



# **SOLARTRON PUBLIC COMPANY LIMITED**

**56-1 Form One Report 2022**



[www.solartron.co.th](http://www.solartron.co.th)

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## Message from Chairman of the Board

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Dear Shareholders,



In the year of 2022, when the Covid-19 pandemic has been declining on the second half of the year after being constantly controlled by strict measures since year 2021, the company could speed up its projects on hand and deliver them to the employees.

However, Thailand's economy has been on the recovery stage while it has confronted several external negative factors, which include Russia-Ukraine was emerging since the end of the first quarter, and lock down of main cities in China. These events took effect to the interruption of supply, and made the price of construction material soar up, which directly affected the construction cost. Therefore 2022 performance was -167 million baht.

Moreover the company improved the business operation with the innovative renewable energy systems in order to avoid price competition and creating the new business opportunities.

On behalf of the Board of Directors, the Management, and the employees, the company would like to extend our gratitude to all shareholder, customers, suppliers and stakeholders who has always given trust and support to the Company. We will continue adhering with the corporate governance principle in our business operation, and have determination to work for secure progress and growth for your benefits.



General Pudit Tattiyachot  
Chairman of the Board of Director

## Report of Audit Committee

Dear Shareholders,

The Audit committee consists of independent directors who are qualified by law and knowledgeable as well as experience in accounting, finance, laws and organization management. This year, the committee consists of 3 members: General Pudit Tattiyachot, as the Chairman of the Audit Committee, Pol.Lt.Gen. Saridchai Anakevieng and Mr. Vipon Vorasowharid as Audit Committee members.



In 2022 the Audit Committee had 4 meetings with the external auditor and the Internal audit department. The Audit Committee carried out board-assigned duties under Solartron's regulations on the criteria and guideline for its Audit Committee, in alignment with the regulations of the Stock Exchange of Thailand (SET) and Securities and Exchange Commission (SEC). The Committee's policy focused on conformance to corporate good governance and on good internal control as follows;

1. Review of Financial Statements

The Audit Committee reviewed significant data and information in the quarterly and annual financial statement of the Company for the year 2022, as well as the consolidated financial statements of Solartron Public Company Limited and its subsidiaries, which were prepared as for Thai financial Reporting Standards (TFRS) in conformance with the International Financial Reporting Standards (IFRS). The Committee reviewed material issues and special items and obtained sufficient clarification from the external auditors, the management, and the internal audit department, confirming that the financial statements and the disclosure in the notes to the financial statements were in compliance with the relevant laws and financial reporting standards. The Audit Committee therefore approved the Financial Statements, which were reviewed and audited by the external auditor without reservation.

In addition, the Committee held a meeting with the external auditors without the presence of the management so as to freely discuss important matters in the preparation of the financial statements and the disclosure of information in accordance with financial reporting standards and to be beneficial to users of this financial statement.

2. Review of risk management

The Audit Committee reviewed and monitored the company's risk management effort every quarter in order to ensure that the management adequately managed risks to an acceptable level and accurately identified sufficient risk factors that are required information for the Internal Control. The Committee deems that in 2022, the management had identified sufficient risk factors and was able to mitigate a certain level of risks for the company.

3. Review of internal audit and internal control systems

The Audit Committee, External Auditors and Internal Control Department have collaboratively examined the internal audit and internal control system in every quarter. It has been deemed that the Company's internal audit and internal control system are sufficient and can reasonably establish confidence in the company's achievements in term of efficient and effective operations, reliability of the corporate financial reports, and compliance with applicable rules and policies

4. Review of Corporate Governance

Reviewing Solartron's performance against the business processes, the committee found that Solartron's business had been conducted with virtue, and that in compliance with securities exchange legislation, SET's requirement, and other legislation relevant to its businesses to ensure regular transactions conducted under normal, sensible conditions. The finding indicated good quality system and contact.

5. Appointment of the external auditor and Review of the Audit Fee for 2022

From The selection process of 3 audit firms Office of Pitisevi Co.,Ltd has been selected and appointed as the external auditor of Solartron. Based on the satisfactory results of this performance appraisal and their qualification as independent auditor, the Audit Committee recommended them to the Board. The Board agreed to seek approval at the Shareholders 'meeting. The Board also agreed to seek approval of the Company's audit fee for the year 2022 and the annual audit and quarterly review fee for Solartron's consolidated financial statements and acknowledgement of the annual audit fee for the year 2022 of subsidiaries' financial statements and quarterly review for listed subsidiaries' s financial statements which were audited by Office of Pitisevi and Solartron subsidiaries were responsible for the audit fee.

6. Compliance with the law and regulation of the Securities and Exchange Commission, the SET regulations, and the law related to the Company's operation

The Audit Committee verified the Company's compliance with applicable laws cooperatively with the Legal firm, the Regulatory Compliance Unit and Internal Control Department. No Matters of importance indicating that the Company had violated any law, rules and requirements related to the Company's operations were found.

In summary, the Audit Committee performed its duties as specified in the Board-approved charter with caliber, prudence and adequate independent in equitable interests of stakeholders. In its opinion, Solartron's financial reports were accurate and reliable, and agreed with generally accepted accounting principles. Solartron commanded adequate risk management practices, appropriate internal control and internal audit systems, compliance with good corporate governance, legislations, requirements and obligations relevant to its businesses.

On behalf of the Audit Committee



General Pudat Tattiyachot  
Chairman of the Audit Committee

## Vision and Mission


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Vision:



**“PURIFY WATER AND NO POLLUTION WITH SOLAR CELL BY SOLARTRON”**

Mission:

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1. DELIVER MARKET WITH HIGH QUALITY PRODUCTS AND SERVICES.
  2. DRIVE MARKET WITH NEW INNOVATIVE PRODUCTS.
  3. DIVERSIFY BUSINESS VIA INSIDE AND OUTSIDE PARTNERS.
  4. DEVELOP HUMAN CAPITAL WITH BOTH UP-SKILL AND RE-SKILL PROGRAM.
  5. RESPONDING TO TECHNOLOGICAL CHANGES AND CONTINUAL DEVELOPMENT FOR SUSTAINABLE GROWTH.
  6. MANAGE TO MAXIMIZE STAKEHOLDERS’ BENEFIT BY ADHERING TO THE PRINCIPLES OF GOOD CORPORATE GOVERNANCE.

## Part I Business Operations and Performance

### 1 The Structure and Operation of SOLARTRON GROUP

Solartron Public Company Limited ( The Company ) was established in 1986. The Company has been providing Thailand with solar powered system - source of clean energy – for more than 30 years. The Company offers turnkey service including survey, design, installation, commissioning, monitoring, service including survey, design, installation, commissioning monitoring, maintenance. So far, the Company provided more than 350,000 solar application system all over Thailand. The Company has 40% market share of Solar power project for government ( PPA ) with commercial & industrial facilities. We have more than 250 MW successfully Commercial Operating Date ( COD )



#### 1.1 The Nature of business comprised of 4 business operations.

- a) The solar cell and solar module Production Base covering both domestic and export markets.



- b) The Engineering, Procurement and Construction Base (EPC) covering important solar power applications for government and private sectors.



Bank for Agriculture and Agricultural Cooperatives (HEAD OFFICE)



Operation & Maintenance Service



- c) The Energy Service Company Base (ESCO) covering energy saving for government and private sectors.



สถาบันพลังงานเพื่ออุตสาหกรรม  
สภาอุตสาหกรรมแห่งประเทศไทย

### หนังสือรับรองการเป็นบริษัทจัดการพลังงาน

สถาบันพลังงานเพื่ออุตสาหกรรม สภาอุตสาหกรรมแห่งประเทศไทย ขอรับรองว่า บริษัท โซลาร์ตรอน จำกัด (มหาชน) สำนักงานเลขที่ 1000/65,66,67 อาคาร พี.บี.ทาวเวอร์ ชั้น 16 ซอยสุขุมวิท 71 ถนนสุขุมวิท แขวงคลองตันเหนือ เขตวัฒนา กรุงเทพมหานคร 10110 ให้บริการอนุรักษ์พลังงานโดยใช้ระบบบริษัทจัดการพลังงาน ได้ขึ้นทะเบียนเป็นบริษัทจัดการพลังงาน ภายใต้การส่งเสริมโดย สถาบันพลังงานเพื่ออุตสาหกรรม สภาอุตสาหกรรมแห่งประเทศไทย โดยมีหมายเลข A027 ตั้งแต่วันที่ 1 มกราคม 2565 สิ้นสุดวันที่ 31 ธันวาคม 2565



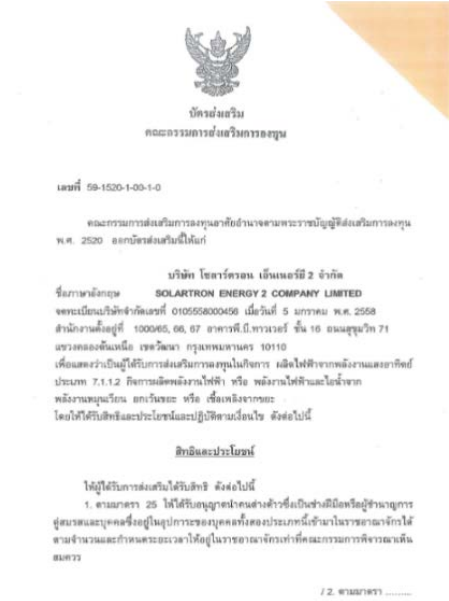
( นายหิณ นววงศ์ )

กรรมการสถาบันพลังงานเพื่ออุตสาหกรรม  
สภาอุตสาหกรรมแห่งประเทศไทย

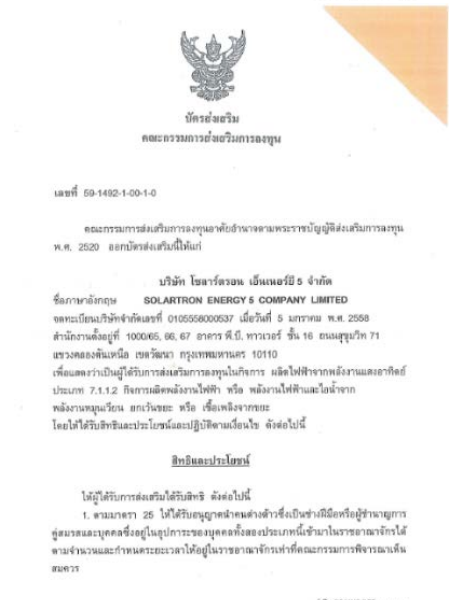
d. The Solar farm and Solar rooftop investment base covering all over Thailand



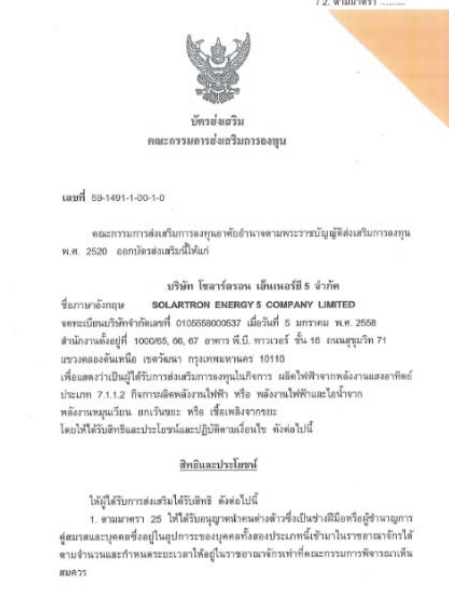
Noi Canal Poultry Cooperative Limited



Bangsaphan Dairy Cooperative Limited



Bangsaphan Rubber Fund Cooperative Limited





1.2 Quality standards and certificates received by the company

1.3 Shareholder Structure Group

SUBSIDIARIES	SOLARTRON ENERGY 1 CO., LTD.	SOLARTRON ENERGY 2 CO., LTD.	SOLARTRON ENERGY 3 CO., LTD.	SOLARTRON ENERGY 5 CO., LTD.
<b>COMPANY CODE</b>	0105558000472	0105558000456	0105558000481	0105558000537
<b>REGISTERED CAPITAL</b>	50,000,000 Baht	100,000,000 Baht	100,000,000 Baht	105,000,000 Baht
<b>REGISTERED ORDINARY SHARES</b>	500,000 Shares	1,000,000 Shares	1,000,000 Shares	1,050,000 Shares
<b>PAR VALUE</b>	100 Baht	100 Baht	100 Baht	100 Baht
<b>NUMBER OF SHARES</b>	499,996 Shares	509,998 Shares	999,996 Shares	535,498 Shares
<b>% OF SHARE HOLDING</b>	99.96%	51%	100.00%	51.00%
<b>REGISTRATION DATE</b>	5 JANUARY 2015	5 JANUARY 2015	5 JANUARY 2015	5 JANUARY 2015
<b>TYPE OF BUSINESS</b>	The Engineering, Procurement and Construction of Solar Power System. and Investment in Solar Grid Connected System			
<b>HEAD OFFICE</b>	1000/65,66,67 PB. Tower 16 <sup>th</sup> Floor Sukhumvit 71 Road, North Klongtan, Wattana, Bangkok 10110			

Shareholder Structure

As of December 30, 2022, the company has a registered capital of Baht 1,360,311,807 consisting of 1,360,311,807 ordinary shares with par value of 1 Baht. The paid up capital of Baht 1,088,249,446 consisting of 1,088,249,446 ordinary shares with par value of 1 Baht.

The list and percentage of the first 10 major shareholders in company's shareholder record at 30 December 2021 are as follows:

Rank	Name	Number of Share	%
1	Miss Puntharee Isarankura na Ayudhaya	108,020,000	9.93%
2	Mr.Phaivong Taechanarong	95,624,086	8.79%
3	Mr.Preecha Wasusopon	46,674,200	4.29%
4	Thai NVDR Ltd	32,120,529	2.95%
5	Mr.Pupaa Taechanarong	29,997,132	2.76%
6	Mr. Susittak Atchariyasombat	20,551,300	1.89%
7	Mr.Chaloempong Mahawanitwong	20,027,900	1.84%
8	Mr.Somsak Sripeng	18,202,600	1.67%
9	Mr.Sangchai Apichartthanapat	16,617,200	1.53%
10	Miss Pornpan Theptrakarnporn	13,819,260	1.27%
<b>Total for Top ten Major shareholders</b>		<b>401,654,207</b>	<b>36.91%</b>
<b>Others</b>		<b>686,595,239</b>	<b>63.09%</b>
<b>Total paid up capital</b>		<b>1,088,249,446</b>	<b>100.00%</b>

#### Dividend Policy

The maximum company dividend policy is approximately 40 % of its Net Profit after deduction of tax and legal reserves. Factors that are considered include corporate operation results, financial position, liquidity, and business expansion plans. The dividend payment requires approval from corporate shareholders and/or the Board of Directors.

#### Dividend Payments 3 yrs.

	year	2019	2021	2022
<i>Earnings per share</i>		-0.99	-0.51	-0.15
<i>Dividend per Share</i>		-	-	
<i>Dividend Payout Ratio (%)</i>		-	-	

## 2 RISK MANAGEMENT

### 2.1 RISK MANAGEMENT POLICY

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The company is fully aware of the rapid changes in the business environment, economic, political, technology etc. Such changes will affect the operations to achieve the company goals. Therefore, to ensure that the Group has adequate risk management procedures to accommodate such changes. The company has set “Risk Management Policy” is as follows.

- a. Risk management is a key strategic aim of the Company and a part of its annual business plan
- b. Each functional unit has the duty to identify and manage its own risks.
- c. Employee unit has duty to identify risks associated with their operations.
- d. Process for managing material risks must be controlled within an acceptable level in support of the group’s attainment of its business objectives.
- e. Risk management performance must be regularly monitored, and reported.

### 2.2 RISK FACTOR FOR THE COMPANY’S BUSINESS OPERATION

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#### (1) Risk of Revenue Fluctuation from Project-Based Operation

The company revenue as mainly from its part fabrication, EPC and Solar power plant which were awarded by customers via project biddings. The revenue depended on the number of project awarded, project values and project progresses achieved for the operation period. Therefore, if the number of project available for bidding in the market significantly reduce, the company is not continuously awarded with new projects, Revenue stream will be interrupted. This result in fluctuation of business performance.

However, company is fully aware of this risk and therefore seeks new business opportunities by keeping abreast of the industry news and developments. In order to sustain and enhance its competitiveness, The company is highly committed to develop competencies by controlling cost, improving and delivering work on time.

#### (2) Situation risk of the coronavirus (Covid-19) Pandemic

##### **Operation Impact**

The Covid-19 pandemic has been impacted on the private sector especially imported equipments for installation that cannot be made, causing the Company to focus on government project, which are highly competitive and sourcing equipment from domestic suppliers to replace.

##### **Financial Impact**

From the pandemic situation of Coronavirus 2019, this causes business stagnation and many businesses lack of liquidity or stop doing business, which continually affect from customer, seller, creditors and debtors, they all come together to find way to adapt such as extending the payment period, stop lending, recover money from these receivables, etc. During the past year, the company received some money late which make the payment transaction process delayed and inconvenient as usual.

(3) The Risk of the Reliability an Alternative Energy Development Plan (AEDP)

In 2022, The Ministry of Energy tried to promote AEDP but there were many obstacles from the regulations of other ministries such as the factory license permission from ministry of Industry, the limitation of construction on the green area from ministry of interior. Therefore, it caused a significant drop in solar revenue.

However, the government classified the solar energy as the energy securities to promote the usage of solar energy in both rural area and city rooftop. So the government released all the problems of regulations by setting the Energy Regulatory Commission as a one stop service agent The Company has long term experience in Thai solar business and is a certified body as installer, energy Service Company which implies that it has a capability in bidding and deliver the good quality of solar projects. The company has confidence in doing solar business in Thailand that conform the AEDP. Therefore, the solar investors trust and want to do the solar business with the company.

(4) The Volatility of Solar cell and Solar module Price

We sell and buy solar cells and solar modules in term of US dollar/watt. Even though the price per watt goes down, the efficiency per watt goes up. So Solartron focuses on improving the Cell and Module efficiency in order to get the good quality with lowest cost. The Company cooperates with the leader of solar consultant to improve the manufacturing line and product efficiency to gain more watts (power price/watt) and mitigate the risk from the volatility of solar cell and module price.

(5) The Risk from the Entrance of New Competitors

Nowadays, the government has fully supported the usage of solar energy. The marketing opportunity attracts both local and foreign investors to invest in solar Rooftop business. These newcomers may seize the company's market share and will affect the company growth in the future. However, the newcomers have to meet many requirements such as Thai Industrial Standard (TIS), long term reference for solar system, registered installers, and registered engineers. It takes years to prepare for doing turnkey mega projects.

(6) The Volatility of the Exchange Rate

The company imports most of its raw material including wafers, silver paste, junction box etc. Payment term mainly in US dollar. If the rate of US dollar rises comparing to Thai currency, the company cost will increase accordingly. The company opens letter of credit (L/C) monthly with fully coverage forward contract to protect its exchange rate risk when it expects the vulnerable of the currency.

(7) The Risk of Economic Slowdown Impact

Due to the economic slowdown caused by significant appreciation of Thai baht, and delays in government budget approvals, many business sectors, including energy sectors were inevitably affected. Thus the Company carefully revised its business plans and decided to delay the new project and focused on cost reduction. The Company all continue to conduct its business according to economic conditions and surrounding factors in a concise and thoughtful manner.

### **3 Driving Business for Sustainability**

#### **3.1 POLICY AND OVERVIEW**

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The Company aims operate and create sustainable growth under the principles of good corporate governance and optimum benefits for the shareholders taking into consideration the impact on stakeholders social and environment To accomplish such aspiration, the Board,at its Meeting 15 Nov 2021.established policies on corporate social responsibility for example Corporate Social Responsibility Policy, Quality and Environmental Policy,which have been communicated to employees of all companies in the group for acknowledgement and strict compliance as follows

- (1) Adhere to business operations in accordance with good corporate governance principles for all stakeholders in 2017 (CG Code)
- (2) Focus on business development through innovation and being responsible for all stakeholders.
- (3) Operate business in an environmentally friendly manner,from raw material procurement,production,waste disposal and energy conservation
- (4) Focus on quality control of products and services according to the standards,reduce wastage in the production process and deliver the product on time by adopting a standardized quality management system and environmental management applied in the operation process.
- (5) Develop and engage with employees,customers,cummunities to improve the quality of life with consideration of human rights principles.
- (6) Define safe and standard processes and procedures to prevent accidents that may occur.

#### **3.2 MANAGING STAKEHOLDER IMPACTS IN THE BUSINESS VALUE CHAIN**

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##### **3.2.1 Company's Value Chain**

- (1) Inputs Management: Environmentally friendly project design / quality material procurement and sourcing
- (2) Operation: Safety and Community Impacts / Waste reduction and environmental impacts
- (3) Distribution of systems and services: Transportation / delivery of quality systems and services on time
- (4) Marketing and sales: The pricing is reasonable and fair.
- (5) After-sales service: System warranty and satisfaction.

### 3.2.2 Stakeholders of the Company

STAKEHOLDER	STAKEHOLDER EXPECTATIONS	MEETING EXPECTATIONS
<b>CUSTOMERS</b>	Quality products, reasonable prices, timely delivery.	Control the quality of products and services to meet the standard, reduce wastage in the system process
<b>PARTNERS</b>	The trading system is accurate and effective. There is fairness and equality to all trade partners	*Develop an efficient trading system *Adhere to the principle of equitable treatment and fairness to all trade partners. Dealing with business partners is affair reward for both parties.
<b>COMPETTORS</b>	There is a competition that is honest and ethical	Treat competitions under the law and good commercial ethics.
<b>CREDITOR</b>	Receive full and punctual repayment	*Abide by the conditions and contracts made with creditors *Pay the debt completely and on time. *Use the borrowed money for the purpose of borrowing
<b>EMPLOYEES</b>	Safe in operation and have stability and career advancement	Uphold Human Rights, Labor Laws and promote learning and development
<b>SHAREHOLDERS</b>	Good return on investment	Dividend
<b>COMMUNITIES AND ENVIRONMENT</b>	Contribute to Communities and help them develop better environment	*Organize activities to heip the community as appropriate *Comply with Environmental Laws by adhering to the principles of compliance with environmental management standards.

### 3.3 SUSTAINABILITY MANAGEMENT IN THE ENVIRONMENTAL DIMENSION

#### POLICIES AND GUIDELINES

The Company is certified for ISO14001:2015 by promoting and encouraging employees to realize the importance of conserving the environment, prevention of pollution from company activities that may affect the environment and requires strict compliance with environmental laws. The company has applied a management system for quality standards and environmental management in its operations, this makes it possible to develop operational procedures that reduce the impact on the environment as well as well as establishing a quality and environment policy by implementing the quality management system ISO 9001:2015 and environmental management ISO 14001:2015 under the motto “Produce good quality products, join hands to preserve the environment” with an emphasis on practice protection and promotion to achieve the main goal of managing product quality standards and manage the environment in accordance with the environmental law.



**ENVIRONMENTAL PERFORMANCE**

- a) Greenhouse Gas Management: The company places great emphasis on energy consumption and allocation of resources to be the most beneficial and worthwhile. But the company has begun to focus on management to reduce both direct and indirect greenhouse gases. In the beginning an assessment of CO2 emissions from electric power was carried out along with energy conservation by using solar rooftop
- b) Energy Management Energy conservation: To show the intention and determination to take action on energy conservation The company has operated as follows
- Establish an energy conservation objectives and goals which corresponds to the status of energy consumption and suitable for the Solar Power Plant .
  - Appoint a working group on energy management by defining powers, duties and responsibilities.
  - Evaluate the energy conservation potential of the plant divided into 3 levels:
  - Enterprise-level assessment ,product-level assessment and machinery / equipment level assessment with energy conservation goals and plans set a reduced percentage of the original amount of energy used by setting goals according to the environmental management goal ISO 14001.

**3.4 Sustainability Management in the social Dimension****Policies and guidelines**

The company realizes the importance of business operation by considering the principles of business operations under the code of business ethics along with social responsibility and the always place importance on stakeholders at all levels. With an emphasis on the Implementation of human rights principles, Fair and equitable treatment and giving back to society. The company has been set corporate Social Responsibility with the following important practices

- A. Employee care and development: Creating operational procedures, supervise and prevent serious work accidents. Adhere to labor law and human right
- B. Responsibility to Customers: Buying equipment's and selecting quality vender/subcontractors, able to produce quality systems according to relevant standards, meet customer needs and deliver on time.
- C. Society and company: Prevent pollution from company activities that may affect the environment

**COVID-19 Protection policy**

From the coronavirus pandemic (Covid-19) in 2021, the group has taken various actions in order to prevent risks to employee and related parties, for example preparing measures to prevent and take care of themselves from the COVID-19 and strictly implement such practices such as check the body temperature every time before entering the building, setting up the alcohol gel placement and sinks in the office and factory areas, requiring the wearing of face mask at all times during work, , emergency planning and online work etc.

- Arrange annual health checks for employees.
- Providing welfare in work such as uniforms including protective equipment such as shirt, glasses, hats and shoes, etc.



- Participated in the Thai Labor Standard (TLS) Project to develop the Company's labor standard system a social responsibility for labor as a tool for labor workers to receive fair labor protection, no forced labor and discrimination and have good health and have a better quality of life.

## 4 Management Discussion and Analysis (“MD&A”)

Analysis of Management’s Discussion and Analysis of Financial Positions and Operating results for the year ended December 31<sup>st</sup>, 2022 as follows:

### 4.1 The operating results and profitability

The Company engages in the business of designing, installing and investing in a complete solar power generation system. covering both the government and private sectors and the general public. After COVID 19 pandemics, the company gradually starts to recover in 2022, referring to government policy toward green energy sector and war situation in Russia, inducing in rising of gasoline and oil price. Therefore, demand in renewable energy has raised in Thailand, and it has impacted to the Company's operating results in 2022, with details as follows:

#### Revenues

In separated report for the year 2022, the company presents net loss in amounting of 169.71 million Baht, declining 117.27 million Baht/ 40.86%, comparing to loss of 286.98 million Baht in year 2021. Or EPS, earning per share in minus 0.16 Baht/share.

In consolidated report for the year 2022, the company presents net loss in amounting of 167.36 million Baht, declining 114.65 million Baht/ 40.66%, comparing to loss of 282.01 million Baht in year 2021. Or EPS, earning per share in minus 0.15 Baht/share.

The total revenue is divided into sales by segment and other income as follows:

#### a) Sales Revenues

In consolidated report for the year 2022, the Company had sales amounting of 272.44 million Baht. Comparing to the end of 2021 of 182.08 million Baht, decreased by amounting of 90.36 million Baht or 49.62%. The company has products and services as follows:

- Pumping system
- Mini Grid system
- Solar Rooftop System
- Solar Module
- Service system: operating and maintenance
- Sales of electricity to the Provincial Electricity Authority and Thammasat University

#### b) Other Incomes

In consolidated report of year 2022, the Company had presented other revenue in amounting of 17.25 million Baht, comparing to the year 2021 of 4.71 million Baht, increased by amounting to 12.54 million Baht or 266.25%. Main reasons are from debt restructuring with one vendor.

**Analysis of the proportion of Revenues**

Revenues	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Sales Revenues</b>	<b>255.19</b>	<b>93.67%</b>	<b>177.37</b>	<b>97.41%</b>	<b>279.29</b>	<b>95.59%</b>
Revenue from sales of goods with installation	111.49	40.92%	62.86	34.53%	130.78	44.76%
Revenue from selling electricity	93.39	34.28%	86.33	47.41%	69.16	23.67%
Revenue from sales	50.30	18.46%	28.18	15.47%	79.35	27.16%
Profit from investment transfer	-	-	-	-	-	-
<b>Other incomes</b>	<b>17.25</b>	<b>6.33%</b>	<b>4.71</b>	<b>2.59%</b>	<b>12.88</b>	<b>4.41%</b>
<b>Total Revenues</b>	<b>272.44</b>	<b>100.00%</b>	<b>182.08</b>	<b>100.00%</b>	<b>292.17</b>	<b>100.00%</b>

**Analysis of Total Revenues**

Revenues	2022		2021		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Sales Revenues</b>	<b>255.19</b>	<b>93.67%</b>	<b>177.37</b>	<b>97.41%</b>	<b>77.81</b>	<b>43.87%</b>
Revenue from sales of goods with installation	111.49	40.92%	62.86	34.53%	48.63	77.36%
Revenue from selling electricity	93.39	34.28%	86.33	47.41%	7.06	8.18%
Revenue from sales	50.30	18.46%	28.18	15.47%	22.12	78.51%
<b>Other incomes</b>	<b>17.25</b>	<b>6.33%</b>	<b>4.71</b>	<b>2.59%</b>	<b>12.54</b>	<b>266.25%</b>
<b>Total Revenues</b>	<b>272.44</b>	<b>100.00%</b>	<b>182.08</b>	<b>100.00%</b>	<b>90.36</b>	<b>49.62%</b>

**Expenses**
**a) Cost of sales**

In consolidated report year 2022, the Company had the cost of sales of 184.26 million Baht, comparing to the of 2021 of 169.98 million Baht, increased in amounting of 14.28 million Baht or 8.4%.

Comparing the increase in cost of sales of 8.4% to increase in sales revenue of 49.62%, the figure has presented cost control efficiency in year 2022. Therefore, cost to revenue ratio in year 2022 is 67.63%, while the ratio in year 2021 is 93.35%

**b) Idle capacity**

As a result of production line closed, the company had to bare idle capacity cost of 100.74 million Baht in year 2022, comparing to idle capacity cost of 115.74 million Baht in year 2021. The idle capacity cost declined 15 million Baht or 12.96%. The company has plan to re-open the production line by mid of year 2023.

c) Selling and Administrative Expenses

Due to organization restructuring, in consolidated report of year 2022, the Company presented selling and administrative expenses of 103.26 million Baht, comparing to the expenses in 2021 of 122.97 million Baht, decreased by amount to 19.71 million Baht or 16.03%.

