

**SAAM Development Public Company Limited
and its subsidiaries**

Financial statements
for the year ended 31 December 2022

and

Independent Auditor's Report

Independent Auditor’s Report

To the Shareholders of SAAM Development Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of SAAM Development Public Company Limited and its subsidiaries (the “Group”) and of SAAM Development Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2022, the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). 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 and the Company in accordance with Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions 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 judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in the audit
<p>Projects in progress</p> <p>As disclosed in the Note 8 to the financial statements, the Company and indirect subsidiaries are in the process of developing renewable energy projects. Projects in progress comprised the costs and fees of grid application, METI certification, grid interconnection, consultation and other expenses which directly related to the projects. Management needed to exercise substantial judgment in considering and recording these projects in progress.</p>	<p>Key audit procedures included:</p> <p>I audited the project in progress in the Company, and directed and supervised the work of the component auditor related to projects in progress in the indirect subsidiaries to obtain sufficient and appropriate audit evidence on the following:</p> <ul style="list-style-type: none"> • Management’s identification of the valuation of projects in progress by obtaining an understanding of management’s process and assessing the

The key audit matter	How the matter was addressed in the audit
	<p>progress and the possibility of sale of the projects in progress.</p> <ul style="list-style-type: none"> • Reviewing whether the recording of projects in progress was in accordance with Thai Financial Reporting Standards. • The recording of purchase and payment transactions related to the projects in progress during the year (If any) • Examination of representative samples of projects in progress transactions against supporting documents for the additions occurring during the year (If any) <p>In addition, I reviewed the disclosure of information related to projects in progress in the consolidated notes to financial statements.</p>
<p>Investments in subsidiaries</p> <p>As disclosed in Note 9 to the consolidated financial statements, as at 31 December 2022, the Company has investments in subsidiaries amounting to Baht 162 million, which is a significant amount. In assessing any potential impairment of these investments, the management needs to exercise substantial judgment to make forecasts of operating results and projections of future cash flows from investments, including determination of assumptions.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> • Understanding of management’s process of assessing impairment. • Performing substantive testing as follows: <ul style="list-style-type: none"> - Examining the supporting documents in relation to the management consideration of impairment indicators for investment in subsidiaries. - Assessing management’s process of selecting a financial model. - Assessing the appropriateness of valuation model and key assumptions the management applied in preparing plans and projections of cash flows from the investments in subsidiaries - Comparing past cash flows projections with actual operating results.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report other than the consolidated and separate financial statements and my auditor's report thereon. The annual report 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 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, 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 and the Company'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 and the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and 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.



(Pitinan Lilamethwat)
Certified Public Accountant
Registration No. 11133

PKF Audit (Thailand) Ltd.
Bangkok
15 February 2023

SAAM Development Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2022

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<i>(in Baht)</i>					
Assets					
Current assets					
Cash and cash equivalents	5	126,622,247	82,305,963	45,124,520	48,852,042
Short-term investments	6	53,037,482	67,849,949	47,472,829	62,319,413
Trade and other current receivables	7	9,313,391	8,321,031	5,655,855	12,842,796
Projects in progress	8	4,893,256	10,943,366	4,808,719	657,117
Short-term loans to related parties	4	-	-	14,055,806	30,321,990
Other current assets		6,100,866	4,166,594	1,891,954	960,097
Total current assets		199,967,242	173,586,903	119,009,683	155,953,455
Non-current assets					
Investments in subsidiaries	9	-	-	161,711,891	123,961,891
Investment in associate	10.1	30,407,676	-	-	-
Investment properties	11	82,494,500	82,494,500	-	-
Property, plant and equipment	12	105,864,991	112,187,880	2,541,435	3,204,126
Right-of-use assets	13	31,293,775	31,956,386	10,302,182	10,121,981
Intangible assets	14	33,202,517	54,957	49,009	50,803
Deposit for purchase of land and equipment	30.1	26,205,611	26,831,752	-	-
Deferred tax assets	22	902,919	410,717	463,011	298,794
Other non-current assets		1,558,293	1,599,198	257,400	240,900
Total non-current assets		311,930,282	255,535,390	175,324,928	137,878,495
Total assets		511,897,524	429,122,293	294,334,611	293,831,950

SAAM Development Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<i>(in Baht)</i>					
Liabilities and shareholders' equity					
Current liabilities					
Trade and other current payables	15	38,149,844	2,383,562	1,090,664	1,018,244
Contract liabilities	16	26,010,000	28,917,637	26,010,000	26,010,000
Current portion of liabilities under lease agreements	17	2,852,309	3,301,807	1,381,946	1,893,936
Current portion of long-term loans from financial institution	18	7,976,080	14,212,477	-	-
Corporate income tax payable		1,657,102	1,710,434	-	-
Other current liabilities		1,844,687	904,658	1,429,395	513,473
Total current liabilities		78,490,022	51,430,575	29,912,005	29,435,653
Non-current liabilities					
Liabilities under lease agreements - net of current portion	17	20,172,997	19,965,231	7,892,651	7,063,382
Long-term loans from financial institution - net of current portion	18	42,034,720	50,010,800	-	-
Non-current provisions for employee benefits	19	2,599,436	1,926,630	2,332,958	1,677,815
Total non-current liabilities		64,807,153	71,902,661	10,225,609	8,741,197
Total liabilities		143,297,175	123,333,236	40,137,614	38,176,850

SAAM Development Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<i>(in Baht)</i>					
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital					
Registered					
360,000,000 ordinary shares of Baht 0.50 each	24	180,000,000	180,000,000	180,000,000	180,000,000
Issued and fully paid up					
300,006,165 ordinary shares of Baht 0.50 each (2021: 300,000,000 ordinary shares of Baht 0.50 each)		150,003,083	150,000,000	150,003,083	150,000,000
Share premium		99,461,814	99,418,659	99,461,814	99,418,659
Deficit on business combination under common control					
		(577,180)	(688,926)	-	-
Deficit on acquisition of non-controlling interests					
		(453,363)	(453,363)	-	-
Retained earnings					
Appropriated - statutory reserve	20	4,736,216	4,257,973	4,736,216	4,257,973
Unappropriated		113,566,444	52,549,163	(42,045)	1,697,496
Other components of shareholders' equity		1,859,848	702,243	37,929	280,972
Equity attributable to owners of the Company		368,596,862	305,785,749	254,196,997	255,655,100
Non-controlling interests of the subsidiaries		3,487	3,308	-	-
Total shareholders' equity		368,600,349	305,789,057	254,196,997	255,655,100
Total liabilities and shareholders' equity		511,897,524	429,122,293	294,334,611	293,831,950

SAAM Development Public Company Limited and its subsidiaries

Statement of income

For the year ended 31 December 2022

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<i>(in Baht)</i>					
Revenues					
Revenue from sale of goods	23	16,851,251	16,880,385	-	-
Revenue from rendering of services and rental		56,923,928	54,923,040	12,857,365	11,052,849
Dividend income from subsidiaries	4, 9	-	-	13,499,042	10,499,099
Gain on sales of investment in indirect subsidiaries	9.2	51,326,763	-	-	-
Net gain on exchange rate		-	2,418,638	-	11,294
Other income		891,222	1,210,309	12,553,070	12,586,000
Total revenues		125,993,164	75,432,372	38,909,477	34,149,242
Expenses					
Cost of sales of goods		6,161,070	6,231,811	-	-
Costs of rendering of services and rental		13,495,970	12,659,936	6,474,552	3,954,043
Selling and service expenses		197,000	353,167	167,000	203,167
Administrative expenses		26,463,075	19,900,378	18,936,404	16,566,380
Net loss on exchange rate		1,023,546	-	3,559,241	-
Total expenses		47,340,661	39,145,292	29,137,197	20,723,590
Profit from operating activities		78,652,503	36,287,080	9,772,280	13,425,652
Share of profit of associate from using equity method	10.2	407,676	-	-	-
Finance cost		(2,486,952)	(3,157,816)	(347,849)	(498,614)
Profit before income tax expenses		76,573,227	33,129,264	9,424,431	12,927,038
Income tax (benefits) expenses	22	4,287,417	5,436,755	(103,427)	784,371
Profit for the year		72,285,810	27,692,509	9,527,858	12,142,667
Profit (loss) attributable to:					
Equity holders of the Company		72,284,680	27,702,278	9,527,858	12,142,667
Non-controlling interests of the subsidiaries		1,130	(9,769)	-	-
		72,285,810	27,692,509		
Basic earnings per share (Baht)					
	25				
Profit attributable to equity holders of the Company		0.241	0.092	0.032	0.040
Weighted average number of ordinary shares (Shares)		300,001,803	300,000,000	300,001,803	300,000,000
Diluted earning per share (Baht)					
	25				
Profit attributable to equity holders of the Company		0.241	0.092	0.032	0.040
Weighted average number of ordinary shares (Shares)		300,001,803	300,000,000	300,001,803	300,000,000

SAAM Development Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2022

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in Baht)</i>			
Profit for the year	72,285,810	27,692,509	9,527,858	12,142,667
Other comprehensive income				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	1,500,057	192,767	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods	1,500,057	192,767	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Loss on remeasurements of defined benefit plans	(283,163)	-	(303,804)	-
Income tax effect	57,665	-	60,761	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	(225,498)	-	(243,043)	-
Other comprehensive income for the year	1,274,559	192,767	(243,043)	-
Total comprehensive income for the year	73,560,369	27,885,276	9,284,815	12,142,667
Total comprehensive income (expense) attributable to:				
Equity holders of the Company	73,559,232	27,909,097	9,284,815	12,142,667
Non-controlling interests of the subsidiaries	1,137	(23,821)	-	-
	73,560,369	27,885,276		

