**

During 2021, the Board of Directors’ meeting passed a resolution to sell five companies in the group of biogas and biomass power plant which are subsidiaries of the Group.

Subsequently, on 24 December 2021, PST Energy Company Limited, a subsidiary of the Company, enter into the Share Purchase Agreement to sell the entire of Well Korat Energy Company Limited to a non-related party. The agreement will become effective upon the fulfillment of all the terms and conditions as prescribed in the agreement and it is expected to be completed within a year from the reporting date. Therefore, at 31 December 2021, the group of these biogas and biomass power plant companies are classified as a disposal group held for sale and as a discontinued operation. The business of these companies represented a part of the renewable energy segment until 31 December 2021. With these companies being classified as discontinued operations, the operating results of these companies are excluded from the renewable energy segment in Note 38 regarding segment information.

The operating results of the group of biogas and biomass power plant companies included in the Group’s profit for the years ended 31 December 2021 and 2020 are presented below:

|  |  |  |
| --- | --- | --- |
| (Unit: Thousand Baht) | | |
|  | Consolidated financial statements | | |
|  | 2021 | 2020 | |
| Revenue |  |  | |
| Sales of electricity income | 215,439 | 294,139 | |
| Other revenue | 6,195 | 5,882 | |
| Total revenue | 221,634 | 300,021 | |
| Expenses |  |  | |
| Cost of electricity sold | 218,603 | 295,476 | |
| Administrative expenses | 15,398 | 40,856 | |
| Impairment loss recognised on the remeasurement to fair value less costs to sell | 552,865 | 742,501 | |
| Loss from disposal of assets | - | 222,592 | |
| Total expenses | 786,866 | 1,301,425 | |

|  |  |  |
| --- | --- | --- |
| (Unit: Thousand Baht) | | |
|  | Consolidated financial statements | | |
|  | 2021 | 2020 | |
| Loss from discontinued operations | (565,232) | (1,001,404) | |
| Finance income | 5 | 20 | |
| Finance cost | (12,936) | (19,978) | |
| Loss before income tax expenses | (578,163) | (1,021,362) | |
| Income tax expenses | - | - | |
| **Loss for the year from discontinued operations** | (578,163) | (1,021,362) | |
|  |  |  | |
| **Earnings per share (Baht)** |  |  | |
| Basic loss per share for discontinued operations |  |  | |
| Loss from discontinued operations attributable to equity holders of the Company | (0.2438) | (0.4306) | |

The major classes of assets and liabilities of the group of biogas and biomass power plant companies classified as held for sale as at 31 December 2021 are, as follows:

| (Unit: Thousand Baht) | |
| --- | --- |
|  | Consolidated financial statements |
| **Assets** |  |
| Cash and cash equivalents | 10,461 |
| Trade and other receivables | 20,783 |
| Inventories | 1,142 |
| Other current assets | 19,765 |
| Restricted bank deposits | 9,100 |
| Property, plant and equipment | 429,888 |
| Intangible assets | 213 |
| Other non-current assets | 26,883 |
| Assets held for sale | 518,235 |
|  |  |

| (Unit: Thousand Baht) | |
| --- | --- |
|  | Consolidated financial statements |
| **Liabilities** |  |
| Bank overdrafts and short-term loans from banks | 30,564 |
| Trade and other payables | 1,618 |
| Other current liabilities | 12,680 |
| Long-term loans | 207,131 |
| Provision for long-term employee benefits | 905 |
| Liabilities directly associated with assets held for sale | 252,898 |
| **Net assets directly associated with disposal group** | 265,337 |

The net cash flows of the group of biogas and biomass power plant companies included in the Group’s cash flow statement for the years ended 31 December 2021 and 2020 are as follows:

| (Unit: Thousand Baht) | | |
| --- | --- | --- |
|  | Consolidated financial statements | | |
|  | 2021 | 2020 | |
| Net cash flows used in operating activities | 35,851 | (51,827) | |
| Net cash flows from investing activities | (3,658) | (277,379) | |
| Net cash flows used in financing activities | (26,131) | 314,167 | |
| Net increase (decrease) in cash and cash equivalents | 6,062 | (15,039) | |

**21. Bank overdrafts and short-term loans from banks**

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Interest rate (% per annum) | | Consolidated  financial statements | | Separate  financial statements | |
|  | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
| Bank overdrafts | F/D + 1.5 | MOR, MOR - 1.375 | 4,479 | 27,353 | 4,479 | - |
| Short-term loans from banks and Promissory notes | 2.0, 3.5, 3.73, 4.0, MLR-1.5, MLR - 2, MLR - 3.4 | 2.0, 3.5, 3.75, 4.0, MLR - 2 | 525,220 | 219,990 | 387,470 | 209,990 |
| Trust receipt payables | MMR, MLR - 2 | 3.47, 3.60, MMR,  MLR - 2, MOR - 3.65, BR + 0.5 | 191,626 | 139,245 | 97,901 | 119,072 |
| Total |  |  | 721,325 | 386,588 | 489,850 | 329,062 |

Bank overdrafts are secured by the pledge of the Group’s fixed deposits. Short-term loans from banks are secured by the mortgage of land and construction thereon of the Company.

As at 31 December 2021, the Group has available credit facilities of bank overdrafts and short-term loans from banks totaling Baht 113 million and Baht 746 million, respectively (2020: Baht 117 million and Baht 954 million, respectively) (the Company only: Baht 36 million and Baht 395 million, respectively (2020: Baht 40 million and Baht 446 million, respectively)).

**22. Trade and other payables**

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Trade accounts payable  - non-related parties | 181,810 | 428,384 | 64,259 | 50,346 |
| Other payables - related parties | - | - | 24,374 | 127,590 |
| Other payables - non-related parties | 7,056 | 20,319 | 4,583 | 7,236 |
| Accrued interest - related parties | - | - | 3,729 | 19,186 |
| Accrued interest - non-related parties | 5,594 | 8,191 | 5,339 | 6,292 |
| Accrued expenses - non-related parties | 291,376 | 188,623 | 154,562 | 40,288 |
| Total trade and other payables | 485,836 | 645,517 | 256,846 | 250,938 |

**23. Short-term loans from non-related parties**

Short-term loans from non-related parties as presented in the financial statements as at 31 December 2021 and 2020 are detailed below.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | | | |
|  | Consolidated financial statements | | | | | |
|  | Balance as at | |  | | Balance as at | |
|  | 31 December | | During the year | | 31 December | |
|  | 2020 | Increase | | Decrease | | 2021 |
| Non-related parties | 12,739 | 200 | | (12,939) | | - |
|  | 12,739 | 200 | | (12,939) | | - |

Short-term loan from non-related parties is unsecured loan and due at call with no interest rate changed. This loan was repaid during the period.

**24. Debentures**

On 30 August 2016, the 1/2016 Extraordinary General Meeting of shareholders approved the issuance of short-term and/or long-term bill of exchange and/or debentures of the Company in an amount limit of Baht 1,500 million or the equivalent in other currencies, for the purpose of refinancing debt for future expansion and working capital of the Company. Such debentures may be offered to the public and/or institutional investors and/or local and/or foreign investors.