Expense	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Cost of sales</b>						
Cost of sales- goods with installation	92.61	33.99%	56.64	31.11%	101.58	34.77%
Cost of sale - electricity	49.21	18.06%	48.44	26.60%	43.54	14.90%
Cost of sale - goods	42.44	15.58%	64.90	35.64%	77.37	26.48%
<b>Total Cost of sales</b>	<b>184.26</b>	<b>67.35%</b>	<b>169.98</b>	<b>93.35%</b>	<b>222.49</b>	<b>76.15%</b>
Idle capacity	100.74	36.98%	115.74	63.57%	168.87	57.80%
<b>Selling and Administrative Expenses</b>						
Distribution costs	18.94	6.95%	9.97	5.48%	15.32	5.24%
Administrative Expenses	84.32	30.95%	112.99	62.06%	70.85	24.25%
Impairment loss of assets	-	-	-	-	348.16	119.16%
<b>Total Selling and Administrative Expenses</b>	<b>103.26</b>	<b>37.90%</b>	<b>122.97</b>	<b>67.53%</b>	<b>434.33</b>	<b>148.66%</b>
<b>Total Expenses</b>	<b>388.26</b>	<b>142.51%</b>	<b>408.68</b>	<b>224.45%</b>	<b>825.69</b>	<b>282.61%</b>

### Analysis of the proportion of Expenses

#### Analysis of Expenses

Expense	2022		2021		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Cost of sales</b>						
Cost of sales- goods with installation	92.61	33.99%	56.64	31.11%	35.97	63.51%
Cost of sale - electricity	49.21	18.06%	48.44	26.60%	0.77	1.59%
Cost of sale - goods	42.44	15.58%	64.90	35.64%	(22.46)	(34.61%)
<b>Total Cost of sales</b>	<b>184.26</b>	<b>67.63%</b>	<b>169.98</b>	<b>93.35%</b>	<b>14.28</b>	<b>8.40%</b>
<b>Idle capacity</b>	<b>100.74</b>	<b>36.98%</b>	<b>115.74</b>	<b>63.57%</b>	<b>(15.00)</b>	<b>(12.96%)</b>
<b>Selling and Administrative Expenses</b>						
Distribution costs	18.94	6.95%	9.97	5.48%	8.97	89.97%
Administrative Expenses	84.32	30.95%	112.99	62.06%	(28.67)	(25.37%)
Impairment loss of assets	-	-	-	-	-	-
<b>Total Selling and Administrative Expenses</b>	<b>103.26</b>	<b>37.90%</b>	<b>122.97</b>	<b>67.53%</b>	<b>(19.71)</b>	<b>(16.03%)</b>
<b>Total Expenses</b>	<b>388.26</b>	<b>142.51%</b>	<b>408.68</b>	<b>224.45%</b>	<b>(20.42)</b>	<b>(5.00%)</b>

### Net profit (loss) for the year (Consolidated)

The year end of 2022, the Company presented net loss of (167.36) million Baht, comparing to the net loss of (282.01) million Baht in year 2021, decreased in amounting of 114.65 million Baht or 40.65%. Declining in loss is a result of rising in sales, cost and expenses control.

#### a) Gross Profit

The year end of 2022, the Company presented gross profit for the year of 88.18 million Baht, comparing to the gross profit of 2021 of 12.10 million Baht, increased by amounting to 69.68 million Baht or 23.85%. Since, the Company has adjusted marketing strategy toward less risk segment and design system match to customer demand. Moreover, internal workflow improvement between engineer department and purchase department derives cost effectiveness.

#### b) Profit (Loss) from Operating (EBIT)

The year end of 2022 the Company presented loss from operating for the year of (115.82) million Baht, comparing to the loss from operation of 2021 of (226.61) million Baht, decreased in amounting of 34.68 million Baht or 15.30%. The operating loss amount are mainly from idle capacity expenses of 100.74 million Baht, reflecting close in production line, due to recession.

#### c) Comprehensive profit (loss) for the year

The year end of 2022 the Company presented Comprehensive loss for the year for the year of (167.32) million Baht, comparing to the Comprehensive loss amounting in 2021 of (276.67) million Baht, decreased significantly in amounting of 109.35 million Baht or 39.52%.

#### d) Net profit (loss) attributable to owner of the parent

The year end of 2022, the Company presented loss attributable to owner of the parent for the year of (167.14) million Baht, comparing to the of 2021 of (282.87) million Baht, decreased in amounting of 115.73 million Baht or 40.91%.

Net profit (loss) for the year	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues	272.44	100.00%	182.08	100.00%	292.17	100.00%
Cost of sales	184.26	67.63%	169.98	93.35%	222.49	76.15%
gross profit (loss)	88.18	32.37%	112.47	61.77%	29.20	9.99%
Idle capacity cost	100.74	36.98%	115.74	63.57%	168.87	57.80%
Selling and Administrative Expenses	103.26	37.90%	122.97	67.54%	434.33	148.65%
Financial Cost	44.20	16.22%	60.96	33.48%	54.09	18.51%
Loss before income tax	(160.02)	(58.74%)	(287.56)	(157.94%)	(587.61)	(201.12%)
Income tax revenue	(7.34)	(2.69%)	5.55	3.05%	44.80	15.33%
Net loss for the year	(167.36)	(61.43%)	(282.01)	(154.88%)	(542.81)	(185.79%)

## Analysis of Net profit (loss) for the year

Net profit (loss) for the year	2022		2021		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues	182.08	100.00%	182.08	100.00%	90.36	49.62%
Cost of sales	169.98	93.35%	169.98	93.35%	14.28	8.40%
gross profit (loss)	112.47	61.77%	112.47	61.77%	76.08	628.76%
Idle capacity cost	100.74	36.98%	115.74	63.57%	(15.00)	(12.96%)
Selling and Administrative Expenses	103.26	37.90%	122.99	62.06%	(19.73)	(16.04%)
Financial Cost	44.20	16.22%	60.96	33.48%	16.76	27.49%
Loss before income tax	(160.02)	(58.74%)	(287.56)	(157.93%)	(127.54)	(44.35%)
Income tax revenue	(7.34)	(2.69%)	5.55	3.05%	(12.89)	(232.25%)
Net loss for the year	(167.36)	(61.43%)	(282.01)	(154.88%)	(114.65)	(40.65%)
Net profit (loss) attributable to owner of the parent	0.04	0.02%	(282.87)	(155.35%)	(5.30)	(99.25%)
Comprehensive profit (loss) for the year	(167.32)	(61.42%)	(276.67)	(151.95%)	(109.35)	(39.52%)
Net profit (loss) attributable to owner of the parent	(167.14)	(61.35%)	(282.87)	(155.35%)	(115.73)	(40.91%)

#### 4.2 Ability to manage assets.

##### Statement of financial position

Consolidated, the year end of 2022, the Company presented total assets of 1,799.13 million Baht, total liabilities 1,196.82 million Baht and shareholder 602.31 million Baht. Comparing to December 31<sup>st</sup>, 2021 of 2,114.95 million Baht, total liabilities 1,345.33 million Baht and shareholders' equity 769.62 million Baht. Decrease of total assets 315.82 million Baht or 14.93% is a result of depletion of investment asset in amounting of 310 million Baht.

A decrease of total liabilities 74.31 million Baht or 5.23%. The declining in total liabilities of 148.51 million Baht, mainly, are from payment to account payable and debt paid to finance institution. And decrease of shareholders' 167.31 million Baht or 21.74%. is equalled to Comprehensive profit (loss) for the year.

Statement of financial position as at December 31;

Statement of financial position	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Cash and cash equivalents	56.77	3.15%	81.27	3.84%	21.51	1.12%
Total current assets	241.36	13.42%	527.66	24.95%	206.24	10.73%
Total assets	1,799.13	100.00%	2,114.95	100.00%	1,921.81	100.00%
Current liabilities	525.61	29.22%	644.97	30.50%	692.20	36.02%
Total liabilities	1,196.82	66.52%	1,345.33	63.61%	1,419.64	73.87%
Total shareholders' equity	602.31	33.48%	769.62	36.39%	502.17	26.13%
Total liabilities and shareholders' equity	1,799.13	100.00%	2,114.95	100.00%	1,921.81	100.00%



**Asset Component**

Statement of financial position as at December 31;

ASSETS	2022		2021		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	56.77	3.16%	81.27	3.84%	(24.50)	(30.14%)
Trade accounts and other current receivables - net	45.83	2.55%	49.89	2.36%	(4.06)	(8.13%)
Current contract assets	17.32	0.96%	20.32	0.96%	(3.00)	(14.77%)
Short - term loan to other company	0.16	0.01%	0.16	0.01%	-	-
Inventories - net	71.15	3.95%	17.90	0.85%	53.25	297.53%
Other current financial assets	41.04	2.28%	350.00	16.55%	(308.96)	(88.27%)
Other current assets	9.09	0.51%	8.13	0.38%	0.96	11.80%
<b>Total current assets</b>	<b>241.36</b>	<b>13.42%</b>	<b>527.66</b>	<b>24.95%</b>	<b>(286.30)</b>	<b>(54.26%)</b>
<b>NON - CURRENT ASSETS</b>						
Current financial assets pledged as collateral	69.17	3.84%	50.54	2.39%	18.63	36.87%
Property, plant and equipment - net	1,355.98	75.33%	1,400.46	66.22%	(44.49)	(3.81%)
Right of use assets - net	26.29	1.46%	29.27	1.38%	(2.98)	(10.18%)
Intangible assets - net	11.54	0.64%	7.93	0.37%	3.61	45.57
Deferred tax assets	88.13	4.90%	95.33	4.51%	(7.20)	(7.55%)
Other non - current assets	6.66%	0.37%	3.76	0.18%	2.90	77.16%
<b>Total non - current assets</b>	<b>1,557.77</b>	<b>86.58%</b>	<b>1,587.29</b>	<b>75.05%</b>	<b>(29.52)</b>	<b>(1.86%)</b>
<b>TOTAL ASSETS</b>	<b>1,799.13</b>	<b>100.00%</b>	<b>2,114.95</b>	<b>100.00%</b>	<b>(315.82)</b>	<b>(14.93%)</b>

**Asset Quality.**

Consolidated, the year end of 2022 the Company had total assets of 1,799.13 million Baht, comparing to December 31<sup>st</sup>, 2021 of 2,114.95 million Baht, and decrease of 315.82 million Baht or 14.93%. Mainly from and decrease in other current financial assets increased 308.96 million baht.

**Source of funds**

 Statement of financial position as at December 31<sup>st</sup>;

LIABILITIES AND SHAREHOLDERS' EQUITY	2022		2021		Increase (Decrease)	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>CURRENT LIABILITIES</b>						
Bank overdraft and short – term loans from financial institutions	38.22	2.12%	39.99	1.89%	(1.76)	(4.41%)
Trade accounts and other current payables	140.48	7.81%	240.40	11.37%	(99.93)	(41.57%)
Current contract liabilities	3.79	0.21%	4.08	0.19%	(0.28)	(6.93%)
Short - term loans from directors	250.90	13.95%	260.90	12.34%	(10.00)	(3.83%)
Short - term loans from other person and other company	40.00	2.22%	40.00	1.89%	-	-
Current portion of liabilities under 1 year due						
Long - term loans from financial institutions	34.80	1.93%	36.27	1.71%	(1.46)	(4.04%)
Lease liabilities	2.00	0.11%	1.88	0.09%	0.12	6.88%
Provision for employee benefits	4.55	0.25%	3.48	0.16%	1.07	30.70%
Accrued income tax	0.15	0.01%	-	0.00%	0.15	NA
Other current liabilities	10.69	0.59%	17.96	0.85%	(7.27)	(40.48%)
<b>Total current liabilities</b>	<b>525.61</b>	<b>29.21%</b>	<b>644.96</b>	<b>30.50%</b>	<b>(119.36)</b>	<b>(18.51%)</b>
<b>NON - CURRENT LIABILITIES</b>						
Long - term loans from financial institutions - net	595.087	33.08%	629.58	29.77%	(34.49)	(5.48%)
Lease liabilities - net	7.53	0.42%	9.54	0.45%	(2.01)	(21.05%)
Non current contract liabilities	12.69	0.71%	14.64	0.69%	(1.95)	(13.33%)
Provision for employee benefit - net	17.53	0.97%	17.19	0.81%	0.34	1.97%
Non current liabilities	38.37	2.13%	29.40	1.39%	8.97	30.51%
<b>Total non-current liabilities</b>	<b>671.22</b>	<b>37.13%</b>	<b>700.35</b>	<b>33.11%</b>	<b>(29.15)</b>	<b>(4.16%)</b>
<b>TOTAL LIABILITIES</b>	<b>1,196.82</b>	<b>66.52%</b>	<b>1,345.33</b>	<b>63.61%</b>	<b>(148.51)</b>	<b>(11.04%)</b>

Consolidated, the year end of 2022 the Company presented total liabilities of 1,196.82 million Baht, comparing to 1,345.33 million Baht, decrease of 148.51 million Baht or 11.04% -- due to debt clearance to account payable of 99.92 million Baht and loan due to finance institution of 34.49 million Baht. Therefore, company's debt to equity ratio (D/E ratio) is at 1.99 time.

## Capital Structure

Consolidated report as of 31<sup>st</sup> December, 2022, presented shareholder equity of 602.31 million Baht, comparing to 769.63 million Baht in year 2021, declining of 167.31 million Baht or 21.74% (equivalent to Comprehensive profit (loss) for the year)

### 4.3 Liquidity and adequacy of the company's capital.

#### Statement of cash flow (Consolidated)

STATEMENT OF CASH FLOWS	2022	2021	2020
Net cash provided by (used in) operating activities	(222.89)	34.13	40.23
Net cash provided by (used in) investing activities	277.43	(344.97)	8.67
Net cash provided by (used in) financing activities	(79.04)	370.60	(57.98)
Net increase (decrease) in cash and cash equivalents	(24.50)	59.76	(9.08)
Cash and cash equivalents at beginning of the year	81.27	21.51	30.59
Cash and cash equivalents at end of the year	56.77	81.27	21.51

#### Cash provided by (used in) operating activities

For the fiscal year ended December 31<sup>st</sup>, 2022, the Company used cash flows in operating activities of (222.89) million baht. Main activities of used in cash flow are trade and account payable in amounting of 182.82 million Baht. When as of December 31<sup>st</sup>, 2020, the Company received cash from operating activities equal to 34.13 million baht.

#### Cash provided by (used in) investing activities

In 2022, the Company has a cash flow provide by investing activities in amounting of 277.43 million Baht, by depleting financial assets. For the fiscal year ended December 31<sup>st</sup>, 2021, the Company used in cash flows for investing activities equal to 344.97 million baht.

#### Cash provided by (used in) financing activities

In 2022, the Company had cash provided by financing activities equal to 79.04 million baht, which was the repayment of long-term loans from financial institutions of 36.37-million-baht, repayment loan from director and related parties of 10 million Baht, and interest paid of 29.03 million Baht.

And in the year 2021, the company has cash provided by financing activities equal to 370.59 million baht, which are the proceeds from the sale of new ordinary shares to the existing shareholders of 544.12 million baht and repayment of short-term loans from other person and company amounting to 102.40 million baht.

#### 4.4 Key Financial Ratios Analysis

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Financial Ratios	2022	2021	2020
Current ratio (times)	0.46	0.82	0.30
Gross profit (%)	32.37%	6.65%	23.85%
Net profit (%)	(61.43%)	(154.88%)	(185.79%)
Return on equity (%)	(27.79%)	(37.25%)	(108.09%)
Return on assets (%)	(9.30%)	(13.33%)	(28.24%)
Assets turnover (times)	0.15	0.09	0.15
Total debts to equity ratio (times)	1.99	1.75	2.83
Interest Coverage Ratio	(4.45)	(5.41)	(9.86)
Earnings per share* (Baht)	(0.15)	(0.51)	(0.99)

## 5 General Information

Company Name	Solartron Public Company Limited	Registrar :
Type of Business	Manufacturing Solar cells and Modules Engineering, Design and Installation of solar power systems, Energy Service Company	Thailand Securities Depository Co., Ltd 62 The Stock Exchange of Thailand Building Rachadapisek Road, Klongtoey, Bangkok 10110 Tel: +66-2-229 2800 Call Center: +66-2-229 2888
Company Code	0107547000877	Auditor:
Head Office	1000/65,66,67 PB.Tower 16 <sup>th</sup> Floor Sukhumvit 71 Road, North Klongtan, Wattana, Bangkok 10110 Tel. +66-2-392-0224-6 Fax. +66-2-381-2971, +66-2-381-0936	Miss Wanpen Aonruan The Certified Public Accountants License No.7750
Module Factory	88/8 Moo 10, Thanarach Road, Tumbol Nongnumdang, Parkchong District, Nakornratchasima 30130	Pitisevi Company Limited 8/4 SoiVipavadee rangsit 44, Vipavadee rangsit road, Ladyoa. Jatujak, Bangkok Tel. : +66-2-9413584-6 Fax. : +66-2-9413658
Cell Factory	88/9 Moo 10, Thanarach Road, Tumbol Nongnumdang, Parkchong District, Nakornratchasima 30130	Lawyer:
Website	www.solartron.co.th	Mr. Somkiat Ruengsurakiat Bangkok Law Office & Associates Co.,Ltd. 75/20 17 <sup>th</sup> FL., Ocean TowerII Bldg., Sukhumvit 21 Road, Klongtoey - Nua, Wattana, Bangkok 10110 Tel. : +66-2-661-6896-9 Fax. : +66-2-661-6895
E-mail	agm@solartron.co.th	
Registered Capital	1,360,311,807 Baht	
Registered Ordinary Shares	1,360,311,807 Shares	
Par Value	1 Baht	
Registered Ordinary Share with paid	1,088,249,446 Shares 1,088,249,446 Baht	
Registered Capital with paid		
Established Date	November 12, 1986	
Date of registration converted into a public company	September 24, 2004	

### LEGAL DISPUTE

Lawsuit that may have a negative impact on the assets of the Company or its subsidiaries that are higher than 5% of the shareholders' equity as of the end of the latest fiscal year. / Lawsuit that materially affect the business operations of the Company or its subsidiaries but cannot assess the impact in numbers. / Lawsuit that do not arise from the normal business operations of the company or subsidiaries.), For year 2021 the company had not major legal issues except 40 million baht of Promissory Note that still in the court negotiation.

## PART II: Corporate Governance Principle

### 6 Corporate Governance

The Company place great emphasis on applying the corporate governance principle as a guideline for the Company's business operations. Therefore, the Company has established the corporate governance policy with principles and practices consistent with the good corporate governance principles for listed companies 2012 of the SET.

#### Sub-committees

As of December 31, 2022, Solartron Public Company Limited's management structure was comprised of the board of directors and 3 subcommittees. The subcommittees are the audit committee, the nomination and remuneration committee and the executive committee as follows

#### The Scope of Authority, Duties and Responsibilities of the Board of Directors

Duties of the board of directors are as follows.

1. To perform the duties in accordance with laws, objectives and regulations of the Company and the resolutions of the Shareholders' meeting with honesty and to protect the benefits of the Company.
2. Consider the details and approve the vision, business strategy, policies, goals, guidelines, and the Company's operational plans as prepared by management and presented to the board of directors.
3. To oversee the management and performance of management or any person entrusted with such duties in order to comply with the policies set forth by the board of directors.
4. Continually monitor the performance of the Company in order to be in compliance with the operational plans and the Company's budget.
5. To manage management in order to have an accounting system, financial reporting and reliable auditing and to ensure that there were adequate and appropriate internal control systems.
6. Review the risk management process and risk management policies and follow-up on the results of risk management.
7. To consider the acquisition or disposal of assets, investments and any actions taken in order that they are in compliance with laws, notices, rules and any relevant regulations.
8. To consider and approve the Company's connected transactions in order that they are in accordance with the laws, notices, rules and any relevant regulations.
9. Prevent any conflicts of interest between the Company's stakeholders.
10. Consider various matters by taking into account the interests of the shareholders and stakeholders of the Company fairly. Directors must notify the Company without delay if they have a stake in the contract. For transactions in which directors or any person has any possible conflicts of interest, directors who are stakeholders do not have the right to vote for the approval of that transaction.
11. Provide written policies on good corporate governance in accordance with the corporate governance principle. Review the Company's corporate governance policies to ensure that the Company is responsible to all its stakeholders fairly.

12. If necessary, get professional advice from outside organizations in order to make the correct decision.
13. Consider the appointment of Chief Executive Officer and the subcommittees. For example, the audit committee, the executive committee, etc. To determine the powers and responsibilities of the Chief Executive Officer and the subsidiary' board of directors in order to monitor management systems and internal control systems as set forth in the policies.
14. Consider the appointment of the Company Secretary in order to ensure that the board of directors and the Company complies with any laws, announcements, rules and regulations.
15. Consider changing the scope of authority and responsibilities of the audit committee, the executive committee, the nomination and remuneration committee and the Chief Executive Officer as deemed appropriate and necessary.
16. Evaluate the performance of the board of directors. The board of directors will evaluate their performance on an annual basis and consider ways to improve the board's performance in order to be more effective.

Therefore, the board of directors must not delegate authority or responsibilities to the board of directors and/or any authorized person to approve transactions in which the board or any individual that may have a conflict of interest (as defined in the notifications of the Securities and Exchange Commission and the notifications of the Capital Market Advisory Board) or may have a stake or any kind of benefit in any way or have any other conflict of interest with the Company, other than the approved transactions that are done in accordance with the policies and regulations of the meeting of shareholders or the board of directors' consideration for approval.

#### The Scope of Authority and the Responsibilities of the Audit Committee

1. To review the accuracy and adequacy of the Company's financial reports.
2. To review the Company's internal control systems and internal audit systems to ensure that they are suitable and effective. To consider the independence of the internal audit unit. To approve the appointment, transfer or termination of the chief of the internal audit unit or any other unit responsible for the internal audit. This includes the hiring or termination of an internal audit firm or any other entity responsible for internal auditing.
3. To review the Company's compliance to laws regarding securities and the stock exchange and the requirements of the stock exchange and laws relating to the business of the Company.
4. To consider, select and nominate an independent person to be the Company's auditor. To propose the remuneration of that person as well as attend meetings with the auditors without management present at least once a year.
5. To consider connected transactions or transactions that may have conflicts of interest in order to be in compliance with the laws and regulations of the stock exchange and to ensure that these transactions are reasonable and for the greatest benefit of the Company.
6. To prepare the audit committee's report and disclose the report in the Company's annual report. This must be signed by the chairman of the audit committee. The audit committee's report must have at least the following information:
  - 1) Opinions on the accuracy, completeness, reliability and reliability of the Company's financial report.
  - 2) Opinions on the adequacy of the Company's internal control systems.

- 3) Opinions regarding the compliance with the Securities and Exchange Act, the Stock Exchange Act or any laws relating to the business of the Company.
  - 4) Opinions about the suitability of the auditor.
  - 5) Opinions regarding transactions that may have a conflict of interest.
  - 6) The amount of audit committee meetings and each audit committee member's meeting attendance.
  - 7) Comments or overall observations by the audit committee from their operations.
  - 8) Other agendas item that shareholders and general investors should know under the scope of duties and responsibilities assigned by the board of directors.
7. To perform any other act assigned by the board of directors with the approval of the audit committee.
  8. In regards to the performance of duties of the audit committee, if the audit committee finds or suspects that the following transactions or actions have occurred which have a significant impact on the Company's financial status and results of operations, the audit committee will report to the board of directors to get corrective actions within the time that the audit committee deems appropriate.
    - 1) Conflicts of Interest
    - 2) Fraud or there is something wrong or there are significant deficiencies in internal controls.
    - 3) Violations of the Securities and Exchange Act and the Stock Exchange Act or any laws relating to the business of the Company.
  9. In regards to the performance of duties, the audit committee may seek independent opinions from any other professional advisor if deemed necessary at the expense of the Company.
  10. In practice of the scope of authority and responsibilities, the audit committee shall have the power to invite management, executives or any relevant employees to report, give opinions, attend meetings or submit relevant and necessary documents.

Therefore, the board has the power to change the scope of authority and the responsibilities of the audit committee as it deems appropriate and necessary.

### The Scope of Authority and Responsibilities of the Nomination and Remuneration Committee

#### The Recruitment of Directors and Senior Executives

1. Establish regulations and recruitment procedures for the Company's directors, subcommittees or senior executive directors and determine the qualifications needed to hold the position.
2. Consider recruitment and selection of qualified people in order to be the Company's directors, subcommittees, executive directors or senior executives. Consider the recruitment of qualified people who have various skills, experiences, professions, expertise and specific capabilities that are beneficial to the business operations of the Company to be proposed to the board of directors or the shareholders' meeting as the case may be.
3. Perform other duties assigned by the board of directors.



## Consideration and Determination of Remuneration

1. Define regulations, guidelines and methods regarding remuneration payment that are necessary and appropriate for the appointed Company's directors, subcommittees, executive directors or senior executives to be proposed for the consideration of approval by the board of directors or the shareholders' meeting as the case may be.

Therefore, the method of payment may be in different manners or forms such as meeting allowances, salaries, bonuses, or any other monetary or non-monetary benefit.

2. Determine the remuneration for directors, subcommittees, executive directors or senior executives by considering the appropriate remuneration in accordance with the duties and responsibilities as well as the performance when compared to other companies and industries of the business or a business of similar size in order to be proposed to the board of directors for the approval.
3. Regularly review, study, and follow-up on changes and trends in the remuneration of the Company's directors, subcommittees, executive directors or senior executives in order to propose a suitable remuneration policy and be able to compete with other companies that conduct the same business or are in the same industry. It can also compete with other listed companies in the Stock Exchange market who conduct the same business.
4. Report the progress and performance to the board of directors as well as clarify and answer question about defining and paying the remuneration of the company directors, subcommittees, executive director or senior executives on behalf of the board of directors to the shareholders' meeting at the Annual General Meeting of Shareholders or Extraordinary Shareholders' Meeting (if any).
5. Report policies, principles and rationale regarding the determination of remuneration for directors, subcommittees, executive directors or senior executives by disclosing information in the annual disclosure statement (Form 56-1).
6. Review, revise and propose amendments to the nomination and remuneration committee charter to the board of directors (if any) to ensure that the charter is appropriate and always up to date.
7. Perform other duties as assigned by the board of directors.

## Scope of Authority, Duties and Responsibilities of the Executive Committee

1. Manage and operate the business of the Company in accordance with the business objectives of the Company. The operations and the management of the Company must align with the policies, guidelines and operational plans set forth by the board of directors.
2. Define vision, business strategies, policies, goals, and operational plans that are appropriate and consistent with the economic and competitive environment in order to be proposed to the board of directors for approval.
  1. Monitor the implementation of policies and the Company's management guidelines which were approved by the board of directors effectively.
  2. Consider the approval of transactions in accordance with the limits specified in the operating hierarchy and the authority to approve transactions involving third parties as follows;
  3. Perform any other actions assigned by the board of directors.

Therefore, the board of directors must not delegate authority or responsibilities to the board of directors and/or any authorized person to approve transactions in which the board or any individual that may have a conflict of interest (as defined in the notifications of the Securities and Exchange Commission and the notifications of the Capital Market Advisory Board) or may have a stake or any kind of benefit in any way or have any other conflict of interest with the Company, other than the approved transactions of normal business activities and ordinary trading conditions.

#### The Scope of Authority, Duties and Responsibilities of Chief Executive Officer

1. Manage, operate and perform routine tasks as usual of the Company for the benefit of the company and in accordance with the policies, strategies and operating plans of the company which assigned by the Board of Directors and / or the resolution of the shareholders' meeting.
2. Establish vision, business strategies, policies, goals and operation plan propose to the Board of Directors for approval and responsible for reporting the progress of the Company's operations to the Board of Directors.
3. Define and adjust the management structure and Company's management in accordance with the Company's operating policy and competitive conditions of the industry.
4. Having authority to engage, appoint, transfer, discharge, disemploy and set remuneration for employees at levels lower than CEO and propose to the Nomination and Remuneration Committee.
5. Consider and approve transactions in accordance with the limits specified in the operating hierarchy and the authority to approve transactions involving third parties which can be summarized as follows:

#### Summary of authorize credit for operations and transactions of SOLARTRON

Items	Limit	CFO/CMO	CEO	Executive Committee	Board of Directors
Expenses relating to normal business operation	Pertime	Less than 5 MB	Less than 5 MB	Less than 25 MB	More than 25 MB
Debts binding upon the Company/Guarantee	Per transaction	Less than 5 MB	Less than 50 MB	Less than 200 MB	More than 200 MB
Land lease contracts for normal business operations	Per Contract	Less than 5 MB	Less than 50 MB	Less than 200 MB	More than 200 MB
Acquisition of fixed assets	Pertime	Less than 5 MB	Less than 50 MB	Less than 200 MB	More than 200 MB
Sale of assets	Pertime	-	Less than 5 MB	Less than 25 MB	More than 25 MB
Investment in new project	Per Project	Less than 5 MB	Less than 50 MB	Less than 200 MB	More than 200 MB
Loans to subsidiaries	Perime	Less than 5 MB	Less than 50 MB	Less than 200 MB	More than 200 MB
Short-term loans between the Company,	Pertime	Less than 5 MB	Less than 50 MB	Less than 200 MB	More than 200 MB
Investment of the Company	Per transaction	Less than 5 MB	Less than 50 MB	Less than 200 MB	More than 200 MB

Note : The above approval authority does not apply to related-party transactions or the acquisition or sale of the Company's assets

which are specifically governed by the notifications of the Capital Market Supervisory Board and/or the Board of Governors

of the Stock Exchange of Thailand

## THE RECRUITMENT OF INDEPENDENT DIRECTORS

### The Qualifications of Independent Directors

The board of directors determines the qualifications of independent directors in accordance with the requirements of the Stock Exchange of Thailand. The qualifications of independent directors are as follows.