SAAM Development Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 December 2022

Consolidated financial statements												
Equity attributable to owners of the Company												
Note	Issued and paid up share capital	Share premium	Deficit on business combination under common control	Deficit on acquisition of non-controlling interests	Retained earnings - Appropriated - statutory reserve	Unappropriated - (in Bekt)	Exchange on translation of financial statements in foreign currency	Other components of equity		Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total equity
								Gain (loss) on remeasurements of defined benefit plans	Other comprehensive income			
	150,000,000	99,418,659	(688,926)	-	3,650,840	40,454,018	228,485	266,939	293,330,015	(413,300)	292,916,715	
	-	-	-	-	-	27,702,278	-	-	27,702,278	(9,769)	27,692,509	
	-	-	-	-	-	27,702,278	206,819	-	27,909,097	(14,052)	192,767	
	-	-	-	-	-	27,702,278	206,819	-	27,909,097	(23,821)	27,885,276	
20	-	-	-	-	607,133	(607,133)	-	-	-	-	-	
27	-	-	-	-	(453,363)	(15,000,000)	-	-	(15,000,000)	-	(15,000,000)	
	-	-	-	-	-	-	-	-	(453,363)	441,330	(12,033)	
	-	-	-	-	-	-	-	-	-	(901)	(901)	
	150,000,000	99,418,659	(688,926)	(453,363)	4,257,973	52,549,163	435,304	266,939	305,785,749	3,308	305,789,057	
	150,000,000	99,418,659	(688,926)	(453,363)	4,257,973	52,549,163	435,304	266,939	305,785,749	3,308	305,789,057	
	-	-	-	-	-	72,284,680	-	-	72,284,680	1,130	72,285,810	
	-	-	-	-	-	72,284,680	1,500,053	(225,501)	1,274,552	7	1,274,559	
24	3,083	43,155	-	-	-	72,284,680	1,500,053	(225,501)	73,559,232	1,137	73,560,369	
9.2	-	-	111,746	-	-	-	(116,947)	-	46,238	-	46,238	
	-	-	-	-	478,243	(478,243)	-	-	(10,789,156)	-	(10,789,156)	
27	-	-	-	-	-	(10,789,156)	-	-	(10,789,156)	-	(10,789,156)	
	-	-	-	-	-	-	-	-	-	(958)	(958)	
	150,003,083	99,461,814	(577,180)	(453,363)	4,736,216	113,566,444	1,818,410	41,438	368,596,862	3,487	368,600,349	

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

SAAM Development Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

Separate financial statements							
	Note	Issued and paid up share capital	Share premium	Retained earnings		Gain (loss) on remeasurements of defined benefit plans	Total equity
				Appropriated - statutory reserve	Unappropriated		
				<i>(in Baht)</i>			
Balance as at 1 January 2021		150,000,000	99,418,659	3,650,840	5,161,962	280,972	258,512,433
Profit for the year		-	-	-	12,142,667	-	12,142,667
Total comprehensive income for the year		-	-	-	12,142,667	-	12,142,667
Transferred unappropriated retained earnings to statutory reserve	20	-	-	607,133	(607,133)	-	-
Dividend paid	27	-	-	-	(15,000,000)	-	(15,000,000)
Balance as at 31 December 2021		150,000,000	99,418,659	4,257,973	1,697,496	280,972	255,655,100
Balance as at 1 January 2022		150,000,000	99,418,659	4,257,973	1,697,496	280,972	255,655,100
Profit for the year		-	-	-	9,527,858	-	9,527,858
Other comprehensive income for the year		-	-	-	-	(243,043)	(243,043)
Total comprehensive income for the year		-	-	-	9,527,858	(243,043)	9,284,815
Exercised warrants	24	3,083	43,155	-	-	-	46,238
Transferred unappropriated retained earnings to statutory reserve	20	-	-	478,243	(478,243)	-	-
Dividend paid	27	-	-	-	(10,789,156)	-	(10,789,156)
Balance as at 31 December 2022		150,003,083	99,461,814	4,736,216	(42,045)	37,929	254,196,997

SAAM Development Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2022

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<i>(in Baht)</i>					
Cash flows from operating activities					
Profit before tax		76,573,227	33,129,264	9,424,431	12,927,038
Adjustments to reconcile net profit before tax to net cash provided by (paid from) operating activities:					
Unrealised (gain) loss on exchange rate		1,523,457	(2,432,257)	1,938,472	(11,294)
Gain on measurement of fair value of derivatives		-	(442,166)	-	-
Depreciation and amortisation		9,984,958	10,091,834	2,901,710	3,062,701
Loss on write-off project in progress	8	74,490	-	74,490	-
Gain on cancellation of lease contracts		-	(10,630)	-	(10,630)
(Gain) loss on disposal and write-off of equipment and power plant - equipment		2,304,722	2,858	3,680	(1,833)
Allowance for impairment of power plant - Solar panels	12	-	33,907	-	-
Gain on sales of investment in indirect subsidiaries	9.2	(51,326,763)	-	-	-
Share of profit of associate from using equity method	10.2	(407,676)	-	-	-
Increase in provision for long-term employee benefits	19	389,644	314,477	351,338	274,812
Dividend income	4	-	-	(13,499,042)	(10,499,099)
Interest income		(416,944)	(510,126)	(707,790)	(838,965)
Interest expenses		2,370,154	2,985,609	307,551	383,267
Profit from operating activities before changes in operating assets and liabilities		41,069,269	43,162,770	794,840	5,285,997
Operating assets (increase) decrease					
Trade and other current receivables		(889,787)	(295,339)	6,641,706	(2,524,876)
Project in progress		(4,616,428)	(358,730)	(3,875,046)	(358,730)
Other current assets		(1,316,521)	123,897	(333,599)	120,407
Other non-current assets		40,905	57,448	(16,500)	-
Operating liabilities increase (decrease)					
Trade and other current payables		2,572,014	(174,410)	(315,365)	46,512
Contract liabilities		(2,882,648)	28,917,637	-	26,010,000
Other current liabilities		940,030	(32,466)	915,923	(49,762)
Profit generated from operating activities		34,916,834	71,400,807	3,811,959	28,529,548
Cash received from withholding tax refundable		-	940,903	-	940,903
Cash paid for income tax		(5,399,037)	(6,291,029)	(598,289)	(1,611,500)
Net cash flows from operating activities		29,517,797	66,050,681	3,213,670	27,858,951

SAAM Development Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2022

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<i>(in Baht)</i>					
Cash flows from investing activities					
Cash paid for acquisition of equipment and software computer		(743,627)	(53,445)	(173,410)	(34,027)
Proceed from lease agreements cancellation		-	87,500	-	87,500
Proceed from disposal of equipment		-	3,149	-	3,000
Cash received from settlement of short-term loans					
to related parties	4	-	-	50,100,126	5,000,000
Cash paid to provide short-term loans to related parties	4	-	-	(35,358,000)	(5,930,000)
Dividend received from subsidiaries	4, 9	-	-	13,499,042	10,499,099
Short-term investment (increase) decrease	6	14,812,467	(46,199,460)	14,846,584	(40,668,924)
Cash received from interest income		314,372	573,248	838,609	613,358
Cash received from disposal of					
investment in indirect subsidiaries		61,636,053	-	-	-
Cash paid for acquisition of investment in subsidiaries	9	-	(12,033)	(37,750,000)	
Cash paid for acquisition of investment in associate	10	(30,000,000)	-	-	-
Net cash flows (paid) from investing activities		46,019,265	(45,601,041)	6,002,951	(30,429,994)
Cash flows from financing activities					
Cash paid for lease liabilities		(3,301,544)	(3,152,105)	(1,893,674)	(1,817,957)
Repayment of long-term loans from financial institution	18	(14,212,477)	(18,225,847)	-	-
Cash received from exercised warrants		46,238	-	46,238	-
Dividend paid	27	(10,789,156)	(15,000,000)	(10,789,156)	(15,000,000)
Cash paid for interest expenses		(2,362,627)	(3,056,190)	(307,551)	(383,267)
Decrease in non-controlling interest of the subsidiaries					
from dividend payment		(958)	(901)	-	-
Net cash flows used in financing activities		(30,620,524)	(39,435,043)	(12,944,143)	(17,201,224)
Effect of exchange rate changes on cash and cash equivalents		(600,254)	194,258	-	-
Net increase (decrease) in cash and cash equivalents		44,316,284	(18,791,145)	(3,727,522)	(19,772,267)
Cash and cash equivalents at beginning of year		82,305,963	101,097,108	48,852,042	68,624,309
Cash and cash equivalents at end of year		126,622,247	82,305,963	45,124,520	48,852,042
Non-cash transactions					
Off-set between trade account receivable - related party					
and other payable - related party		-	-	-	301,330
Investing in project in progress for which payment has					
not yet been made		-	-	351,045	298,387
Intangible asset for which payment has not yet been made	14	33,150,000	-	-	-
Equipment for which payment has not yet been made		36,740	-	36,740	-
Right-of-use increased form lease liabilities		3,059,812	-	2,210,954	-

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

1. General information

SAAM Development Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its registered office address is at Major Tower Thonglor, Room No. 2.2, 10th Floor, 141 Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, Klongton Nua, Wattana, Bangkok.