On 7 October 2021, the Company issued new debentures for the purpose of repayment of the Company current debentures in an amount of Baht 400 million which due on 19 October 2021. Such new debentures have 1 year and 6 months terms with Interest rate of 5.80%. These debentures will be guaranteed by Biggas Technology Co., Ltd.

During the years 2021 and 2020, the Company issued debentures which are secured with trustee, issued with a registered certificate and unsubordinated. Such debentures may be offered to the investors and/or local major shareholders, are summarised below:

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | Consolidated / Separate financial statements | | | |
| Debentures | Issued date | Interest rate  (% p.a.) | Terms | Due date | Balance as at 31 December 2020 | Increase | Decrease | Balance as at 31 December  2021 |
| Debentures #1/2020 | 9 January 2020 | 5.3 | 1 year  3 months | April 2021 | 100,000 | - | (100,000) | - |
| Debentures #2/2020 | 16 January 2020 | 5.7 | 1 year  9 months | October 2021 | 400,000 | - | (400,000) | - |
| Debentures#1/2021 | 15 October 2021 | 5.8 | 1 year  6 months | April 2023 | - | 400,000 | - | 400,000 |
| Less: Deferred transaction cost | | | | | (2,894) | (5,962) | 3,766 | (5,090) |
| Total |  |  |  |  | 497,106 |  |  | 394,910 |
| Less: Current portion of debentures | | | | | (497,106) |  |  | - |
| Debentures - net of current portion | | |  |  | - |  |  | 394,910 |

**25. Long-term loans**

|  |  |  | |  | | | | (Unit: Thousand Baht) | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Interest rate |  | | Consolidated  financial statements | | | | Separate  financial statements | | | |
| Loan | Repayment schedule | | 2021 | | 2020 | | 2021 | | 2020 | |
|  | | (% per annum) |  |  | |  | |  | |  | |
| 1 | MLR - 1.25 | Monthly installments of principle of Baht 0.30 - 0.38 million per month as agreements within 10 years as from drawn down date. | | 13,173 | | 17,390 | | - | | - | |
| 2 | 5.75 | Monthly installments of principle of Baht 0.35 million per month as agreements within 7 years as from drawn down date. | | - | | 4,800 | | - | | - | |
| 3 | MLR - 2.025 | Monthly installments of principle of Baht 0.55 million per month as agreements within 7 years as from drawn down date. | | 4,395 | | 10,935 | | 4,395 | | 10,935 | |
| 4 | MLR - 0.5 | Monthly installments of principle of Baht 0.62 million per month as agreements within 4 years and 8 months from drawn down date | | - | | 3,397 | | - | | - | |
| 5 | MLR - 1.5 | Monthly installments of principle and interest of Baht 2.98 million per month within 7 years as from drawn down date. | | - | | 136,760 | | - | | - | |
| 6 | MLR - 0.5 | Monthly installments of principle and interest of Baht 0.86 million per month within 7 years and 8 months as from drawn down date. | | 25,301 | | 35,588 | | - | | - | |
| 7 | 4.85 | Monthly installments of principle of Baht 5.6 million per month as agreements within 5 years as from drawn down date | | - | | 173,600 | | - | | - | |
| 8 | MLR - 1.25 | Monthly installments of principle of Baht 1.7 million per month as agreements within 2 years and 6 months as from drawn down month | | - | | 9,200 | | - | | - | |
| 9 | 2.00 | Repayment of principle as agreements within 24 months as from drawn down date | | 20,000 | | 20,000 | | 20,000 | | 20,000 | |

|  |  |  |  | | | | (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Interest rate |  | Consolidated  financial statements | | | | Separate  financial statements | | | | |
| Loan | Repayment schedule | 2021 | | 2020 | | 2021 | | 2020 | | |
|  | | (% per annum) |  |  | |  | |  | |  | |
| 10 | MLR - 1.75 | Monthly installments of principle of Baht 3.81 million per month as agreements within 7 years and 3 months as from drawn down month | | 150,000 | | - | | - | | - | |
| Less: Deferred financial fees | | | | - | | (518) | | - | | - | |
| Total | | | | 212,869 | | 411,152 | | 24,395 | | 30,935 | |
| Less: Current portion | | | | (77,202) | | (140,552) | | (24,395) | | (6,540) | |
| Long-term loans - net of current portion | | | | 135,667 | | 270,600 | | - | | 24,395 | |

Movement of long-term loans account during the year ended 31 December 2021 and 2020 are detailed below.

| (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Beginning balance | 411,152 | 657,451 | 30,935 | 17,475 |
| Decrease from change in investment type | (3,397) | - | - | - |
| Add: Additional borrowings | 150,000 | 20,000 | - | 20,000 |
| Less: Repayments | (138,003) | (270,164) | (6,540) | (6,540) |
| Amortised financial fees | 248 | 3,865 | - | - |
| Transfer to related liabilities to assets held for sale | (207,131) | - | - | - |
| Ending balance | 212,869 | 411,152 | 24,395 | 30,935 |

The long-term loans of the Group are secured by (a) the mortgage of land, buildings and building improvement of the Group, (b) machinery, solar power and related equipment of the Group, pledged bank deposits of the Group, and (c) the rights of claim over cash receipts from Provincial Electricity Authority and the Metropolitan Electricity Authority and (d) are guaranteed by the Company.

The loan agreements contain covenants pertaining to matters including, prohibitions on decreasing share capital or business combination, paying dividends and enter into other new loan and the maintenance of certain financial ratios stipulated in the agreement, such as debt to equity and debt service coverage ratios in accordance with the agreements, the maintenance of deposit to reserve for debt repayment.

As at 31 December 2021, three subsidiaries (2020: three subsidiaries) were unable to follow some of covenants in the agreements. However, they have obtained a waiver letters of non-compliance from banks within accounting period.

**26. Leases**

The Group as a lessee has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 1 - 22 years.