1. They must not hold more than one percent of the total voting shares of the Company, its parent company, its subsidiaries, affiliated companies, major shareholders or controlling persons of the Company. This includes shareholding of any person involved with the independent director.
2. They must not be or have been a director who was involved with management, staff, employees, consultants who receive a regular salary, or any controlling authority of the Company, its parent company, its subsidiaries, affiliated companies, subsidiaries, major shareholders or a controlling person of the Company unless they have ceased to have such characteristics for no less than two years before the date of requested permission to the Office of the Stock Exchange of Thailand. Such prohibited characteristics do not include the case in which independent directors were former officials or consultants of government agencies which are major shareholders or a controlling authority of the Company.
3. They must not be a person who has blood relations or have a binding legal registration such as a parent, spouse, sibling or child. This includes the spouse of a child of other directors, executives, major shareholders, controlling persons or anyone who is nominated as a director, manager or a controlling person of the Company or its subsidiaries.
4. They must never have or have had any business relationship with the Company, parent company, subsidiaries, associated company, major shareholders or a controlling authority of the Company in such a way as to impede the exercise of independent judgment. This includes neither being nor ever been a significant shareholder or a controlling person who has business relationships with the Company, parent company, subsidiaries, associated companies, major shareholders or a controlling authority of the Company unless those characteristics have ceased for no less than two years before the date of submission for permission to the office, or providing or receiving financial assistance by accepting or giving loans, being a guarantor, or giving assets as a liability guarantee and includes other similar circumstances that has resulted in the Company or any party owing a debt to another party from three percent of the Company's net tangible assets or valued at twenty million Baht or more, whichever is lower. Therefore, the calculation of such indebtedness shall be in accordance with the calculation method of connected transactions according to the notifications of the Capital Market Supervisory Board regarding connected transaction *mutatis mutandis*. However, in considering such indebtedness, it shall include the debt incurred during the year prior to the date of having a business relationship with the same person.
5. They must not be or have been the auditor of the Company, its parent company, subsidiaries, associated companies, major shareholders or a controlling person of the Company and not be a significant shareholder or a controlling authority or partner of an auditing company that hold the position of auditors in the Company, its parent company, subsidiaries, associate companies, major shareholders or the controlling person of the Company unless these characteristics have ceased for no less than two years before the date of submission for permission from the Office.

6. They must not be a director appointed to represent the Company's directors, major shareholders or shareholders who are related to major shareholders.
7. They do not engage in the same business conditions and are not a significant competitor to the business of the Company or its subsidiaries. They are not a significant partner in partnership or a director who is involved in the management of employees, staff, or consultants who receive a regular salary or hold more than one percent of the total voting shares of other companies that conduct the same business and is a significant competitor to the business of the Company or its subsidiaries.
8. There is no other characteristic that makes it impossible to express independent opinions about the Company's operations.

#### Recruitment of the Audit Committee

The board of directors is comprised of at least 3 audit committee members. The board of directors will select independent directors to serve on the audit committee and consideration of approval will be proposed to the board of directors or the shareholders' meeting. Therefore, the audit committee shall have the scope of duties and responsibilities as specified in the notifications of the Stock Exchange of Thailand regarding the qualifications and scope of work for the audit committee.

#### The Term for Holding a Position on the Audit Committee

Audit committee members shall serve 3-year terms except when stepping down from the position in order to be in compliance with the Company's Articles of Association. An audit committee member who steps down by rotation may be re-elected. In the case that a position on the audit committee is vacant for any reason other than for the expiration of the term, the board of directors shall appoint a qualified person to be on the audit committee so that the number of audit committee will be complete as prescribed by the board of directors. The person who replaces the audit committee member will hold the position for the remainder of the term of the audit committee member they replaced.

#### Recruitment of the Nomination and Remuneration Committee

The nomination and remuneration committee consists of at least three directors. Half of the total number of directors shall be independent directors. The board of directors or shareholders will appoint directors or executives to serve on the nomination and remuneration committee. Therefore, the scope of duties and responsibilities of the nomination and remuneration committee will be in accordance with the charter of the nomination and remuneration committee as approved by the board of directors.

#### The Term for Holding a Position on the Nomination and Remuneration Committee

The nomination and remuneration Committee has terms in which a person can hold a position for 3 years and retire by rotation of the position of directors. Other than retiring by rotation, the nomination and remuneration committee will be released from their position due to (1) death (2) resignation or termination of employment (3) disqualification or have prohibited characteristics in accordance with the law or charter and (4) the meeting of the board of directors made a resolution to terminate. In the case that the position of the nomination and remuneration committee is vacant because someone stepped down by rotation, the board of directors shall select a qualified person to be the replacement for the retired director. The replacement on the nomination and remuneration committee shall serve for the remainder of the term of the person they replaced.

## Director Recruitment

When selecting a person to be a director or an executive of the Company, the board of directors that hold the position during that time will select a suitable person by considering the appropriate qualifications and make sure they are aligned with the Company's strategies and operational plans. The person must be qualified in terms of knowledge, ability, experience, dedication, and the person appointed to be a director or executive of the Company must be fully qualified under Section 68, Public Company Act BE 2535 (as amended) and the notifications of the Board of Governors of the Stock Exchange of Thailand and the relevant Capital Market Supervisory Board. The appointment of directors and management of the Company has to be approved by the board of directors and/or the shareholders' meeting (as the case may be).

### The Term of the Board of Directors

At every annual General Meeting of Shareholders, one third of the directors shall retire. If the number of directors cannot be divided equally into three parts, then the number of directors that are retiring will be rounded to number nearest one-third in the first year. In the second year, after registering the conversion of a limited company to a public limited company, a lottery method shall be used. In the following years, the longest tenured directors shall leave their office. However, directors who have retired by rotation may be re-elected.

### The Term for Holding a Position on Executive Committee

Executive committee members hold the position for a 3 years term. Retired executive committee members may be re-elected. In the case that the position of executive director is vacant due to any reasons other than the expiration of a term, the board of directors shall appoint a qualified person to be executive director in order to complete the amount of executive directors as set by the board of directors. The person who replaced the executive director will be in the position only for the remainder of the term of the executive committee member he or she replaces.

### Supervision of the Operations of Subsidiary and Associates

The Company will send qualified, knowledgeable, and experienced persons who are suitable for the business of the subsidiary to be a director or executive in proportion to its shareholding in the subsidiary to ensure that the operations are in the right direction. In addition to this, representatives of the Company are responsible for closely monitoring the business of the subsidiary, the financial status report, and the performance of the subsidiary or associated company to the board of directors.

### The Use of Internal Information and Conflicts of Interest

The Company has a policy to prevent directors and executives from using inside information for their own benefit or the benefit of others in the wrong way.

- 1) The Company requires the protection of the Company's information. By requiring information agencies not to disclose information to unrelated entities or individuals.
- 2) Company executives who have been informed of the material information and financial information of the Company who can change the securities price. The information must not be exploited prior to public disclosure. By prohibiting executives from trading securities of the Company for a period of one month before the financial statements or material information is disclosed to the public.
- 3) When the Company's securities are listed on the Stock Exchange of Thailand, the Company requires directors and executives to report their holdings in the Company pursuant to Section 59 in order to comply with the Notification of the Office of the Securities and Exchange Commission regarding the preparation and disclosure of securities holders. The number of securities that the management must report must include the holding of management, spouses and minor children, whether directly or indirectly. Married and underage children are the owners of such securities, such as being held by other persons in the form of a nominee or holding through a private fund
- 4) The Company has imposed disciplinary measures for the benefit of the Company's internal information disclosure which may cause damage to the Company by considering punishment as appropriate for each case, whether verbal admonition, proclamation is a letter of probation or even termination of employment due to dismissal, release or leave. The punishment will be determined by the intent of the action and the seriousness of the offense.

### Auditor Fees

In the past three years, the Company paid audit fees and other auditor fees which include audit fees for the compliance with the condition of the investment promotion certificate to the auditors as the following details.

Auditor: OFFICE OF PITISEVI Co., Ltd

YEAR	SOLARTRON (Unit: Baht)	SUBSIDIARIES (Unit: Baht)
For the year ended December 31, 2020	1,700,000	1,650,000
For the year ended December 31, 2021	1,700,000	1,580,000
For the year ended December 31, 2022	1,700,000	1,580,000

The corporate governance policies of the Company are divided into the following 5 categories.

#### Section 1: The Rights of Shareholders

The Company places an importance on shareholders' rights. The Company encourages shareholders to exercise their rights. The fundamental rights of shareholders include the trading or transferring of shares, profit sharing, receiving sufficient information, attending meetings to exercise their right to vote at the shareholders' meeting in order to appoint or remove directors, appoint auditors and other matters that affect the Company such as dividend allocation, determining or amending the Articles of Association and Memorandum of Association, reducing or increasing capital, and the approval of special items, etc.

The Company has a policy to carry out various matters in order to encourage and facilitate shareholders to exercise their rights as follows.

- The Company will send a meeting invitation letter and the supporting documents to all shareholders at least 7 days in advance or according to the requirement by the law and the notifications. The meeting invitation letter will specify the date, time, place, including the Company's Articles of Association relating to the meeting of shareholders and the agenda. Each agenda item has indications and reasons along with the opinions of the board of directors, and the proxy form as prescribed by the Ministry of Commerce. The Company offered the names of independent directors which could be authorized to attend the meeting as a proxy on behalf of the shareholder in the case that shareholders unable to attend the meeting in person. In addition to this, the Company will disseminate important information about the shareholders' meeting through the website of the Stock Exchange of Thailand and the Company's website prior to the meeting.
- Before conducting the meeting, the Company will inform the meeting about the criteria for voting and votes counting at the meeting. When information is given according to the meeting's agenda items. The chairman of the meeting will allocate appropriate time for the shareholders to express their opinions and ask the Company questions. The directors and the executives who are involved in the matter attend the meeting in order to answer inquiries and listen to comments and suggestions from shareholders. The Company will give opportunity for shareholders to send their questions in advance prior to the meeting.
- In the case that there are many agenda items such as appointing directors, the Company will make a resolution to each item.
- After the shareholders' meeting, the Company shall prepare the complete and accurate minutes of the meeting. The voting procedures, questions, answers and voting results for each agenda item, including voting agreement, vote for disagreement and abstain votes. Names of directors who attended the meeting and those who are absent will be recorded. Therefore, the Company will report the resolutions result on the Stock Exchange of Thailand website within the same day of the meeting or at the latest by 9.00 am on the next business day. The Company shall send the minutes of shareholders' meeting to the Stock Exchange of Thailand within 14 days and disseminated the minutes of shareholders' meeting on the Company's website.

## Section 2: Equitable Treatment of Shareholders

The Company will treat all shareholders equitably.

- The Company will prepare the meeting invitation letter in English, every part, and publish it together with the meeting invitation letter in Thai.
- The Company will conduct the shareholders' meeting according to the order of agenda items specified in the meeting invitation letter. The Company will not add any unnecessary agenda items that were not notified in advance. Especially important agenda items that shareholders require more time to study the information before making any decisions.
- The Company will provide opportunities for minor shareholders to nominate candidates for director positions by submitting information of the nominated person with the letter of consent to the chairman of the board of directors in compliance with the Company's requirements.
- The Company will encourage shareholders to use ballots on every agenda item. The ballots will be collected at the shareholders' meeting for vote counting. The Company will keep the ballot papers in order to be transparent and verifiable.
- The Company emphasizes the importance of accurate, complete and timely disclosure of information to all shareholders equally through the website of the Stock Exchange of Thailand and the Company's website.
- The Company has a preventative policy in the case that directors and executives using inside information for personal gain or give it to the wrongdoer.
- The Company has a policy for directors who have a stake in any agenda items to abstain from the meeting and the consideration for such agenda.

## Section 3: Role of Stakeholders

The Company emphasizes the importance of the rights of all stakeholders. This includes customers, employees, business partners, shareholders, investors, creditors and the communities in which the Company located. It also includes other stakeholders, such as competitors and independent auditors, etc. The Company will treat these stakeholders fairly believing that good relationships with all stakeholders will enable the Company to grow sustainably.



#### Shareholders

1. The Company is responsible for encouraging its shareholders to exercise their rights. The fundamental rights of shareholders include trading or transferring shares, acquiring profit sharing, receiving sufficient information, attending the shareholders' meeting to exercise the right to vote in order to appoint or remove directors, appointing auditors, and other matters that affect the Company such as dividend allocation, determining or amending the Articles of Association and Memorandum of Association, reducing or increasing capital, and approving extraordinary agenda items etc.
2. The Company has a responsibility to encourage shareholders to exercise their rights in various matters at the general meeting of shareholders. This includes the right to nominate persons to be directors and the right to express opinions and ask questions related to the agenda items, etc.
3. The Company must abstain from any act of violation or deprivation of shareholders' rights. This includes not sending information or important documents prior to the meeting of shareholders and adding important agenda items or changing important information without informing shareholders in advance, etc.

#### Employee

1. The Company provides fair remuneration to its employees based on the performance of the employee. The Company will measure the performance of its employees fairly in accordance with the Company's guidelines.
2. The Company has policies to develop its personnel by organizing training program to employees and executives. The Company also sends its employees and executives to be trained with outside agencies on work related issues.
3. The Company is responsible for maintaining a hygienic working environment, help to work effectively and secure the lives and property of employees.
4. The Company is responsible for maintaining employee's privacy. The Company will not disclose employee personal information such as salaries or medical history to outsiders unless the Company is obligated to disclose such information in accordance with any applicable laws and regulations.

#### Customers

1. The Company is responsible for building good relationships and long-term cooperation with customers based on the principles of honesty.
2. The Company focuses on creating satisfaction and the utmost confidence to customers. The Company will provide services and quality products that are safe for consumers in accordance with the requirements given to customers and adhere strictly to the terms and conditions given to customers.

#### Business Partners and Account Payable

1. The Company considers the equality, fairness and faithfulness in conducting business by strictly comply with the laws and the regulations that have been established together.
2. The Company will adhere business code of conduct by not calling, nor receiving, or paying any dishonest benefits in operating business with its business partners.

#### Business Competitors

1. The Company has a policy to support and promote free and fair trade.
2. The Company will treat its competitors according to the laws and adhere to good business practices. The Company will not destroy the reputation of its competitors by allegation, false accusation without truths or any other acts that are unfair to the competition.

#### Government Agencies

1. The Company must comply with the regulations and any laws related to the Company's operations.
2. The Company focuses on the importance transparency and honesty in dealing with transactions with officials and government agencies. The Company has a policy to combat the various forms of government official bribery in a manner that accommodate or give any benefits to the Company.

#### The Environment, Society and the Community

1. The Company has a policy to conduct its business with responsibility for the environment and to conserve natural resources. This includes promoting energy efficiency.
2. The Company has a policy to conduct business with regard for the quality of life of society and community. The Company will strictly comply with any regulations and laws. In addition to this, stakeholders can inquire about company information or complaints regarding different matters through the Company's audit committee. Complaints can be made by mail and sent to the office of the company secretary at the Company's address or complaints can be sent by email to [agm@solartron.co.th](mailto:agm@solartron.co.th). Information regarding complaints will be kept confidential. The audit committee will examine the information and propose solutions report them to the board of directors.

#### Section 4: Disclosure and Transparency

The Company attaches importance to the disclosure of accurate, complete, timely and transparent information so that shareholders and stakeholders have equal and reliable information. The Company regularly updates its information on the Company's website. The Company has a policy to disclose important information to the public, such as its vision and mission, the nature of business, a list of directors and management, financial statements, financial position reports, risk factors and policies regarding risk management. It also includes the management of various risk, direct and indirect shareholdings of directors, major shareholders and top management, auditor fees and other auditor fees, and the remuneration of the board and management, etc. In addition to this, the Company is in the process of establishing an Investor Relations Unit to provide Company information to its shareholders, investors, securities analysts and the general public.

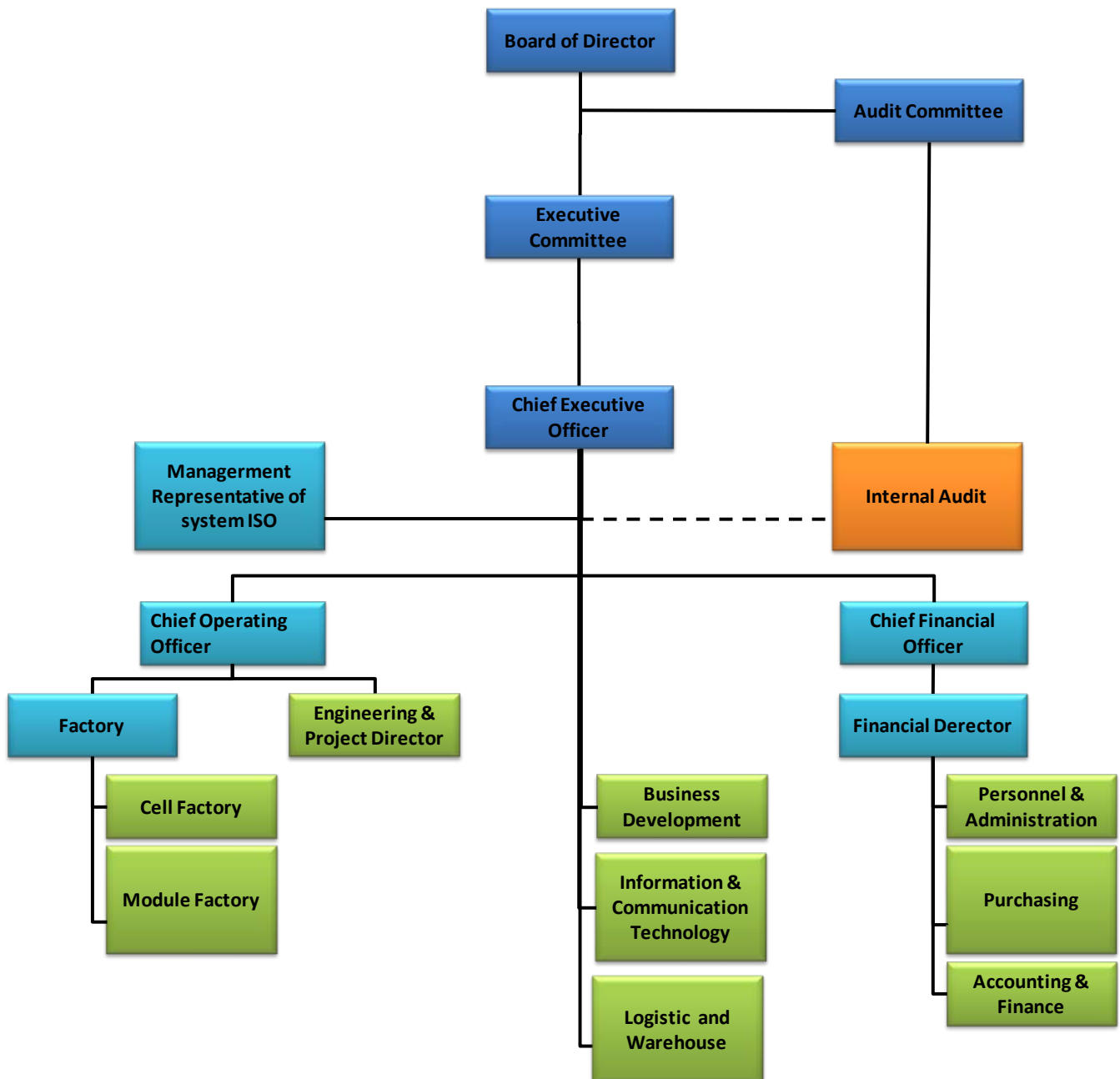
#### Section 5: Responsibilities of the Board

As at December 31, 2022, the management structure of the Company consisted of three committees and subcommittees. These committees included the audit committee, the nomination and remuneration committee, and the executive board which oversees the Company for the long-term benefits of the Company and its overall shareholders.

7 Management Structure

7.1 Organization Chart

## Solartron Public Company Limited



## 7.2 Management Structure

Management structure of company consists of 2 Committees, The Board of Directors and Audit Committee. Each Committee has duties and responsibilities as follows:

**Board of Directors** as of December 31, 2022, the Company's Board of Directors comprises of:

Name		The Board of Directors	Audit Committee	Nomination and Remuneration Committee
Mr. Cherdpong	Siriwit	✓		
Ms. Patama	Wongtoythong	✓		✓
Mr. Waiwit	Udayachalerm	✓		
Mr. Pupaa	Taechanarong	✓		
Mr. Nuttapong	Patrathiranond	✓		
GEN.Pudit	Tattiyachot	✓	✓	✓
Pol.Lt.Gen. Saridchai	Anakevieng	✓	✓	
Mr. Vipon	Vorasowharid	✓	✓	
Ms. Rawittha	Pongnuchit	✓	✓	
Mr. Tanee	Temboonsak	✓	✓	✓

### Scope of duties and responsibilities of the Board of Directors

1. To undertake the duties in accordance with laws, objectives and requirements of the company and resolutions of the shareholders with due care and integrity for interest of the company.
2. To set the business policies and direct the operations of the company and supervise the management to ensure effectiveness and compliance with the prescribed policies and to maximize the economic value of the business and business stability to shareholders.
3. To arrange a reliable accounting system, financial reports internal control procedures and suitable internal audit system with consistent follow-up.
4. To approve the quarterly and financial reports and the annual investment budget
5. To monitor the operating results of the company, and provide advice/suggestions / decisions with due care on the agenda proposed in the meeting of the board of directors.
6. To appoint/remove the subcommittee on specific matters as deemed suitable.
7. To arrange a policy on business supervision, ethics and employee ethics as a guideline on business conducts and to arrange and supervise the administrative work in accordance with the good governance principles consistently.
8. To approve the key transactions of the company such as acquisition or disposal of assets, expansion of the investment projects, determination of the authority to be assigned and any action required by laws and to look after the conflict of interest among stakeholders of the company.
9. To approve and/or grant consent on the inter-company transactions between the company and its subsidiaries in accordance with related notifications, requirements and guidelines of the Stock Exchange of Thailand.
10. To report any shareholding by himself/herself and his/her spouse and children in the meeting of the board of directors every quarter and to immediately inform the company if there is any purchase or sale of sharer (securities) of the company.

**The Executive Committees**

As of December 31, 2022, the Company's Executive Committee comprises of:

1.	Ms. Patama Wongtoythog	Chairman of the Executive Committee
2.	Mr. Waiwit Udayachalerm	Executive Committee
3.	Mr. Pupaa Taechanarong	Executive Committee

**Scope of duties and responsibilities of the Board of Executive Committee**

1. Decide on important matters related to the Company. Determine the corporate missions, objectives, guidelines, and policies and supervise the overall work
2. Have the power to employ, appoint, and transfer personnel as necessary and appropriate to be the management or staff members for corporate operations. Define appropriate functions, responsibilities, and remunerations of employees.
3. Have the power to determine business terms and conditions, such as credit limits, payment terms, trade agreements, and trade term changes.
4. Have the power to act and appear as a corporate representative to outsiders regarding affairs related and advantages to the Company.
5. Approve the appointment of advisors needed in the corporate operations.
6. Deal with affairs concerning the Company's general operations.

Summary of approved financial amounts of transactions according to the Company's authorization manual

Approved Financial Amounts for Important Transactions	BOD	EXCOM	CEO
1. Approval of Annual Budget	More than THB 200 million	Less than THB 200 million	Less than THB 50 million
2. Approval of Changing/Increasing of Annual Budget or Investment Budget	Change more than 25 %	Change 15 - 25 %	Change not over 15 %
3. Approval of purchasing and procurement	More than THB 200 million	Less than THB 200 million	Less than THB 50 million

*Note: (1) The power to approve the financial amounts mentioned is governed by legislation and regulations of the company, the Stock Exchange of Thailand and Securities, and Exchange Commission.*

**Audit Committee**

As of December 31, 2022, the Audit Committee comprises of:

- |    |                                  |                             |
|----|----------------------------------|-----------------------------|
| 1. | GEN. Pudit Tattiyachot           | Chairman of Audit Committee |
| 2. | Pol.Lt.Gen. Saridchai Anakevieng | Audit Committee             |
| 3. | Mr. Vipon Vorasowharid           | Audit Committee             |
| 4. | Mrs. Rawittha Pongnuchit         | Chairman of Audit Committee |
| 5. | Mr. Tanee Temboonsak             | Audit Committee             |

**Scope of duties and responsibilities of the audit committee**

The scope of duties of the Audit Committee has been made in accordance with the notifications issued by the Stock Exchange of Thailand:

1. To verify in assuring that the Company's financial report is correct and accurate and sufficiently disclosed.
2. To verify in assuring that the Company shall have the appropriated effective internal control and internal audit systems on cooperation with the internal auditor. And, To consider the independence of the internal audit unit as well as to provide the approval for the appointment, transfer, termination of the chief of the internal audit unit or any other agencies responsible for the internal audit.
3. To verify in assuring that the Company has acted in compliance with the law on Securities and Exchange Commission, the Stock Exchange of Thailand, provisions of Stock Exchange or the laws relating to the Company's business.
4. To consider, select, propose to appoint the independent person or persons to perform the duty as the Company's auditor and to propose the remuneration for such person/ persons, considering the reliability, resources adequacy, workloads and personnel's experiences as well as participating in the meeting with the auditor without the involvement of the Management for at least once a year.
5. To consider the related items or the items that would have the conflict of interest to meet the requirement of law or the provision of the Stock exchange to assure that such items are reasonable and resulted in the maximum benefit to the Company.
6. To prepare the report of the Audit Committee's activities, consisting of the opinions about the preparation process and the disclosure of the Company's accurate, complete and reliable financial report, including the options relating to the adequacy of the Company's internal control system by disclosing it in Company's annual report. Such report must be signed by the Chairman of the Audit Committee and must consist of at least the following information:
  - 6.1 The opinions about the accuracy, completion and reliability of the Company's financial report.
  - 6.2 The opinions about the adequacy of the Company's internal control system.
  - 6.3 The opinions about the act in compliance with law on Securities and Exchange Commission and Stock Exchange of Thailand, provisions of Stock Exchange or the laws relating to the Company's business.
  - 6.4 The opinions about the appropriateness of the auditor.
  - 6.5 The opinions about the items that may post the conflict of interest.
  - 6.6 The number or the meeting of the Audit Committee and each member's meeting participation.
  - 6.7 The overall opinions or the observations obtained by the Audit Committee from the operation as required in the charter.
  - 6.8 Other items as deemed to be known by shareholders and general investors under the scope and responsibility assigned to them by the Company's Board of Directors.

7. Any other operations as assigned by the Company's Board of Directors with the approval of the Audit Committee who directly responsible for the Company's Board of Directors who shall remain to be responsible for the Company's operation against the third party.
8. To verify and amend the Audit Committee charter to be up to date and to suit with the Company's conditions and circumstances.

**Independent Director Selection Criteria**

1. Not holding shares exceeding 1% of the total shares with voting rights of the Company, its parent Company, its associated company, or any potential conflicting person, which shall be inclusive of the shares held by those related persons;
2. Not being nor having been a director participating in the management, employee, officer, consultant who receiving regular salary, or controlling person over the Company, or potential conflicting person, excepting that he/she has no such characteristic for at least two years before the date of filling of the application with the Officer;
3. No being a person related by blood or by registration under laws as father, mother, spouse, sibling and child, including spouse of child of executive, major shareholder, controlling person of the Company or its subsidiary company;
4. Not having nor having had any business relationship with the Company, its parent company, its associated company, or potential conflicting person as might interfere with his/her use of independent discretion, including not being nor having been a major shareholder, a dependent direction, including not being nor having been a major shareholder, a dependent director, or an executive of a person who has a business relationship with the Company, its parent company, its subsidiary company, its associated company or potential conflicting person except that he/she has no such characteristic for at least two years before the date of filling of the application with the office.
5. Not being nor having been an auditor of the Company, its parent company, its subsidiary company, its associated company, or potential conflicting person, and not being a major shareholder, a dependent director, an executive, or partner of the auditing firm employing an auditor of the Company, its parent company, its subsidiary company, its associated company, or potential conflicting person except that he/she has no characteristic for at least two years before the date of filling of the application with the Office;
6. Not being nor having been any professional services provides including a legal advisor and a financial advisor, obtaining service fees of more than Baht 2 million per annum from the Company, its parent company, its subsidiary company, its associated company, or potential conflicting person. If a professional adviser is a legal entity, this will include a major shareholder, a dependent director, an executive, or a partner of such professional services provider except he/she has no such characteristic for at least two years before the date of filling of the application with the Office;
7. Not being a director appointed to represent any director of the Company, a major shareholder, or a shareholder who is a related person of the Company's major shareholder;
8. Not having any other characteristics which make it incapable of expressing an independent opinion with regard to the Company's operation.

**Directors' and Executives' remuneration**
**1. Directors' Remuneration**

The board of directors determines clear policies and guidelines for payment of directors' remunerations. For transparency, the remunerations are proposed to shareholders annually. They are adequate and motivational so that the company is able to keep highly qualified directors. Directors serving in committees receive appropriate remunerations corresponding to more duties and responsibilities. Remunerations are divided into 2 categories:

- 1) Regular remunerations are paid for non-executive directors monthly with/without board meetings.
- 2) Meeting remunerations are paid for directors who attend a board meeting.

**2. Remunerations for the Management**

Remunerations for the Management are in line with the Company's procedures and policies, and in relation to corporate operation results and each individual's performance. Amounts of the remunerations are motivational and enable the company to achieve loyalty among the competent Management.

**3. Remuneration for the Board of Directors**

According to the company annual general shareholder meeting of July 30, 2020,

The compensation for the committee members was set as follows:

Remuneration	Monthly payment / person	Meeting allowance /Time/person
The Board of Directors	12,000 THB	25,000THB
Audit Committee	4,000 THB	20,000THB
Nomination and Remuneration Committee	-	20,000THB

Remark: The Chairman of every committee will get the compensation 20% more than the committee members.

**Monetary Remuneration**

The total remuneration was paid as follows:

Monetary Remuneration	2020	2021	2022
Total remuneration (Baht)	2,271,400	2,354,400	2,354,400
Number of Committee Member (Persons)	7	10	10
Type of remuneration	Meeting allowance and monthly payment	Meeting allowance and monthly payment	Meeting allowance and monthly payment

**Others Remuneration**

The Company has the provident fund for the employees that started working in August 20, 2004 while employees pay 5%of their salary and the company will match an additional 5% each month into the provident fund.

The number of Board of Directors Meeting and Audit Committee Meeting and the Attendance by Individual Member of Fiscal Year 2021 and 2020



Name	Board of Directors Meeting		Audit Committee Meeting		Annual General Meeting	
	2022	2021	2022	2021	2022	2021
Mr. Cherdpong Siriwit	2/7	5/6	-	-	-	1/1
Ms. Patama Wongtoythong	7/7	6/6	-	-	2/2	1/1
Mr. Waiwit Udayachalerm	7/7	-	-	-	-	1/1
Mr. Pupaa Taechanarong	4/7	-	-	-	-	-
Mr. Nuttapon Patrathiranon	3/7	-	-	-	-	-
GEN. Pudit Tattiyachot	7/7	-	4/4	-	2/2	1/1
Pol.Lt.Gen. Saridchai Anakevieng	3/7	-	3/4	-	-	-
Mr. Vipon Vorasowharid	3/7	-	3/4	-	-	-
Mrs.Rawittha Pongnuchit	2/7	6/6	1/4	4/4	-	1/1
Mr. Tanee Temboonsak	1/7	5/6	1/4	3/4	1/2	-

### Directorships and Executive Development

The company has provided training and human resources development programs for all of its personal through internal and external training. It allows the board to participate in its operations and ventures. Corporate directors and executives have participated in training courses organized by accredited institutions, such as Chairman Program, Director Accreditation Program (DAP), and Director Certification Program (DCP) provided by Thai Institute of Directors (IOD), also basic courses for the Audit Committee, courses offered by the Stock Exchange of Thailand, and cutting-edge management courses offered by other professional institutions.