The Company’s major shareholder during the financial year was Mr. Podduang Kongkamee who held 35.10% of shareholding.

The principal activities of the Group are producing and distributing electricity from solar energy, developing renewable energy power plant projects for sale including procuring project land and providing related services and investing in renewable energy power plants and non-energy businesses.

2. Basis of preparation of the financial statements

2.1 Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

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

2.2 Basis of consolidation

The consolidated financial statements relate to SAAM Development Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (together referred to as the “the Group”) and the Group’s interests in associate (“the associate”) as follows :

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022 %	2021 %
Subsidiaries				
SAAM One Co., Ltd.	Project site procurement and rendering of services	Thailand	99.99	99.99
SAAM Two Co., Ltd.	Project site procurement and rendering of services	Thailand	99.98	99.98

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022 %	2021 %
<i>Subsidiaries</i>				
SAAM Three Co., Ltd.	Project site procurement and rendering of services	Thailand	99.99	99.99
SAAM Solutions Co., Ltd.	Renewable energy related business operations and investing in energy and non-energy businesses	Thailand	99.99	99.99
SAAM Solar Power One Co., Ltd.	Renewable energy project investment	Thailand	99.99	99.99
SAAM Solar Power Two Co., Ltd.	Renewable energy project investment	Thailand	99.99	99.99
SAAM International Limited	Renewable energy project development for sale and international renewable energy project	Hong Kong	100	100
SAAM Japan Energy GK	Renewable energy project development for sale in Japan and related business	Japan	100	100
<i>Indirect subsidiaries</i>				
Biomass Power One GK	Renewable energy project development for sale	Japan	100	100
Biomass Power Two GK	Renewable energy project development for sale	Japan	100	100
Biomass Power Three GK	Renewable energy project development for sale	Japan	-	100
Biomass Power Four GK	Renewable energy project development for sale	Japan	-	100
Biomass Power Five GK	Renewable energy project development for sale	Japan	100	100
Biomass Power Six GK	Renewable energy project development for sale	Japan	100	100
Biomass Power Seven GK	Renewable energy project development for sale	Japan	100	100

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2022	2021
			%	%
Indirect subsidiaries				
Biomass Power Eight GK	Renewable energy project development for sale	Japan	100	100
Associate (Note 10)				
Nanuq Co., Ltd. and its subsidiary	Game design and production services and game distribution	Thailand	40	-

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it 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 financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

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.

Loss of control

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Transactions eliminated on consolidation

Intra-Group balances and transactions, and any unrealized income or expenses arising from intra-Group transactions, are eliminated. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

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

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

2.3 Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional currency.

All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

2.4 Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

(1) Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Note 3.11 and 13

Leases:

- whether an arrangement contains a lease;
- whether the Group is reasonably certain to exercise extension options;
- whether the Group exercise termination options;
- whether the Group has transferred substantially all the risks and rewards incidental to the ownership of the assets to lessees.

(2) Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 December 2022 that have a significant risk of resulting in material adjustments to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note 3.11	Determining the incremental borrowing rate to measure lease liabilities.
Note 3.9, 3.10 and 3.11	Estimation of useful life of assets.
Note 3.6 and 3.12	Measurement of ECL allowance for trade receivables and contract assets: key assumptions in determining the weighted-average loss rate.
Note 3.1, 3.2, 9 and 10	Measurement of investment adjusted for impairment losses
Note 3.7, 3.12 and 8	Impairment test of projects in process: Key assumptions underlying recoverable amount.
Note 3.19	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized.
Note 3.13	Measurement of defined benefit obligations: key actuarial assumptions.
Note 3.15 and 28.5	Determining the fair value of financial instruments on the basis of significant unobservable inputs.
Note 3.14	Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

3. Significant accounting policies

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

3.1 Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are measured at cost less allowance for impairment losses.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

3.2 *Investment in associate*

Investment in associate in the separate financial statements of the Company is measured at cost less allowance for impairment losses method. Investment in associate in the consolidated financial statements is accounted for using the equity method.

3.3 *Foreign currencies*

Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated to the functional currency at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the end of reporting period.

Gains and losses on exchange are included in determining income.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognized in other comprehensive income and accumulated in the translation reserve, except to the extent that the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognized in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

3.4 *Financial instruments*

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

Classification and measurement of financial assets

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

Financial assets at amortized cost

The Group measures 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 profit or loss when the asset is derecognized, modified or impaired.

Financial assets at FVTPL

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

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

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's 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 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 profit or loss.

Derecognition of financial instruments

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 statement of profit or loss.

Derivatives

The Group uses interest rate swaps as a derivative. Derivatives are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognized in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivative is presented as a non-current derivative asset or a non-current derivative liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realized or settled within 12 months. Other derivatives are presented as current derivative assets or current derivative liabilities.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

3.5 Cash and cash equivalents

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

3.6 Trade and other accounts receivable

A receivable is measured at transaction price less allowance for expected credit loss which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

3.7 Inventories

Projects in progress are cost of projects of which revenue has not yet been recognized. Projects in progress are valued at the actual cost which are comprised of the costs and fees of grid application, METI certification, grid interconnection, consultation and other expenses which are directly related to the projects.

3.8 Investment properties

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

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

3.9 Property, plant and equipment

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

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

Power plant	18 and 25	years
Buildings and building improvement	5, 10 and 20	years
Tools and equipment	5	years
Furniture and office equipment	5	years
Motor vehicles	5	years

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Depreciation is included in determining income. No depreciation is provided on land and assets under construction.

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

3.10 Intangible assets

Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 10 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

Research and development/Intangible assets developed by the company itself or hired to develop

Research expenditure is recognised as an expense as incurred.

Game development cost is recognised as an asset when the Company can demonstrate all of the following:

- the expenditure attributable to its development can be measured reliably;
- the Company can demonstrate that it is technically, financially, commercially, and resourcefully feasible; and
- the Company intends to and has the ability to complete the development for the purpose of using or selling.

Game development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Capitalised game development costs are amortised when the asset is ready to sell over the period of its expected benefit.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

3.11 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognized as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments include fixed payments less any lease incentive receivable, amounts under options if the Group is reasonably certain to exercise the option. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the accounting period in which they are incurred.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

When the Group acts as a lessor, it determines at lease inception whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The Group recognizes lease payments received under operating leases as rental income on a straight-line basis over the lease term as part of 'rental income.' Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as rental income in the accounting period in which they are earned.

3.12 Impairment of assets

Impairment of financial 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 recognises 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.

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

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Impairment of non-financial assets

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

An impairment loss is recognized in profit or loss.

3.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined benefit plans

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

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

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

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 Group recognizes restructuring-related costs.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

3.14 Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as a finance cost.

3.15 Fair value measurement

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

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3.16 Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognized as a deduction from equity, net of any tax effects.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

3.17 Revenue

Revenue from sale of goods

Sale of electricity is recognized based on the amount of electricity produced and the agreed tariff (Feed-in Tariff) at the point in time when control of the electricity is transferred to the customer.

Revenue from rendering of services consists of;

- Revenue from procuring power plant locations and maintenance of power plant equipment which is recognized over time when services have been rendered based on the rates and periods as stipulated in the agreements.
- Revenue from rendering of development service of Biomass Power Projects in Japan which is recognized when the services are provided and meet each milestone as stated in the contracts.

Rental income

Income from rental of power plant locations is recognized on an accrual basis based on a straight-line basis over the lease term.

3.18 Other income

Other income comprises dividend, interest income and others. Dividend income is recognized in profit or loss on the date on which the Group's right to receive payment is established.

Dividends

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

Interest

Interest income or expense is recognized using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.19 Income tax

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

Current tax

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

Deferred tax

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

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

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

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

3.20 Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, for the effects of all dilutive potential ordinary shares, which comprise warrants.