1. **Right-of-use assets**

Movement of right-of-use assets for the year ended 31 December 2021 and 2020 are summarised below:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | | | | | |
|  | Consolidated financial statements | | | | | | | |
|  | Land | Buildings and building improvement | Buildings and building improvement - power plant | Machinery and equipment – power plant | Tools and equipment | Furnitures, office equipment and computers | Motor vehicles | Total |
| **Cost** |  |  |  |  |  |  |  |  |
| As at 1 January 2020 | 284 | 1,191 | 31,733 | 316,258 | 2,229 | 867 | 36,599 | 389,161 |
| Addition during the year | - | - | - | - | - | - | 798 | 798 |
| Write-off | - | - | - | - | - | - | (3,369) | (3,369) |
| As at 31 December 2020 | 284 | 1,191 | 31,733 | 316,258 | 2,229 | 867 | 34,028 | 386,590 |
| Transfer from Property, plant, and equipment | - | - | - | - | 25,664 | - | 8,465 | 34,129 |
| Write-off | - | - | - | - | - | - | (9,452) | (9,452) |
| Transfer out – Property, plant, and equipment | - | - | - | - | - | - | (2,666) | (2,666) |
| Increase from investment in subsidiaries | - | - | - | - | - | - | 28,276 | 28,276 |
| As at 31 December 2021 | 284 | 1,191 | 31,733 | 316,258 | 27,893 | 867 | 58,651 | 436,877 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | | (Unit: Thousand Baht) | | | | | | | |
|  | | Consolidated financial statements | | | | | | | |
|  | | Land | Buildings and building improvement | Buildings and building improvement - power plant | Machinery and equipment – power plant | Tools and equipment | Furnitures, office equipment and computers | Motor vehicles | Total |
| **Accumulated Depreciation** |  |  |  |  |  |  |  |  |
| As at 1 January 2020 | - | - | - | 36,317 | - | - | 13,525 | 49,842 |
| Depreciation during the year | 13 | 332 | 1,638 | 9,858 | 810 | 281 | 6,913 | 19,845 |
| Depreciation on write-off | - | - | - | - | - | - | (3,250) | (3,250) |
| As at 31 December 2020 | 13 | 332 | 1,638 | 46,175 | 810 | 281 | 17,188 | 66,437 |
| Depreciation during the year | 13 | 332 | 1,638 | 9,846 | 2,436 | 281 | 8,291 | 22,837 |
| Depreciation on write-off | - | - | - | - | - | - | (7,156) | (7,156) |
| Transfer from Property, plant, and equipment | | - | - | - | - | 145 | - | - | 145 |
| Transfer out – Property, plant, and equipment | - | - | - | - | - | - | (2,666) | (2,666) |
| Increase from investment in subsidiaries | - | - | - | - | - | - | 11,373 | 11,373 |
| As at 31 December 2021 | 26 | 664 | 3,276 | 56,021 | 3,391 | 562 | 27,030 | 90,970 |
| **Net booking value** |  |  |  |  |  |  |  |  |
| As at 31 December 2020 | 271 | 859 | 30,095 | 270,083 | 1,419 | 586 | 16,840 | 320,153 |
| As at 31 December 2021 | 258 | 527 | 28,457 | 260,237 | 24,502 | 305 | 31,621 | 345,907 |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | | (Unit: Thousand Baht) | | | | |
|  | Separate financial statements | | | | | | |
|  | Land | Buildings and building improvement | | Machinery and equipment - power plant | Furnitures, office equipment and computers | Motor vehicles | Total |
| **Cost** |  |  | |  |  |  |  |
| As at 1 January 2020 | 146 | - | | 182,797 | 867 | 1,071 | 184,881 |
| As at 31 December 2020 | 146 | - | | 182,797 | 867 | 1,071 | 184,881 |
| As at 31 December 2021 | 146 | 6,198 | | 182,797 | 867 | 1,071 | 191,079 |
| **Accumulated Depreciation** |  |  | |  |  |  |  |
| As at 1 January 2020 | - | - | | 20,641 | - | - | 20,641 |
| Depreciation during the year | 6 | - | | 5,719 | 281 | 230 | 6,236 |
| As at 31 December 2020 | 6 | - | | 26,360 | 281 | 230 | 26,877 |
| Depreciation during the year | 6 | 907 | | 5,703 | 281 | 230 | 7,127 |
| As at 31 December 2021 | 12 | 907 | | 32,063 | 562 | 460 | 34,004 |
| **Net booking value** |  |  | |  |  |  |  |
| As at 31 December 2020 | 140 | - | | 156,437 | 586 | 841 | 158,004 |
| As at 31 December 2021 | 134 | 5,291 | | 150,734 | 305 | 611 | 157,075 |

1. **Lease liabilities**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | (Unit: Thousand Baht) | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Lease payments | 270,538 | 289,297 | 91,882 | 113,288 |
| Less: Deferred interest expenses | (34,556) | (39,949) | (6,069) | (9,817) |
| Less: Deferred financial fees | (1,927) | (2,290) | (887) | (1,175) |
| Total | 234,055 | 247,058 | 84,926 | 102,296 |
| Less: Portion due within one year | (62,538) | (53,111) | (27,071) | (23,503) |
| Lease liabilities - net of current portion | 171,517 | 193,947 | 57,855 | 78,793 |

A maturity analysis of lease payments is disclosed in Note 41.1 under the liquidity risk.

1. **Expenses relating to leases that are recognised in profit or loss**

|  |  |  |
| --- | --- | --- |
|  | (Unit: Thousand Baht) | |
|  | For the year ended 31 December 2021 | |
|  | Consolidated  financial statements | Separate  financial statements |
| Depreciation expense of right-of-use assets | 22,837 | 7,127 |
| Interest expense on lease liabilities | 11,373 | 4,203 |
| Expense relating to short-term leases | 6,505 | 463 |
| Expense relating to leases of low-value assets | 1,638 | 1,302 |
|  | (Unit: Thousand Baht) | |
|  | For the year ended 31 December 2020 | |
|  | Consolidated  financial statements | Separate  financial statements |
| Depreciation expense of right-of-use assets | 19,845 | 6,236 |
| Interest expense on lease liabilities | 12,653 | 5,098 |
| Expense relating to short-term leases | 5,138 | 2,090 |
| Expense relating to leases of low-value assets | 2,545 | 1,948 |

1. **Others**

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 40 million (2020: Baht 63 million), including the cash outflow related to short-term leases and leases of low-value assets.

**27. Provision for long-term employee benefits**

Provision for long-term employee benefits, which is compensations on employees’ retirement, was as follows:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| **Provision for long-term employee benefits at beginning of year** | 13,053 | 18,289 | 7,431 | 13,623 |
| Included in profit or loss: |  |  |  |  |
| Current service cost | 4,690 | 4,069 | 1,838 | 1,808 |
| Interest cost | 505 | 327 | 345 | 246 |
| Past service costs from change in labor law | 2,647 | - | 2,439 | - |
| Benefits paid during the year | (8,532) | (9,632) | (8,532) | (8,246) |
| Adjustments of liabilities relating to assets held for sales | (905) | - | - | - |
| **Provision for long-term employee benefits** |  |  |  |  |
| **at the end of year** | 11,458 | 13,053 | 3,521 | 7,431 |

Line items in profit or loss under which long-term employee benefit expenses were recognised are as follows:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Cost of sales | 942 | 1,436 | - | - |
| Selling and administrative expenses | 4,253 | 2,960 | 2,183 | 2,054 |
| Total expenses recognised in profit or loss | 5,195 | 4,396 | 2,183 | 2,054 |

The Group expects to pay Baht 1 million of long-term employee benefits during the next year (2020: Baht 10 million) (the Company only: Baht 1 million (2020: Baht 8 million)).

As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is 9 - 18 years (2020: 12 - 21 years) (the Company only: 15 years (2020: 15 years)).