New directors are required to complete training and orientation providing important knowledge and skills that are crucial for their directorships. Once there are business expansions or new ventures, the company invites corporate directors to visit the sites and monitor the progress regularly. This is to enhance confidence among shareholders.

### Personnel Development Policy

The company has always valued its human resources. Policies on continuous training and human resource management have been established. The aims are to help employees reach their potential, ensure effectiveness at work, and allow them to grow in their fields. All employees are required to receive training that is in line with the company's direction and strategies. Training is well planned and always financially supported by the company which are held in the company and outside by other institutions. Also, the Company encourages the communication to transfer and share knowledge between employees in the organization (Knowledge Management).

In addition, the company has focused on developing better quality of life of employees. Also, the company has focused more on developing employees' knowledge and understanding about health and environmental safety in the workplace.

### Succession Plans

The corporate board of director realizes that succession plans become necessary in case the Chief Executive Officer or top executives are not able to work. To ensure readiness for the circumstance, the Company has prepared its human resources to be able to take on different responsibilities assigned in order to appropriately cover for their colleagues or fulfill their new positions. Executives are given opportunities to learn about the work outside their fields. This is to enable them to fill in assignments for their colleagues who are unable to take on the responsibilities. The board of directors has assigned the nomination and remuneration committee to research and coordinate with accredited consulting firms and professional institutions during development and revision of succession plans.

### Supervision of Use of Inside Information

The company prohibits its directors and the Management from using inside information concerning important matters including trading of securities before publication for personal gains. Preventive measures against the use of inside information by the directors and the management are as follows:

1. The company informs executives about their obligation to disclose security holdings and changes of the holdings of themselves, their spouses, and their children who have not yet attained the majority according to the Securities and Exchange Act B.E. 2535, article 59 and statutory penalty, article 275.
2. Circular notices are sent to executives advising those who receive important inside information that affects prices of securities not to trade corporate securities within that one month and not to disclose the important inside information before the corporate financial statements or the particular information is publicized.
3. Should there be any changes in security holdings of the company's directors and executives, the changes must be reported to the board of directors in security holdings matter on the agenda.
4. Important inside information and confidential documents saved as hard copies or soft files are protected and access is limited to top executives only when necessary. If any inside information needs to be disclosed to corporate employees, the employees will be informed properly about the limitation of the use of that information. An employee who discloses corporate confidential information will be penalized.

The Company realized the importance of Data Privacy and Privacy Rights under Universal Declaration of Human Rights and UN Global Compact. The Company always conducts business in compliance with Data Privacy.

## 8 Internal control and related transactions

### 8.1 The Audit Committee

The board of audit committee was comprised of 3 independent directors who served on the audit committee as follows.

Name-Last name	Position
1. General .PuditTattiyachot	Chairman Audit Committee Member
2.Pol.Lt.Gen. Saridchai Anakevieng	Audit Committee Member
3.Mr.Vipon Vorasowharid	Audit Committee Member
4.Ms. Rawittha Pongnuchit	Chairman of the Audit Committee
5. Mr.Tanee Temboonsak	Audit Committee Member

Mr. Tanee Temboonsak is an audit committee member who has sufficient knowledge and experience to review the reliability of the financial statements. Ms Piyathida Sadeewong is the secretary of the audit committee.

#### The Scope of Authority and the Responsibilities of the Audit Committee

1. To review the accuracy and adequacy of the Company's financial reports.
2. To review the Company's internal control systems and internal audit systems to ensure that they are suitable and effective. To consider the independence of the internal audit unit. To approve the appointment, transfer or termination of the chief of the internal audit unit or any other unit responsible for the internal audit. This includes the hiring or termination of an internal audit firm or any other entity responsible for internal auditing.
3. To review the Company's compliance to laws regarding securities and the stock exchange and the requirements of the stock exchange and laws relating to the business of the Company.
4. To consider, select and nominate an independent person to be the Company's auditor. To propose the remuneration of that person as well as attend meetings with the auditors without management present at least once a year.
5. To consider connected transactions or transactions that may have conflicts of interest in order to be in compliance with the laws and regulations of the stock exchange and to ensure that these transactions are reasonable and for the greatest benefit of the Company.
6. To prepare the audit committee's report and disclose the report in the Company's annual report. This must be signed by the chairman of the audit committee. The audit committee's report must have at least the following information:
  - 1) Opinions on the accuracy, completeness, reliability and reliability of the Company's financial report.
  - 2) Opinions on the adequacy of the Company's internal control systems.
  - 3) Opinions regarding the compliance with the Securities and Exchange Act, the Stock Exchange Act or any laws relating to the business of the Company.
  - 4) Opinions about the suitability of the auditor.
  - 5) Opinions regarding transactions that may have a conflict of interest.
  - 6) The amount of audit committee meetings and each audit committee member's meeting attendance.
  - 7) Comments or overall observations by the audit committee from their operations.
  - 8) Other agendas item that shareholders and general investors should know under the scope of duties and responsibilities assigned by the board of directors.

7. To perform any other act assigned by the board of directors with the approval of the audit committee.
8. In regards to the performance of duties of the audit committee, if the audit committee finds or suspects that the following transactions or actions have occurred which have a significant impact on the Company's financial status and results of operations, the audit committee will report to the board of directors to get corrective actions within the time that the audit committee deems appropriate.
  - 1) Conflicts of Interest
  - 2) Fraud or there is something wrong or there are significant deficiencies in internal controls.
  - 3) Violations of the Securities and Exchange Act and the Stock Exchange Act or any laws relating to the business of the Company.
9. In regards to the performance of duties, the audit committee may seek independent opinions from any other professional advisor if deemed necessary at the expense of the Company.
10. In practice of the scope of authority and responsibilities, the audit committee shall have the power to invite management, executives or any relevant employees to report, give opinions, attend meetings or submit relevant and necessary documents.

Therefore, the board has the power to change the scope of authority and the responsibilities of the audit committee as it deems appropriate and necessary.

#### Recruitment of the Audit Committee

The board of directors is comprised of at least 3 audit committee members. The board of directors will select independent directors to serve on the audit committee and consideration of approval will be proposed to the board of directors or the shareholders' meeting. Therefore, the audit committee shall have the scope of duties and responsibilities as specified in the notifications of the Stock Exchange of Thailand regarding the qualifications and scope of work for the audit committee.

#### The Term for Holding a Position on the Audit Committee

Audit committee members shall serve 3-year terms except when stepping down from the position in order to be in compliance with the Company's Articles of Association. An audit committee member who steps down by rotation may be re-elected. In the case that a position on the audit committee is vacant for any reason other than for the expiration of the term, the board of directors shall appoint a qualified person to be on the audit committee so that the number of audit committee will be complete as prescribed by the board of directors. The person who replaces the audit committee member will hold the position for the remainder of the term of the audit committee member they replaced.

#### The Audit Committee Meeting

1. There should be at least 4 meetings per year. Management, executives, relevant employees or auditors may be invited to attend the meeting in order to give opinions or submit documents and information that is relevant or necessary.
2. At every audit committee meeting, a quorum must consist of no less than two thirds of the total number of audit committee members holding a position at that time in order to be considered as a quorum.
3. Audit committee members who have a stake in the consideration of any matter will abstain from voting on such matters. The audit committee has the right to vote. Each member has one vote. Resolutions are made by a majority vote. The secretary of the audit committee does not have the right to vote. In case of a tied vote, the chairman of the meeting shall have the deciding vote.
4. The Company's auditors shall meet at least once a year without management present.

## The Qualifications of Independent Directors

The board of directors determines the qualifications of independent directors in accordance with the requirements of the Stock Exchange of Thailand. The qualifications of independent directors are as follows.

1. They must not hold more than one percent of the total voting shares of the Company, its parent company, its subsidiaries, affiliated companies, major shareholders or controlling persons of the Company. This includes shareholding of any person involved with the independent director.
2. They must not be or have been a director who was involved with management, staff, employees, consultants who receive a regular salary, or any controlling authority of the Company, its parent company, its subsidiaries, affiliated companies, subsidiaries, major shareholders or a controlling person of the Company unless they have ceased to have such characteristics for no less than two years before the date of requested permission to the Office of the Stock Exchange of Thailand. Such prohibited characteristics do not include the case in which independent directors were former officials or consultants of government agencies which are major shareholders or a controlling authority of the Company.
3. They must not be a person who has blood relations or have a binding legal registration such as a parent, spouse, sibling or child. This includes the spouse of a child of other directors, executives, major shareholders, controlling persons or anyone who is nominated as a director, manager or a controlling person of the Company or its subsidiaries.
4. They must never have or have had any business relationship with the Company, parent company, subsidiaries, associated company, major shareholders or a controlling authority of the Company in such a way as to impede the exercise of independent judgment. This includes neither being nor ever been a significant shareholder or a controlling person who has business relationships with the Company, parent company, subsidiaries, associated companies, major shareholders or a controlling authority of the Company unless those characteristics have ceased for no less than two years before the date of submission for permission to the office, or providing or receiving financial assistance by accepting or giving loans, being a guarantor, or giving assets as a liability guarantee and includes other similar circumstances that has resulted in the Company or any party owing a debt to another party from three percent of the Company's net tangible assets or valued at twenty million Baht or more, whichever is lower. Therefore, the calculation of such indebtedness shall be in accordance with the calculation method of connected transactions according to the notifications of the Capital Market Supervisory Board regarding connected transaction *mutatis mutandis*. However, in considering such indebtedness, it shall include the debt incurred during the year prior to the date of having a business relationship with the same person.
5. They must not be or have been the auditor of the Company, its parent company, subsidiaries, associated companies, major shareholders or a controlling person of the Company and not be a significant shareholder or a controlling authority or partner of an auditing company that hold the position of auditors in the Company, its parent company, subsidiaries, associate companies, major shareholders or the controlling person of the Company unless these characteristics have ceased for no less than two years before the date of submission for permission from the Office.
6. They must not be or never have been a professional service provider. This includes serving as a legal or financial advisor which receives service fees greater than two million Baht per year from the Company, its parent company, subsidiaries, associate companies, major shareholders or a controlling authority of the Company and be a significant shareholder, controlling authority or partner of that professional service provider unless these characteristics have ceased for no less than two years before the date of submission for permission from the Office.

7. They must not be a director appointed to represent the Company's directors, major shareholders or shareholders who are related to major shareholders.
8. They do not engage in the same business conditions and are not a significant competitor to the business of the Company or its subsidiaries. They are not a significant partner in partnership or a director who is involved in the management of employees, staff, or consultants who receive a regular salary or hold more than one percent of the total voting shares of other companies that conduct the same business and is a significant competitor to the business of the Company or its subsidiaries.
9. There is no other characteristic that makes it impossible to express independent opinions about the Company's operations.

**8.2 Transactions**

Related Party transactions between Solartron Public Company Limited (“The Company”) and its subsidiaries, or any person that may have had a conflict of interest for the year ended on December 31, 2021 and 2022 are summarized below.

Named	Retaliation	Description	Size of activities (Baht)		The necessary and reasonable of activities and policy to set the price
			2022	2021	
Solartron Energy 1	Subsidiary Hold by Solartron 99.96 %	(1) Interest revenue	275,509.35	419,717.04	Using the bank overdraft rate which is equal to 7%/year. A management fee for engineering, financial accounting, procurement, administration and human resource.
		(2) Revenue service	792,000.00	792,000.00	
		(3) Short-term loans from subsidiary	-	6,000,000.00	
		(4) Allowance for expected credit loss	-	6,000,000.00	
		(5) Trade accounts	2,734,068.62	4,057,440.00	
		(6) Accrued interest receivable	-	2,586,881.11	
Solartron Energy 2	Subsidiary Hold by Solartron 90 %	(1) Interest expense	69,654.79	111,924.55	Using the bank overdraft rate which is equal to 7% /year. A management fee for engineering, financial accounting, procurement, administration and human resource. Construction cost of 2MW solar power plant is based on the market price
		(2) Management incomes	1,320,000.00	1,320,000.00	
		(3) Revenue	16,800.00	-	
		(4) Maintenance service incomes	1,380,000.00	1,380,000.00	
		(5) Trade accounts	1,600,250.00	4,173,000.00	
		(6) Accrued expense	20,252.05	342,675.24	
		(7) Short-term loans for subsidiary	-	1,600,000.00	
		(8) Allowance for expected credit loss	(1,090,969.95)	858,502.86	
Solartron Energy 3	Subsidiary	(1) Interest expense	3,165,983.25	3,874,132.04	Using the bank overdraft rate which is equal to 7%/ year.
		(2) Management incomes	1,320,000.00	1,320,000.00	



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Named	Retaliation	Description	Size of activities (Baht)		The necessary and reasonable of activities and policy to set the price
			2022	2021	
	Hold by Solartron 100 %	(3) Maintenance service incomes (4) Trade accounts (5) Revenue which installation services (6) Revenue from Sale of goods (7) Accrued expense (8) Short-term loans for subsidiary (9) Revenue received in advance (10) Allowance for expected credit loss (11) Unbilled receivables: Revenue recognizes on percentage of completion basis: (12) Account Payable - International	5,520,000.00 24,490.00 97,739,197.08 13,230,167.71 53,368,222.39 6,190,052.43 13,071,744.00 (15,280,464.93) 27,361,454.52 2,895,898.88	5,520,000.00 6,800.00 8,405,687.82 10,064,184.46 89,100,631.42 10,614,400.00 24,006,276.00 - 6,686,913.36 51,062,084.52 -	A management fee for engineering, financial accounting, procurement, administration and human resource. Installation cost of Solar rooftop system is based on the market price
Solartron Energy 5	Subsidiary Hold by Solartron 51 %	(1) Interest expense (2) Management incomes (3) Maintenance service incomes (4) Trade receivable (5) Accrued expense (6) Short-term loans for subsidiary (7) Allowance for expected credit loss	1,194,192.14 1,980,000.00 2,898,000.00 434,955.00 4,098,870.94 12,154,315.81 (920,505.07)	1,366,087.50 1,980,000.00 2,898,000.00 3,614,995.00 2,904,678.00 19,783,098.81 827,427.00	Using the bank overdraft rate which is equal to 7%/ year. A management fee for engineering, financial accounting, procurement, administration and human resource. Construction cost of 7MW solar power plant is based on the market price
SLTT Joint Venture	Joint Venture Agreement with Thai Polycons	(1) Revenue service (2) Interest Revenue (3) Accrued interest receivable	28,000.00 70,918.03 154,861.44 154,861.44	11,180.00 83,943.41 154,861.44 13,721.58	Establishing a Joint Venture entity, under 50:50 partnership agreement, in order to construct and install solar rooftop systems for Ek-chai



Named	Retaliation	Description	Size of activities (Baht)		The necessary and reasonable of activities and policy to set the price
			2022	2021	
	Plc., and share the profit or loss and responsibility at the percentage of 50% equally.	(4) Trade receivable (5) Short-term loans for subsidiary (6) Allowance for expected credit loss (7) Estimated liabilities for project work penalties (8) Allowance for expected credit loss ( Reversal ) (9) Oter receivable – LG fee (10) Allowance for Penalty fee	71,229.90 1,711,000.00  690,593.62  - 629,250.00 -	53,863.80 1,200,000.00  578,324.99  1,200,000.00 629,250.00 9,166,364.00	Distribution System Co., Ltd. (Tesco Lotus Thailand)
Directors	Company Directors	(1) Accrued expense (2) Short - term loans from directors	250,903,981.32 52,456,474.62	260,903,981.32 39,936,178.69	Using the bank overdraft rate which is equal to 2.90 % / year. and 5 %/ year.

## Part III Financial Statements

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### THE BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Board of Directors attaches importance to its oversight duties and responsibilities and is responsible for the separate and consolidated financial statements of the Company and its subsidiaries. These financial statements were prepared in accordance with generally accepted accounting standards and the rules of the Securities and Exchange Commission. In addition, the Company selected accounting policies deemed appropriate for the Company. These financial statements were audited by an auditor being a certified public accountant in accordance with the generally accepted accounting standards and the auditor issued unqualified opinions on the financial statements of the Company and its subsidiaries.

The Board of Directors has assigned the Audit Committee, which is entirely comprised of independent directors, to oversee the internal control system and the risk management system and review the financial statements of the Company and its subsidiaries to ensure that the financial reports for 2022 of the Company and its subsidiaries are correctly prepared and adequately disclosed. The Audit Committee's opinions with regard to these matters are stated in the Audit Committee Report.

The Board of Directors is of the view that the Company's overall internal control system and risk management system of the Company and its subsidiaries are appropriate and adequate to provide reasonable assurance that the financial reports for 2022 of the Company and its subsidiaries are in accordance with the financial reporting standards and the applicable laws.

General Pudit Tattiyachot

Chairman of the Board of Directors

**INDEPENDENT AUDITOR'S REPORT**

TO THE SHAREHOLDERS OF SOLARTRON PUBLIC COMPANY LIMITED

**Opinion**

I have audited the accompanying consolidated financial statements of SOLARTRON PUBLIC COMPANY LIMITED and its subsidiaries (the Group) and the separate financial statements of SOLARTRON PUBLIC COMPANY LIMITED, which comprise the consolidated and separate statements of financial position as at December 31, 2022, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of SOLARTRON PUBLIC COMPANY LIMITED and its subsidiaries (the Group) and of SOLARTRON PUBLIC COMPANY LIMITED as at December 31, 2022, and its financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements. My opinion on the consolidated and separate financial statements is not modified with respect to any of the key audit matters described below, and I do not express an opinion on these individual matters.

**INDEPENDENT AUDITOR'S REPORT**

TO THE SHAREHOLDERS OF SOLARTRON PUBLIC COMPANY LIMITED

**Opinion**

I have audited the accompanying consolidated financial statements of SOLARTRON PUBLIC COMPANY LIMITED and its subsidiaries (the Group) and the separate financial statements of SOLARTRON PUBLIC COMPANY LIMITED, which comprise the consolidated and separate statements of financial position as at December 31, 2022, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of SOLARTRON PUBLIC COMPANY LIMITED and its subsidiaries (the Group) and of SOLARTRON PUBLIC COMPANY LIMITED as at December 31, 2022, and its financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

**Basis for Opinion**

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

**Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements. My opinion on the consolidated and separate financial statements is not modified with respect to any of the key audit matters described below, and I do not express an opinion on these individual matters.

**INDEPENDENT AUDITOR'S REPORT** (Con't) -2-**Key Audit Matters** (Con't)

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

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

**Revenue recognition for long - term contracts**

The Group has revenues from contracts for installation of solar rooftop system with several government agents and public sectors. In 2022, the Group has such revenues included in profit and loss amounting to Baht 111.49 million in the consolidated financial statement and Baht 212.14 million in the separate financial statement accounting for 40.92% of total revenues in the consolidated statement of comprehensive income and 75.20% of total revenues in the statement of separate comprehensive income. The Company has disclosed its policies on revenue recognition for services provided under long - term contracts and cost estimates for projects under long - term contracts in Note 4.1.1 to the financial statements. I identified revenue recognition and estimation of project cost and relevant expenses to be areas of significant risk in audit. This is because these areas require management to exercise significant judgement to assess the percentage of completion.

I examined the revenue recognition and estimation of project cost under long-term contracts by randomly selecting contracts that the Company made with customers to test of the internal controls relating to the method that management used in estimating the percentage of completion, budget cost and estimated expenses to be incurred from the project delay and the recording of related transactions. I also read the contracts to consider the conditions relating to revenue recognition and inquired of management about the terms of and risks associated with these contracts. In addition, I evaluated the approach that the Company applied in estimating the percentage of completion, total costs throughout the project and provision for project delay by inquiry of the management and project manager on the progress of the project and examined other relevant documents.

**INDEPENDENT AUDITOR'S REPORT** (Con't) -3-**Other Information**

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

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

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

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

**Responsibilities of Management and Those Charged with Governance for the consolidated and separate financial statements**

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

**INDEPENDENT AUDITOR'S REPORT (Con't) -4-****Auditor's Responsibilities for the Audit of the consolidated and separate financial statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

**INDEPENDENT AUDITOR'S REPORT** (Con't) -5-**Auditor's Responsibilities for the Audit of the consolidated and separate financial statements** (Con't)

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I am also required to provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

(Chaovana Viwatpanachati)

Certified Public Accountant (Thailand) No. 4712

OFFICE OF PITISEVI CO., LTD.

8/4, Floor 1<sup>st</sup>, 3<sup>rd</sup>, Soi Viphavadee Rangsit 44,  
Chatuchak, Bangkok

February 27, 2023

A member firm of  **MOORE GLOBAL**



## SOLARTRON PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022

		Unit : Baht				
		Consolidated		Separate		
Note		2022	2021	2022	2021	
<b>ASSETS</b>						
<b>CURRENT ASSETS</b>						
	Cash and cash equivalents	6	56,772,081	81,269,165	16,915,230	55,747,319
	Trade accounts and other current					
	receivables - net	5.2, 7	45,834,760	49,891,522	108,078,259	52,415,405
	Current contract assets - net	5.2, 8	17,317,566	20,317,574	28,639,483	46,861,649
	Short - term loans to subsidiary					
	and related parties - net	5.2	-	-	-	-
	Short - term loan to other company		158,400	158,400	158,400	158,400
	Inventories - net	9	71,152,032	17,898,423	71,152,032	17,898,423
	Other current financial assets - net	10	41,038,742	350,000,000	41,038,742	350,000,000
	Other current assets		9,086,561	8,127,381	5,392,681	7,666,651
	<b>Total current assets</b>		<b>241,360,142</b>	<b>527,662,465</b>	<b>271,374,827</b>	<b>530,747,847</b>
<b>NON - CURRENT ASSETS</b>						
	Other non - current financial assets	11	69,169,343	50,535,159	69,169,343	50,535,159
	Investments in subsidiaries - net	12	-	-	178,549,350	166,299,350
	Property, plant and equipment - net	13	1,355,976,380	1,400,463,582	767,860,448	855,776,087
	Right of use assets - net	14.1	26,292,092	29,271,397	9,113,273	11,180,416
	Intangible assets - net	15	11,537,236	7,925,829	11,537,236	7,925,829
	Deferred tax assets - net	16	88,134,196	95,334,569	87,793,430	95,275,870
	Other non - current assets		6,663,699	3,761,444	5,943,383	3,373,320
	<b>Total non - current assets</b>		<b>1,557,772,946</b>	<b>1,587,291,980</b>	<b>1,129,966,463</b>	<b>1,190,366,031</b>
	<b>TOTAL ASSETS</b>		<b>1,799,133,088</b>	<b>2,114,954,445</b>	<b>1,401,341,290</b>	<b>1,721,113,878</b>

Notes to the financial statements are an integral part of these financial statements.



Certified by

*Sidi*  
.....(Director)




*By Qstom*  
.....(Director)

**SOLARTRON PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF FINANCIAL POSITION (Con't)**  
**AS AT DECEMBER 31, 2022**

		Unit : Baht				
		Consolidated		Separate		
Note		2022	2021	2022	2021	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Bank overdraft and short - term						
	loans from financial institutions	17	38,221,898	39,986,356	38,216,732	39,481,161
	Trade accounts and other current payables	5.2, 18	140,479,188	240,404,323	157,659,095	249,770,119
	Current contract liabilities	8	3,793,791	4,076,444	3,793,791	4,076,444
	Short - term loans from subsidiaries	5.2	-	-	65,522,538	110,483,730
	Short - term loans from director and related person	5.2	250,903,981	260,903,981	250,903,981	260,903,981
	Short - term loan from other person	19	40,000,000	40,000,000	40,000,000	40,000,000
Current portion of liabilities under						
	Long - term loans from financial institutions	20	34,804,226	36,268,627	225,746	929,850
	Lease liabilities	14.2	2,008,828	1,879,597	2,008,828	1,879,597
	Provision for employee benefits	21	4,552,502	3,483,044	4,552,502	3,483,044
	Accrued incomes tax		148,493	-	-	-
	Other current liabilities	5.2	10,692,303	17,964,110	10,299,298	17,551,244
	<b>Total current liabilities</b>		<b>525,605,210</b>	<b>644,966,482</b>	<b>573,182,511</b>	<b>728,559,170</b>
<b>NON - CURRENT LIABILITIES</b>						
	Long - term loans from financial institutions - net	20	595,087,672	629,581,160	164,696,407	164,779,466
	Lease liabilities - net	14.2	7,535,039	9,543,868	7,535,039	9,543,868
	Non - current contract liabilities		12,692,278	14,644,461	12,692,278	14,644,461
	Provision for employee benefit - net	21	17,532,744	17,193,707	17,532,744	17,193,707
	Other non - current liabilities		38,370,142	29,399,595	38,370,142	29,399,595
	<b>Total non - current liabilities</b>		<b>671,217,875</b>	<b>700,362,791</b>	<b>240,826,610</b>	<b>235,561,097</b>
	<b>TOTAL LIABILITIES</b>		<b>1,196,823,085</b>	<b>1,345,329,273</b>	<b>814,009,121</b>	<b>964,120,267</b>

Notes to the financial statements are an integral part of these financial statements.

Certified by



.....(Director) .....(Director)

**SOLARTRON PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF FINANCIAL POSITION (Con't)**  
**AS AT DECEMBER 31, 2022**

		Unit : Baht			
		Consolidated		Separate	
Note		2022	2021	2022	2021
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (Con't)</b>					
<b>SHAREHOLDERS' EQUITY</b>					
	Share capital				
	Authorized share capital				
	1,360,311,807 common shares of Baht 1.- each	1,360,311,807	1,360,311,807	1,360,311,807	1,360,311,807
	Issued and paid - up share capital				
	1,088,249,466 common shares of Baht 1.- each	1,088,249,466	1,088,249,446	1,088,249,466	1,088,249,446
	Premium on share capital	1,218,760,890	1,218,760,870	1,218,760,890	1,218,760,870
	Retained earnings (deficit)				
	Appropriated - legal reserve	55,965,054	55,965,054	55,965,054	55,965,054
	Unappropriated	(2,079,289,356)	(1,912,197,519)	(1,775,643,241)	(1,605,981,759)
	Other components of shareholders' equity	236,424,992	236,424,992	-	-
	Total equity attributable to owners of the parent	520,111,046	687,202,843	587,332,169	756,993,611
	Non - controlling interests	82,198,957	82,422,329	-	-
	<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>602,310,003</b>	<b>769,625,172</b>	<b>587,332,169</b>	<b>756,993,611</b>
	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>1,799,133,088</b>	<b>2,114,954,445</b>	<b>1,401,341,290</b>	<b>1,721,113,878</b>

Notes to the financial statements are an integral part of these financial statements.

Certified by

.....(Director) .....(Director)

**SOLARTRON PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

		Unit : Baht				
		Consolidated		Separate		
Note		2022	2021	2022	2021	
<b>REVENUES</b>						
	Revenue from sales of goods with installation	5.1	111,494,365	62,863,381	212,142,775	73,784,027
	Revenue from sales of electricity		93,391,750	86,330,550	-	-
	Revenue from sales	5.1	50,299,529	28,176,939	50,316,329	28,176,939
	Other incomes	5.1, 5.3	17,252,160	4,710,444	19,637,171	9,894,864
	<b>Total revenues</b>		<b>272,437,804</b>	<b>182,081,314</b>	<b>282,096,275</b>	<b>111,855,830</b>
<b>EXPENSES</b>						
	Cost of sales - goods with installation	5.1	92,608,243	56,640,369	178,083,605	56,640,369
	Cost of sales - electricity		49,211,548	48,439,883	-	-
	Cost of sales - goods		42,437,770	64,898,596	42,437,770	64,898,596
	Idle capacity		100,741,732	115,739,885	100,741,732	115,739,885
	Distribution costs		18,937,348	9,972,834	18,937,348	9,972,834
	Administrative expenses		84,321,335	112,994,285	78,128,088	115,671,848
	<b>Total expenses</b>		<b>388,257,976</b>	<b>408,685,852</b>	<b>418,328,543</b>	<b>362,923,532</b>
	<b>LOSS FROM OPERATING</b>		<b>(115,820,172)</b>	<b>(226,604,538)</b>	<b>(136,232,268)</b>	<b>(251,067,702)</b>
	Finance costs	5.1	(44,200,488)	(60,962,270)	(26,001,193)	(41,902,958)
	<b>LOSS BEFORE INCOME TAX</b>		<b>(160,020,660)</b>	<b>(287,566,808)</b>	<b>(162,233,461)</b>	<b>(292,970,660)</b>
	Income tax revenue (expenses)	16.2	(7,338,085)	5,555,202	(7,471,557)	5,992,399
	<b>NET LOSS FOR THE YEAR</b>		<b>(167,358,745)</b>	<b>(282,011,606)</b>	<b>(169,705,018)</b>	<b>(286,978,261)</b>
<b>OTHER COMPREHENSIVE INCOME (LOSS)</b>						
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:						
Defined benefit plan remeasurement profit (loss) -						
net from income tax						
			43,536	5,339,454	43,536	5,339,454
	<b>COMPREHENSIVE LOSS FOR THE YEAR</b>		<b>(167,315,209)</b>	<b>(276,672,152)</b>	<b>(169,661,482)</b>	<b>(281,638,807)</b>

Notes to the financial statements are an integral part of these financial statements.

Certified by




.....(Director) .....(Director)

**SOLARTRON PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF COMPREHENSIVE INCOME (Con't)**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

		Unit : Baht			
		Consolidated		Separate	
	Note	2022	2021	2022	2021
<b>NET PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO :</b>					
Owners of the parent		(167,135,373)	(282,873,667)		
Non - controlling interests		(223,372)	862,061		
<b>NET PROFIT (LOSS) FOR THE YEAR</b>		<b>(167,358,745)</b>	<b>(282,011,606)</b>		
<b>COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO :</b>					
Owners of the parent		(167,091,837)	(277,534,213)		
Non - controlling interersts		(223,372)	862,061		
<b>COMPREHENSIVE INCOME (LOSS) FOR THE YEAR</b>		<b>(167,315,209)</b>	<b>(276,672,152)</b>		
<b>BASIC LOSS PER SHARE (BAHT : SHARE)</b>					
Net loss in equity attributable to owners of the parent	24.1	(0.15)	(0.51)	(0.16)	(0.52)

Notes to the financial statements are an integral part of these financial statements.