3.21 Related parties

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

3.22 Segment reporting

Segment results that are reported to the Group's highest decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4. Related party transactions

Relationships with subsidiaries and associate are disclosed in Notes 2.2 ,9 and 10. Relationships with management and other related parties are as follows:

<u>Name of entities</u>	<u>Nationality</u>	<u>Nature of relationships</u>
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

During the year 2022 and 2021, the Group had significant business transactions with related parties, principally in respect of the provision of services and loans. The pricing policies for these related party transactions are summarized as follows:

1. Management fees and operation fees are charged at the amount stated in the agreements.
2. Interest on loans is charged at 1.25 percent per annum (2021: 1.25 percent per annum).
3. Dividend income is recognized when declared and the right to receive the dividends is established.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<u>Transactions with subsidiary companies</u>				
(eliminated from the consolidated financial statements)				
Service income	-	-	4,896	2,210
Management income	-	-	11,520	11,520
Dividend income	-	-	13,499	10,499
Interest income	-	-	344	375

Transactions with key management

Dividend paid	1	1	-	-
---------------	---	---	---	---

As at 31 December 2022 and 2021, the balances of the accounts between the Company and those related companies are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<u>Trade and other accounts receivable - related parties (Note 7)</u>				
Subsidiaries	-	-	4,047	10,772
Total	-	-	4,047	10,772
<u>Work in process</u>				
Subsidiary	-	-	1,448	298
Total	-	-	1,448	298
<u>Trade accounts payable - related party (Note 15)</u>				
Subsidiary	-	-	351	298
Total	-	-	351	298

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Short-term loans to related parties

As at 31 December 2022 and 2021, the balance of loans between the Company and those related companies and the movement are as follows:

Short-term loans to	Related by	Separate financial statements					Balance as at 31 December 2022
		Balance as at 31 December 2021	During the year		Unrealised loss on exchange rate	Transfer loan to related party	
			Increase	Decrease			
<i>(in thousand Baht)</i>							
SAAM Three Co., Ltd.	Subsidiary	4,500	1,000	(5,500)	-	-	-
SAAM Solutions Co., Ltd.	Subsidiary	-	30,000	(30,000)	-	-	-
SAAM International Limited	Subsidiary	25,822	-	(11,390)	(1,018)	(13,414)	-
SAAM Japan Energy GK	Subsidiary	-	4,358	(3,210)	(506)	13,414	14,056
Total		30,322	35,358	(50,100)	(1,524)	-	14,056

On 5 May 2022, the short-term loan to SAAM International Limited amounting to Yen 90 million has been fully settled by cash amounting to Yen 39.38 million or equivalent to Baht 10.44 million and by transferring loan to SAAM Japan Energy GK amounting to Yen 50.62 million or equivalent to Baht 13.41 million, for a period of 8 months and bearing the interest rate at 1.25 percent per annum. The amount of loan transferring is equal to the amount that SAAM International Limited had loaned to SAAM Japan Energy GK.

Short-term loans to	Related by	Separate financial statements				Balance as at 31 December 2021
		Balance as at 31 December 2020	During the year		Unrealized gain on exchange rate	
			Increase	Decrease		
<i>(in thousand Baht)</i>						
SAAM Three Co., Ltd.	Subsidiary	5,000	4,500	(5,000)	-	4,500
SAAM International Limited	Subsidiary	24,384	1,430	-	8	25,822
Total		29,384	5,930	(5,000)	8	30,322

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Directors and management's benefits

During the year ended 31 December 2022 and 2021, the Group had employee benefit expenses to their directors and management as below.

	Consolidated and Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Short-term employee benefits	6,330	4,970
Post-employment benefits	226	156
Total	<u>6,556</u>	<u>5,126</u>

Service and management agreements

The Company entered into the service and management agreements with three subsidiaries, consisting of SAAM One Co., Ltd, SAAM Two Co., Ltd and SAAM Three Co., Ltd. The agreements are effective in October 2016 up until cancelled by each party. Under the agreements, the subsidiaries have to pay a monthly service fee at the rates stipulated in the agreements.

The Company entered into the service and management agreements with SAAM Japan Energy GK. The agreement is effective in July 2018 up until cancelled by each party. Under the agreement, the subsidiary company has to pay a quarterly service fee at the rates as stipulated in the agreements.

The Company entered into the management services agreement in developing Biomass Energy projects in Japan with SAAM Japan Energy GK, the subsidiary. The agreement is effective on 1 October 2021 up until cancelled by each party. Under the agreements, the Company has to pay a quarterly service fee at the rates stipulated in the agreement.

5. Cash and cash equivalents

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Cash	85	94	15	15
Bank deposits	126,537	67,191	45,110	33,816
Highly liquid short-term investments	-	15,021	-	15,021
Total	<u>126,622</u>	<u>82,306</u>	<u>45,125</u>	<u>48,852</u>

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

As at 31 December 2022, bank deposits in saving accounts earned interest at 0.25 - 0.30 percent per annum (2021: 0.05 - 0.10 percent per annum) and there is no balance of the highly liquid short-term investment (2021: the highly liquid short-term investments were 3-month fixed deposits, carried interest at 0.45 percent per annum).

6. Short-term investments

	Consolidated financial statements			
	2022	2021	2022	2021
	<i>(Interest rate per annum)</i>		<i>(in thousand Baht)</i>	
Short-term deposits at financial institution	0.35 - 0.95	0.45 - 0.60	53,037	67,850
Total			53,037	67,850

	Separate financial statements			
	2022	2021	2022	2021
	<i>(Interest rate per annum)</i>		<i>(in thousand Baht)</i>	
Short-term deposits at financial institution	0.55 - 0.95	0.45 - 0.50	47,473	62,319
Total			47,473	62,319

7. Trade and other current receivables

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<u>Trade accounts receivable - related parties</u>				
(Note 4)				
Aged on the basis of due dates				
Within credit terms	-	-	290	162
Overdue:				
Less than 3 months	-	-	145	655
3 - 6 months	-	-	145	689
6 - 12 months	-	-	290	1,397
Over 12 months	-	-	2,944	7,440
Total trade accounts receivable - related parties	-	-	3,814	10,343

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Within credit terms	7,799	7,601	1,366	1,577
Total trade accounts receivable				
- unrelated parties	7,799	7,601	1,366	1,577
<u>Other receivables</u>				
Accrued interest income - related parties				
(Note 4)	-	-	114	353
Accrued interest income - unrelated parties	140	37	121	12
Other receivables - related parties				
(Note 4)	-	-	119	76
Other receivables - unrelated parties	993	-	-	-
Prepaid expenses	234	586	122	482
Value added tax refundable	147	97	-	-
Total other receivables	1,514	720	476	923
Total	9,313	8,321	5,656	12,843

8. Projects in progress

The net book value of projects in progress as at 31 December 2022 and 2021 is presented below.

	Consolidated financial statements					
	Cost		Translation adjustment		Project in progress-net	
	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>					
Grid application	112	121	-	5	112	126
Grid interconnection	-	8,451	-	(70)	-	8,381
Consultation fee	4,926	1,942	(261)	(14)	4,665	1,928
Others	116	510	-	(2)	116	508
Total	5,154	11,024	(261)	(81)	4,893	10,943

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

	Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Grid application	112	-
Consultation fee	4,851	657
Others	116	-
Total	4,809	657

During the year 2022, the Company has written off of projects in progress of Baht 0.07 million which was recognized as an expense in the statement of income because the company considered that those costs did not have a future economic benefit. (2021: the Group had no write off of projects in progress)

9. Investments in subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the years	
	2022	2021	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>		<i>(percent)</i>		<i>(in thousand Baht)</i>			
SAAM One Co., Ltd.	4,000	4,000	99.99	99.99	4,000	4,000	4,700	4,200
SAAM Two Co., Ltd.	1,500	1,500	99.98	99.98	1,500	1,500	2,799	2,799
SAAM Three Co., Ltd.	30,000	30,000	99.99	99.99	30,000	30,000	-	-
SAAM Solutions Co., Ltd.	40,000	2,250	99.99	99.99	40,000	2,250	-	-
SAAM Solar Power One Co., Ltd.	40,000	40,000	99.99	99.99	39,999	39,999	6,000	3,500
SAAM Solar Power Two Co., Ltd.	40,000	40,000	99.99	99.99	39,999	39,999	-	-
SAAM International Limited	HKD 1.5 million	HKD 1.5 million	100	100	5,912	5,912	-	-
SAAM Japan Energy GK	JPY 1 million	JPY 1 million	100	100	302	302	-	-
Total					161,712	123,962	13,499	10,499

9.1 SAAM Solutions Co., Ltd.

On 22 March 2022, SAAM Solutions Co., Ltd., "the subsidiary", called up share capital in total of Baht 3.75 million which increased the paid-up share capital from Baht 25 to Baht 100 per share of 50,000 ordinary shares. The Company made payment for the increase of paid-up share capital on 24 March 2022.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

On 30 August 2022, the Extraordinary General Meeting of shareholders of the subsidiary passed on the resolution to approve the increase of the registered share capital amounting to Baht 44 million from the registered share capital of Baht 6 million to be Baht 50 million by issuing 440,000 shares new ordinary shares of Baht 100 Baht per share. On 1 September 2022, the subsidiary called up the increase of the registered share capital at 34,000 shares of Baht 100 per share. The Company paid 100% of subscription price in proportion to its shareholding, totaling Baht 34 million. The subsidiary registered the increase of its share capital on 1 September 2022.

9.2 Biomass Power Three GK (“BMP-3”) and Biomass Power Four GK (“BMP-4”)

On 22 February 2022, the Executive Committee Meeting approved the disposition of investments in BMP-3 and BMP-4 which the Company indirectly held 100% stake, in a total price of Yen 218.8 million or equivalent to Baht 61.6 million. The effect of the disposal of investment in BMP-3 and BMP-4 on the consolidated statement of financial position at the date that the Group’s control over BMP-3 and BMP-4 ceased was as follows:

	<i>(in thousand Baht)</i>
Projects in progress	10,314
Net assets	10,314
<i>Less</i> Translating foreign operation	(117)
<i>Add</i> Deficit on business combination under common control	112
Carrying amounts of interest in indirect subsidiaries	10,309

Gain on sales of investment in indirect subsidiaries recognized in the consolidated statement of comprehensive income was as follow:

	<i>(in thousand Baht)</i>
Disposal proceeds	61,636
<i>Less</i> carrying amounts of interest in indirect subsidiaries	(10,309)
Gain on sales of investment in indirect subsidiaries	51,327

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

10. Investment in associate

10.1 Detail of investment in associate

		Consolidated financial statements						
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method	
			2022	2021	2022	2021	2022	2021
			(%)		(in thousand Baht)			
Nanuq Co., Ltd. and its subsidiary	Manufacture of other games and toys, not elsewhere classified	Thailand	40	-	30,000	-	30,408	-
Total					30,000	-	30,408	-

Nanuq Company Limited ("NANUQ")

On 17 June 2022, the Board of Directors Meeting passed a resolution approving SAAM Solutions Co., Ltd., the subsidiary of the Company, to invest in additional ordinary shares of NANUQ, totaling 8,000 ordinary shares representing 40% of its shares in total price of Baht 30 million. The investment in NANUQ is accounted as an associate because the Group has significant influence in NANUQ. NANUQ's main business operations are to provide comprehensive game design and game production services.