Significant actuarial assumptions are summarised below:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
|  | (% per annum) | (% per annum) | (% per annum) | (% per annum) |
| Discount rate | 1.89 - 2.82 | 1.50 - 3.40 | 2.68 | 1.50 - 3.40 |
| Long-term inflation rate | 2.75 | - | 2.75 | - |
| Future salary increase rate | 4.0 - 5.0 | 5.0 | 4.0 | 5.0 |
| Staff turnover rate (depending on age) | 1.91 - 28.65 | 0.00 - 32.10 | 2.39 - 28.65 | 0.00 - 29.00 |

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | | (Unit: Thousand Baht) | |
|  | As at 31 December 2021 | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | Increase 1% | Decrease 1% | Increase 1% | Decrease 1% |
| Discount rate | (1,232) | 1,477 | (310) | 363 |
| Salary increase rate | 1,410 | (1,204) | 349 | (304) |
| Turnover rate | (883) | 1,022 | (230) | 262 |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  | | (Unit: Thousand Baht) | | |
|  | As at 31 December 2020 | | | | |
|  | Consolidated financial statements | | Separate financial statements | | |
|  | Increase 1% | Decrease 1% | | Increase 1% | Decrease 1% |
| Discount rate | (2,487) | 2,917 | | (1,778) | 2,075 |
| Salary increase rate | 3,264 | (2,799) | | 2,335 | (2,012) |
| Turnover rate | (3,040) | 571 | | (2,181) | 418 |

**28. Share capital**

Reconciliation of registered share capital and issued and paid-up share capital for the years 2021 and 2020 as summarised below.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated / Separate financial statements | | | |
|  | 2021 | | 2020 | |
|  | Unit | Baht | Unit | Baht |
| Registered share capital |  |  |  |  |
| At beginning of year | 2,371,949,580 | 1,185,974,790 | 11,881,202,687 | 1,188,120,269 |
| Increase from increasing registered  share capital | - | - | 4 | - |
| Decrease registered share capital | - | - | (21,454,791) | (2,145,479) |
| Reverse stock split | - | - | (9,487,798,320) | - |
| At end of year | 2,371,949,580 | 1,185,974,790 | 2,371,949,580 | 1,185,974,790 |
| Issued and paid-up share capital |  |  |  |  |
| At beginning of year | 2,371,949,580 | 1,185,974,790 | 11,859,747,896 | 1,185,974,790 |
| Increase from increasing share capital | - | - | 4 | - |
| Reverse stock split | - | - | (9,487,798,320) | - |
| At end of year | 2,371,949,580 | 1,185,974,790 | 2,371,949,580 | 1,185,974,790 |

**29. Statutory reserve**

The Company

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% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution.

The subsidiaries

According to the Thai Civil and Commercial Code, the Company is required to set aside to a statutory reserve an amount equal to at least 5% of its net profit each time the Company pays out a dividend, until such reserve reaches 10% of its registered share capital. The statutory reserve cannot be used for dividend payment.

**30. Revenue from contracts with customers**

**Disaggregated revenue information**

| (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| **Type of goods or service:** |  |  |  |  |
| Power control system and power backup system | 68,151 | 176,371 | 66,421 | 176,664 |
| Electricity generating from renewable energy | 131,278 | 156,342 | 48,458 | 48,996 |
| Fuel distribution and logistics | 692,193 | 1,067,505 | - | - |
| Construction | 1,388,981 | 941,848 | 709,637 | 34,960 |
| Total revenue from contracts with customers | 2,280,603 | 2,342,066 | 824,516 | 260,620 |

| **Timing of revenue recognition:** |  |  |  |  |
| --- | --- | --- | --- | --- |
| Revenue recognised at a point in time | 711,439 | 1,048,049 | 29,315 | 67,770 |
| Revenue recognised over time | 1,569,164 | 1,294,017 | 795,201 | 192,850 |
| Total revenue from contracts with customers | 2,280,603 | 2,342,066 | 824,516 | 260,620 |

Set out below is a reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 38 relating to the segment information:

| (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Revenue from external customers | 2,280,603 | 2,342,066 | 761,586 | 249,468 |
| Inter-segment revenues | 197,622 | 319,514 | 62,930 | 11,152 |
| Total | 2,478,225 | 2,661,580 | 824,516 | 260,620 |
| Elimination of inter-segment revenues | (197,622) | (319,514) | - | - |
| Total revenue from contracts with customers | 2,280,603 | 2,342,066 | 824,516 | 260,620 |

# 31. Finance income

| (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Interest income on debt instruments measured at amortised cost | 573 | 1,965 | 866 | 21,104 |
| Total | 573 | 1,965 | 866 | 21,104 |

# 32. Finance cost

| (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Interest expenses on borrowings | 45,000 | 69,136 | 46,028 | 60,485 |
| Bank charge | 6,191 | 10,360 | 5,688 | 6,920 |
| Interest expenses on lease liabilities | 11,372 | 12,653 | 4,203 | 5,098 |
| Total | 62,563 | 92,149 | 55,919 | 72,503 |

**33. Expenses by nature**

Significant expenses by nature are as follows:

(Unit: Thousand Baht)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Salary and wages and other employee benefits | 109,328 | 116,402 | 48,037 | 63,503 |
| Depreciation | 58,180 | 54,503 | 12,365 | 12,382 |
| Rental expenses from operating lease agreements | 5,478 | 7,066 | 1,764 | 4,038 |
| Purchases of finished goods | 2,073,055 | 1,138,854 | 766,538 | 238,135 |
| Changes in inventories of finished goods and work in process | 139,946 | 24,626 | 103,764 | 10,545 |

**34. Income tax**

Income tax expense for the years ended 31 December 2021 and 2020 are made up as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| (Unit: Thousand Baht) | | | | |
|  | Consolidated  financial statements | | Separate  financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| **Current income tax:** |  |  |  |  |
| Corporate income tax charge for the year | 15,684 | 20,609 | 511 | - |
| **Deferred tax:** |  |  |  |  |
| Relating to origination and reversal of temporary differences | (30,737) | (2,112) | (743) | 1,731 |
| **Income tax expense (revenue) reported in profit or loss** | (15,053) | 18,497 | (232) | 1,731 |

Reconciliation between income tax expenses and the product of accounting profit (loss) multiplied by the applicable tax rates for the years ended 31 December 2021 and 2020 can be presented as follows.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  | (Unit: Thousand Baht) | |
|  | Consolidated financial statements | | Separate  financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Accounting profit (loss) before tax | (108,033) | (998,653) | (722,779) | 206,714 |
|  |  |  |  |  |
| Applicable tax rates | 0%, 20% | 0%, 20% | 0%, 20% | 0%, 20% |
| Accounting profit (loss) before tax multiplied by applicable tax rate | (21,607) | (199,731) | (144,556) | 41,343 |
| Tax effect of intercompany transactions: | 1,636 | (136,650) | - | - |
| Effects of: |  |  |  |  |
| Promotional privileges (Note 35) | (10,836) | (13,417) | (5,257) | (5,124) |
| Dividend with tax exemption | - | - | (2,850) | (231,318) |
| Non-deductible expenses | 2,018 | 347,778 | 145,218 | 187,090 |
| Additional expense  deductions allowed | (92) | (58) | - | - |
| Utilise of tax losses | (40) | (155) | - | - |
| Others | 918 | (1,812) | - | - |
| Total | (8,032) | 332,336 | 137,111 | (49,352) |
| Unused tax losses expected to be utilised  in the future | 12,950 | 22,542 | 7,213 | 9,740 |
| Income tax expense (revenue) reported in profit or loss | (15,053) | 18,497 | (232) | 1,731 |