Certified by


  
*S. S. S.* .....(Director)
 
*J. J. J.* .....(Director)

**SOLARTRON PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

Unit : Baht

	Consolidated									
	Equity attributable to owners of the parent					Other component of shareholders' equity				
	Issued and paid-up share capital	Share premium	Appropriated legal reserve	Retained earnings (deficit)	Unappropriated	Gain from investment transference	Total equity attribute to the parent	Non - controlling interest	Total shareholder's equity	Total shareholder's equity
Note	Share premium	Appropriated legal reserve	Retained earnings (deficit)	Unappropriated	Gain from investment transference	Total equity attribute to the parent	Non - controlling interest	Total shareholder's equity	Total shareholder's equity	
Balance as at January 1, 2021	544,124,723	1,218,760,870	55,965,054	(1,634,663,306)	236,424,992	420,612,333	81,560,268	502,172,601	502,172,601	
<i>Change in shareholders' equity:</i>										
Increase in share capital during the year	22.1.1	544,124,723	-	-	-	544,124,723	-	544,124,723	544,124,723	
<i>Comprehensive Loss for the year:</i>										
Loss for the year		-	-	(282,873,667)	-	(282,873,667)	862,061	(282,011,606)	(282,011,606)	
Comprehensive loss for the year		-	-	5,339,454	-	5,339,454	-	5,339,454	5,339,454	
Total comprehensive loss for the year		-	-	(277,534,213)	-	(277,534,213)	862,061	(276,672,152)	(276,672,152)	
Balance as at December 31, 2021		1,088,249,446	1,218,760,870	55,965,054	(1,912,197,519)	687,202,843	82,422,329	769,625,172	769,625,172	
<i>Change in shareholders' equity:</i>										
Common shares from warrants exercised	22.1.5.2	20	20	-	-	40	-	40	40	
<i>Comprehensive Loss for the year:</i>										
Loss for the year		-	-	(167,135,373)	-	(167,135,373)	(223,372)	(167,358,745)	(167,358,745)	
Comprehensive loss for the year		-	-	43,536	-	43,536	-	43,536	43,536	
Total comprehensive loss for the year		-	-	(167,091,837)	-	(167,091,837)	(223,372)	(167,315,209)	(167,315,209)	
Balance as at December 31, 2022		1,088,249,466	1,218,760,890	55,965,054	(2,079,289,356)	520,111,046	82,198,957	602,310,003	602,310,003	

Notes to the financial statements are an integral part of these financial statements.

 .....(Director)  
 .....(Director)



**SOLARTRON PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Cont'd)**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	Note	Unit : Baht					
		Separate					
		Issued and paid-up share capital	Share premium	Retained earnings (deficit)		Unappropriated	Total shareholder's equity
Appropriated legal reserve	Unappropriated						
Balance as at January 1, 2021		544,124,723	1,218,760,870	55,965,054	(1,324,342,952)	494,507,695	
<i>Change in shareholders' equity :</i>							
Increase in share capital during the year	22.1.1	544,124,723	-	-	-	544,124,723	
<i>Comprehensive Loss for the year :</i>							
Loss for the year		-	-	-	(286,978,261)	(286,978,261)	
Comprehensive loss for the year		-	-	-	5,339,454	5,339,454	
Total comprehensive loss for the year		-	-	-	(281,638,807)	(281,638,807)	
Balance as at December 31, 2021		1,088,249,446	1,218,760,870	55,965,054	(1,605,981,759)	756,993,611	
<i>Change in shareholders' equity :</i>							
Common shares from warrants exercised	22.1.5.2	20	20	-	-	40	
<i>Comprehensive Loss for the year :</i>							
Loss for the year		-	-	-	(169,705,018)	(169,705,018)	
Comprehensive loss for the year		-	-	-	43,536	43,536	
Total comprehensive loss for the year		-	-	-	(169,661,482)	(169,661,482)	
Balance as at December 31, 2022		1,088,249,466	1,218,760,890	55,965,054	(1,775,643,241)	587,332,169	

Notes to the financial statements are an integral part of these financial statements.

Certified by  .....(Director)  .....(Director)



## SOLARTRON PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

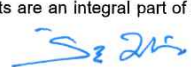
## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022

Note	Unit : Baht				
	Consolidated		Separate		
	2022	2021	2022	2021	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Loss before income tax	(160,020,660)	(287,566,808)	(162,233,461)	(292,970,660)	
Reconciliations of net profit (loss) to net cash provided by (used in) operating activities:					
Depreciation	13, 14.1	132,953,894	137,907,748	94,790,056	99,156,825
Amortization of intangible assets	15	1,341,138	2,302,048	1,341,138	2,302,048
Bad Debt	7	-	13,577,596	-	13,577,596
Allowances for expected credit loss	5.2, 7, 8	9,464,686	21,620,041	14,933,182	30,223,124
Reversal of allowances for expected credit losses	5.2, 7	(6,780,172)	(16,237,368)	(13,364,072)	(16,237,368)
Allowances for on diminution in value of inventories	9	5,956,457	35,120,064	5,956,457	35,120,064
Reversal of allowances for on diminution in value of inventories	9	(7,033,720)	(3,049,414)	(7,033,720)	(3,049,414)
Gain on contract changes		-	(526,951)	-	(526,951)
Reversal employee benefit expenses		-	(6,106,361)	-	(6,106,361)
Post employee benefit expenses	21	1,795,716	4,397,806	1,795,716	4,397,806
Fine fees expenses		-	16,276,341	-	16,276,341
Loss (gain) from disposal of assets	13	(55,916)	73,554	-	73,554
Loss from written - of assets	13	24	4	24	4
Loss from pay off debt as inventories		-	4,708,209	-	4,708,209
Unrealized (gain) loss on exchange rate		130,271	320,403	130,271	320,403
Unrealized gain (loss) on fair value measurement	10	(805,700)	-	(805,700)	-
Loss (gains) on the redemption of other current financial assets	10	(233,042)	-	(233,042)	-
Gains from debt reduction	5.1, 5.3	(8,938,955)	-	(8,938,955)	-
Interest income		(33,565)	(205,001)	(286,597)	(608,440)
Interest expense		44,200,488	60,949,724	26,001,193	41,890,410
Loss from operating activities before changes					
in operating assets and liabilities		11,940,944	(16,438,365)	(47,947,510)	(71,452,810)
Decrease (increase) in operating assets :					
Trade accounts and other current receivables		5,702,255	33,861,035	(102,597,717)	23,944,557
Current contract assets		(874,418)	(15,517,302)	11,891,651	(15,397,336)
Insurance receivable		66,506	-	66,506	-
Inventories		(54,882,794)	(1,997,097)	(52,176,346)	(1,997,097)
Other current assets		1,747,268	1,879,974	2,273,970	1,396,684
Other non - current assests		(2,574,070)	(7,445,804)	(2,570,065)	(7,190,219)
Increase (decrease) in operating liabilities:					
Trade accounts and other current payables		(182,815,708)	41,750,413	(102,213,703)	41,774,752
Current contract liabilities		(282,653)	(1,557,277)	(282,653)	(1,557,277)
Employee benefits actually paid during the year	21	(332,800)	-	(332,800)	-
Other current liabilities		(7,271,807)	(1,232,213)	(7,251,946)	(1,153,058)
Non - current contract liabilities		(1,952,184)	(3,015,427)	(1,952,184)	(3,015,427)
Other non - current liabilities		8,970,549	5,513,502	8,970,546	5,513,502
<b>Cash provided by (used in) operating activities</b>		<b>(222,558,912)</b>	<b>35,801,439</b>	<b>(294,122,251)</b>	<b>(29,133,729)</b>

Notes to the financial statements are an integral part of these financial statements.

Certified by


  
 .....(Director)


  
 .....(Director)



SOLARTRON PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF CASH FLOWS (Con't)  
FOR THE YEAR ENDED DECEMBER 31, 2022

		Unit : Baht			
		Consolidated		Separate	
Note		2022	2021	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES (con't)</b>					
	Received (paid) income tax	(328,287)	(20,952)	-	-
	Interest paid	-	(1,648,345)	-	(1,497,651)
	<b>Net cash provided by (used in) operating activities</b>	<b>(222,887,199)</b>	<b>34,132,142</b>	<b>(294,122,251)</b>	<b>(30,631,380)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
	Decrease (Increase) in current financial assets pledged as collateral	(8,634,184)	4,488,491	(8,634,184)	4,488,491
	Cash paid short - term loans to subsidiary and related parties	5.2 (511,000)	-	(1,094,900)	-
	Cash received from short - term loans to subsidiary and related parties	5.2 -	-	6,583,900	-
	Acquisition of property, plant and equipment	13 (11,201,178)	(26,818)	(4,807,297)	(26,818)
	Acquisition of intangible assets	15 (4,952,545)	-	(4,952,545)	-
	Cash paid for shares	12 -	-	(12,250,000)	-
	Cash received from shares	22 40	-	40	-
	Cash received from disposal assets	13 2,706,448	227,570	-	227,570
	Cash received from sale other current financial assets	10 310,000,000	-	310,000,000	-
	Cash paid for purchase of investment units other non - current financial assets	11 (10,000,000)	(350,000,000)	(10,000,000)	(350,000,000)
	Interest income	22,477	342,497	2,862,090	326,219
	<b>Net cash provided by (used in) investing activities</b>	<b>277,430,058</b>	<b>(344,968,260)</b>	<b>277,707,104</b>	<b>(344,984,538)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
	Decrease in bank overdraft and short - term loans from financial institutions	(1,764,458)	(51,948,208)	(1,264,428)	(49,791,785)
	Decrease in payable under factoring contracts	-	(5,355,225)	-	(5,355,225)
	Interest paid for discounted bill of exchange	-	(7,244,013)	-	(7,244,013)
	Received from short - term loans from subsidiaries	-	-	-	1,450,000
	Repayment of short - term loans from subsidiaries	5.2 -	-	(1,788,000)	(4,348,000)
	Received from short - term loans from directors and related person	-	42,085,062	-	42,085,062
	Repayment of short - term loans from directors and related person	5.2 (10,000,000)	(27,407,600)	(10,000,000)	(27,407,600)
	Received from short - term loans from other persons and company	-	55,000,000	-	55,000,000
	Repayment of short - term loans from other persons and company	-	(102,405,998)	-	(102,405,998)
	Repayment of long - term loans from financial institutions	20 (36,369,366)	(38,041,626)	(1,140,987)	(1,232,913)
	Repayment of lease liabilities	14.2 (1,879,598)	(1,893,724)	(1,879,598)	(1,893,724)
	Cash received from increase in share capital	-	544,124,723	-	544,124,723
	Interest paid	(29,026,521)	(36,316,683)	(6,343,929)	(12,110,005)
	<b>Net cash provided by (used in) financing activities</b>	<b>(79,039,943)</b>	<b>370,596,708</b>	<b>(22,416,942)</b>	<b>430,870,522</b>

Notes to the financial statements are an integral part of these financial statements.

Certified by





.....(Director)

.....(Director)

SOLARTRON PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
 STATEMENT OF CASH FLOWS (Con't)  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Unit : Baht				
	Note	Consolidated		Separate	
		2022	2021	2022	2021
Net increase (decrease) in cash and cash equivalents		(24,497,084)	59,760,590	(38,832,089)	55,254,604
Cash and cash equivalents at beginning of the year		81,269,165	21,508,575	55,747,319	492,715
Cash and cash equivalents at end of the year		56,772,081	81,269,165	16,915,230	55,747,319

SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION

1. Non - cash items					
1.1 Right-of-used assets increase from contracts changed.		-	5,139,388	-	5,139,388
1.2 Lease liabilities increase from contracts changed.		-	(4,612,436)	-	(4,612,436)
1.3 Pay off debt as inventories		-	7,839,302	-	7,839,302
1.4 Purchase of asset on credit	13	76,936,764	-	-	-
1.5 Adjustment of borrowings under the effective interest rate method	20	411,477	(259,127)	353,824	384,929
1.6 Transferred short term loan from director 1 to an other person		-	405,998	-	405,998
1.7 Repayment of short-term loans from subsidiaries by offsetting debt	5.2	-	-	43,173,192	-
2. Unutilized credit facilities for future working capital		158,037,994	155,861,751	140,347,752	138,446,947

Notes to the financial statements are an integral part of these financial statements.



Certified by S. S. S. (Director)

S. S. S. (Director)

**SOLARTRON PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

**1. GENERAL INFORMATION**

1.1 General information about the Company

SOLARTRON PUBLIC COMPANY LIMITED ("the Company") was incorporated as a limited company in Thailand on November 12, 1986 and the Company registered to be a public company limited under the Limited Public Company Act B. E.2535 with the Department of Business Development on September 24, 2004. The Company's head office is located at 1000/65, 66, 67, P.B. Tower 16<sup>th</sup> Floor, Soi Sukhumvit Road, North Klongton, Wattana, Bangkok and its branch office which is the location of the factory is located at 88/8 and 88/9 Moo 10, Nong Nam Daeng Sub - District, Pak Chong District, Nakhonratchasima Province.

Subsidiaries and Joint Ventures operates the main business according to the notes to the financial statements item 2.2.

For reporting purposes The Company, including its subsidiaries and joint ventures, which are called "Group of Companies".

*Subsidiaries' operation*

Two subsidiaries It has installed a solar power generation system according to the ground-mounted solar power project with three cooperatives. and another subsidiary has gradually delivered the work until the work is completed according to the contract to install a solar power system on the roof of a university building.

**2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

2.1 Basis of preparation of financial statements

The statutory financial statements are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards under the Accounting Act B.E. 2543 (2000) being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 (2004) including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("TFAC") and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535 (1992).



Certified by.....*S. S.*.....(Director).....*S. S.*.....(Director)

## 2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Con't)

### 2.1 Basis of preparation of financial statements (Con't)

The consolidated and separate financial statements have been presented in accordance with Thai Accounting Standards No. 1 (Revised 2020) subject : "Presentation of Financial Statements" and the requirements of The Department of Business Development announcement subject : "The mandatory items, have to be presented in the financial statements, No.3, B.E. 2562" dated December 26, 2019 under the Accounting Act B.E. 2543. which is effective for the preparation of financial statements of the Public Company Limited for the accounting period commencing on or after January 1, 2020.

The consolidated and separate financial statements are presented in Thai Baht, which is the Group's functional currency rounded in financial statements to the nearest Baht unless otherwise stated.

### 2.2 Basis of preparation of consolidated financial statements

The consolidated financial statements include the financial statements of Solartron Public Company Limited and its subsidiaries (the Group). The details of subsidiaries as follows :

Name of Company	Operation		Percentage of Holdings	
	Type of business	Location	2022	2021
<b>Subsidiaries held by The Company :</b>				
Solartron Energy 1 Co., Ltd. (*)	Produce and distribute of electricity from solar energy	Thailand	100.00%	99.96%
Solartron Energy 2 Co., Ltd.	Produce and distribute of electricity from solar energy	Thailand	51.00%	51.00%
Solartron Energy 3 Co., Ltd.	Produce and distribute of electricity from solar energy	Thailand	100.00%	100.00%
Solartron Energy 5 Co., Ltd.	Produce and distribute of electricity from solar energy	Thailand	51.00%	51.00%
<b>Joint venture :</b>				
SLTT Joint venture	Produce and distribute of electricity from solar energy	Thailand	-	-

(\*) The subsidiary has not commenced commercial activity.

2.2.1 Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one-half of the voting rights.

2.2.2 A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The investment in joint venture is accounted for in the financial statements using the equity method and is recognized initially at cost.

2.2.3 The financial statement of these companies have been consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date of such control ceases.

  
 Certified by.....*S.P.S.*.....(Director).....*S.P.S.*.....(Director)

**2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS (Con't)**

2.2 Basis of preparation of consolidated financial statements (Con't)

2.2.4 Investment in associate is accounted for using the equity method and is recognized initially at cost. The consolidated financial statements include the Group's share of the income and expenses and equity movements of equity accounted investee from the date that significant influence incurs until the date that significant influence ceases.

2.2.5 The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

2.2.6 Upon the loss of control, the Group derecognizes the assets and liabilities of the subsidiaries, any non - controlling interests and the other components of equity related to the subsidiaries. Any surplus or deficit arising on the loss of control is recognized in profit or loss. If the Group retains any interest in the previous subsidiaries, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

2.2.7 Non - controlling interests represent the portion of income or loss and net assets that is not held by the Group and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position, separately from parent shareholders' equity.

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.


2.2.8 The financial statements of the subsidiaries and associate are prepared for the same reporting period as the parent company.

2.2.9 The financial statements of the subsidiaries and associate are prepared based on the same significant accounting policies as the parent company for the same accounting items or similar accounting events.

2.2.10 Material balances and transactions between the Group have been eliminated from the consolidated financial statements. Book value of investments and shareholder's equity of its subsidiaries have also been eliminated from the consolidated financial statements.

2.3 Principles of separate financial statements

The separate financial statements, which present investments in subsidiaries under the cost method less impairment losses, have been prepared solely for the benefit of the public.



Certified by.....*S.P. Srinivasan*.....(Director).....*S. J. Srinivasan*.....(Director)

### 3. ADOPTION OF NEW ACCOUNTING STANDARDS

#### 3.1 Adoption of new accounting standards effective in the current year

In current year, the Company and its subsidiary has applied the revised (revised 2021) and newly Thai Financial Reporting Standard as announced by the Federation of Accounting Professions which are effective for fiscal periods beginning on or after January 1, 2022.

The above-mentioned standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, provision of interpretations and accounting guidance to users of accounting standards and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company and its subsidiary.

#### 3.2 New Thai Accounting Standards announce during the year not yet adopted

In current year, the Federation of Accounting Professions issued a number of the revised (revised 2022) Thai Financial Reporting Standard, which were announced and these have been published in the Royal Gazette, and which are effective for fiscal years beginning on or after January 1, 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 Company and its subsidiaries has not applied such standards before the effective period.

The significant changes in principles involved the following standards:

##### TAS 16 - Property, plant and equipment

Amendment to TAS 16 - Property, plant and equipment clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.

##### TAS 37 - Provisions, contingent liabilities and contingent assets

Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognizing a separate provision for an onerous contract, the entity must recognize any impairment losses that have occurred on the assets used in fulfilling the contract.

The management of the Company and its subsidiaries is still evaluating the possible impact on the financial statements in the year in which Thai Accounting Standards will be applied.



Certified by  (Director)  (Director)

#### 4. SIGNIFICANT ACCOUNTING POLICIES

The consolidated and separate financial statements are prepared on the historical cost basis in measuring the value of the component of financial statements except as described in the each following accounting policies.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

##### 4.1 Recognition of revenues and expenses

Revenue is recognized when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Revenue arrangements with multiple deliverables are allocated between the element in proportion to the delivered products and the obligations to be performed in providing services that are included in the contract using the basis of standalone selling prices of different products or services as obligated in the contract.

The recognized 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 amounts recognized as contract assets are reclassified to other receivables when the Company's and its subsidiaries' right to consideration is unconditional.

The obligation to provide to a customer for which the Group have received from the customer is presented under the caption of "Contract liability" in the statement of financial position. Contract liabilities are recognized as revenue when the Group perform under the contract.

##### 4.1.1 Revenue from construction of solar power plant and long - term sales of goods with installation service

Revenue from long - term construction of solar power plant and installation service is recognized by the percentage of completion method which is based on comparison of actual construction costs incurred up to the end of the year and total anticipated total construction costs to be incurred to complete the project, The revenue recognized but not yet due per contract is presented as "Unbilled receivable" under current assets and the revenue not yet recognized but due per contract is presented as "Construction revenue received in advance" under current liabilities.

##### 4.1.2 Revenue from short - term sales of goods with installation service

Revenue from short - term sales of goods with installation service is recognized when the installation is completed, the customer has accepted the installation service and sale invoices has been issued to the customer.

##### 4.1.3 Sales of goods

Revenue from sales of goods is recognized when a customer obtains control of the goods, generally on delivery of the goods to the customers.

##### 4.1.4 Proceeds from services are recognized when services are rendered.

##### 4.1.5 Revenues from distribute electricity is shown net of value added tax and discounts. Sales under the Power Purchase Agreements (PPA) are calculated based on agreements and recognized according when electricity is delivered to and accepted by the customer.

Interest income is recognized as interest accrues based on the effective rate method.

Certified by..........(Director)..........(Director)

**4. SIGNIFICANT ACCOUNTING POLICIES (Con't)**

**4.1 Recognition of revenues and expense (Con't)**

4.1.6 Interest expense's from financial liabilities at amortized cost is calculated using the effective interest method and are recognized on an accrual basis.

4.1.7 Others income and expense is recognized on an accrual basis.

**4.2 Cash and cash equivalents**

Cash and cash equivalent consist of cash on hand, bank deposits with financial institution with an original maturity of 3 month or less, which are not restricted to any use and all highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and including call notes receivable and term notes receivable maturing within 3 months or less and not subject to withdrawal restrictions.

Time deposits with maturity exceed 3 months period but less than 12 months period are recorded as temporary investment.

Cash at bank that have restricted in use are presented separately as "Deposits at bank held as collateral" under non - current assets in the statement of financial position.

**4.3 Trade accounts receivable are stated at the net allowance for expected credit losses.**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognized initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognized at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortized cost.

The allowance for expected credit losses has disclosed in Note 4.20.4.

**4.4 Inventories**

The Company value its inventories at the lower of cost or net realizable value with the net of allowance for loss on obsolete inventories, cost are using weighted average method.

Comprises all costs of purchase, costs of conversion and other cost incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work - in - progress, cost includes an appropriate share of labor and overhead based on normal operating capacity.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated cost to complete and to make the sale.

Allowance for diminution in inventory value is provided, where necessary, for slow - moving and deteriorated inventories based on current condition of the inventory and for the cost higher than net realizable value.



Certified by.....*S. S. J.*.....(Director).....*S. S. J.*.....(Director)



4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.5 Investments

4.5.1 Investments in subsidiaries.

Investments in subsidiaries in the separate financial statements are measured at cost net of impairment losses.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the comprehensive income.

4.5.2 Investment in joint venture

Investment in joint venture in the separate financial statements is measured at cost.

Investment in joint venture in the consolidated financial statements is accounted for using the equity method of accounting under the equity method of accounting investment in joint venture is initially recognized at cost and adjusted thereafter to recognize company and its subsidiaries and movements in other comprehensive income. When company and its subsidiaries of losses in joint venture equals or exceeds its interests in the joint venture. The Group do not recognize further losses unless it has incurred obligations or made payments on behalf of the joint ventures.

4.6 Property, plant and equipment and depreciation

Land is presented at cost amount net allowance for impairment loss (if any).

Land improvement, plant and equipment are presented at cost less from accumulated depreciation and net allowance for impairment loss.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalized borrowing costs.

When parts of an item of land, plant and equipment have different useful lives, they are accounted for as separate items (major components) of lands, plant and equipment.



Certified by .....(Director)..... .....(Director)

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

##### 4.6 Property, plant and equipment and depreciation (Con't)

The Group depreciate their cost, after deducting residual value by the straight - line method over the assets useful live at the following rates :

Land improvement	5, 10, 20	years
Buildings and improvement	5 - 25	years
Machinery and equipment plant	5 - 20	years
Solar power plant and roof	21 - 25	years
Furniture, fixture, office equipment	5	years
Vehicles	5	years

No depreciation is provided for land and assets under construction and installation.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

##### 4.7 Lease

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 assesses the lease term for the non-cancellable period as stipulated in lease contract or the remaining period of active leases together with any period covered by an option to extend the lease if it is reasonably certain to be exercised or any periods covered by an option to terminate the lease if it is reasonably certain not to be exercise by considering the effect of changes in technology and/or the other circumstance relating to the extension of the lease term.

##### 4.7.1 Long - term leases - where is the 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 recognizes 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 any 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 recognized, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Certified by.....(Director).....(Director)

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

##### 4.7 Lease (Con't)

##### 4.7.1 Long - term leases - where is the lessee (Con't)

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.

Office area	6 Years
Vehicle	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.

##### *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 recognized 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 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 recognized as expenses on a straight-line basis over the lease term.

##### *Lease hold rights :*

Leasehold rights are stated at cost less accumulated amortization and allowance for loss on impairment (if any).

Leasehold rights is amortized straight line method over the lease period (25 years).

##### 4.8 Borrowing cost

Borrowing cost 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 capitalized as part of the cost of the respective assets. All other borrowing costs are treated as expenses in the period these are incurred. Borrowing cost consist of interest and other costs that an entity incurs in connection with the borrowing of the Group.

Certified by  (Director)  (Director)

4. **SIGNIFICANT ACCOUNTING POLICIES (Con't)**

4.9 Intangible asset and amortization

Intangible assets that are acquired by the Company and have finite useful lives are presented at historical cost net of accumulated amortization and net allowance for impairment (if any).

Intangible assets with finite lives are amortized on a systematic basis by the straight-line method, over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired.

The amortization of intangible assets are based on their economic useful lives as follows :

Software Computer	5 years
Certificates	25 years

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

4.10 Employee benefits

The Group operates various post-employment benefits schemes which comprised defined benefit, defined contribution plans and other long - term benefits.

4.10.1 Short - term employee benefits

Short - term employee benefit obligations, which include salary, wages, bonuses, contributions to the social security fund, are measured on an undiscounted basis and are recognized as expenses when incurred.

4.10.2 Defined contribution plans (Provident fund)

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 contributions of the Group are recognized as expenses when incurred.

4.10.3 Employee Benefit plans

The retirement benefit is a defined benefit plan that an employee will receive on retirement according to Thai Labor Law depending on age and years of service.

The liability of retirement benefit is recognized in the statement of financial position using the present value of the obligation at the reporting date and past service costs. The retirement benefit is calculated annually by an independent actuary using the projected unit credit method. The present value of the benefit obligations is determined by discounting the estimated future cash outflows using interest rates of referred government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related retirement liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited in other comprehensive income or loss. Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognizes restructuring - related costs.

  
 Certified by.....*S. S. S.*.....(Director).....*S. S. S.*.....(Director)

**4. SIGNIFICANT ACCOUNTING POLICIES (Con't)**

**4.11 Provision**

A provision is recognized in the statement of financial position when the Company and its subsidiaries have a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

**4.12 Foreign currencies transaction**

Transactions in foreign currencies are converted into Baht at the rates of exchange on the transactions date. Monetary assets and liabilities denominated in foreign currencies at the reporting date are converted into Baht at the exchange rate on the date. Gain or loss on exchange rates are recognized as income or expenses for the reporting period.

The amounts and dates agreed upon in forward foreign exchange contract receivables are translated into Baht at the exchange rates ruling on the statement of financial position date.

**4.13 Income tax**

The tax expense for the year comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that they relate to a business combination, or items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

*Current income tax :*



The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Group operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.


*Deferred tax :*

Deferred income tax is recognized on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences except where the timing of the reversal of the temporary difference is controlled by the Company and its subsidiaries and it is probable that the temporary difference will not reverse in the foreseeable future.

The Company and its subsidiaries recognize deferred tax liabilities for all taxable temporary differences.

Certified by  .....(Director).....  .....(Director).....

  
SOLARTRON PUBLIC COMPANY LIMITED

**4. SIGNIFICANT ACCOUNTING POLICIES (Con't)**

**4.13 Income tax (Con't)**

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized. Deferred income tax is provided on temporary differences except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

At each reporting date, the Group review and reduce 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 utilized.

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

**4.14 Earnings (loss) per share**

*Basic Earnings (loss) per share :*

Basic earnings (loss) per share is calculated by dividing the net profit for the year by the weighted average number of common shares issued and paid - up during the year.

*Diluted Earning per share :*

Diluted earnings per share are calculated by net income for the years attributable to ordinary shareholders of the Company, by the weighted average number of ordinary shares outstanding during the years after adjusting for the effects of all dilutive potential ordinary shares.

**4.15 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. Including holding companies, Subsidiaries and fellow subsidiaries are related parties of the Company.

They also include associate companies and individuals 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, including the close family members who can persuade or have power to persuade to act in compliance with said persons and businesses that said persons who have control power or significant influence, either directly or indirectly.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.



Certified by  (Director)  (Director)

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

##### 4.16 Impairment of non - financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the assets. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount.

The recoverable amount of assets is the greater of the asset's value in use and fair value less costs to sell. In assessing 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. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash - generating unit to which the asset belongs.

An impairment loss is recognized in profit or loss.

For assets other than goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exist, the Company estimate the asset's recoverable amount in which case an impairment loss recognized in prior periods for an asset other than goodwill shall be reversed.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

##### 4.17 Segment reporting

Business segments provide products or services that are subject to risks and returns that are different from those of other business segments. Geographical segments provide products or services within a particular economic environment that is subject to risks and returns that are different from those of components operating in other economic environments.

Segment results that are reported to the Managing Director (the Chief Operating Decision Maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise of mainly investments assets, land, premises and equipment and deferred tax assets.

##### 4.18 Financial instruments

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

##### 4.18.1 Classification and measurement of financial assets

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

Certified by..........(Director)..........(Director)

4. **SIGNIFICANT ACCOUNTING POLICIES (Con't)**

4.18 Financial instruments (Con't)

4.18.1 Classification and measurement of financial assets (Con't)

*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 recognized in the income statement.

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 recognized as other income in the income statement.

*Financial assets at FVOCI (debt instruments) :*

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

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

*Financial assets at amortized cost :*

The Group measure financial assets at amortized 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 amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in the income statement when the asset is derecognized, modified or impaired.



Certified by S. S. S......(Director)..... S. S. S......(Director)



**4. SIGNIFICANT ACCOUNTING POLICIES (Con't)**

**4.18 Financial instruments (Con't)**

**4.18.2 Classification and measurement of financial liabilities**

*Other financial liabilities :*

Except for derivative liabilities, at initial recognition the Group financial liabilities are recognized at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the profit or loss when the liabilities are derecognized as well as through the EIR amortization process. In determining amortized cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the income statement.

The Group may elect to measure financial liabilities at FVTPL if doing so eliminates, or significantly reduce a recognition inconsistency (sometimes referred to as an accounting mismatch).

**4.18.3 Derecognition of financial instruments**

The Group recognize or to derecognize of financial assets financial assets on the transaction date which is the date on which the Group has an obligation to buy or sell the asset for the normal purchase or sale of a financial asset.

A financial asset is primarily derecognized 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 neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognized 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 recognized in the profit or loss.