10.2 Share of gain of associate from using equity method

During the period from 17 June 2022 to 31 December 2022, the Company recognised its share of gain from investment in associate in the consolidated financial statements as follows:

Company's name	Consolidated financial statements	
	2022	
	(in thousand Baht)	
Nanuq Co.,Ltd. and its subsidiary	408	
Total	408	

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

10.3 Summarised financial information about investment in associate

Summarised information about financial position as at 31 December 2022.

	Nanuq Co., Ltd. and its subsidiary
	2022
	<i>(in thousand Baht)</i>
Cash and cash equivalents	4,886
Trade accounts and others receivable	3,189
Intangible asset	22,384
Equipment-net	1,720
Deferred tax assets	22
Trade and other current payables	(1,986)
Contract liabilities	(7,000)
Income tax payable	(96)
Employee benefit obligations	(615)
Net assets as at 31 December 2022 (100%)	22,504
Non-controlling interests	31
Capital ratio	40%
Net assets as at 31 December 2022 - Equity holders of the Company	9,014
Goodwill	21,394
Carrying amounts of associate based on equity method	30,408

Summarised information about profit and loss for the year ended 31 December 2022.

	Nanuq Co., Ltd. and the subsidiary
	2022
	<i>(in thousand Baht)</i>
Revenue from service	9,415
Profit (loss) from continuing operations	(3,756)
Post-tax profit (loss) from continuing operations	(4,100)
Total comprehensive income (100%)	1,019
Group's share of total comprehensive income	408

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

11. Investment properties

Investment properties of a subsidiary company are land at cost of Baht 82.5 million and are located in Phetchaburi and Prachuap Khiri Khan provinces. Most of the investment properties are rented to operators of solar power plant for 25 years, while part of them is held for long-term investment.

For the years ended 31 December 2022 and 2021, the subsidiary company has rental income related to these rental agreements as follows.

	Consolidated financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Rental income	13,152	13,152

As at 31 December 2021, the subsidiary company had pledged its land which net book value amounting to approximately Baht 82.5 million as collateral against credit facilities received from a financial institution.

On 15 December 2022, the subsidiary has redeemed the land held as investment properties which had been pledged as collateral against credit facilities because subsidiary had paid a final installment of long-term loan to financial institution as disclosed in Note 18 to financial statements.

The fair value of the investment properties as disclosure as at 31 December 2022 and 2021 stated below:

	Consolidated financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Land	135,906	135,906

The fair value of the above investment properties have been determined based on valuation performed by an accredited independent valuer on 6 October 2021. The fair value of the land held for rent and the land held for long-term investment have been determined using the income approach and market approach, respectively. Key assumptions used in the valuation include yield rate, inflation rate and long-term growth in real rental rates. The fair value of investment property has been categorised as a Level 2 fair value.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

12. Property, plant and equipment

	Consolidated financial statements							Total
	Land	Power plant	Buildings and building improvement	Tools and equipment	Furniture and office equipment	Motor vehicles	Assets under construction	
	<i>(in thousand Baht)</i>							
Cost								
31 December 2020	10,730	127,902	6,737	308	1,146	9,949	4,562	161,334
Additions	-	-	-	15	38	-	-	53
Disposals/write-off	-	-	-	(14)	(76)	-	-	(90)
31 December 2021	10,730	127,902	6,737	309	1,108	9,949	4,562	161,297
Additions	-	122	-	448	202	-	-	772
Transfer from other current assets	-	-	-	6	-	-	-	6
Write-off	-	(1,128)	-	-	(18)	-	-	(1,146)
Reclassification	-	-	-	4	(4)	-	-	-
31 December 2022	10,730	126,896	6,737	767	1,288	9,949	4,562	160,929
Accumulated depreciation								
31 December 2020	-	26,330	3,086	157	812	7,917	-	38,302
Depreciation for the year	-	5,083	438	62	210	503	-	6,296
Accumulated depreciation of disposals/write-off assets	-	-	-	(10)	(75)	-	-	(85)
31 December 2021	-	31,413	3,524	209	947	8,420	-	44,513
Depreciation for the year	-	5,088	437	109	115	503	-	6,252
Accumulated depreciation of write-off assets	-	(282)	-	-	(15)	-	-	(297)
31 December 2022	-	36,219	3,961	318	1,047	8,923	-	50,468
Allowance for impairment loss								
31 December 2021	-	34	-	-	-	-	4,562	4,596
31 December 2022	-	34	-	-	-	-	4,562	4,596
Net book value								
31 December 2021	10,730	96,455	3,213	100	161	1,529	-	112,188
31 December 2022	10,730	90,643	2,776	449	241	1,026	-	105,865
Depreciation for the year								
2021 (Baht 5,433 thousand included in cost of sale and service, and the balance in administrative expenses)								6,296
2022 (Baht 5,484 thousand included in cost of sale and service, and the balance in administrative expenses)								6,252

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

	Separate financial statements				Total
	Buildings and building improvement	Tools and equipment	Furniture and office equipment	Motor vehicles	
	<i>(in thousand Baht)</i>				
Cost					
31 December 2020	2,982	58	1,077	6,949	11,066
Additions	-	-	34	-	34
Disposals/write-off	-	-	(76)	-	(76)
31 December 2021	2,982	58	1,035	6,949	11,024
Additions	-	-	202	-	202
Write-off	-	-	(18)	-	(18)
31 December 2022	2,982	58	1,219	6,949	11,208
Accumulated depreciation					
31 December 2020	1,248	28	743	4,917	6,936
Depreciation for the year	235	12	209	503	959
Accumulated depreciation of disposals/write-off assets	-	-	(75)	-	(75)
31 December 2021	1,483	40	877	5,420	7,820
Depreciation for the year	234	9	115	503	861
Accumulated depreciation write-off assets	-	-	(14)	-	(14)
31 December 2022	1,717	49	978	5,923	8,667
Net book value					
31 December 2021	1,499	18	158	1,529	3,204
31 December 2022	1,265	9	241	1,026	2,541
Depreciation for the year					
2021 (Baht 96 thousand included in cost of service, and the balance in administrative expense)					959
2022 (Baht 93 thousand included in cost of service, and the balance in administrative expense)					861

As at 31 December 2022, certain items of plant and equipment of the Group and the Company were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 8.4 million and 5.3 million, respectively (2021: Baht 7.5 million and Baht 4.5 million, respectively).

The subsidiaries have pledged their land and construction amounting to approximately Baht 101.4 million (2021: Baht 107.2 million) as collateral against credit facilities received from financial institutions as described in Note 18 to the financial statements.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

13. Leases

As a lessee

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Right-of-use assets				
Land	29,083	31,037	8,091	9,203
Buildings	2,211	919	2,211	919
Total	31,294	31,956	10,302	10,122

The Group leases various land for 8 to 25 years and leases office buildings for 3 years. The rental is payable monthly as specified in the contract.

During the year 2021, the Company and the lessors entered into land lease cancellation agreements for Petchaburi Project in total of 17 rai 3 ngan 71 square wa. This is to be more efficient and consistent with space requirements of the projects. As a result, the net right-of-use assets decreased by Baht 0.73 million.

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Lease payments	<i>(in thousand Baht)</i>			
Fixed payments	4,136	4,113	2,201	2,201
Total	4,136	4,113	2,201	2,201

Amounts recognized in profit or loss

Depreciation of right-of-use assets:

- Land	2,803	2,864	1,112	1,173
- Buildings	919	919	919	919
Interest on lease liabilities	834	961	307	383
Expenses relating to leases of low-value assets	42	31	42	31

In 2022, total cash outflow for leases of the Group and the Company were Baht 4.18 million and Baht 2.24 million, respectively. (2021: Baht 4.19 million and Baht 2.21 million, respectively).

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

As a lessor

The investment properties comprise of lands that are leased to third parties under operating leases. Each of the leases contains an initial non-cancellable period of 25 years. The rental income of investment properties is fixed under the contracts.