The components of deferred tax assets are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| (Unit: Thousand Baht) | | | | |
|  | Consolidated financial statements | | Separated financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| **Deferred tax assets** |  |  |  |  |
| Allowance for expected credit losses | 3,467 | 3,403 | 177 | 105 |
| Allowance for diminution in value of inventories | 1,114 | 512 | 405 | 207 |
| Allowance for asset impairment | 30,485 | 2,282 | - | - |
| Plant, property, and equipment | (147) | - | - |  |
| Provision for long-term employee benefits | 1,658 | 2,434 | 192 | 1,462 |
| Actuarial losses | 634 | 88 | 512 | 24 |
| Unused tax losses | 1,164 | - | - | - |
| Provision for product warranty | 2,994 | 1,741 | 2,994 | 1,741 |
| Lease liabilities/Right to lease | 91 | 263 | 8 | 6 |
| Capital reserve for share-based payment transactions | 446 | 446 | 446 | 446 |
| Total | 41,906 | 11,169 | 4,734 | 3,991 |

As at 31 December 2021, the Group has deduction temporary differences and unused tax losses totaling Baht 569 million (2020: Baht 517 million) (the Company only: Baht 55 million (2020: Baht 15 million)), on which deferred tax assets have not been recognised as the Company believes future taxable profit may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

**35. Promotional privileges**

The Group has received promotional privileges from the Board of Investment for the production of electricity from solar power, biological power and biomass power, pursuant to the following investment promotion certificates.

|  |  |
| --- | --- |
| Investment promotion certificate number | Issued date |
| 1966 (1)/2554 | 10 August 2011 |
| 2548(1)/2555 | 18 October 2012 |
| 1127(1)/2556 | 31 January 2013 |
| 1792(1)/2556 | 6 June 2013 |
| 1519(1)/2557 | 22 April 2014 |
| 1520(1)/2557 | 22 April 2014 |
| 58-2389-1-00-1-0 | 29 October 2015 |
| 59-1440-1-00-1-0 | 7 November 2016 |
| 59-1442-1-00-1-0 | 7 November 2016 |
|  |  |
| Investment promotion certificate number | Issued date |
| 61-0121-1-00-1-0 | 2 February 2018 |
| 61-0865-1-00-1-0 | 23 July 2018 |
| 2021-0249-1-00-1-0 | 9 March 2021 |
| 2021-1281-1-00-1-0 | 23 April 2021 |
| 2021-1287-1-00-1-0 | 16 April 2021 |
| 2021-1285-1-00-1-0 | 16 April 2021 |
| 2021-1283-1-00-1-0 | 16 April 2021 |
| 2021-1284-1-00-1-0 | 16 April 2021 |
| 2021-1282-1-00-1-0 | 16 April 2021 |

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 operations begin generating revenues, after that reduce 50 percent from corporate income tax for a period of 5 years from promoted operations and dividends paid from the promoted operations which are exempt from corporate income tax are in turn exempted from inclusion in the determination of income tax.

The Group’s domestic sales for the years 2021 and 2020 from promoted operations amounted to Baht 131 million and Baht 156 million, respectively (the Company only: Baht 48 million and Baht 49 million, respectively).

**36. Earnings per share**

Basic earnings 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 per share for the years ended 31 December 2021 and 2020.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | |
|  | Loss for the year | | Weighted average number of ordinary shares | | Loss per share | |
|  | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
|  | (Thousand | (Thousand | (Thousand | (Thousand | (Baht) | (Baht) |
|  | Baht) | Baht) | shares) | shares) |  |  |
| **Basic earnings (loss) per share** |  |  |  |  |  |  |
| Loss attributable to equity holders of the Company |  |  |  |  |  |  |
| Continued operations | (93,358) | 15,197 | 2,371,950 | 2,371,950 | (0.0394) | 0.0064 |
| Discontinued operations | (578,163) | (1,020,553) | 2,371,950 | 2,371,950 | (0.2438) | (0.4303) |

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | | |
|  | Loss for the year | | Weighted average number of ordinary shares | | Loss per share | |
|  | 2021 | 2020 | 2021 | 2020 | 2021 | 2020 |
|  | (Thousand | (Thousand | (Thousand | (Thousand | (Baht) | (Baht) |
|  | Baht) | Baht) | shares) | shares) |  |  |
| **Basic earnings (loss) per share** |  |  |  |  |  |  |
| Profit (loss) attributable to equity holders  of the Company | (724,475) | 204,983 | 2,371,950 | 2,371,950 | (0.3046) | 0.0864 |

**37. Dividend payment**

|  |  |  |  |
| --- | --- | --- | --- |
| Dividend | Approved by | Dividend paid | Dividend paid per share |
|  |  | (Thousand Baht) | (Baht) |
| Annual dividend for the year 2019 | Annual General Meeting of the shareholders on 30 April 2020 | 118,597 | 0.010 |
| Total dividend paid in 2020 |  | 118,597 | 0.010 |

**38. Segment information**

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and has 4 reportable segments as follows:

- The power control system and power backup system segment, which comprises the distribution and installation of power control systems and power backup systems

- The electricity generating from renewable energy segment, which comprises the production and distribution of electricity generated from solar, biomass and biological power.

- The fuel distribution segment.

- The construction segment, which comprises the design, construction and engineering procurement of renewable energy plant, gas and fuel storage.

No operating segments have been aggregated to form the above reportable operating segments.

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 on a basis consistent with that used to measure operating profit or loss in the financial statements. However, the Group’s financing activities including finance costs and finance income and income taxes are managed on a Group basis and are not allocated to operating segments.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Inter-segment revenues are eliminated on consolidation.

The following tables present revenue and profit information regarding the Group’s operating segments for the years ended 31 December 2021 and 2020, respectively.