**4.18.4 Impairment of financial assets**

*Debt instruments not held at FVTPL :*

The Group recognize 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.



Certified by.....*Sidi*.....(Director).....*Ly Jussier*.....(Director)

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.18 Financial instruments (Con't)

4.18.4 Impairment of financial assets (Con't)

*ECL Calculation :*

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 consider a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due, and considers a financial asset in 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.

*Trade receivables and contract assets :*

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 recognizes a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

*Written - off :*

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

4.18.5 Offsetting of financial instrument

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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

4.19 Determination of fair values

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 maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.



Certified by.....(Director).....(Director)

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.19 Determination of fair values (Con't)

In applying the above-mentioned valuation techniques, the Group endeavor to use relevant observable inputs as much as possible. TFRS 13, Fair Value Measurement establishes a fair value hierarchy categorizing such inputs into three levels as follows :

Level 1 : Use of quoted market prices in an observable active market for such assets or liabilities (unadjusted).

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.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received.

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

At the end of each reporting period, the Group determine 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.

4.20 Significant accounting judgments and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, thus, the actual results may differ from carrying amounts of assets and liabilities based on the estimates and assumptions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised and in any future periods affected.

All other estimates mentioned above are further detailed in the corresponding disclosures except significant accounting judgments and estimates are as follow :



Certified by *Sidi*.....(Director)..... *[Signature]*.....(Director)

4. **SIGNIFICANT ACCOUNTING POLICIES (Con't)**

4.20 Significant accounting judgments and estimates (Con't)

4.20.1 Revenue from contracts with customers

Identification of performance obligations :

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

Determination of timing of revenue recognition :

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the arrangement. The Group recognize revenue over time in the following circumstances :

- the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.
- the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced ; or
- the entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

Where the above criteria are not met, revenue is recognized at a point in time. Where revenue is recognized at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

Costs to obtain contracts :

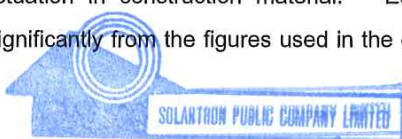
The recognition of costs incurred to obtain a contract as an asset requires management to use judgement regarding whether such costs are the incremental costs of obtaining a contract with a customer as well as what amortization method should be used.

4.20.2 Recognition and derecognition of assets and liabilities

In considering whether to recognize or to derecognize assets or liabilities, the management is required to make judgment on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

4.20.3 Estimation construction project costs

The Group estimates costs of construction project by the Company's engineer to estimate the construction materials, labour cost and other miscellaneous cost to be incurred to complete to project, taking into account the tendency of fluctuation in construction material. Estimates are reviewed consistently or whenever actual costs differ significantly from the figures used in the original estimate.



Certified by.....(Director).....(Director)

**4. SIGNIFICANT ACCOUNTING POLICIES (Con't)**

**4.20 Significant accounting judgments and estimates (Con't)**

**4.20.4 Allowance for expected credit losses of trade receivables**

In determining an allowance for expected credit losses of trade receivables and 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.

**4.20.5 Allowance for obsolescence and diminution in inventories**

Allowance for obsolescence and diminution in value of inventories are intended to adjust the value of inventories for probable losses. The management uses judgment to establish allowances for estimated losses for each outstanding inventories. The allowances for obsolescence and diminution in value of inventories are determined through a combination of analysis of inventories aging.

**4.20.6 Provision for delay penalty**

The management applied judgement in estimating the provision for delay penalty to be realized on each long-term service contract based on the probability of occurrence. The management believed that the provision made would be sufficient as at the end of the reporting period. However, actual results could differ from the estimates.

**4.20.7 Depreciation of property plant and equipment and right-of-use assets and amortization of intangible assets**

In determining depreciation of plant and equipment and right-of-use assets and amortization of intangible assets, the management is required to make estimates of the useful lives and residual values (if any) and to review useful lives and residual values when there are any changes.

**4.20.8 Impairment**

The management is required to review property, plant and equipment, investment property, right-of-use assets, intangible assets and goodwill if there is an indication they may be impaired, and impairment losses are recorded in the period when it is determined that their recoverable amount is lower than the carrying amount.

Indications include significant falls in the market value of assets or the future economic benefits of assets, significant changes in the overall business strategy impacting to the future utilization of assets, significant negative industry or economic trends, significant loss of market share, and significant unfavorable regulatory and court decisions that impact the business.



Certified by.....*[Signature]*.....(Director).....*[Signature]*.....(Director)

#### 4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

##### 4.20 Significant accounting judgments and estimates (Con't)

##### 4.20.8 Impairment (Con't)

The impairment analysis of property, plant and equipment, investment property, right-of-use assets, intangible assets and goodwill requires management to make subjective judgments concerning estimates of cash flows to be generated by the assets or the cash generating units and to choose a suitable discount rate in order to determine the present value of those cash flows. The cash flow estimates are based on currently available information about the operations and require management to make judgments regarding future market conditions and future revenues and expenses relevant to the assets or the cash generating units subject to the review. Events and factors that may significantly affect the estimates include, among others, competitive forces, changes in revenue growth trends, cost structures, changes in discount rates and specific industry or market sector conditions.

##### 4.20.9 Deferred tax assets

Deferred tax assets are recognized in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be recognized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

##### 4.20.10 Employee benefit

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

##### 4.20.11 Leases

###### *Determining the lease term with extension and termination options - as a lessee :*

In determining the lease term, the management is required to exercise judgement in assessing whether the Group are reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

###### *Estimating the incremental borrowing rate - as a lessee :*

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



Certified by.....(Director).....(Director)

4. SIGNIFICANT ACCOUNTING POLICIES (Con't)

4.20 Significant accounting judgments and estimates (Con't)

4.20.11 Leases (Con't)

*Determining the lease term of contracts with renewal and termination options :*

The Group determine the lease term as the non-cancellable term of the lease, together with any period covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The management is required to use judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease, considering all relevant factors that create an economic incentive to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

4.20.12 Fair value of financial instruments

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

4.20.13 Litigation

The Group have contingent liabilities as a result of litigation. The Company's management has used judgment to assess the results of the litigation. However, actual results could differ from the estimates.



Certified by.....(Director).....(Director)

## 5. RELATED PARTY TRANSACTIONS

The Company has certain transactions with subsidiaries related company, joint venture and related persons. Part of assets, liabilities, income and expenses are incurred from such related transactions. These companies are related through common shareholdings and/or directorships as follows :

Related parties except subsidiaries as described in Note 2.2 to the financial statements are as follows :

Company's name	Relationship	Operation		Percentage of Holdings	
		Type of business	Location	2022	2021
Thai Solar Future Co., Ltd (*)	1	Exploration, design and installation of solar cells	Thailand	-	-
Mr.Akaradej Rojmeta	2	-	-	-	-
Mrs.Patama Wongtoythong	3	-	-	0.11	0.11

The nature of relationship among the Company with related company.

1. A director of this company is a director of the company until February 28, 2022 (\*)
2. The Subsidiaries' director.
3. The Company's shareholder and director and director of the subsidiaries.

### 5.1 The significant transactions with related parties are as follows :

Pricing policies	Unit : Baht				
	Consolidated		Separate		
	2022	2021	2022	2021	
<b>Subsidiaries</b>					
Management incomes	Per contract	-	-	5,412,000	5,418,800
Maintenance service incomes	Per contract	-	-	9,798,000	9,798,000
Sale income	Market price	-	-	16,800	-
Other incomes	Market price	-	-	30,490	-
Interest incomes	MOR,7% per annum	-	-	275,509	419,717
Cost of sales with installation	Market price	-	-	8,835	-
Interest expenses	4.20%, 7% per annum	-	-	4,429,830	5,352,144
<b>Joint Venture</b>					
Interest incomes	MOR,7% per annum	-	83,943	-	83,943
Other income	Market price	-	11,180	16,230	11,180
Fine fees	Per contract	-	14,167,503	-	14,167,503
<b>Related company</b>					
Sale income	Market price	-	9,000	-	9,000
Cost of sales with solar cells installation	Market price	-	19,486	-	19,486
<b>Related parties</b>					
Profit from debt reduction	Per contract	8,988,955	-	8,988,955	-
<b>Related persons</b>					
Interest expenses	2.90%, 5% per annum	12,703,309	13,610,463	12,703,309	13,610,463

Certified by.....(Director).....(Director)



## 5. RELATED PARTY TRANSACTIONS (Con't)

5.1 The significant transactions with related parties are as follows : (Con't)

### Management's benefit expenses

The Group had salaries, bonus, meeting allowances, contributions to the social security fund, provident funds, other welfare and post - employment benefits to their directors and management recognized as expenses as follows :

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Short - term benefits	19,744,569	17,728,512	19,744,569	17,728,512
Post - employment benefits	444,720	236,692	444,720	236,692
<b>Total</b>	<b>20,189,289</b>	<b>17,965,204</b>	<b>20,189,289</b>	<b>17,965,204</b>

5.2 The outstanding balances of accounts with related parties are as follows :

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Trade accounts and other current receivables</b>				
<b>Trade accounts</b>				
Subsidiaries	-	-	99,351,152	20,751,883
Related company	-	3,485,021	-	3,485,021
<b>Total</b>	<b>-</b>	<b>3,485,021</b>	<b>99,351,152</b>	<b>24,236,904</b>
<u>Less</u> Allowance for expected credit loss	-	(3,478,390)	(18,768,005)	(18,960,109)
<b>Net</b>	<b>-</b>	<b>6,631</b>	<b>80,583,147</b>	<b>5,276,795</b>
<b>Other current receivables</b>				
Other receivables - subsidiaries	-	-	3,852,219	10,113,640
Other receivables - joint venture	700,480	683,114	700,480	683,114
Accrued interest - subsidiaries	-	-	-	2,586,581
Accrued interest - joint venture	154,861	154,861	154,861	154,861
<b>Total</b>	<b>855,341</b>	<b>837,975</b>	<b>4,707,560</b>	<b>13,538,196</b>
<u>Less</u> Allowance for expected credit loss	(690,142)	(579,325)	(690,142)	(1,488,486)
<b>Net</b>	<b>165,199</b>	<b>258,650</b>	<b>4,017,418</b>	<b>12,049,710</b>
<b>Total trade accounts and other current receivables - net</b>	<b>165,199</b>	<b>265,281</b>	<b>84,600,565</b>	<b>17,326,505</b>



Certified by.....(Director).....(Director)

## 5. RELATED PARTY TRANSACTIONS (Con't)

5.2 The outstanding balances of accounts with related parties are as follows : (Con't)

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Current contract assets - net</b>				
<b>Long term construction contract value with</b>				
- Subsidiaries	-	-	292,518,240	379,465,380
<b>Current contract assets - net</b>				
Unbilled receivables :				
Revenue recognize on percentage of completion basis :				
Subsidiaries	-	-	28,484,100	52,184,700
Value of contract billed :				
Subsidiaries	-	-	(13,071,744)	(24,006,276)
Unbilled receivables - net	-	-	15,412,356	28,178,424
<u>Less</u> Allowance for expected credit loss	-	-	(4,090,439)	(1,634,349)
Total current contract assets - net	-	-	11,321,917	26,544,075
<b>Trade accounts and other current payables</b>				
<b>Trade accounts payable</b>				
Subsidiaries	-	-	2,895,899	-
Related company	-	21,349,564	-	21,349,564
Total	-	21,349,564	2,895,899	21,349,564
<b>Other account payables</b>				
<u>Subsidiaries</u>				
Accrued interest	-	-	17,349,290	13,311,539
<u>Related company and person</u>				
Accrued expense	52,456,748	39,936,179	52,456,748	39,936,179
Retention	-	965,627	-	965,627
<u>Joint venture</u>				
Accrued expense	-	267,500	-	267,500
Total other current payables	52,456,748	41,169,306	69,806,038	54,480,845
Total trade accounts and other current payables	52,456,748	62,518,870	72,701,937	75,830,409
<b>Other current payables</b>				
<u>Joint venture</u>				
Estimated liabilities for project work penalties	-	9,166,364	-	9,166,364

Certified by.....(Director).....(Director)

## 5. RELATED PARTY TRANSACTIONS (Con't)

5.2 The outstanding balances of accounts with related parties are as follows : (Con't)

**Short - term loans to subsidiaries and related party - net**

The movement of short - term loans to subsidiaries and related company are as follow :

		Unit : Baht			
		Consolidated			
	Interest Rate (% p.a.)	As at	Movement during the year		As at
		Jan 1, 2022	Increase	Repayment	Dec 31, 2022
Solartron Energy 1 Co., Ltd	MOR,7.00%	-	-	-	-
SLTT Joint venture	MOR,7.00%	1,200,000	511,000	-	1,711,000
<b>Total</b>		<b>1,200,000</b>	<b>511,000</b>	<b>-</b>	<b>1,711,000</b>
<u>Less</u> Allowance for expected credit loss		(1,200,000)	(511,000)	-	(1,711,000)
<b>Net</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

		Unit : Baht				
		Separate				
	Interest Rate (% p.a.)	As at	Movement during the year			As at
		Jan 1, 2022	Increase	Repayment	Reversal	Dec 31, 2022
Solartron Energy 1 Co., Ltd	MOR,7.00%	6,000,000	583,900	(6,583,900)	-	-
SLTT Joint venture	MOR,7.00%	1,200,000	511,000	-	-	1,711,000
<b>Total</b>		<b>7,200,000</b>	<b>1,094,900</b>	<b>(6,583,900)</b>	<b>-</b>	<b>1,711,000</b>
<u>Less</u> Allowance for expected credit loss (Reversal)		(7,200,000)	(1,094,900)	-	6,583,900	(1,711,000)
<b>Net</b>		<b>-</b>	<b>-</b>	<b>(6,583,900)</b>	<b>6,583,900</b>	<b>-</b>

The above - mentioned loan to subsidiaries and related party were granted by issuing on demand 6 promissory notes for consolidated and separate due on demand. During the period, the Company received a loan from a subsidiaries complete the whole.

During the year the Company reversed provision for expected credit loss of loan to a subsidiary as the subsidiary has increased its authorized capital as described in the Condensed Note 12 to the financial statement.



Certified by.....(Director).....(Director)

## 5. RELATED PARTY TRANSACTIONS (Con't)

5.2 The outstanding balances of accounts with related parties are as follows : (Con't)

### Short - term loans from subsidiaries

The movement of short - term loans from subsidiaries are as follow :

	Interest Rate (% p.a.)	Unit : Baht				
		Separate				
		As at Jan 1, 2022	Movement during the year			As at Dec 31, 2022
		Increase	Repayment	Reversal		
Solartron Energy 2 Co., Ltd	7.00%	1,600,000	-	-	(1,600,000)	-
Solartron Energy 3 Co., Ltd	4.20%	89,100,631	-	(388,000)	(35,344,409)	53,368,222
Solartron Energy 5 Co., Ltd	7.00%	19,783,099	-	(1,400,000)	(6,228,783)	12,154,316
<b>Total</b>		<b>110,483,730</b>	<b>-</b>	<b>(1,788,000)</b>	<b>(43,173,192)</b>	<b>65,522,538</b>

The above - mentioned loans, the Company was granted loans by issuing 13 promissory notes due on demand.

During the year the Group have made a settlement agreement between them as described in the Condensed Note 5.3 to the financial statement.

### Short - term loans from directors and related persons.

The movement of short - term loans from directors and related persons are as follow :

	Interest Rate (% p.a.)	Unit : Baht			
		Consolidated and Separate			
		As at Jan 1, 2022	Movement during the year		As at Dec 31, 2022
		Increase	Repayment		
Director 1	5.00%	19,905,874	-	-	19,905,874
Related person 1	2.90%,5.00%	240,998,107	-	(10,000,000)	230,998,107
<b>Total</b>		<b>260,903,981</b>	<b>-</b>	<b>(10,000,000)</b>	<b>250,903,981</b>

The above - mentioned loans, the Company was granted loans by issuing promissory notes due on demand.

## 5.3 Offset debt

During the year 2022, the Group entered into a offsetting agreement, consist of short-term loans, Trade accounts receivable and other receivables are as follows :

	Unit : Baht			
	Separate			
	Solartron Energy 2 Co., Ltd	Solartron Energy 3 Co., Ltd	Solartron Energy 5 Co., Ltd	Total
Short-term loans from subsidiaries	1,600,000	35,344,409	6,228,783	43,173,192
<u>Less Trade and other receivables</u>	<u>(1,600,000)</u>	<u>(35,344,409)</u>	<u>(6,228,783)</u>	<u>(43,173,192)</u>
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Certified by.....(Director).....(Director)

## 5. RELATED PARTY TRANSACTIONS (Con't)

## 5.3 Offset debt (Con't)

Details of debt reduction transactions with related companies are as follows :

	Unit : Baht
	Consolidated and Separate
<b>Thai Solar Future Co., Ltd</b>	
Trade Accounts Payable	21,270,918
Accrued expenses	3,577,035
Total trade accounts and other payables	24,847,953
<u>Less</u> 50% debt set - off under the agreement	(12,423,977)
Total trade and other payables balance	12,423,976
<u>Less</u> debt set - off under the agreement	(3,485,021)
Profit from debt reduction	8,938,955

On June 30, 2022 the Company and Thai Solar Future Co., Ltd. have entered into a debt set-off agreement. The Company has agreed to repay the outstanding debt of Baht 12.42 million within 30 days from the agreement date.

## 5.4 Other Information


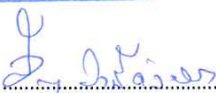
The Company have been mortgaged as contract to install of 2 subsidiaries and a joint venture amounting to Baht 281.03 million.

## 6. CASH AND CASH EQUIVALENT

Cash and cash equivalent, consist of :

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Cash on hand	152,160	67,300	132,160	47,300
Cash at bank	56,619,921	81,201,865	16,783,070	55,700,019
Total	56,772,081	81,269,165	16,915,230	55,747,319





Certified by  (Director)  (Director)

## 7. TRADE ACCOUNTS AND OTHER CURRENT RECEIVABLES - NET

Trade accounts and other current receivables, consist of :

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Trade accounts receivable				
Related company	-	3,485,021	99,351,152	24,236,904
Other companies				
Trade accounts receivable - domestic	44,301,767	47,480,174	39,246,354	41,342,537
Accrued income	10,134,308	7,386,600	-	-
Total	54,436,075	54,866,774	39,246,354	41,342,537
Total trade accounts receivable	54,436,075	58,351,795	138,597,506	65,579,441
<u>Less</u> Allowance for expected credit losses	(27,022,748)	(28,909,109)	(45,790,753)	(44,390,828)
Total trade accounts receivable - net	27,413,327	29,442,686	92,806,753	21,188,613
<u>Other current receivables</u>				
Other receivables - related company	855,341	837,975	4,707,560	13,538,196
Other receivables - other companies	2,867,600	2,867,600	2,867,600	2,867,600
Advance payments	1,332,565	2,729,264	1,205,634	2,565,666
Advance payments and deposit	8,069,051	12,922,754	8,069,051	12,922,754
Prepaid expenses	1,494,617	1,396,217	494,338	532,989
Other current receivables	6,359,262	2,000,073	521,985	2,000,073
Total	20,978,436	22,753,883	17,866,168	34,427,278
<u>Less</u> Allowance for expected credit losses	(2,557,003)	(2,305,047)	(2,594,662)	(3,200,486)
Total other current receivables - net	18,421,433	20,448,836	15,271,506	31,226,792
Total trade accounts and other current receivables - net	45,334,760	49,891,522	108,078,259	52,415,405



Certified by  (Director)  (Director)

## 7. TRADE ACCOUNTS AND OTHER CURRENT RECEIVABLES - NET (Con't)

Trade accounts receivable aged by number of months consist of:

		Unit : Baht			
		Consolidated		Separate	
		2022	2021	2022	2021
<b>Subsidiaries and related company</b>					
	Accounts receivable not yet due	-	-	5,760,615	873,655
	Accounts receivable over due :				
	Under or equal to 3 months	-	9,630	93,221,387	2,630,595
	Over 3 months to 6 months	-	-	369,150	2,620,965
	Over 6 months to 12 months	-	-	-	4,292,286
	Over 12 months	-	3,475,391	-	13,819,403
	Total	-	3,485,021	99,351,152	24,236,904
	<u>Less</u> Allowance for expected credit losses	-	(3,478,390)	(18,768,005)	(18,960,109)
	Net	-	6,631	80,583,147	5,276,795
<b>Other companies</b>					
	Accounts receivable not yet due	15,203,630	13,533,154	13,910	8,917
	Accounts receivable over due :				
	Under or equal to 3 months	12,586,522	-	12,586,522	-
	Over 3 months to 6 months	375,096	-	375,096	-
	Over 6 months to 12 months	385,409	-	385,409	-
	Over 12 months	25,885,418	41,333,620	25,885,417	41,333,620
	Total	54,436,075	54,866,774	39,246,354	41,342,537
	<u>Less</u> Allowance for expected credit losses	(27,022,748)	(25,430,719)	(27,022,748)	(25,430,719)
	Net	27,413,327	29,436,055	12,223,606	15,911,818
	Total trade accounts receivable - net	27,413,327	29,442,686	92,806,753	21,188,613

Accounts receivable over due 12 months amounting to Baht 17.94 million are government agency receivables.

The management is in the process of collecting and expecting to receive full payment.

Movements of allowance for doubtful accounts are as follows :

		Unit : Baht			
		Consolidated		Separate	
		2022	2021	2022	2021
	Beginning balance for the year	31,214,156	26,831,479	47,591,314	36,239,903
	<u>Add</u> Increase during the year	5,145,767	20,620,045	7,574,273	27,588,779
	<u>Less</u> Reversal during the year	(6,780,172)	(2,659,772)	(6,780,172)	(2,659,772)
	Write - off bad debt	-	(13,577,596)	-	(13,577,596)
	Ending balance for the year	29,579,751	31,214,156	48,385,415	47,591,314

Certified by..... (Director)..... (Director)

**8. CURRENT CONTRACT ASSETS AND LIABILITIES - NET**

Current assets and liabilities arising from contracts, consist of:

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Long term construction contract value with</b>				
- Subsidiaries	-	-	292,518,240	379,465,380
- Other companies	238,669,644	224,362,421	238,669,644	224,362,421
Total long-term construction contract value	238,669,644	224,362,421	531,187,884	603,827,801
Retentions as per contract	1,300,000	2,776,254	1,300,000	2,776,254
<b>Current contract assets</b>				
Unbilled receivables				
Revenue recognize on percentage of completion basis :				
Subsidiaries	-	-	28,484,100	52,184,700
Other companies	60,012,520	38,463,830	60,012,520	38,463,830
Total	60,012,520	38,463,830	88,496,620	90,648,530
Value of contract billed :				
Subsidiaries	-	-	(13,071,744)	(24,006,276)
Other companies	(41,896,786)	(21,222,513)	(41,896,786)	(21,222,513)
Total	(41,896,786)	(21,222,513)	(54,968,530)	(45,228,789)
Total unbilled receivables	18,115,734	17,241,317	33,528,090	45,419,741
<b>Current contract assets (Con't)</b>				
<u>Less Allowance for expected credit losses</u>				
Subsidiaries	-	-	(4,090,439)	(1,634,349)
Other companies	(4,807,915)	(999,996)	(4,807,915)	(999,996)
Total	(4,807,915)	(999,996)	(8,898,354)	(2,634,345)
Unbilled income - net	13,307,819	16,241,321	24,629,736	42,785,396
Retention receivables	2,709,747	4,076,253	2,709,747	4,076,253
Total current contract assets - net	17,317,566	20,317,574	28,639,483	46,861,649

  
 Certified by.....(Director).....(Director)



**8. CURRENT CONTRACT ASSETS AND LIABILITIES – NET (Con't)**

Current assets and liabilities arising from contracts, consist of : (Con't)

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
<b>Current contract liabilities</b>				
Construction revenue received in advance				
Value of contract billed :				
Other companies	133,279,635	123,289,771	133,279,635	123,289,771
Revenue recognize on percentage of completion basis :				
Other companies	(130,638,881)	(122,374,856)	(130,638,881)	(122,374,856)
Construction revenue received in advance - net	2,640,754	914,915	2,640,754	914,915
Advance receipt from sales	1,153,037	3,161,529	1,153,037	3,161,529
<b>Total current contract liabilities</b>	<b>3,793,791</b>	<b>4,076,444</b>	<b>3,793,791</b>	<b>4,076,444</b>

Movements of allowance for expected credit losses are as follows :

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Beginning balance for the year	999,996	-	2,634,345	1,634,349
<u>Add</u> Increase during the year	3,807,919	999,996	6,264,009	999,996
Ending balance for the year	4,807,915	999,996	8,898,354	2,634,345

**9. INVENTORIES - NET**

Inventories, consist of :

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Finished goods	72,906,243	20,434,856	72,906,243	20,434,856
Raw materials	6,419,213	6,341,424	6,419,213	6,341,424
Spare part and supplies	38,978,279	39,106,740	38,978,279	39,106,740
Goods in transit	38,817	283,186	38,817	283,186
<b>Total</b>	<b>118,342,552</b>	<b>66,166,206</b>	<b>118,342,552</b>	<b>66,166,206</b>
<u>Less</u> Allowance for diminution in value of inventories and slow moving	(47,190,520)	(48,267,783)	(47,190,520)	(48,267,783)
<b>Net</b>	<b>71,152,032</b>	<b>17,898,423</b>	<b>71,152,032</b>	<b>17,898,423</b>

Certified by  (Director)  (Director)

**9. INVENTORIES – NET (Con't)**

Movement of allowance for diminution in value and slow moving of inventories consist of :

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Balance at beginning of the year	48,267,783	16,197,133	48,267,783	16,197,133
<u>Add</u> Increase during the year	5,956,457	35,120,064	5,956,457	35,120,064
<u>Less</u> Reversal during year	(7,033,720)	(3,049,414)	(7,033,720)	(3,049,414)
Balance at ending of the year	47,190,520	48,267,783	47,190,520	48,267,783

**10. OTHER CURRENT FINANCIAL ASSETS - NET**

During for the period other current financial assets as the following :

	Unit : Baht	
	Consolidated and Separate	
	2022	2021
Book value at beginning of the year	350,000,000	-
<u>Add</u> Acquisition investment unit	-	350,000,000
<u>Less</u> Sale investment unit	(309,194,300)	-
Book value at ending of the year	40,805,700	350,000,000
<u>Add</u> Unrealized gain on fair value measurement	233,042	-
Book value at ending of the year - net	41,038,742	350,000,000

During the year the Company had gain from disposal of investment amounting to Baht 805,700.

**11. OTHER NON - CURRENT FINANCIAL ASSETS**

Other non - current financial assets, consist of :

**OTHER NON - CURRENT FINANCIAL ASSETS PLEDGED AS COLLATERAL**

Type	Interest Rate (% per annum)		Unit : Baht			
			Consolidated		Separate	
	2022	2021	2022	2021	2022	2021
Cash	-	-	17,374,621	9,046,770	17,374,621	9,046,770
3 - 12 months						
fixed deposits	0.10 - 0.35	0.125 - 0.20	41,794,722	41,488,389	41,794,722	41,488,389
Total			59,169,343	50,535,159	59,169,343	50,535,159

The above - mentioned cash was pledged as collaterals for the installation of solar energy for government agencies.

The above - mentioned fixed deposits have been mortgaged as collateral under a credit facility agreement of the Group as a whole amount.

  
 Certified by.....(Director).....(Director)

## 11. OTHER NON - CURRENT FINANCIAL ASSETS (Con't)

## OTHER NON - CURRENT FINANCIAL ASSETS PLEDGED AS NON - COLLATERAL

In the 2022, the Company has invested in Government Savings Bank's Lottery, 2 year term (due in March 2024) amounted of 100,000 units at Baht 100 per unit totaling Baht 10 million, receiving interest at 0.05% per annum if holding until due date.

## 12. INVESTMENTS IN SUBSIDIARIES - NET

Investments in subsidiaries, consist of :

	Authorized Share (Thousand Baht)		Paid-up share (Thousand Baht)		Percentage of holding (%)	
	2022	2021	2022	2021	2022	2021
Solartron Energy 1 Co., Ltd.	1,000	1,000	1,000	1,000	99.96	99.96
Solartron Energy 2 Co., Ltd.	100,000	100,000	33,250	33,250	51.00	51.00
Solartron Energy 3 Co., Ltd.	100,000	100,000	100,000	100,000	100.00	100.00
Solartron Energy 5 Co., Ltd.	105,000	105,000	105,000	105,000	51.00	51.00

Unit : Thousand Baht

	Separate			
	Cost method		Dividend for the year	
	2022	2021	2022	2021
Solartron Energy 1 Co., Ltd.	13,249	999	-	-
Solartron Energy 2 Co., Ltd.	12,749	12,749	-	-
Solartron Energy 3 Co., Ltd.	100,000	100,000	-	-
Solartron Energy 5 Co., Ltd.	53,550	53,550	-	-
Total	179,548	167,298	-	-
<u>Less</u> Allowance for impairment losses	(999)	(999)	-	-
Net	178,549	166,299	-	-

During the year Solartron Energy 1 Co., Ltd. increased the registered capital from Baht 1 million to Baht 50 million by issuing 0.49 million common shares at par value of Baht 100 per share. The subsidiary has registered the increase of its share capital to the Ministry of Commerce on July 22, 2022 and the company paid for 25% of the authorized capital amounting to Baht 12.25 million.