	Consolidated financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Minimum lease payments under non-cancellable leases are receivable</i>		
Within 1 year	13,152	13,152
1 - 5 years	52,608	52,608
After 5 years	170,976	184,128
Total	<u>236,736</u>	<u>249,888</u>

14. Intangible assets

	Consolidated financial statements		
	Computer software	Game under development cost <i>(in thousand Baht)</i>	Total
<i>Cost</i>			
At 1 January 2021	116	-	116
At 31 December 2021 and 1 January 2022	116	-	116
Additions	8	33,150	33,158
At 31 December 2022	124	33,150	33,274
<i>Amortization</i>			
At 1 January 2021	48	-	48
Amortization for the year	13	-	13
At 31 December 2021 and 1 January 2022	61	-	61
Amortization for the year	10	-	10
At 31 December 2022	71	-	71
<i>Net book value</i>			
At 31 December 2021	55	-	55
At 31 December 2022	53	33,150	33,203

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

	Separate financial statements Computer software <i>(in thousand Baht)</i>
Cost	
At 1 January 2021	110
At 31 December 2021 and 1 January 2022	110
Additions	8
At 31 December 2022	118
Amortization	
At 1 January 2021	47
Amortization for the year	12
At 31 December 2021 and 1 January 2022	59
Amortization for the year	10
At 31 December 2022	69
Net book value	
At 31 December 2021	51
At 31 December 2022	49

15. Trade and other current payables

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Trade accounts payable - related party (Note 4)	-	-	351	298
Trade accounts payable - unrelated parties	35,953	473	97	82
Accrued expenses	1,022	1,048	311	409
Other payables	514	206	248	140
Accrued interest expense	376	369	-	-
Value added tax payable	285	288	84	89
Total	38,150	2,384	1,091	1,018

16. Contract liabilities

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Advance received from customers for project development services	26,010	28,918	26,010	26,010

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

As of 31 December 2022, the Group has contract liabilities - unearned revenue amounting to Baht 26 million for development services of Biomass Power projects in Japan to be provided based on the Development Service Agreement with one unrelated company.

As of 31 December 2021, the Group have contract liabilities - unearned revenue amounting to Baht 29 million for development services of Biomass Power projects in Japan to be provided based on the two Development Service Agreements with two unrelated companies. One agreement was made by the Company which has contract liability amounting to Baht 26 million and the other agreement was made by the subsidiary in Japan which has contract liability amounting to Baht 3 million.

Movements of contract liabilities as at 31 December 2022 and 2021 are summarised below.

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Balance as at 31 December 2021	28,918	26,010
Less Revenue from rendering of development service of Biomass Power Projects in Japan recognised during the year	(2,883)	-
Translation adjustment	(25)	-
Balance as at 31 December 2022	<u>26,010</u>	<u>26,010</u>

17. Lease liabilities

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Lease liabilities	26,704	27,469	10,536	10,266
Less Deferred interest expense	(3,679)	(4,202)	(1,261)	(1,309)
Total	<u>23,025</u>	<u>23,267</u>	<u>9,275</u>	<u>8,957</u>
Less Current portion	(2,852)	(3,302)	(1,382)	(1,894)
Lease liabilities - net of current portion	<u>20,173</u>	<u>19,965</u>	<u>7,893</u>	<u>7,063</u>

The Group has entered into office space and land lease agreements for use in their operation. The term of the agreements are generally between 3 and 25 years.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Future minimum lease payments required under the lease agreements were as follows:

	Consolidated financial statements							
	2022				2021			
	Less than 1 year	1 - 5 years	Over 5 years	Total	Less than 1 year	1 - 5 years	Over 5 years	Total
	<i>(in thousand Baht)</i>							
Future minimum lease payments	3,686	14,465	8,553	26,704	4,136	12,074	11,259	27,469
Deferred interest expenses	(834)	(2,269)	(576)	(3,679)	(834)	(2,426)	(942)	(4,202)
Present value of future minimum lease payments	2,852	12,196	7,977	23,025	3,302	9,648	10,317	23,267
	Separate financial statements							
	2022				2021			
	Less than 1 year	1 - 5 years	Over 5 years	Total	Less than 1 year	1 - 5 years	Over 5 years	Total
	<i>(in thousand Baht)</i>							
Future minimum lease payments	1,711	6,975	1,850	10,536	2,201	5,263	2,802	10,266
Deferred interest expenses	(329)	(835)	(97)	(1,261)	(307)	(810)	(192)	(1,309)
Present value of future minimum lease payments	1,382	6,140	1,753	9,275	1,894	4,453	2,610	8,957

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

18. Long-term loans from financial institutions

The detail of long-term loans from financial institutions as at 31 December 2022 and 2021 are summarised below:

No.	Lender	Credit facilities (in million Baht)	Significant terms and conditions of loan agreements			Consolidated financial statements	
			Repayment term	Collateral	Interest rate (percent per annum)	2022	2021
Subsidiaries							
SAAM Three Co., Ltd.							
1	Bank	70	76 monthly installments with the first installment due on 7 April 2016.	Land classified as investment properties of the subsidiary company (Note 11)	MLR - 1.5	-	6,531
SAAM Solar Power One Co., Ltd.							
2	Bank	95.2	51 quarterly installments with the first installment due on 7 April 2016.	Mortgage of the subsidiary company's ordinary shares, land and construction thereon	BIBOR 3 month + 2	50,011	57,692
Total long-term loans from financial institution						50,011	64,223
Less current portion						(7,976)	(14,212)
Long-term loans from financial institutions - net of current portion						42,035	50,011

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Movement in the long-term loans account for the years ended 31 December 2022 and 2021 are summarised below.

	Consolidated	
	financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Balance as at 1 January	64,223	82,449
Less Repayment	(14,212)	(18,226)
Balance as at 31 December	<u>50,011</u>	<u>64,223</u>

The loan agreements contain several covenants which, among other things, require the subsidiaries to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

19. Non-current provisions for employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Provision for long-term employee benefits at beginning of year	1,927	1,612	1,678	1,403
Included in profit or loss :				
Current service cost	340	286	306	249
Interest cost	49	29	45	26
	<u>2,316</u>	<u>1,927</u>	<u>2,029</u>	<u>1,678</u>
Included in other comprehensive income :				
Actuarial loss				
- Financial assumptions changes	71	-	96	-
- Experience adjustments	212	-	208	-
Provision for long-term employee benefits at end of year	<u>2,599</u>	<u>1,927</u>	<u>2,333</u>	<u>1,678</u>

As at 31 December 2022, the Group do not expect to pay long-term employee benefits during the next year. (2021: the Group did not expect to pay long-term employee benefits during the next year).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit of the Group and the Company are 10 - 13 years and 13 years, respectively (2021: 7 - 14 years and 14 years, respectively).

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Significant actuarial assumptions are summarized below:

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(percent per annum)</i>			
Discount rate	1.94- 2.29	1.51 - 1.84	2.29	1.84
Salary increase rate	3.00 - 5.00	4.00	5.00	4.00
Turnover rate	1.91 - 22.92	1.91 - 22.92	1.91 - 22.92	1.91 - 22.92

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant:

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarized below:

	Consolidated financial statements			
	2022		2021	
	Increase (decrease) in liabilities		Increase (decrease) in liabilities	
	<i>(in thousand Baht)</i>			
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(114)	121	(92)	98
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Salary increase rate	259	(233)	227	(201)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Turnover rate	(180)	205	(168)	193

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

	Separate financial statements			
	2022		2021	
	Increase (decrease) in liabilities		Increase (decrease) in liabilities	
	<i>(in thousand Baht)</i>			
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(106)	113	(83)	88
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Salary increase rate	239	(215)	204	(181)
	Increase 20%	Decrease 20%	Increase 20%	Decrease 20%
Turnover rate	(167)	190	(151)	173

20. Statutory 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 at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. During the year 2022, the Company set additional statutory reserve of Baht 0.5 million (2021: Baht 0.6 million).

As at 31 December 2022, the Company has statutory reserve totaling Baht 4.7 million (2021: Baht 4.2 million).

21. Expenses by nature

Significant expenses classified by nature are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Salaries and wages and other employee benefits	14,286	11,575	14,202	11,510
Servicing expenses	8,800	8,956	1,816	1,692
Depreciation and amortization	9,984	10,092	2,902	3,063
Commission expenses	1,167	203	1,167	203
Professional service expenses	3,884	3,027	1,521	1,657

In addition, the Group has expenses that are other expenses by nature, but which are not included in the above; such as insurance premiums, other fees and other expenses.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

22. Income tax

Income tax expenses for the year ended 31 December 2022 and 2021 are made up as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Current income tax:				
Current corporate income tax charge	4,722	5,370	-	674
Deferred tax:				
Relating to origination and reversal of temporary differences	(435)	67	(103)	110
Income tax expenses reported in the income statement	<u>4,287</u>	<u>5,437</u>	<u>(103)</u>	<u>784</u>

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

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Accounting profit before tax	<u>76,573</u>	<u>33,129</u>	<u>9,424</u>	<u>12,927</u>
Applicable tax rate	0% - 20%	0% - 20%	20%	20%
Accounting profit before tax multiplied by income tax rate	5,077	6,639	1,885	2,585
Share of profit from investment in associates	(82)	-	-	-
Current tax losses for which no deferred tax asset was recognised	596	-	596	-
Effects of:				
Promotional privileges	(1,548)	(1,688)	-	-
Non-deductible expenses	136	99	131	98
Additional expense deductions allowed	(15)	(9)	(15)	(9)
Income not subject to tax	-	-	(2,700)	(2,100)
Reversal of deferred tax	-	210	-	210
Others	123	186	-	-
Total	<u>(1,304)</u>	<u>(1,202)</u>	<u>(2,584)</u>	<u>(1,801)</u>
Income tax (benefits) expenses reported in profit or loss	<u>4,287</u>	<u>5,437</u>	<u>(103)</u>	<u>784</u>

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

The components of deferred tax are as follows:

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Deferred tax assets				
Provision for long-term employee benefits	507	373	466	335
Unused tax loss	296	-	-	-
Lease liabilities	3,960	3,953	1,855	1,791
Deposit of land rental	485	485	272	272
Prepaid rental	70	70	68	68
Deferred tax liabilities				
Right-of-use asset	(4,063)	(4,111)	(2,060)	(2,024)
Prepaid land rental	(336)	(343)	(138)	(143)
Rental payable	(16)	(16)	-	-
Deferred tax assets - net	<u>903</u>	<u>411</u>	<u>463</u>	<u>299</u>

As at 31 December 2022, the Group has unused tax losses amounting to Baht 4.54 million (2021: Baht 2.4 million) which will expire by 2023 - 2027. The Group has not recognised these items as deferred tax assets because it is not probable that the Group will have sufficient future taxable profit to utilise the benefits therefrom.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

23. Promotional privileges

Subsidiaries have been granted promotional privileges under the Investment Promotion Act B.E. 2520 by the Board of Investment under certain significant conditions. Significant privileges of the subsidiary companies are as follows:

Details	SAAM Solar Power One Co., Ltd.	SAAM Solar Power Two Co., Ltd.
1. Certificate No.	59-0032-0-00-2-0	59-0033-0-00-2-0
2. Promotional privileges for	Produce of electricity generated from solar energy	Produce of electricity generated from solar energy
3. The significant privileges are:		
3.1 Exemption from corporate income tax on net income from promoted operations for a period of 8 years commencing as from the date of first earning operating income. Furthermore, accumulated losses incurred during the corporate income tax exemption period, the subsidiary is allowed to utilise the losses as a deduction against net income for a period of 5 years after the expiry of the tax exemption period, whether from any one year or from several years.	Commencing until 29 December 2023	Has not yet exercised
3.2 Exemption from income tax on dividends paid from the income of the promoted operations for which corporate income tax is exempted, throughout the corporate income tax exemption.	Granted	Granted
3.3 Exemption from import duty on imported machinery for use in production as approved by the Board.	Ended on 6 July 2018	Ends on 6 July 2021
4. Date of first earning operating income	30 December 2015	Has not yet exercised

The subsidiaries are required to comply with certain significant conditions under BOI certificates.

The Company was granted privileges of taxation from the Board of Investment. The subsidiary companies' operating revenues for the years are producing of electricity generated from solar energy which could be divided between BOI promoted activities and Non-BOI promoted activities.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

	Consolidated financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
BOI promoted	16,851	16,880
Total sale	16,851	16,880

24. Share Capital

Increase of registered capital

On 7 September 2021, the Extraordinary General Meeting of Shareholders meeting passed a resolution approving the increase of registered capital amounting from Baht 150,000,000 (300,000,000 shares with a Baht 0.50 par value) to Baht 180,000,000 (360,000,000 shares with a Baht 0.50 par value) for issuance of SAAM-W1 and SAAM-W2 warrants.

Warrants

The Company has/had outstanding warrants to subscribe for ordinary shares to existing shareholders of the Company as follows:

Issued by	Allocated to	Issued date	Determined exercising date		Warrant <i>(Million unit)</i>	Exercise ratio for ordinary shares per 1 warrant	Exercise price <i>(Baht)</i>
			First exercise	Last exercise			
The Company	Existing shareholder (SAAM-W1)	20 October 2021	17 January 2022	19 October 2022	30	1:1	7.5
The Company	Existing shareholder (SAAM-W2)	20 October 2021	17 January 2022	19 October 2024	30	1:1	11
Total issuance by the Company					<u>60</u>		

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Details of warrants movement are as follows:

	SAAM-W1	SAAM-W2
	(units)	(units)
Outstanding as at 1 January 2022	30,000,000	30,000,000
Exercised warrants during the period		
- No. 1	(100)	-
- No. 2	(600)	-
- No. 3	(5,465)	-
Expired	(29,993,835)	
Outstanding as at 31 December 2022	<u>-</u>	<u>30,000,000</u>

SAAM-W1 warrants have already expired as last permitted exercise date was on 19 October 2022.

25. Basic earnings per share

Basic earnings per share

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

Diluted earnings per share

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that such conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

The incremental shares from assumed conversion are not included in the calculation of the diluted per-share amount for the financial statements due to the exercise price being higher than the market price of ordinary shares.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

26. Segment information

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

For management purposes, the Group is organized into business units based on its services and have two reportable segments as follows:

1. Development service - Development of renewable energy projects for customer
2. Distribution of electricity - Development and management for own solar energy project

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements. However, the Group financing activities (including finance costs and finance income) and income taxes are managed on the Group basis and are not allocated to operating segments.

26.1 The results of operations separated by business segment

The following tables present revenue and profit information regarding the Group's operating segments for the year ended 31 December 2022 and 2021, respectively.

	Development service		Distribute of electricity		Adjustments and elimination		Consolidated financial statements	
	2022	2021	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>							
Revenue from sales and services	61,820	57,133	16,851	16,880	(4,896)	(2,210)	73,775	71,803
Cost of sales and services	(15,626)	(14,860)	(6,161)	(6,232)	2,130	2,200	(19,657)	(18,892)
Gross profit	<u>46,194</u>	<u>42,273</u>	<u>10,690</u>	<u>10,648</u>	<u>(2,766)</u>	<u>(10)</u>	<u>54,118</u>	<u>52,911</u>
Other income							891	1,210
Gain (loss) on exchange rate							(1,024)	2,419
Gain on sales of investment in indirect subsidiaries							51,327	-
Selling and servicing expenses							(197)	(353)
Administrative expenses							(26,463)	(19,900)
Finance cost							(2,487)	(3,158)
Income tax expenses							(4,287)	(5,437)
Share of profit of associate from using equity method							408	-
Non-controlling interests of the subsidiaries							(1)	10
Profit for the year							<u>72,285</u>	<u>27,702</u>

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

26.2 Assets separated by business segment are as follows:

	Development service		Distribute of electricity		Adjustments and elimination		Consolidated financial statements	
	2022	2021	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>							
Assets								
Trade accounts receivables	15,094	25,447	2,594	2,185	(9,889)	(20,031)	7,799	7,601
Investment properties	82,495	82,495	-	-	-	-	82,495	82,495
Property, plant and equipment	4,271	5,144	101,379	107,185	(145)	(145)	105,505	112,184
Deposit for purchase of land and equipment	-	1,456	26,206	25,376	-	-	26,206	26,832
Others	391,115	385,697	21,384	21,816	(195,699)	(208,626)	216,800	198,887
Unallocated assets	-	-	-	-	-	-	73,092	1,123
Total assets	492,975	500,239	151,563	156,562	(205,733)	(228,802)	511,897	429,122
Unallocated liabilities	-	-	-	-	-	-	35,505	73
Total liabilities	99,678	164,511	50,873	58,427	(42,759)	(99,678)	107,792	123,260
Total liabilities	99,678	164,511	50,873	58,427	(42,759)	(99,678)	143,297	123,333

Geographic information

Revenues for the years ended 31 December 2022 and 2021 separate by geographical segments are as follows:

	2022	2021
	<i>(in thousand Baht)</i>	
Revenue from external customers		
Thailand	70,892	71,803
Hong Kong	2,883	-
Total	73,775	71,803
Non-current assets (other than deferred tax assets)		
Thailand	311,024	253,669
Japan	3	1,456
Total	311,027	255,125

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Major customers

For the year 2022, the Group has revenue from two major customers in amount of Baht 56.9 million arising from development service segment and Baht 16.9 million, arising from distribute of electricity segment, (2021: Baht 54.9 million arising from development service segment and Baht 17 million arising from distribute of electricity segment).

27. Dividends

The Company declared dividend payments for the years ended 31 December 2022 and 2021 in the amounts as below:

	Approved by	Dividends		Paid on
		Total <i>(in million Baht)</i>	Per share <i>(Baht)</i>	
2022				
Interim dividend paid from the Company's nine-month operating results ended 30 September 2022	Board of Director Meeting on 14 November 2022	10.79	0.036	12 December 2022
Total dividends paid for year ended 31 December 2022		10.79	0.036	
2021				
Annual dividend paid from the Company's operating results of fiscal year ended 31 December 2020	Annual General Meeting of shareholders on 23 April 2021	3.9	0.013	14 May 2021
Interim dividend paid from the Company's six-month operating results ended 30 June 2021	Board of Director Meeting on 9 August 2021	7.5	0.025	6 September 2021
Interim dividend paid from the Company's nine-month operating results ended 30 September 2021	Board of Director Meeting on 8 November 2021	3.6	0.012	7 December 2021
Total dividends paid for year ended 31 December 2021		15.0	0.050	

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

28. Financial instruments

28.1 Financial risk management

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivables, lease receivable, 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.

28.2 Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans and other receivables. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. However, the Group has high concentrations of credit risk since its customers base consist of a few and large customers. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans and other receivables as stated in the statement of financial position.