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | For the year ended 31 December 2021 | | | | | | |
|  | Power control system and power backup system segment | Construction segment | Fuel distribution segment | Renewable energy segment | Total segments | Elimination of inter-segment revenues | Consolidated financial statements |
| Revenue from  external customers | 68,151 | 1,388,980 | 692,193 | 131,279 | 2,280,603 | - | 2,280,603 |
| Inter-segment revenue | - | 170,370 | 27,253 | - | 197,623 | (197,623) | - |
| Interest revenue | 866 | 34 | 5,205 | 1,117 | 7,222 | (6,649) | 573 |
| Interest expense | (45,873) | - | (5,589) | (10,924) | (62,386) | 6,014 | (56,372) |
| Depreciation and  amortisation | (2,785) | (175) | (29,066) | (29,116) | (61,142) | 2,962 | (58,180) |
| Income tax revenue (expense) | 231 | (1,121) | 17,053 | (1,110) | 15,053 | - | 15,053 |
|  |  |  |  |  |  |  |  |
| **Segment (loss) profit** | **(729,567)** | **8,048** | **(253,211)** | **(548,221)** | **(1,522,951)** | **1,429,971** | **(92,980)** |

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | For the year ended 31 December 2020 | | | | | | |
|  | Power control system and power backup system segment | Construction segment | Fuel distribution segment | Renewable energy segment | Total segments | Elimination of inter-segment revenues | Consolidated financial statements |
| Revenue from  external customers | 176,371 | 941,848 | 1,067,505 | 156,343 | 2,342,067 | - | 2,342,067 |
| Inter-segment revenue | 11,174 | 257,292 | 51,048 | - | 319,514 | (319,514) | - |
| Interest revenue | 21,104 | 11 | 2,814 | 6,413 | 30,342 | (28,377) | 1,965 |
| Interest expense | (59,932) | - | (21,081) | (25,651) | (106,664) | 24,875 | (81,789) |
| Depreciation and  amortisation | (2,759) | (83) | (21,902) | (23,976) | (48,720) | (5,783) | (54,503) |
| Income tax expense | (1,777) | (4,245) | (13,165) | (978) | (20,165) | 1,668 | (18,497) |
|  |  |  |  |  |  |  |  |
| **Segment profit** | **179,023** | **72,588** | **(5,672)** | **(187,012)** | **58,927** | **(55,524)** | **3,403** |

The following table presents segment assets of the Group’s operating segments as at 31 December 2021 and 2020:

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | For the year ended 31 December 2021 | | | | | | |
|  | Power control system and power backup system segment | Construction segment | Fuel distribution segment | Renewable energy segment | Total segments | Elimination of inter-segment revenues | Consolidated financial statements |
| Segment continuing operation assets | 8,131,055 | 384,320 | 3,349,533 | 1,033,710 | 12,898,618 | (5,750,509) | 7,148,109 |
| Segment discontinued operating assets | - | - | - | 526,508 | 526,508 | (8,273) | 518,235 |
| Segment assets | 8,131,055 | 384,320 | 3,349,533 | 1,560,218 | 13,425,126 | (5,758,782) | 7,666,344 |

(Unit: Thousand Baht)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | For the year ended 31 December 2020 | | | | | | |
|  | Power control system and power backup system segment | Construction segment | Fuel distribution segment | Renewable energy segment | Total segments | Elimination of inter-segment revenues | Consolidated financial statements |
| **Segment assets** | 8,805,396 | 386,271 | 3,539,960 | 3,042,091 | 15,773,718 | (7,573,983) | 8,199,735 |

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

For the year 2021, the Group has revenue from two major customers in amount of Baht 523 million and Baht 398 million, arising from construction segments (2020: Baht 737 million and Baht 148 million derived from two major customers, arising from sales by the electricity generation from renewable energy segments, respectively).

**39. Provident fund**

The Company and its employees have joined as members of provident fund of Siam Commercial Master Fund, which is in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by SCB Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2021 amounting to approximately Baht 0.6 million were recognised as expenses (2020: Baht 0.6 million).

**40. Commitments and contingent liabilities**

**40.1 Capital commitments**

As at 31 December 2021, the Company had capital commitments of Baht 35 million (2020: Baht 377 million) (the Company only: Baht 14 million (2020: Nil)), relating to the construction, acquisition of buildings and land and building improvement.

**40.2 Electricity sales commitments**

The Group entered into several agreements with the Provincial Electricity Authority (PEA) and the Metropolitan Electricity Authority (MEA) to sell electricity in a specified quantity and at a stipulated price as defined in the agreements. The agreements are for a period of 5 to 25 years, starting from the agreement date, and will automatically renew every 5 years until termination. The details of the agreements are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Power plant | Agreement date | Project location | Capacity | Commercial operation date |
| 1 | 28 October 2009 | Udon Thani Province | 998 kilowatts | Start selling electricity since 15 August 2011 |
| 2 | 28 October 2009 | Udon Thani Province | 998 kilowatts | Start selling electricity since 22 August 2011 |
| 3 | 10 March 2010 | Burirum Province | 8,000 kilowatts | Start selling electricity since 24 July 2015 |
| 4 | 23 March 2012 | Suphan Buri Province | 4,000 kilowatts | Start selling electricity since 19 March 2014 |
| 5 | 17 August 2012 | Suphan Buri Province | 2,000 kilowatts | Start selling electricity since 20 October 2015 |
| 6 | 29 November 2013 | Suphan Buri Province | 980 kilowatts | Start selling electricity since 16 October 2014 |
| 7 | 16 December 2013 | Samut Songkhram Province | 988 kilowatts | Start selling electricity since 8 May 2014 |
| 8 | 17 December 2013 | Nonthaburi Province | 980 kilowatts | Start selling electricity since 10 October 2014 |
| 9 | 4 August 2015 | Phetchaburi Province | 1,000 kilowatts | Start selling electricity since 28 December 2015 |
| 10 | 2 October 2015 | Suphan Buri Province | 4,600 kilowatts | Start selling electricity since 28 February 2020 |
| 11 | 22 August 2016 | Sa Kaeo Province | 4,999 kilowatts | Start selling electricity since 5 January 2017 |
| 12 | 22 August 2016 | Samut Songkhram Province | 4,999 kilowatts | Start selling electricity since 12 January 2017 |

**40.3 Service and other commitments**

As at 31 December 2021 and 2020, the Group has commitments of service and other agreements as follows:

a) The Group has commitments of service and consultant agreements that has future minimum payment required under these non-cancellable service agreements were as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| (Unit: Million Baht) | | | | |
|  | Consolidated financial statements | | Separate financial statements | |
|  | 2021 | 2020 | 2021 | 2020 |
| Payable |  |  |  |  |
| in up to 1 year | 14.8 | 23.8 | 5.9 | 8.7 |
| in over 1 and up to 5 years | 38.0 | 41.0 | 17.7 | 19.5 |
| in over 5 years | 138.7 | 147.9 | 65.6 | 70.0 |

b) The Group has commitment of construction and service agreements amounting to Baht 567 million and USD 4 million (2020: Baht 613 million) (the Company only: Baht 321 million and USD 4 million (2020: Nil)).