Certified by.....(Director).....(Director)

**13. PROPERTY, PLANT AND EQUIPMENT - NET**

Property, plant and equipment - net consist of :

Cost	Unit : Baht							
	Consolidated							
	Land and Land improvement	Buildings and Buildings improvement	Machinery and Equipment	Solar power plant	Furniture, fixture and office equipment	Vehicles	Solar plant construction in process	Total
As at January 1, 2021	49,349,804	181,813,843	1,890,239,270	706,544,249	4,263,894	5,711,380	4,425,892	2,842,348,332
Purchase during the year	-	-	-	-	26,818	-	-	26,818
Disposal during the year	-	-	(16,025,206)	-	-	(915,500)	-	(16,940,706)
Write off during the year	-	-	-	-	-	(87,800)	-	(87,800)
As at December 31, 2021	49,349,804	181,813,843	1,874,214,064	706,544,249	4,290,712	4,708,080	4,425,892	2,825,346,644
<b>Accumulated depreciation</b>								
As at January 1, 2021	29,412,492	64,107,510	715,144,433	129,987,143	3,594,008	4,753,347	-	946,998,933
Depreciation for the year	1,731,312	7,576,144	116,093,250	37,669,392	524,615	179,456	-	163,774,169
Disposal during the year	-	-	(15,724,087)	-	-	(915,495)	-	(16,639,582)
Write off during the year	-	-	-	-	-	(87,796)	-	(87,796)
As at December 31, 2021	31,143,804	71,683,654	815,513,596	167,656,535	4,118,623	3,929,512	-	1,094,045,724
<b>Allowance for impairments loss</b>								
As at January 1, 2021	-	19,461,399	340,280,960	-	-	-	-	359,742,359
Increased (deceased) during the year	-	(512,710)	(28,392,311)	-	-	-	-	(28,905,021)
As at December 31, 2021	-	18,948,689	311,888,649	-	-	-	-	330,837,338
<b>Net book value</b>								
As at January 1, 2021	19,937,312	98,244,934	834,813,877	576,557,106	669,886	958,033	4,425,892	1,535,607,040
As at December 31, 2021	18,206,000	91,181,500	746,811,819	538,887,714	172,089	778,568	4,425,892	1,400,463,582

Certified by.....(Director).....(Director).....(Director)

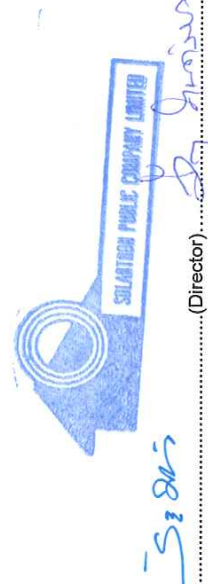


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**13. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)**

Property, plant and equipment - net consist of : (Con't)

	Unit : Baht						
	Consolidated						
	Land and Land improvement	Buildings and Buildings improvement	Machinery and Equipment	Solar power plant	Furniture, fixture and office equipment	Vehicles	Solar plant construction in process
<b>Cost</b>							<b>Total</b>
As at January 1, 2022	49,349,804	181,813,843	1,874,214,064	706,544,249	4,290,712	4,708,080	2,825,346,644
Purchase during the year	-	-	600,253	-	954,835	1,239,989	88,137,942
Disposal during the year	-	-	-	(3,515,400)	-	-	(3,515,400)
Write - off during the year	-	-	-	-	(378,800)	-	(378,800)
Transfer in (out) during the year	-	-	-	80,677,044	-	-	(80,677,044)
As at December 31, 2022	49,349,804	181,813,843	1,874,814,317	783,705,893	4,866,747	5,948,069	2,909,590,386
<b>Accumulated depreciation</b>							
As at January 1, 2022	31,143,804	71,683,654	815,513,596	167,656,535	4,118,623	3,929,512	1,094,045,724
Depreciation for the year	1,731,312	7,384,012	115,637,422	37,056,674	268,663	364,493	162,442,576
Disposal during the year	-	-	-	(864,869)	-	-	(864,869)
Write - off during the year	-	-	-	-	(378,776)	-	(378,776)
As at December 31, 2022	32,875,116	79,067,666	931,151,018	203,848,340	4,008,510	4,294,005	1,255,244,655
<b>Allowance for impairments loss</b>							
As at January 1, 2022	-	18,948,689	311,888,649	-	-	-	330,837,338
Increased (decreased) during the year	-	(512,864)	(31,955,123)	-	-	-	(32,467,987)
As at December 31, 2022	-	18,435,825	279,933,526	-	-	-	298,369,351
<b>Net book value</b>							
As at January 1, 2022	18,206,000	91,181,500	746,811,819	538,887,714	172,089	778,568	1,400,463,682
As at December 31, 2022	16,474,688	84,310,352	663,729,773	579,857,553	858,237	1,654,064	1,355,976,380
<b>Depreciation for the year ended December 31, consist of :</b>							
Production cost and cost of goods sold							2021
Administrative expense							163,362,881
Total							411,288
							2022
							162,442,576
							163,362,881
							411,288
							163,774,169



Certified by : ..... (Director) ..... (Director)

**13. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)**

Property, plant and equipment - net consist of : (Con't)

	Unit : Baht					
	Separate					
	Land and Land improvement	Buildings and Buildings improvement	Machinery and Equipment	Furniture, fixture and office equipment	Vehicles	Total
<b>Cost</b>						
As at January 1, 2021	49,349,804	181,813,843	1,889,573,294	4,263,894	4,814,184	2,129,815,019
Purchase during the year	-	-	-	26,818	-	26,818
Disposal during the year	-	-	(16,025,206)	-	(915,500)	(16,940,706)
Write - off during the year	-	-	-	-	(87,800)	(87,800)
As at December 31, 2021	49,349,804	181,813,843	1,873,548,088	4,290,712	3,810,884	2,112,813,331
<b>Accumulated depreciation</b>						
As at January 1, 2021	29,412,492	64,107,510	715,073,940	3,594,008	4,814,013	817,001,963
Depreciation for the year	1,731,312	7,576,144	116,093,250	524,615	-	125,925,321
Disposal during the year	-	-	(15,724,087)	-	(915,495)	(16,639,582)
Write - off during the year	-	-	-	-	(87,796)	(87,796)
As at December 31, 2021	31,143,804	71,683,654	815,443,103	4,118,623	3,810,722	926,199,906
<b>Allowance for impairments loss</b>						
As at January 1, 2021	-	19,461,399	340,280,960	-	-	359,742,359
Increased (decreased) during the year	-	(512,710)	(28,392,311)	-	-	(28,905,021)
As at December 31, 2021	-	18,948,689	311,888,649	-	-	330,837,338
<b>Net book value</b>						
As at January 1, 2021	19,937,312	98,244,934	834,218,394	669,886	171	953,070,697
As at December 31, 2021	18,206,000	91,181,500	746,216,336	172,089	162	855,776,087

Certified by:  (Director) ..... (Director)  (Director)



**13. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)**

Property, plant and equipment - net consist of : (Con't)

Cost	Unit : Baht							Total
	Separate							
	Land and Land improvement	Buildings and Buildings improvement	Machinery and Equipment	Furniture, fixture and office equipment	Vehicles	Assets under construction and installation		
As at January 1, 2022	49,349,804	181,813,843	1,873,548,088	4,290,712	3,810,884	-	2,112,813,331	
Purchase during the year	-	-	335,068	954,835	988,785	2,528,609	4,807,297	
Write - off during the year	-	-	-	(378,800)	-	-	(378,800)	
As at December 31, 2022	49,349,804	181,813,843	1,873,883,157	4,866,747	4,799,669	2,528,609	2,117,241,828	
<b>Accumulated depreciation</b>								
As at January 1, 2022	31,143,804	71,683,654	815,443,103	4,118,623	3,810,722	-	926,199,906	
Depreciation for the year	1,731,312	7,384,012	115,637,422	268,665	169,489	-	125,190,900	
Write - off during the year	-	-	-	(378,776)	-	-	(378,776)	
As at December 31, 2022	32,875,116	79,067,666	931,080,525	4,008,512	3,980,211	-	1,051,012,030	
<b>Allowance for impairments loss</b>								
As at January 1, 2022	-	18,948,689	311,888,649	-	-	-	330,837,338	
Increased (decreased) during the year	-	(512,864)	(31,955,123)	-	-	-	(32,467,987)	
As at December 31, 2022	-	18,435,825	279,933,526	-	-	-	298,369,351	
<b>Net book value</b>								
As at January 1, 2022	18,206,000	91,181,500	746,216,336	172,089	162	-	855,776,087	
As at December 31, 2022	16,474,688	84,310,352	662,869,106	856,235	819,458	2,528,609	767,860,448	
<b>Depreciation for the year ended December 31, consist of :</b>								
Production cost and cost of goods sold						2022	2021	
Administrative expense						124,701,286	125,514,032	
Total						489,614	411,289	
						125,190,900	125,925,321	



Certified by: *Sif* .....(Director) *Sif* .....(Director)

**13. PROPERTY, PLANT AND EQUIPMENT - NET (Con't)**

As at December 31, 2022 the Company had additional information of property, plant and equipment as follows :

- 1) The Company's and its subsidiary's lands and land improvement, factory and machinery have been mortgaged as collateral under a credit facility agreement with two local banks (See Note 30 to the financial statements).
- 2) The Company had fully depreciated fixed assets but still in active use at the cost value totaling in Baht 63.55 million (2021 : Baht 67.20 million).

**14. LEASES LIABILITIES****14.1 Right-of-used assets - net**

Movements of right-of-use assets are summarized below :

	Unit : Baht		
	Consolidated		
	Land	Buildings and usable area	Total
<b>Cost of assets</b>			
As at January 1, 2021	22,617,524	14,442,615	37,060,139
Increased during the year	-	13,197,735	13,197,735
Decreased to lease contract changes	-	(14,442,615)	(14,442,615)
As at December 31, 2021	22,617,524	13,197,735	35,815,259
<b>Accumulated depreciation</b>			
As at January 1, 2021	3,624,468	6,265,061	9,889,529
Depreciation for the year	902,075	2,136,525	3,038,600
Decreased to lease contract changes	-	(6,384,267)	(6,384,267)
As at December 31, 2021	4,526,543	2,017,319	6,543,862
<b>Net book value</b>			
As at January 1, 2021	18,993,056	8,177,554	27,170,610
As at December 31, 2021	18,090,981	11,180,416	29,271,397

Certified by.....(Director).....(Director)



## 14. LEASES LIABILITIES (Con't)

## 14.1 Right-of-used assets - net (Con't)

Movements of right-of-use assets are summarized below : (Con't)

	Unit : Baht		
	Consolidated		
	Land	Buildings and usable area	Total
<b>Cost of assets</b>			
As at January 1, 2022	22,617,524	13,197,735	35,815,259
Increased during the year	-	-	-
As at December 31, 2022	22,617,524	13,197,735	35,815,259
<b>Accumulated depreciation</b>			
As at January 1, 2022	4,526,543	2,017,319	6,543,862
Depreciation for the year	912,162	2,067,143	2,979,305
As at December 31, 2022	5,438,705	4,084,462	9,523,167
<b>Net book value</b>			
As at January 1, 2022	18,090,981	11,180,416	29,271,397
As at December 31, 2022	17,178,819	9,113,273	26,292,092
<b>Depreciation for the year consist of:</b>		2022	2021
Cost of services		912,162	902,075
Administrative expenses		2,067,143	2,136,525
Total		2,979,305	3,038,600

A subsidiary has been granted right to use land for a period of 25 years for construction of solar power plant under the solar form projects with two cooperatives which were granted rights to sell electricity to the Provincial Electricity Authority.

Certified by.....(Director).....(Director)

## 14. LEASES LIABILITIES (Con't)

## 14.1 Right-of-used assets - net (Con't)

	Unit : Baht	
	Separate	
	2022	2021
<b>Buildings and usable area</b>		
<b>Cost of assets</b>		
As at January 1	13,197,735	14,442,615
Increased during the year	-	13,197,735
Decreased to lease contract changes	-	(14,442,615)
As at December 31	13,197,735	13,197,735
<b>Accumulated depreciation</b>		
As at January 1	2,017,319	6,265,061
Depreciation for the year	2,067,143	2,136,525
Decreased to lease contract changes	-	(6,384,267)
As at December 31	4,084,462	2,017,319
<b>Net book value</b>		
As at January 1	11,180,416	8,177,554
As at December 31	9,113,273	11,180,416

Depreciation for the year is included in administrative expenses in the statement of income.

## 14.2 Lease liabilities - net

Lease liabilities are as follow :

	Unit : Baht	
	Consolidated and Separate	
	2022	2021
Lease liabilities	10,265,620	12,491,289
<u>Less</u> Deferred interest	(721,753)	(1,067,824)
The present value of the minimum rental	9,543,867	11,423,465
<u>Less</u> Current portion	(2,008,828)	(1,879,597)
Net	7,535,039	9,543,868

The Company entered into the rental at building and vehicle for the business operation as monthly payment the term of rental agreements are approximated 3 - 6 year and the agreement are non-cancel lable.



Certified by.....(Director).....(Director)

**14. LEASES LIABILITIES (Con't)****14.2 Lease liabilities - net (Con't)**

Movements of lease liability account during the year ended December 31, 2022 was summarized below :

	Unit : Baht	
	Consolidated and Separate	
	2022	2021
Balance as at January 1	11,423,465	8,704,753
<u>Add</u> Increased to lease	-	13,197,735
<u>Less</u> Decreased to lease contract changes	-	(8,585,299)
Disposals during the year	(1,879,598)	(1,893,724)
Balance as at December 31	9,543,867	11,423,465

**14.3 Lease expenses recognized in the statement of income**

The following are the amounts relating to lease contracts recognized in the statement of income for the year ended December 31, 2022 was summarized below :

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Depreciation expenses of right-of-use assets	2,979,305	3,038,600	2,067,143	2,136,525
Interest expenses on lease liabilities	346,071	410,084	346,071	410,084
Variable lease payments	556,417	556,417	556,417	556,417

**15. INTANGIBLE ASSETS - NET**

Intangible asset - net consist of :

	Unit : Baht			
	Consolidated and Separate			
	Software Computer	Industrial Standard Certificates	Work in progress	Total
As at January 1, 2021	2,728,550	5,761,029	1,738,298	10,227,877
Amortization for the year	(940,110)	(1,256,918)	(105,020)	(2,302,048)
As at December 31, 2021	1,788,440	4,504,111	1,633,278	7,925,829
Purchase during the year	-	-	4,952,545	4,952,545
Transfer in (transfer out) during the year	4,350,000	-	(4,350,000)	-
Amortization for the year	(869,000)	(472,138)	-	(1,341,138)
As at December 31, 2022	5,269,440	4,031,973	2,235,823	11,537,236

Certified by.....(Director).....(Director)

## 16. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities consist of :

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Deferred tax assets	88,134,196	95,382,291	87,793,430	95,275,870
Deferred tax liabilities	-	(47,722)	-	-
Net	88,134,196	95,334,569	87,793,430	95,275,870

16.1 Movements in deferred tax assets and liabilities during the year were as follows :

	Unit : Baht			
	Consolidated			
	As at Jan 1, 2021	(Charged) Credited to		As at Dec 31, 2021
		Profit or loss	Other comprehensive income	
<u>Deferred tax assets</u>				
Trade accounts and other current receivables	7,189,930	3,713,338	-	10,903,268
Current contract assets	-	199,999	-	199,999
Inventory	3,239,427	6,414,130	-	9,653,557
Short - term loans to subsidiaries and related party	2,063,828	(1,823,828)	-	240,000
Investment in subsidiaries	199,920	(199,920)	-	-
Property, plant and equipment	71,948,472	(5,781,004)	-	66,167,468
Other current liabilities	-	2,407,591	-	2,407,591
Employee benefit obligations	6,596,482	(1,126,269)	(1,334,864)	4,135,349
Unused tax loss	-	1,675,059	-	1,675,059
Total	91,238,059	5,479,096	(1,334,864)	95,382,291
<u>Deferred tax liabilities</u>				
Long - term loans from financial institutions	(123,828)	76,106	-	(47,722)
Net	91,114,231	5,555,202	(1,334,864)	95,334,569



Certified by.....(Director).....(Director)

## 16. DEFERRED TAX ASSETS AND LIABILITIES (Con't)

16.1 Movements in deferred tax assets and liabilities during the year were as follows : (Con't)

	Unit : Baht			
	Consolidated			
	(Charged) Credited to			
	As at Jan 1, 2022	Profit or loss	Other comprehensive income	As at Dec 31, 2022
<u>Deferred tax assets</u>				
Trade accounts and other current receivables	10,903,268	(682,195)	-	10,221,073
Current contract assets	199,999	761,582	-	961,581
Inventory	9,653,557	(215,453)	-	9,438,104
Short - term loans to subsidiaries and related party	240,000	102,200	-	342,200
Property, plant and equipment	66,167,468	(6,493,597)	-	59,673,871
Other current liabilities	2,407,591	(1,061,394)	-	1,346,197
Employee benefit obligations	4,135,349	292,586	(10,885)	4,417,050
Unused tax loss	1,675,059	24,488	-	1,699,547
Long - term loans from financial institutions	(47,722)	82,295	-	34,573
<b>Total</b>	<b>95,334,569</b>	<b>(7,189,488)</b>	<b>(10,885)</b>	<b>88,134,196</b>

	Unit : Baht			
	Separate			
	(Charged) Credited to			
	As at Jan 1, 2021	Profit or loss	Other comprehensive income	As at Dec 31, 2021
<u>Deferred tax assets</u>				
Trade accounts and other current receivable	7,189,930	3,474,096	-	10,664,026
Current contract assets	-	526,869	-	526,869
Inventory	3,239,427	6,414,130	-	9,653,557
Short - term loans to subsidiaries and related party	1,440,000	-	-	1,440,000
Investment in subsidiaries	199,920	-	-	199,920
Property, plant and equipment	71,948,472	(5,781,004)	-	66,167,468
Other current liabilities	-	2,407,591	-	2,407,591

Certified by.....(Director).....(Director)

## 16. DEFERRED TAX ASSETS AND LIABILITIES (Con't)

16.1 Movements in deferred tax assets and liabilities during the year were as follows : (Con't)

	Unit : Baht			As at Dec 31, 2021
	Separate			
	As at Jan 1, 2021	(Charged) Credited to		
		Profit or loss	Other comprehensive income	
<u>Deferred tax assets (Con't)</u>				
Long - term loans from financial institutions	4,104	76,986	-	81,090
Employee benefit obligations	6,596,482	(1,126,269)	(1,334,864)	4,135,349
<b>Total</b>	<b>90,618,335</b>	<b>5,992,399</b>	<b>(1,334,864)</b>	<b>95,275,870</b>

	Unit : Baht			As at Dec 31, 2022
	Separate			
	As at Jan 1, 2022	(Charged) Credited to		
		Profit or loss	Other comprehensive income	
<u>Deferred tax assets</u>				
Trade accounts and other current receivables	10,664,026	(219,463)	-	10,444,563
Current contract assets	526,869	1,252,802	-	1,779,671
Inventories	9,653,557	(215,453)	-	9,438,104
Short - term loans to subsidiary and related parties	1,440,000	(1,097,800)	-	342,200
Investment in subsidiaries	199,920	-	-	199,920
Property, plant and equipment	66,167,468	(6,493,597)	-	59,673,871
Other current liabilities	2,407,591	(1,061,394)	-	1,346,197
Long - term loans from financial institutions	81,090	70,764	-	151,854
Employee benefit obligations	4,135,349	292,586	(10,885)	4,417,050
<b>Total</b>	<b>95,275,870</b>	<b>(7,471,555)</b>	<b>(10,885)</b>	<b>87,793,430</b>

Certified by.....(Director).....(Director)

## 16. DEFERRED TAX ASSETS AND LIABILITIES (Con't)

16.2 Income tax expenses are as follows :

Income tax recognized in profit or loss

	Unit : Baht			
	For the year ended December 31,			
	Consolidated		Separate	
	2022	2021	2022	2021
<u>Current income tax</u>				
Income tax for the year	148,597	-	-	-
<u>Deferred tax</u>				
Deferred tax expense relating to the original and reversal of temporary differences	7,189,488	(5,555,202)	7,471,557	(5,992,399)
Income tax expenses	<u>7,338,085</u>	<u>(5,555,202)</u>	<u>7,471,557</u>	<u>(5,992,399)</u>

	Unit : Baht					
	For the year ended December 31,					
	Consolidated and Separate					
	2022			2021		
Deferred tax for :	Before tax	Tax (expense)	Net tax	Before tax	Tax (expense)	Net tax
	Defined benefit plan emeasurement loss (profit)	(54,421)	10,885	(43,536)	(6,674,318)	1,334,864

16.3 Reconciliation for effective tax rate

	Unit : Baht			
	2022			
	Consolidated		Separate	
	Tax rate %	Tax amount (Baht)	Tax rate %	Tax amount (Baht)
Profit before income (loss) tax	20%	(160,020,660)	20%	(162,233,461)
Tax amount according to tax rate		(32,004,132)		(32,446,692)
Tax effect of expenses that are not deductible for tax purposes		39,342,217		39,918,249
Income tax expense (effective rate)		<u>(7,338,085)</u>		<u>(7,471,557)</u>



Certified by.....(Director).....(Director)

**16. DEFERRED TAX ASSETS AND LIABILITIES (Con't)**

## 16.3 Reconciliation for effective tax rate (Con't)

	Unit : Baht			
	2021			
	Consolidated		Separate	
	Tax rate %	Tax amount (Baht)	Tax rate %	Tax amount (Baht)
Profit (loss) before income tax	20%	(287,566,808)	20%	(292,970,660)
Tax amount according to tax rate		(57,513,361)		(58,594,132)
Tax effect of expenses that are not deductible for tax purposes		51,958,159		52,601,733
Income tax expense (effective rate)		(5,555,202)		(5,992,399)

## 16.4 Tax rate

Current income tax

The Group calculated income tax from net profit for the year at the rate 20% of net profit for the year after adjust non taxable expenses and revenue in accordance with the Revenue Code.

The main adjustment items are employee benefit obligations, doubtful debt, bad debt, allowance for diminution in value of inventories, revenue and expenses were not in compliance with Revenue Code.

Deferred tax

Deferred tax has been measured using the effective rate at 20% announced by the government at reporting date.

**17. BANK OVERDRAFT AND SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS**

Bank overdraft and short - term loans from financial institutions, consist of :

	Unit : Baht					
	Interest Rate (%)		Consolidated		Separate	
	2022	2021	2022	2021	2022	2021
Bank overdraft	1.60 - 6.25	1.55 - 5.875	38,221,898	39,986,356	38,216,732	39,481,161

The abovementioned credit facilities were secured by the same collaterals' for long - term loans from financial institutions as described in Condensed Note 20 to the financial statements. Additionally, in issuing promissory notes and aval of promissory note, the Company shall authorize the banks to receive payments for several contracts of the installation of solar cells.



Certified by S. S. S. (Director) ..... S. S. S. (Director)



## 18. TRADE ACCOUNTS AND OTHER CURRENT PAYABLES

Trade accounts and other current payables, consist of :

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Trade accounts payable				
Subsidiaries	-	-	2,895,899	-
Related companies	-	21,349,564	-	21,349,564
Other companies - domestic	34,668,054	69,782,691	32,835,838	68,385,082
Other companies - foreign	4,902,788	5,198,954	4,902,788	5,198,954
Total trade accounts payable	39,570,842	96,331,209	40,634,525	94,933,600
<u>Other current payables</u>				
Other current payables -				
related company and persons	52,456,748	41,169,306	69,806,038	54,480,845
Asset payables	4,916,906	5,042,698	4,916,906	4,922,323
Investor payables	-	30,800,645	-	30,800,645
Accrued expenses	22,104,175	26,801,029	21,251,823	24,769,272
Accrued salaries	-	22,350,810	-	22,350,810
The Revenue Department payables	8,768,671	8,809,312	8,477,249	8,626,970
Retention	11,228,565	8,873,054	11,188,240	8,873,054
Other current payables	1,433,281	226,260	1,384,314	12,600
Total other current payables	100,908,346	144,073,114	117,024,570	154,836,519
Total trade accounts and other current payables	140,479,188	240,404,323	157,659,095	249,770,119

## 19. SHORT - TERM LOANS FROM OTHER PERSONS

The movement of short - term loans from other persons are as follow :

	Unit : Baht					
	Issue	Interest rate (% p.a.)	Consolidated and Separate			
			As at Jan 1, 2022	Movement during the year		As at Dec 31, 2022
				Increase	Repayment	
Promissory note	2	6.00	40,000,000	-	-	40,000,000



Certified by.....(Director).....(Director)

## 20. LONG - TERM LOANS FROM FINANCIAL INSTITUTIONS - NET

Long - term loans from financial institutions, consist of :

	Unit : Baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Long - term loans	665,849,787	704,150,540	165,709,316	166,557,300
<u>Less</u> Repayment during the year	(36,369,366)	(38,041,626)	(1,140,987)	(1,232,913)
<u>Add (less)</u> Adjustment of loan amount to EIR method	411,477	(259,127)	353,824	384,929
Long - term loans balance	629,891,898	665,849,787	164,922,153	165,709,316
<u>Less</u> Current portion	(34,804,226)	(36,268,627)	(225,746)	(929,850)
Net	595,087,672	629,581,160	164,696,407	164,779,466

As at December 31, 2022, The details of loans from a financial institution are as follows :

Loan facility (Million Baht)	Interest rate per annum	Terms of payment of principal and interest	Unit : Million Baht			
			Consolidated		Separate	
			2022	2021	2022	2021
<b>Solartron Pcl.</b>						
167.43	MLR - 3.375, MLR - 2.775	Repayment principal with interest on 79 quarterly installment payments as follows:- - Sep 2021 - Jun 2024 installment at Baht 1.45 million - Sep 2024 - Jun 2031 installment at Baht 2.00 million - Sep 2031 - Jun 2039 installment at Baht 5.75 million	164.92	165.71	164.92	165.71
<b>Solartron Energy 5 Co., Ltd.</b>						
304.50	5.50	Repayment principal with interest on 58 quarterly installment payments commencing from June 2017 and shall be completed within September 2031.	191.61	212.93	-	-
<b>Solartron Energy 2 co., Ltd.</b>						
87.00	5.50	Repayment principal with interest on 58 quarterly installment payments commencing from June 2017 and shall be completed within September 2031.	53.29	59.38	-	-



Certified by.....(Director).....(Director)

## 20. LONG - TERM LOANS FROM FINANCIAL INSTITUTIONS - NET (Con't)

As at December 31, 2022, The details of loans from a financial institution are as follows : (Con't)

Loan facility (Million Baht)	Interest rate per annum	Terms of payment of principal and interest	Unit : Million Baht			
			Consolidated		Separate	
			2022	2021	2022	2021
<b>Solartron Energy 3 Co., Ltd.</b>						
260.00	MLR - 2.575	Repayment principal with interest 59 quarterly installment payments commencing from December 2021 and shall be completed within June 2034.	220.07	227.83	-	-
<u>818.93</u>			<u>629.89</u>	<u>665.85</u>	<u>164.92</u>	<u>165.71</u>

The details of the loans are as follows :

**The Company :**

Guaranteed by mortgage land and buildings. Machinery and equipment of the company Pledge the right to get back bank deposits and business collateral (Fixed deposit) and the company must comply with the conditions. which has set certain rules and restrictions This includes giving the company Maintain the Debt to Equity Ratio of not more than 3 : 1 and the Company has pledged all the shares of Solartron Energy 3 Company Limited that the Company holds.

**The subsidiaries :**

Three subsidiaries' loans were secured by

1. Mortgage machinery and equipment owned by the subsidiaries.
2. The right to receive payment of electricity from the solar farm projects with three cooperatives and the right to receive payment of electricity from the solar rooftop with a university to the financial institution.
3. Mortgage the Company's land and buildings as the second guarantee.
4. Mortgage the Company's machinery and equipment.
5. Pledge of all shares of Solartron Energy 3 Co., Ltd., holding by the Company as additional collateral.

The Subsidiaries shall comply with covenant including maintaining Debt to Equity Ratio not over 3 : 1 and maintaining Debt Service Coverage Ratio (DSCR) not less than 1.20 times and 1.08 times for Solartron Energy 3 Co., Ltd.



Certified by.....(Director).....(Director)

## 21. PROVISION FOR EMPLOYEE BENEFIT - NET

The Group operate postemployment benefit and pension based on the requirement of the Thai Labour Protection Act B.E. 2541 to provide retirement benefits and other long - term benefits to employees based on pensionable remuneration and length of services.

21.1 Movements in the present value of the employee benefits obligations consist of :

	Unit : Baht	
	Consolidated and Separate	
	2022	2021
Employee benefit obligation at the beginning year		
Post - employee benefits :		
Legal severance payment plan	20,676,751	29,059,624
Recognized in profit or loss for the year :		
Current service cost	1,412,778	4,088,967
Interest Cost	382,938	308,839
Reversal employee benefit	-	(6,106,361)
Total	1,795,716	(1,708,555)
Recognized in other comprehensive income for the year		
Actuarial losses (gain) from the re - measurement of employee benefit obligations	(54,421)	(6,674,318)
Others		
The benefit paid during the year	(332,800)	-
Total	(387,221)	(6,674,318)
Employee benefit obligation at the ending year		
Post - employee benefits :		
Legal severance payment plan	22,085,246	20,676,751
Less Current portion	(4,552,502)	(3,483,044)
Employee benefit obligation - net	17,532,744	17,193,707



Certified by.....*S. S. S.*.....(Director).....*J. J.*.....(Director)

**21. PROVISION FOR EMPLOYEE BENEFIT - NET**

21.1 Movements in the present value of the employee benefits obligations consist of : (Con't)

As at December 31, 2022 and 2021, the weighted average duration of the liabilities for long - term employee benefit in the consolidated and separate financial statements are 11 years and 14 years respectively.

	Unit : Baht	
	Consolidated and Separate	
	2022	2021
<u>Profit or loss</u>		
Cost of sales and services	97,327	(4,613,248)
Distribution costs	207,233	(277,902)
Administrative expense	1,046,436	2,945,903
Management's benefit expenses	444,720	236,692
<b>Total</b>	<b>1,795,716</b>	<b>(1,708,555)</b>
<u>Other comprehensive income</u>		
Remeasurement of defined gain (loss) plan		
Employee benefit - net from income tax	43,536	5,339,454

Remeasurement of defined loss plan recognized in other comprehensive income arising from :

	Unit : Baht	
	Consolidated and Separate	
	2022	2021
Financial assumptions	(2,714,711)	(1,471,763)
Experience adjustment	363,550	(5,202,555)
Demographic assumption changes	2,296,740	-
<b>Total</b>	<b>(54,421)</b>	<b>(6,674,318)</b>

Significant assumptions use in the estimation under actuarial principle at the reporting date consist of :

	Consolidated and Separate	
	2022	2021
Discount rate *	2.84%	2.22%
Salary increase rate	5%	6%
Employee turnover rate	1.91% - 22.92%	2.87% - 34.38%
Mortality rate **	TMO2017	TMO2017
Retirement age (year)	60	60

\* Market yield from government's bond for legal severance payments plan

\*\* Reference from TMO2017 : Thai Mortality Ordinary Table of 2017

  
 Certified by.....(Director).....(Director)

**21. PROVISION FOR EMPLOYEE BENEFIT - NET (Con't)***Sensitivity analysis :*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the non-current provision for employee benefits obligations by the amounts shown below :

	Unit : Baht	
	Consolidated and Separate	
	2022	2021
<u>Discount rate</u>		
1% increase	(1,762,086)	(1,781,742)
1% decrease	2,031,652	2,061,986
<u>Future Salary growth</u>		
1% increase	1,966,723	1,963,180
1% decrease	(1,743,756)	(1,737,786)
<u>Resignation rate</u>		
1% increase	(992,495)	(1,496,799)
1% decrease	1,088,276	1,718,844

**22. SHARE CAPITAL**2021

- 22.1 The Company's Extra General Meeting of Shareholders No. 1/2021 on November 22, 2021 has resolved to approved are as follows :
- 22.1.1 Increase the company register capital in the amount of not exceeding THB 816,187,084 from the original registered capital of THB 544,124,723 to the new registered capital in the amount of THB 1,360,311,307 at Bath 1.00 par value per share.
- 22.1.2 Propose for amendment of Clause 4. Of the Company's Memorandum of Association to be in line with such capital Increase.
- 22.1.3 Allocation of newly issued ordinary shares of not exceeding 544,124,723 shares at par value of THB 1.00 per share for sale to the existing shareholders of the Company proportionate to their respective shareholding (Rights Offering) at the ratio of 1 existing share to 1 newly issued ordinary share.
- 22.1.4 Approving the issuance of the warrants to purchase ordinary shares of the Company No. 1 (the "SOLAR W1 Warrants) to the existing shareholders who subscribe and make payment for Rights Offering in the amount of not exceeding 272,062,361 units free from charge.