28.3 Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks and borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Consolidated Financial Statements

	Fixed interest rate		Floating interest		Non- interest		Total		Effective interest	
	within 1 year		rate		bearing				rate	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>								<i>(% per annum)</i>	
Financial Assets										
Cash and cash equivalents	-	-	126,622	82,306	-	-	126,622	82,306	0.25 - 0.30	0.05 - 0.10
Short-term investments	53,037	67,850	-	-	-	-	53,037	67,850	0.35 - 0.95	0.45 - 0.60
Trade and other receivables	-	-	-	-	9,079	7,735	9,079	7,735	-	-
	<u>53,037</u>	<u>67,850</u>	<u>126,622</u>	<u>82,306</u>	<u>9,079</u>	<u>7,735</u>	<u>188,738</u>	<u>157,891</u>		
Financial liabilities										
Trade and other payables	-	-	-	-	38,150	2,384	38,150	2,384	-	-
Long-term loans from financial institution	-	-	50,011	64,223	-	-	50,011	64,223	BIBOR 3 month + 2	MLR-1.5 and BIBOR 3 month + 2
	<u>-</u>	<u>-</u>	<u>50,011</u>	<u>64,223</u>	<u>38,150</u>	<u>2,384</u>	<u>88,161</u>	<u>66,607</u>		

Separate Financial Statements

	Fixed interest rate		Floating interest		Non- interest		Total		Effective interest	
	within 1 year		rate		bearing				rate	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>								<i>(% per annum)</i>	
Financial Assets										
Cash and cash equivalent	-	-	45,125	48,852	-	-	45,125	48,852	0.25 - 0.30	0.05 - 0.10
Short-term investments	47,473	62,319	-	-	-	-	47,473	62,319	0.55 - 0.95	0.45 - 0.50
Trade and other receivables	-	-	-	-	5,534	12,361	5,534	12,361	-	-
Short-term loans to related parties	14,056	30,322	-	-	-	-	14,056	30,322	1.25	1.25
	<u>61,529</u>	<u>92,641</u>	<u>45,125</u>	<u>48,852</u>	<u>5,534</u>	<u>12,361</u>	<u>112,188</u>	<u>153,854</u>		
Financial liability										
Trade and other payables	-	-	-	-	1,091	1,018	1,091	1,018	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,091</u>	<u>1,018</u>	<u>1,091</u>	<u>1,018</u>		

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

28.4 Foreign currency risk

The Group exposure to foreign currency risk arises mainly from services, loans and purchases of equipment that are denominated in foreign currencies.

As at 31 December 2022 and 2021, the balances of financial assets denominated in foreign currencies are summarised below.

Foreign currency	Consolidated financial statements		Separate financial statements		Exchange rate as at	
	2022	2021	2022	2021	2022	2021
	<i>(in million)</i>				<i>(Baht per 1 foreign currency unit)</i>	
Financial assets						
US dollar	0.7	0.7	-	-	34.3913	33.2469
Yen	-	-	70.1	127.2	0.2573	0.2869
Financial liability						
Yen	-	-	1.4	1	0.2645	0.2944

28.5 Fair value of financial instruments

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

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

- a) For financial assets and liabilities which have short-term maturity, including cash and deposit at financial institutions, accounts receivables, accounts payables, loan to and loan from related parties, their carrying amounts in the statements of financial position approximate their fair values.
- b) For interest rate swap contract, its fair value is estimated by discounting expected future cash flow and a valuation model. Most of the inputs used for the valuation are observable in the relevant market.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Fair value hierarchy

As at 31 December 2022 and 2021, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	Consolidated Financial Statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
	<i>(in million Baht)</i>			
Financial assets disclosed at fair value				
Investment properties	-	135.9	-	135.9

	Consolidated Financial Statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
	<i>(in million Baht)</i>			
Financial assets disclosed at fair value				
Investment properties	-	135.9	-	135.9

During the year 2022, there was no transfer within the fair value hierarchy.

29. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximize shareholder value. As at 31 December 2022, the Group's debt-to-equity ratio was 0.39:1 (2021: 0.40:1) and the Company's was 0.16:1 (2021: 0.15:1).

30. Commitments and contingencies

The Group have commitments and contingent liabilities other than those disclosed in other notes as follows;

30.1 Capital commitments

On 12 May 2015, SAAM Solar Power Two Co., Ltd, a subsidiary company, entered into 25-year power purchase agreement with a government unit with respect to the purchase of solar power generated by the ground-mount solar plant located in Amphur Deelung, Lopburi province which to commence commercial electricity sale by 31 December 2015.

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

Subsequently on 21 May 2015, an event of force majeure occurred, causing the subsidiary company to relocate the solar power plant to Phetchaburi province. The committee of the government unit agreed that it was a force majeure event but they did not approve the relocation of the solar power plant. As a result, the subsidiary failed to commence commercial electricity sale by the specified date. The government unit then sent a letter to the subsidiary, notifying its intention to cancel the power purchase agreement. However, during the year 2015, the subsidiary had entered into many following agreements in order to set up this solar power plant.

a) **A solar power plant construction contract**

The subsidiary company entered into a solar power plant construction contract with a company to comply with a condition stipulated in the power purchase agreement at a total cost Baht 27.6 million. As at 31 December 2022, the subsidiary partially paid for the construction cost to that company amounting to Baht 4.8 million (2021: Baht 4.8 million). The subsidiary presented this construction cost under "Construction in progress" amounting to Baht 3.5 million (2021: Baht 3.5 million) and "Deposit for equipment" amounting to Baht 1.3 million (2021: Baht 1.3 million) in the consolidated statement of financial position. The subsidiary had remaining commitments in respect of the solar power plant construction contract by the completed milestone totaling Baht 22.8 million (2021: Baht 22.8 million).

b) **Equipment supply contract**

The subsidiary company entered into Main Equipment Supply contract with a foreign company for the main equipment related to the construction of the solar power plant at a total cost USD 2.8 million. As at 31 December 2022, the subsidiary company paid for a deposit for the equipment to that company amounting to USD 0.7 million or equivalent to Baht 24.9 million (2021: Baht 24.1 million). The subsidiary company presented this deposit for main equipment under "Deposit for equipment" in the consolidated statement of financial position. The subsidiary company had remaining commitments in respect of the Main Equipment Supply contract by the completed milestone totaling USD 2.1 million (2021: USD 2.1 million).

Regarding the above mentioned occurrence of forced majeure and commitments, on 28 July 2016, the subsidiary company filed a lawsuit against the government unit and other two units with the Central Administrative Court, seeking either the enforcement of the power purchase agreement or the compensation for damages arising upon related commitments under agreements.

Subsequently on 25 September 2019, the Central Administrative Court pronounced a verdict to dismiss the lawsuit. The Group's management is of the opinion that this lawsuit has not been finalized and the subsidiary has a right to file an appeal with the Supreme Administrative Court against the verdict of the Central Administrative Court within the applicable limitation of legal terms. Therefore,

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

on 25 October 2019, the subsidiary company lodged an appeal against the Central Administrative Court's verdict with the Supreme Administrative Court.

However, during the year ended 31 December 2019, the Group's management proceeded to set up a provision for impairment of power plant under construction totaling Baht 4.6 million which was presented as "Asset under construction" under Property Plant and Equipment.

Currently, the lawsuit is under the consideration of the Supreme Administration Court. The Group's management considered an opinion of the Company's legal counsel, the commitments under the agreements and consequences from terminating related contracts early and believed that the deposits for the main equipment are valuable until the litigation process is finalized. In addition, in case of early termination of the Main Equipment Supply contract, the subsidiary has the right to receive a full refund. Therefore as at 31 December 2022, the Group's management therefore decided not to set up a provision for impairment of these assets in the consolidated financial statements.

30.2 Commitment for sell and purchase of land agreement

SAAM Three Co., Ltd., a subsidiary company, entered into an agreement to sell and to purchase land with a third party who was an owner of the land where the solar power plant of SAAM Solar Power Two Co., Ltd. will be located in, which currently the lawsuit has not been final as mentioned in Note 30.1. This causes the sell and purchase of land agreement has been postponed. To maintain the rights under the sell and purchase agreement, the subsidiary agreed to pay to the land owner the rental amounting to Baht 0.3 million per year as a compensation until the lawsuit is final (2021: Baht 0.3 million). Under the sell and purchase of land agreement, the subsidiary is obligated to purchase the land at a total cost Baht 14.6 million (2021: Baht 14.6 million).

30.3 Lease commitment

The Company entered into a three-year agreement with respect to equipment rental and related facility service for the Group . This agreement will expire in January 2023. The Company is obliged to pay a monthly rental and service fee approximately Baht 3,500. (2021: 3,500 Baht).

30.4 Service commitment

The Company entered into a long-term agreement with a third party for land and solar power plant management in Phetchaburi province. This agreement will expire in 2030. The Company is obliged to pay a yearly service fee totaling approximately Baht 0.17 million (2021: Baht 0.17 million).

SAAM Development Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2022

The Company entered into a long-term agreement with a third party for providing rental management services. This agreement will expire in 2026. The Company is obliged to pay a monthly service fee totaling approximately Baht 0.05 million (2021: Baht 0.05 million).

The Company entered into the management services agreement in developing Biomass Energy Projects in Japan. This agreement has 1 year duration and shall be automatically renewed until cancelled by each party. The Company is obliged to pay a quarterly service fee totaling JPY 1.3 million (2021: JPY 1.3 million).

30.5 Other Commitment

	Consolidated and Separate Financial statements	
	2022	2021
	<i>(in million Baht)</i>	
Bank guarantee	-	1,500
Total	-	1,500

31. Approval of financial statements

These financial statements were authorized for issue by the Company's authorized director on 15 February 2023.