**40.4 Commitments in respect of uncalled investments**

As at 31 December 2021 and 2020, the Company has the uncalled portion of investments in subsidiaries as follow.

|  |  |  |
| --- | --- | --- |
|  | (Unit: Thousand Baht) | |
|  | 2021 | 2020 |
| PST (Ubonratchathani) Company Limited | - | 500 |
| PST Energy 1 Company Limited | 23,500 | 23,500 |
| PST Energy 3 Company Limited | - | 11,475 |
| Global Solar Energy Company Limited |  |  |
| (Formerly known as PST Energy 4 Company Limited) | 30,000 | 30,000 |
| PST Energy 7 Company Limited | - | 7,425 |
| PST Energy 8 Company Limited | - | 14,925 |
| Bio Green Energy 3 Company Limited | - | 75 |
| Big Power Corporation Company Limited | - | 750 |
| Greyhound Inter Trade Company Limited | - | 6,750 |
| Total | 53,500 | 95,400 |

**40.5 Guarantees**

(1) As at 31 December 2021, the Company has guaranteed bank loans and credit facilities of its related companies amounting to Baht 2,149 million and USD 5 million (2020: Baht 1,714 million and USD 5 million).

(2) As at 31 December 2021, the Group has outstanding bank guarantees regarding to guarantees of contractual performance totalling of Baht 346 million and USD 0.1 million (2020: Baht 309 million and USD 0.2 million) (the Company only: Baht 240 million and USD 0.1 Million (2020: Baht 128 million and USD 0.2 million)) issued by bank on behalf of the Group in respect of certain performance bonds as required in the normal course of business of the Group.

**41. Financial instruments**

## 41.1 Financial risk management objectives and policies

The Group’s financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans to related parties, investments, and short-term and long-term loans from banks. 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, contract assets, loans and deposits with banks. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

***Trade accounts receivable and contract assets***

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade accounts receivable and contract assets are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by product type, customer type and reliability. The Group does not hold collateral as security. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and not subject to enforcement activity.

***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 and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

**Market risk**

The Group has market risk relating to interest rate risk.

***Interest rate risk***

The Group’s exposure to interest rate risk relates primarily to its, debentures loans to related parties, and long-term from banks. Most of the Group’s financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

As at 31 December 2021 and 2020, 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 2021 | | | | | |
|  | Fixed interest rates | |  |  |  |  |
|  | Within 1 year | 1 - 5 years | Floating  interest rate | Non-interest  bearing | Total | Effective interest rate |
|  |  |  | | | | (% per annum) |
| **Financial assets** |  |  |  |  |  |  |
| Cash and cash equivalents | 59 | - | - | 22 | 81 | 0.05 - 1.25 |
| Trade and other receivables | - | - | - | 316 | 316 | - |
| Financial lease receivables | - | 7 | - | - | 7 | 4.00 |
| Long-term loan to non-related party | 1 | 4 | - | - | 5 | 3.00 - 3.70 |
| Contract assets | - | - | - | 272 | 272 | - |
| Restricted bank deposits | - | 83 | - | - | 83 | 0.15 - 0.38 |
| Other non-current financial assets | - | - | - | 14 | 14 | - |
|  | 60 | 94 | - | 624 | 778 |  |
| **Financial liabilities** |  |  |  |  |  |  |
| Bank overdrafts and short- term loans from banks | 324 | - | 397 | - | 721 | 1.88 - 4.30 |
| Trade and other payables | - | - | - | 486 | 486 | - |
| Debentures | - | 395 | - | - | 395 | 5.80 |
| Long-term loans | 20 | - | 193 | - | 213 | 2.00 - 4.75 |
| Lease liabilities | 62 | 172 | - | - | 234 | 4.00 - 4.75 |
| Contract liabilities | - | - | - | 36 | 36 | - |
| Advances received from customer | - | - | - | 129 | 129 | - |
|  | 406 | 567 | 590 | 651 | 2,213 |  |

(Unit: Million Baht)

|  | Separate financial statements | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
|  | As at 31 December 2021 | | | | | |
|  | Fixed interest rates | |  |  |  |  |
|  | Within 1 year | 1 - 5 years | Floating  interest rate | Non-interest  bearing | Total | Effective interest rate |
|  |  |  | | | | (% per annum) |
| **Financial assets** |  |  |  |  |  |  |
| Cash and cash equivalents | - | - | - | 9 | 9 | 0.05 - 0.25 |
| Trade and other receivables | - | - | - | 533 | 533 | - |
| Contract assets | - | - | - | 74 | 74 | - |
| Short-term loans to related parties | 20 | - | - | - | 20 | 4.00 - 5.00 |
| Restricted bank deposits | - | 55 | - | - | 55 | 0.15 - 0.38 |
| Other non-current financial assets | - | - | - | 14 | 14 | - |
|  | 20 | 55 | - | 630 | 705 |  |
| **Financial liabilities** |  |  |  |  |  |  |
| Bank overdrafts and short- term loans from banks | 110 | - | 380 | - | 490 | 1.88 - 4.30 |
| Trade and other payables | - | - | - | 257 | 257 | - |
| Debentures | - | 395 | - | - | 395 | 5.80 |
| Short-term loans from related parties | 142 | - | - | - | 142 | 3.75 - 5.00 |
| Long-term loans | 20 | - | 4 | - | 24 | 2.00 - 4.10 |
| Lease liability | 24 | 54 | - | - | 78 | 4.00 - 4.75 |
| Advances received from customers | - | - | - | 128 | 128 | - |
|  | 296 | 449 | 384 | 385 | 1,514 |  |

(Unit: Million Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | |
|  | As at 31 December 2020 | | | | | |
|  | Fixed interest rates | |  |  |  |  |
|  | Within 1 year | 1 - 5 years | Floating  interest rate | Non-interest  bearing | Total | Effective interest rate |
|  |  |  | | | | (% per annum) |
| **Financial assets** |  |  |  |  |  |  |
| Cash and cash equivalents | 125 | - | - | 24 | 149 | 0.13 - 0.25 |
| Trade and other receivables | - | - | - | 775 | 775 | - |
| Long-term loan to non-related party | 16 | - | - | - | 16 | 3.00 |
| Contract assets | - | - | - | 199 | 199 | - |
| Restricted bank deposits | - | 109 | - | - | 109 | 0.20 - 1.20 |
| Other non-current financial assets | - | - | - | 24 | 24 | - |
|  | 141 | 109 | - | 1,022 | 1,272 |  |

(Unit: Million Baht)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | |
|  | As at 31 December 2020 | | | | | |
|  | Fixed interest rates | |  |  |  |  |
|  | Within 1 year | 1 - 5 years | Floating  interest rate | Non-interest  bearing | Total | Effective interest rate |
|  |  |  | | | | (% per annum) |
| **Financial liabilities** |  |  |  |  |  |  |
| Bank overdrafts and short- term loans from banks | 213 | - | 174 | - | 387 | 2.00 - 5.88 |
| Trade and other payables | - | - | - | 646 | 646 | - |
| Short-term loans from unrelated parties | 12 | - | - | - | 12 | 4.25 - 5.00 |
| Debentures | 497 | - | - | - | 497 | 5.30 - 5.70 |
| Long-term loans | 71 | 127 | 213 | - | 411 | 2.00 - 5.75 |
| Lease liabilities | 53 | 194 | - | - | 247 | 2.50 - 5.75 |
| Contract liabilities | - | - | - | 136 | 136 | - |
| Advances received from customer | - | - | - | 3 | 3 | - |
|  | 846 | 321 | 387 | 785 | 2,339 |  |