Certified by.....(Director).....(Director)

**22. SHARE CAPITAL (Con't)**

22.1.5 Allocation of newly issued ordinary shares of not exceeding 816,187,084 shares :

22.1.5.1 Allocate the New Shares in the amount of not exceeding 544,124,723 shares with Baht 1 par value per share to the existing shareholders of the Company in proportion to their respective shareholdings with the following details :

- (A) Offering at the ratio of 1 existing shares to 1 newly issued share at the offering price of Baht 1 per share.
- (B) Any fraction of shares from the allocation shall be rounded down.
- (C) The shareholders may subscribe for the newly-issued ordinary shares in excess of their rights (oversubscription).

22.1.5.2 Allocation of newly issued ordinary shares of not exceeding 272,062,361 shares at par value of THB 1.00 per share to be reserved for the exercise of the SOLAR-W1 Warrants to the existing shareholders who subscribe and make payment for Rights Offering.

Key Features of Warrants :

Type	Warrants to Purchase Newly Issued Ordinary Shares of Solartron Public Company Limited No.1 (SOLAR-W1) to be allocated to the shareholders who subscribe and make payment for the Rights Offering.
Number of Warrants Issued	Not exceeding 272,062,361 units
Number of Reserved Shares	Not exceeding 272,062,361 shares (Par value at THB 1.00) or amounted to 50 % of total paid-up shares
Offering Price Per Unit	THB 0.00 per unit
Exercise ratio	1 unit of the SOLAR-W1 1 Warrant for 1 ordinary share
Exercise price	THB 2.00 per share
Exercise period	Holder of SOLAR-W1 Warrants The SOLAR-W1 Warrants will be issued on January 13, 2025, valid for 2 years from the date of issuance. and has an exercise price to purchase 1 ordinary share equal to 2 bath per share, with the first exercise on June 29, 2022 and the last exercise date on January 12, 2024.

During the year 2022, there were 20 units of warrants exercised to purchase ordinary shares of the Company.

**23. LEGAL RESERVE**

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve of at least 5% of its net income 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.

  
 Certified by.....(Director).....(Director)

**24. BASIC LOSS PER SHARE**

24.1 Basic loss per share is calculated by dividing loss for the year attributable shareholders of the Company (excluded other comprehensive income) by the weighted average number of common shares issued during the year.

	Consolidated		Separate	
	2022	2021	2022	2021
Profit (loss) for the year (Baht)	(167,135,373)	(282,873,667)	(169,705,018)	(286,978,261)
Number of outstanding at the beginning of the period (Share)	1,088,249,452	554,559,992	1,088,249,452	554,559,992
Basic earnings (loss) per share (Baht : Share)	(0.15)	(0.51)	(0.16)	(0.52)

**24.2 Diluted earnings per share**

The Company does not present diluted earnings per share as the Company's price of warrant representory rights to purchase ordinary shares of the Company to buy common share price is higher than the its common shear's weighted average market price during the year.

**25. OPERATING SEGMENT**

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. The chief operating decision maker has been identified as the Company's Board of Directors.

Segment information is presented in respect of the Group operating segments. The primary format, business segments, is based on the Group management and the internal reporting structure provided to the chief operating decision maker.

Segment assets and revenues include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Business segments :

Segment 1 : Selling and installation of solar - cell systems

Segment 2 : Distribution solar - cell

Segment 3 : Sale of electricity

Segment 4 : Hire of work

Segment 5 : Other



Certified by.....(Director).....(Director)



## 25. OPERATING SEGMENT (Con't)

Geographical segments :

In presenting classification of geographical segments, revenue is based on the geographic location of customers.

Unit : Million baht

Consolidated						
For the year ended December 31, 2022						
Segment 1	Segment 2		Segment 3	Segment 4	Segment 5	Total
Domestic	Domestic	Foreign	Domestic	Domestic	Domestic	
Revenue from sales	212.14	50.32	-	93.39	-	355.85
<u>Less</u> Inter - segment	(100.67)	-	-	-	-	(100.67)
Total revenue from sales	111.47	50.32	-	93.39	-	255.18
Loss from operating						(0.11)
Unallocated income						17.25
Depreciation				(43.62)		(132.95)
Finance cost						(44.20)
Income tax (expenses)						(7.34)
Other comprehensive income (loss)						0.04
Comprehensive income (loss) for the year						(167.31)
Loss (income) of non - controlling interest						0.22
Net profit (loss) attributable shareholders of the parent						(167.09)
Property plant and equipment and Right of use and intangible assets						
As at December 31, 2022						
Allocated				605.30		605.30
Unallocated				788.51		788.51
Property plant and equipment and Right of use and intangible assets				1,393.81		1,393.81
Total assets as at December 31, 2022						1,799.13



Certified by.....(Director).....(Director)

**25. OPERATING SEGMENT (Con't)**

Geographical segments : (Con't)

Unit : Million baht

	Consolidated						
	For the year end December 31, 2021						
	Segment 1	Segment 2		Segment 3	Segment 4	Segment 5	Total
Domestic	Domestic	Foreign	Domestic	Domestic	Domestic		
Revenue from sales and services	73.78	28.18	-	86.33	-	-	188.29
Less Inter - segment	(10.92)	-	-	-	-	-	(10.92)
Total revenue from sales	62.86	28.18	-	86.33	-	-	177.37
Loss from operating							(231.32)
Unallocated income							4.71
Depreciation				(42.53)			(104.53)
Finance cost							(60.96)
Income tax							5.56
Other comprehensive income (loss)							5.34
Other comprehensive income (loss) for the year							(276.67)
Loss (income) of non - controlling interest							0.86
Net profit (loss) attributable shareholders of the parent							(277.53)
Property plant and equipment and Right of use and intangible assets							
As at December 31, 2021							
Allocated				562.78			562.78
Unallocated				874.88			874.88
Property plant and equipment and Right of use and intangible assets				1,437.66			1,437.66
Total assets as at December 31, 2021							2,114.95

**26. EXPENSES BY NATURE**

Significant expenses classified by nature consist of :

Unit : Baht

	Consolidated		Separate	
	2022	2021	2022	2021
Changes in inventories of finished goods and work in process	52,207,825	10,416,958	52,207,825	10,416,958
Management's benefit expenses	20,189,289	17,965,204	20,189,289	17,965,204
Employee expenses	31,363,988	53,962,275	31,363,988	53,962,275
Depreciation and amortization expenses	134,295,035	140,209,796	96,131,194	101,458,873
Finance cost	44,200,488	60,962,270	26,001,192	41,902,958

**27. RIGHTS AND PRIVILEGES FROM THE INVESTMENT PROMOTION**

Certified by.....(Director).....(Director)

By virtue of the provision of Investment Promotion Acts B.E. 2520, the Company has granted certain rights and privileges for the production of stainless steel pipes as follows :

Descriptions	Rights and privileges				
	Company		Subsidiaries		
1. Certificates's number	2181(9)/2548(B.E)	2523(1)/2557(B.E)	59-1491-1-00-1-0	59-1492-1-00-1-0	59-1520-1-00-1-0
2. Promoted business	Manufacture of construction material in stainless steel	Manufacture of construction material in stainless steel	Manufacture of electricity from solar energy	Manufacture of electricity from solar energy	Manufacture of electricity from solar energy
3. Date of promoted	December 23, 2005	December 11, 2014	November 17, 2016	November 17, 2016	November 24, 2016
4. Date of first sales generated	January 29, 2014	December 20, 2016	January 16, 2017	January 16, 2017	January 16, 2017
5. The rights and privileges of the promotion include :					
5.1 Exemption of import duty for machinery and equipment that are approved by the Board of Investment.	Granted	Granted	Granted	Granted	Granted
5.2 Exemption of corporate income tax derived from the profit of the promoted activities effective from the first sale generated.	8 years	8 years	8 years	8 years	8 years
5.3 Exemption of import duty for raw materials and necessary supplies used in production process of exported goods for the period stated in the certificate.	Due date in November 7, 2021	Due date in August 28, 2022	-	-	-
5.4 Exemption from income tax on dividend of promotional investments through out the promoted period.	Granted	Granted	Granted	Granted	Granted
5.5 Permission of deduction of investment in installation or construction of facilities excess of its usual depreciation.	25%	25%	-	-	-

Results of the Company operations under promoted business are classified under promoted and non-promoted business as follows :

Unit : Baht

	Consolidated					
	December 31, 2022			December 31, 2021		
	Promoted business	Non-promoted business	Total	Promoted business	Non-promoted business	Total
Revenues	20,555,316	251,882,488	272,437,804	30,107,839	151,973,475	182,081,314
Cost and expenses	(20,970,567)	(411,487,897)	(432,458,464)	(54,267,844)	(415,380,278)	(469,648,122)
Income tax (expenses)	-	(7,338,085)	(7,338,085)	-	5,555,202	5,555,202
Net profit (loss) for the year	(415,251)	(166,943,494)	(167,358,745)	(24,160,005)	(257,851,601)	(282,011,606)

  
 Certified by  (Director)  (Director)

**27. RIGHTS AND PRIVILEGES FROM THE INVESTMENT PROMOTION (Con't)**

Results of the Company operations under promoted business are classified under promoted and non-promoted business as follows : (Con't)

Unit : Baht

	Separate					
	December 31, 2022			December 31, 2021		
	Promoted business	Non-promoted business	Total	Promoted business	Non-promoted business	Total
Revenues	2,383,225	279,713,050	282,096,275	12,019,928	99,835,902	111,855,830
Cost and expenses	(3,917,798)	(440,411,938)	(444,329,736)	(36,745,218)	(368,081,272)	(404,826,490)
Income tax (expenses)	-	(7,471,557)	(7,471,557)	-	5,992,399	5,992,399
Net profit (loss) for the year	(1,534,573)	(168,170,445)	(169,705,018)	(24,725,290)	(262,252,971)	(286,978,261)

The classification of results of the Company's operations was applied with 2 basis as following :

1. Costs and expenses identifiable to each category were directly charged to each of them.
2. Costs and expenses unidentifiable to each category were allocated to each of them based on the proportion of their revenues.

**28. PROVIDENT FUND**

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund in accordance with the Provident Fund Act B.E. 2530. The Company and its employees contributed to the fund monthly at the rate of 2% of employee basic salary. The fund manager will be paid to employees upon termination in accordance with the fun rules.

For the year 2021 the Company contributed to the fund amounting to Baht 0.03 million.

**29. FINANCIAL INSTRUMENTS**

Fair values of financial assets and financial liabilities measured at amortized cost if the carrying amount is a reasonable approximation of net book value.

**29.1 Financial risk management objected and policies**

The Group are exposed to a variety of financial risks, including credit risk, market risk (including foreign exchange and interest rate risk) and liquidity risk. The Group overall risk management focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group financial statement.

The Group financial instruments principally comprise cash and cash equivalents, trade and other receivables, contract assets, other financial assets, trade and other payables, long-term loans, and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

  
 Certified by  (Director)  (Director)

**29. FINANCIAL INSTRUMENTS (Con't)****29.2 Credit risk**

Credit risk is the risk of financial losses if a customer or the counterparty in a financial instrument fails to meet its obligations. The risk consists mainly of trade accounts and other receivables, contract assets, deposits with banks and other financial instruments. Except for derivative financial instruments, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statements of financial position.

**29.2.1 Trade accounts, other current receivables and contract assets**

The Group manage the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade accounts, other receivables 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.

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 Company and its subsidiaries classifies customer segments by customer type, 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.

**29.2.2 Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Group treasury department in accordance with the Group treasury policy. Investments are made only in fixed deposit with approved counterparty banks with credit-ratings at investment grade assigned by international credit agencies or one of the top two local banks, and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed and updated throughout the year. The limits are set to minimize concentration risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

**29.3 Market risk****29.3.1 Currency risk**

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates arises mainly from trade receivables / trade payables - international and accounts payable from purchasing of equipment transactions that are denominated in foreign currencies. The Group exposure to the risk of changes in foreign exchange rates relates primarily to the Group operating activities.

The Company had significant assets and liabilities as at December 31, 2022 and 2021 which have not entered into a foreign exchange risk hedging contract



Certified by.....(Director).....(Director)

**29. FINANCIAL INSTRUMENTS (Con't)**

## 29.3 Market risk (Con't)

## 29.3.1 Currency risk (Con't)

Unit : Thousand baht

	Consolidated		Separate		Average exchange rate
	2022	2021	2022	2021	
<b>Liabilities</b>					
US dollar	5,108	5,310	5,108	5,310	34.7335
Euro	4,165	4,285	4,165	4,285	37.2053
SGD	546	526	546	526	26.0167

There is no significant impact on the Group profit before tax arising from the change in the fair value of monetary assets and liabilities due to the possible change in exchange rates of assets and liabilities that are denominated in foreign currencies.

## 29.3.2 Interest rate risk

The Group exposure to interest rate risk relates primarily to its deposits with financial institutions, bank overdrafts and short - terms and long - term loan changed with interest and liability under lease agreement. However, since interest rates of the majority of these financial assets and liabilities very according to market rates or are fixed and closed to market rates, the Group management deemed their interest risk at low level. The Group thus do not use derivative financial instruments to hedge such risk.

Financial assets and financial liabilities of the Group had interest rate risk as follows :

	Unit : Thousand Baht						Interest Rate (% p.a.)
	Consolidated						
	Fixed interest rates			Floating Interest rate	Non- Interest bearing	Total	
Within 1 year	1 - 5 years	Over 5 years					
<b>As at December 31, 2022</b>							
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	56,620	152	56,772	0.125 - 0.35
Trade accounts and other current receivables	-	-	-	-	45,835	45,835	-
Short-term Loans to other companies	158	-	-	-	-	158	7.00
Current contract assets	-	-	-	-	17,317	17,317	-
Other current financial assets	-	-	-	-	41,039	41,039	-
Financial assets pledged as collateral	10,000	-	-	41,794	17,375	69,169	0.10 - 0.35
Bank overdraft and short - term loans							
from financial institutions	-	-	-	38,222	-	38,222	1.60 - 6.25
Trade accounts and other current payables	-	-	-	-	140,479	140,479	-
Short - term loans from directors and related persons	250,904	-	-	-	-	250,904	2.90 - 5.00



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## 29. FINANCIAL INSTRUMENTS (Con't)

## 29.3 Market risk (Con't)

## 29.3.2 Interest rate risk (Con't)

Unit : Thousand Baht

Consolidated						
Fixed interest rates			Floating Interest rate	Non- Interest bearing	Total	Interest Rate (% p.a.)
Within 1 year	1 - 5 years	Over 5 years				
<b>As at December 31, 2022 (Con't)</b>						
<b>Financial liabilities (Con't)</b>						
Short - term loans from other persons and other company						
40,000	-	-	-	-	40,000	12.00
Long - term loans from financial institutions						
27,405	109,620	107,876	384,991	-	629,892	MLR-2.575,5.50

Unit : Thousand Baht

Consolidated						
Fixed interest rates			Floating Interest rate	Non- Interest bearing	Total	Interest Rate (% p.a.)
Within 1 year	1 - 5 years	Over 5 years				
<b>As at December 31, 2021</b>						
<b>Financial assets</b>						
Cash and cash equivalents						
-	-	-	81,207	62	81,269	0.05 - 0.125
Trade accounts and other current receivables						
-	-	-	-	49,892	49,892	-
Current contract assets						
-	-	-	-	20,318	20,318	-
Short-term Loans to other companies						
158	-	-	-	-	158	7.00
Other current financial assets						
-	-	-	-	350,000	350,000	-
Financial assets pledged as collateral						
-	-	-	41,488	9,047	50,535	0.10 - 0.20
<b>Financial liabilities</b>						
Bank overdraft and short - term loans from financial institutions						
-	-	-	39,986	-	39,986	1.55 - 5.875
Trade accounts and other current payables						
-	-	-	-	240,404	240,404	-
Short - term loans from directors and related company						
260,904	-	-	-	-	260,904	2.90, 5.00
Short - term loans from other persons and other company						
40,000	-	-	-	-	40,000	12.00
Long - term loans from financial institutions						
27,422	109,620	135,264	393,544	-	665,850	MLR-2.575, 5.50

  
 Certified by  (Director)  (Director)

## 29. FINANCIAL INSTRUMENTS (Con't)

## 29.3 Market risk (Con't)

## 29.3.2 Interest rate risk (Con't)

Unit : Thousand Baht

	Separate						Interest Rate (% p.a.)
	Fixed interest rates			Floating Interest rate	Non-Interest bearing	Total	
	Within 1 year	1 - 5 years	Over 5 years				
<b>As at December 31, 2022</b>							
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	16,783	132	16,915	0.125 - 0.35
Trade accounts and other current receivables	-	-	-	-	108,078	108,078	-
Short-term Loans to other companies	158	-	-	-	-	158	7.00
Current contract assets	-	-	-	-	28,639	28,639	-
Financial assets pledged as collateral	10,000	-	-	41,794	17,375	69,169	0.10 - 0.35
<b>Financial liabilities</b>							
Bank overdraft and short - term loans							
from financial institutions	-	-	-	38,217	-	38,217	1.60 - 6.25
Trade accounts and other current payables	-	-	-	-	157,659	157,659	-
Short - term loans from subsidiaries	65,523	-	-	-	-	65,523	4.20 - 7.00
Short - term loan from directors							
and related persons	250,904	-	-	-	-	250,904	2.90 - 5.00
Short - term loans from other persons							
and other company	40,000	-	-	-	-	40,000	12.00
Long - term loans from financial institutions	-	-	-	164,922	-	164,922	MLR-3.375

Unit : Thousand Baht

	Separate						Interest Rate (% p.a.)
	Fixed interest rates			Floating Interest rate	Non-Interest bearing	Total	
	Within 1 year	1 - 5 years	Over 5 years				
<b>As at December 31, 2021</b>							
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	55,700	47	55,747	0.05 - 0.125
Trade accounts and other current receivables	-	-	-	-	52,415	52,415	-
Short-term Loans to other companies	158	-	-	-	-	158	7.00
Current contract assets	-	-	-	-	46,862	46,862	-
Financial assets pledged as collateral	-	-	-	41,488	9,047	50,535	0.10 - 0.20
<b>Financial liabilities</b>							
Bank overdraft and short - term loans							
from financial institutions	-	-	-	39,481	-	39,481	1.55 - 5.875
Trade accounts and other current payables	-	-	-	-	249,770	249,770	-
Short - term loans from subsidiaries	110,484	-	-	-	-	110,484	4.20, 7.00
Short - term loan from directors	260,944	-	-	-	-	260,944	2.90, 5.00
and related persons							



Certified by.....(Director).....(Director)



**29. FINANCIAL INSTRUMENTS (Con't)**

## 29.3 Market risk (Con't)

## 29.3.2 Interest rate risk (Con't)

Unit : Thousand Baht

	Separate						Interest Rate (% p.a.)
	Fixed interest rates			Floating	Non-	Total	
	Within 1 year	1 - 5 years	Over 5 years	Interest rate	Interest bearing		
<b>As at December 31, 2021</b>							
<b>Financial liabilities</b>							
Short - term loans from other persons and other company	40,000	-	-	-	-	40,000	12.00
Long - term loans from financial institutions	-	-	-	165,709	-	165,709	MLR-3.375

The Group need liquidity to meet their obligations. Individual companies are responsible for their own cash balances and the raising of internal and external credit lines to cover the liquidity needs, subject to guidance by the Group.

The Group monitor the risk of a shortage of liquidity position by a recurring liquidity planning and maintains an adequate level of cash, fixed deposits and unused committed and uncommitted credit lines with various banks to meet its liquidity requirements.

## 29.4 Liquidity risk

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

Unit : Thousand baht

	Consolidated (As at December 31, 2022)					Total
	Note	On demand	Less than			
			1 year	1 - 5 year	Over 5 year	
Bank overdraft and short - term loans from financial institutions	17	38,222	-	-	-	38,222
Trade accounts and other current payables	5.2,18	140,479	-	-	-	140,479
Short- term loan from directors and related person	5.2	250,904	-	-	-	250,904
Short - term loan from other person and other company	19	40,000	-	-	-	40,000
Long - term loans from financial institution	20	-	27,631	187,897	414,364	629,892
Lease liabilities	14.2	-	2,009	7,535	-	9,544
<b>Total</b>		<b>469,605</b>	<b>29,640</b>	<b>195,432</b>	<b>414,364</b>	<b>1,109,041</b>



Certified by S. Sris (Director) J. J. J. (Director)

**29. FINANCIAL INSTRUMENTS (Con't)**

## 29.4 Liquidity risk (Con't)

Unit : Thousand baht

Consolidated (As at December 31, 2021)


	Note	On demand	Less than			Total'
			1 year	1 - 5 year	Over 5 year	
Bank overdraft and short - term loans from financial institutions	17	39,986	-	-	-	39,986
Trade accounts and other current payables	5.2,18	240,404	-	-	-	240,404
Short- term loan from directors and related person	5.2	260,904	-	-	-	260,904
Short - term loan from other person and other company	19	40,000	-	-	-	40,000
Long - term loans from financial institution	20	-	36,269	179,212	450,369	665,850
Lease liabilities	14.2	-	1,880	9,544	-	11,424
<b>Total</b>		<b>581,294</b>	<b>38,149</b>	<b>188,756</b>	<b>450,369</b>	<b>1,258,568</b>

Unit : Thousand baht

Separate (As at December 31, 2022)

	Note	On demand	Less than			Total
			1 year	1 - 5 year	Over 5 year	
Bank overdraft and short - term loans from financial institutions	17	38,217	-	-	-	38,217
Trade accounts and other current payables	5.2,18	157,659	-	-	-	157,659
Short - term loan from related company	5.2	65,523	-	-	-	65,523
Short- term loan from directors and related person	5.2	250,904	-	-	-	250,904
Short - term loan from other person and other company	19	40,000	-	-	-	40,000
Long - term loans from financial institution	20	-	226	8,656	156,040	164,922
Lease liabilities	14.2	-	2,009	7,535	-	9,544
<b>Total</b>		<b>552,303</b>	<b>2,235</b>	<b>16,191</b>	<b>156,040</b>	<b>726,769</b>



Certified by  (Director)  (Director)

**29. FINANCIAL INSTRUMENTS (Con't)**

## 29.4 Liquidity risk (Con't)

Unit : Thousand baht

		Separate (As at December 31, 2021)				
		Less than				
Note	On demand	1 year	1 - 5 year	Over 5 year	Total	
Bank overdraft and short - term loans from financial institutions	17	39,481	-	-	-	39,481
Trade accounts and other current payables	5.2,18	249,770	-	-	-	249,770
Short - term loan from subsidiaries	5.2	110,484	-	-	-	110,484
Short- term loan from directors and related person	5.2	260,904	-	-	-	260,904
Short - term loan from other Person and other company	19	40,000	-	-	-	40,000
Long - term loans from financial institution	20	-	930	7,296	157,483	165,709
Lease liabilities	14.2	-	1,880	9,544	-	11,424
<b>Total</b>		<b>700,639</b>	<b>2,810</b>	<b>16,840</b>	<b>157,483</b>	<b>877,772</b>

## 29.5 Fair value of financial instruments

Since the majority of the Company and subsidiaries' financial assets and liabilities are short-term in nature or bear floating interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.



## 29.5.1 Details of financial assets and liabilities measured at fair value :

Unit : Thousand baht

		Consolidated and Separate			
		Level 1	Level 2	Level 3	Total
<u>As at December 31, 2022</u>					
Assets measured at fair value					
Current :					
Unit trust		41,038	-	-	41,038
<b>Total</b>		<b>41,038</b>	<b>-</b>	<b>-</b>	<b>41,038</b>

Unit : Thousand baht

		Consolidated and Separate			
		Level 1	Level 2	Level 3	Total
<u>As at December 31, 2021</u>					
Assets measured at fair value					
Current :					
Unit trust		350,000	-	-	350,000
<b>Total</b>		<b>350,000</b>	<b>-</b>	<b>-</b>	<b>350,000</b>

Certified by  (Director)  (Director)

**30. CREDIT FACILITIES**

The Company had credit facilities with commercial banks as follows :

	Unit : Million baht			
	Consolidated		Separate	
	2022	2021	2022	2021
Bank overdraft	54.50	54.50	50.00	50.00
Note and issuance of letter of guaranteed	184.80	204.50	171.30	191.00
Long - term loan	818.93	818.93	167.43	167.43
<b>Total</b>	<b>1,058.23</b>	<b>1,077.93</b>	<b>408.43</b>	<b>408.43</b>

Three subsidiaries were granted a long - term loans and other credit facilities totaling Baht 651.50 million and the loans were secured by mortgage of their land and solar power plants under the solar farm project with three cooperatives.

The abovementioned credit facilities were secured by the collateral as described in Notes 17 and 20 to the financial statement.

**31. COMMITMENTS AND CONTINGENT LIABILITIES**



As at December 31, 2022 and 2021 the Group have commitments and contingent liabilities as follows :

*Contingent liabilities :*

- 31.1 The Company has letter of guarantee issued by several banks to government and private organizations of amounting to Baht 40.41 million (2021 : 61.04 Million Baht) for the consolidated financial statements and amounting of 35.87 Million Baht (2021 : 56.50 Million Baht) for the separate financial statement.
- 31.2 Two subsidiaries have entered into solar farm operation contracts with government agents and cooperatives, Project Owners, for a period of 25 - 26 years commencing from the Commercial Operation Data (COD) or until the end of the electricity sales contracts between the Project Supporters (Subsidiaries) and the Provincial Electricity Authority (PEA) whereby the subsidiaries agreed to pay fees for right to sell electricity to the Project Owners at the rates stipulated in the contracts.
- 31.3 A subsidiary has entered into a solar rooftop installation contract with a university for a period of 21 years commencing from the contract date whereby the subsidiary shall receive the electricity fees at the rate stipulated in the contract.
- 31.4 *Capital commitments :*

The Company had future commitment in respect of construction agreement amounting to 51.16 million Baht (2021 : 34.25 million Baht) for the consolidated financial statements and amounting of 17.36 million Baht for the separate financial statement.



Certified by  (Director)  (Director)

**32. LAWSUIT**

As at December 31, 2022 and 2021 the Group have lawsuit as follows:

- 32.1 The Company was sued by several creditors in a civil case for its debt amounting to Baht 11.34 million and Baht 6.57 million respectively. The judge has ordered the case into mediation and the company has entered into a debt restructuring agreement.
- 32.2 As at December 31, 2021 the Company was sued by a creditor for cancellation of service, claiming of Baht 21.49 million. The case is presently in the court.
- 32.3 The Company has Promissory notes payable (See Note 17 to the financial information) sue the Company to repayment the loan with interest amounting to Baht 40.33 million. The case is presently in the court.
- 32.4 The Company has been sued by many employees asking to pay outstanding salary and severance pay in the amounting to Baht 1.24 million baht and 4.83 million baht, respectively. The court mediated the case and the company has entered into a compromise agreement to pay off such debts
- 32.5 During the year the Company has a promissory note payable with 1 related person (See Note 5.2 to the financial information) sue the Company to repayment the loan with interest amounting to Baht 273.20 million. Present, both parties has agreed to enter into mediation process at the Mediation Center.

**33. CAPITAL MANAGEMENT**

The primary objectives of the Group capital management are to maintain their ability to continue as a going concern and to maintain an appropriate capital structure.

As at December 31, 2022 and 2021 debt-to-equity ratio in the consolidated financial statements was 1.99 : 1 and 1.75 : 1 and the separate financial statement was 1.39 : 1 and 1.27 : 1 respectively.

**34. APPROVAL OF FINANCIAL STATEMENT**

These financial statements have been approved by the Company's Board of Directors on February 27, 2023.



Certified by.....*S. S. S.*.....(Director).....*S. S. S.*.....(Director)

## Part IV Certification of the Correctness of Information

### Certification of the Correctness of Information

The Company has carefully reviewed the information in this annual registration statement. The Company hereby certifies that such information is correct, complete, not false, does not mislead the holder or lack of information that should be disclosed in the essence. In addition, the company hereby certifies that

1. The financial statements and financial information that are summarized in the annual registration statement have accurately and completely presented all material information about financial position, performance and cash flow of the Company and subsidiaries.
2. The Company has a good information disclosure system to ensure that the Company has disclosed all material information of the Company and subsidiaries accurately, completely, as well as supervising the implementation of the aforementioned systems.
3. The company has set up a good internal control system and supervised the implementation of the said system. The company has already informed the internal control system assessment information to the Auditor and the Audit Committee of the company, which covers significant deficiencies and changes in the internal control system, including any wrongful actions that may have an impact on the financial reporting of the Company and subsidiaries.

In this regard, as evidence that all documents are the same documents certified by the Company; the Company assigned Ms. Patama Wongtoythong and Mr.Pupaa Taechanarong who signs this document on every page, if any document does not have the signature of Ms. Patama Wongtoythong and Mr.Pupaa Taechanarong the Company will consider it not the information that the Company has

Name	Position	Sign
1. Ms. Patama Wongtoythong	Director	
2. Mr. Pupaa Taechanarong	Director	

certified the accuracy of such information above.