(Unit: Million Baht)

|  | Separate financial statements | | | | | |
| --- | --- | --- | --- | --- | --- | --- |
|  | As at 31 December 2020 | | | | | |
|  | Fixed interest rates | |  |  |  |  |
|  | Within 1 year | 1 - 5 years | Floating  interest rate | Non-interest  bearing | Total | Effective interest rate |
|  |  |  | | | | (% per annum) |
| **Financial assets** |  |  |  |  |  |  |
| Cash and cash equivalents | 1 | - | - | 11 | 12 | 0.13 - 0.25 |
| Trade and other receivables | - | - | - | 661 | 661 | - |
| Short-term loans to related parties | 2 | - | - | - | 2 | 4.25 - 5.00 |
| Restricted bank deposits | - | 54 | - | - | 54 | 0.20 - 1.20 |
| Other non-current financial assets | - | - | - | 24 | 24 | - |
|  | 3 | 54 | - | 696 | 753 |  |
| **Financial liabilities** |  |  |  |  |  |  |
| Bank overdrafts and short- term loans from banks | 189 | - | 140 | - | 329 | 2.60 - 4.20 |
| Trade and other payables | - | - | - | 250 | 250 | - |
| Debentures | 497 | - | - | - | 497 | 5.30 - 5.70 |
| Short-term loans from related parties | 216 | - | - | - | 216 | 0.90 - 5.00 |
| Long-term loans | - | 20 | 11 | - | 31 | 2.00 - 4.10 |
| Lease liability | 23 | 79 | - | - | 102 | 4.00 - 4.75 |
| Advances received from customers | - | - | - | 2 | 2 | - |
|  | 925 | 99 | 151 | 252 | 1,427 |  |

*Interest rate sensitivity*

As at 31 December 2021, most of financial assets and financial liabilities of the Group has frequently changed and revolving within one year. The Group’s management, therefore, considered that there is no significant risk to profit before tax and shareholder’s equity from reasonably possible changes in interest rate in next one year which would impact to the fair value of monetary assets and liabilities bearing floating interest rate as at 31 December 2021.

**Liquidity risk**

The Group monitors the risk of a shortage of liquidity through the preparation of cash inflow and outflow report. The Group has access to a sufficient variety of sources of funding i.e. bank overdrafts, promissory notes and bank loans with debts maturing within 12 months.

The table below summarises the maturity profile of the Group’s non-derivative financial liabilities and derivative financial instruments as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

|  | (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | |
|  | As at 31 December 2021 | | | | |
|  | On  demand | Less than 1 year | 1 to 5  years | More than 5 years | Total |
| **Non-derivatives** |  |  |  |  |  |
| Bank overdraft and short-term loans from banks | 4,479 | 725,630 | - | - | 730,109 |
| Trade and other payables | - | 485,836 | - | - | 485,836 |
| Debenture | - | - | 414,820 | - | 414,820 |
| Lease liabilities | - | 68,136 | 163,107 | 39,300 | 270,538 |
| Long-term loans | - | 82,824 | 139,603 | - | 222,427 |
| Other financial liabilities | - | - | - | - | - |
| **Total non-derivatives** | 4,479 | 1,362,426 | 717,525 | 39,300 | 2,123,730 |
|  | (Unit: Thousand Baht) | | | | |
|  | Separate financial statements | | | | |
|  | As at 31 December 2021 | | | | |
|  | On  demand | Less than 1 year | 1 to 5  years | More than 5 years | Total |
| **Non-derivatives** |  |  |  |  |  |
| Bank overdraft and short-term loans from banks | 4,479 | 492,439 | - | - | 496,918 |
| Trade and other payables | - | 256,846 | - | - | 256,846 |
| Debenture | - | - | 414,820 | - | 414,820 |
| Lease liabilities | - | 30,023 | 61,709 | 150 | 91,882 |
| Long-term loans | - | 24,463 | - | - | 24,463 |
| Other financial liabilities | 141,787 | - | - | - | 141,787 |
| **Total non-derivatives** | 146,266 | 803,771 | 476,529 | 150 | 1,426,716 |

|  | (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | |
|  | As at 31 December 2020 | | | | |
|  | On  demand | Less than 1 year | 1 to 5  years | More than 5 years | Total |
| **Non-derivatives** |  |  |  |  |  |
| Bank overdraft and short-term loans from banks | 27,669 | 362,804 | - | - | 390,473 |
| Trade and other payables | - | 645,517 | - | - | 645,517 |
| Debenture | - | 516,534 | - | - | 516,534 |
| Lease liabilities | - | 63,900 | 187,395 | 38,002 | 289,297 |
| Long-term loans | - | 155,900 | 284,183 | - | 440,083 |
| Other financial liabilities | 12,739 | - | - | - | 12,739 |
| **Total non-derivatives** | 40,408 | 1,744,655 | 471,578 | 38,002 | 2,294,643 |

|  | (Unit: Thousand Baht) | | | | |
| --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | |
|  | As at 31 December 2020 | | | | |
|  | On  demand | Less than 1 year | 1 to 5  years | More than 5 years | Total |
| **Non-derivatives** |  |  |  |  |  |
| Bank overdraft and short-term loans from banks | - | 332,430 | - | - | 332,430 |
| Trade and other payables | - | 249,069 | - | - | 249,069 |
| Debenture | - | 516,534 | - | - | 516,534 |
| Lease liabilities | - | 27,874 | 85,264 | 150 | 113,288 |
| Long-term loans | - | 6,865 | 24,456 | - | 31,321 |
| Other financial liabilities | 216,230 | - | - | - | 216,230 |
| **Total non-derivatives** | 216,230 | 1,132,772 | 109,720 | 150 | 1,458,872 |

## 41.2 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 Group estimating the fair value of financial instruments are as follows:

1. For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable and short-term loans to related parties, accounts payable and short-term loans from banks, the carrying amounts in the statement of financial position approximate their fair value.
2. The fair value of debt securities is generally derived from quoted market prices or by using the yield curve announced by the Thai Bond Market Association or by other relevant bodies.
3. The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
4. The fair value of long-term loans is estimated by discounting expected future cash flows by the current market interest rate of loans with similar terms and conditions.
5. The fair value of fixed rate debentures and long-term loans is estimated by discounting expected future cash flow by the current market interest rate of loans with similar terms and conditions.
6. The carrying amounts of long-term loans 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.

**42. Capital management**

The primary objective of the Company’s capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2021, debt-to-equity ratio of the Group was 0.5:1:1 (2020: 0.4:1) and the Company’s was 0.2:1 (2020: 0.2:1).

**43. Events after the reporting period**

On 6 January 2022, PST Energy Company Limited, a subsidiary directly held by the Company sold its investment in Well Korat Energy Company Limited (100%) to a non-related party for Baht 416.35 million.

**44. Approval of financial statements**

These financial statements were authorised for issue by the Audit Committee and the Company’s Board of Directors on 28 February 2022.