

Provincial Electricity Authority and its subsidiary
Report and consolidated and separate financial statements
31 December 2024



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Independent Auditor's Report

To the Board of Directors of Provincial Electricity Authority

Opinion

I have audited the accompanying consolidated financial statements of Provincial Electricity Authority and its subsidiary (“PEA and its subsidiary or the Group”), which comprise the consolidated statement of financial position as at 31 December 2024, and the related consolidated statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, and have also audited the separate financial statements of Provincial Electricity Authority for the same period (collectively “the financial statements”).

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Provincial Electricity Authority and its subsidiary and of Provincial Electricity Authority as at 31 December 2024, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with the State Audit Standards and Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of PEA and its subsidiary in accordance with the *State Audit Standards* issued by the State Audit Commission and the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the State Audit Standards and 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.

Other Matter

The State Audit Standards as described in the *Basis for Opinion* section and the *Auditor's Responsibilities for the Audit of the Financial Statements* section are relevant only to the audit of the financial statements, which are prepared by management in accordance with Thai Financial Reporting Standards.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the State Audit standards and Thai Standards on Auditing will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

I also:

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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



Kitti Teachakasembundit

Certified Public Accountant (Thailand) No. 9151

EY Office Limited

Bangkok: 20 March 2025

Provincial Electricity Authority and its subsidiary

Statement of financial position

As at 31 December 2024

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Assets					
Current assets					
Cash and cash equivalents	7	8,772,941	8,213,931	7,825,296	7,227,366
Trade and other receivables	6, 8	52,248,243	54,206,744	51,893,220	53,956,338
Short-term loans to related parties	6	12,000	-	-	-
Inventories	9	2,568,570	1,993,497	2,568,570	1,989,346
Specific-purpose deposits at financial institutions	10	44,395,316	42,383,253	44,395,316	42,383,253
Undue input VAT		3,035,820	2,993,909	3,035,789	2,990,234
Advance payments to suppliers	6	1,028,029	2,157,920	1,026,810	2,156,509
Other current assets	6	78,577	144,084	57,629	125,347
Total current assets		112,139,496	112,093,338	110,802,630	110,828,393
Non-current assets					
Restricted bank deposits		50,000	50,000	-	-
Other non-current financial assets	11	283,269	283,415	1,269	1,415
Other non-current receivables	12	3,485,829	2,527,700	1,154,777	744,889
Investments in subsidiary	13	-	-	5,110,621	5,110,621
Investments in associates	14	2,817,526	2,858,214	-	-
Investments in joint venture	15	-	-	-	-
Constructions in progress	16	62,886,431	67,615,245	62,689,722	66,918,269
Investment properties	17	430,636	468,203	430,636	468,203
Property, plant and equipment	18	381,046,820	354,290,805	379,914,895	354,314,089
Right-of-use assets	6, 22.1.1	1,814,104	1,917,662	3,590,507	1,909,969
Intangible assets	19	3,374,936	3,031,717	3,372,110	3,029,524
Other non-current assets		463,985	327,703	344,791	234,225
Total non-current assets		456,653,536	433,370,664	456,609,328	432,731,204
Total assets		568,793,032	545,464,002	567,411,958	543,559,597

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

Provincial Electricity Authority and its subsidiary
Statement of financial position (continued)
As at 31 December 2024

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Liabilities and equity					
Current liabilities					
Trade and other payables	6, 20	60,442,760	58,116,790	60,160,698	57,906,523
Current portion of long-term loans	21	13,893,979	11,578,132	13,795,044	11,516,367
Current portion of lease liabilities	6, 22.1.2	930,948	908,151	1,164,749	895,832
Accrued remittance to the Ministry of Finance	23	13,765,265	15,069,621	13,765,265	15,069,621
Advance received per contract		1,483,895	1,274,942	1,483,895	1,274,942
Deposits payable	24	589,851	570,706	589,851	570,706
Other current liabilities	6, 25	4,366,524	3,888,100	4,340,776	3,877,622
Total current liabilities		95,473,222	91,406,442	95,300,278	91,111,613
Non-current liabilities					
Long-term loans, net of current portion	21	150,245,077	147,643,999	149,499,131	146,799,117
Lease liabilities, net of current portion	6, 22.1.2	2,063,172	1,833,416	3,694,411	1,825,344
Other non-current payables		1,148,380	32,345	24,080	32,345
Provisions for litigations	26	202,709	150,176	202,709	150,176
Provisions for service contracts		536,835	393,245	-	-
Construction obligations	6, 27	7,326,473	6,810,948	7,326,473	6,810,948
Deferred revenues	6, 28	56,790,896	56,715,886	56,792,468	56,717,533
Electricity usage guarantee	6, 29	27,983,942	26,144,264	27,983,972	26,144,294
Sales and service guarantee	6	2,456,109	3,066,637	2,474,004	3,078,605
Provision for long-term employee benefits	30	17,622,624	16,168,477	17,617,392	16,164,280
Other non-current liabilities		18,026	128,250	2,560	128,250
Total non-current liabilities		266,394,243	259,087,643	265,617,200	257,850,892
Total liabilities		361,867,465	350,494,085	360,917,478	348,962,505

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

Provincial Electricity Authority and its subsidiary
Statement of financial position (continued)
As at 31 December 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Equity				
Initial capital	87,004	87,004	87,004	87,004
Contributions from the government	4,802,501	4,802,501	4,802,501	4,802,501
Retained earnings				
Appropriated - statutory reserve - subsidiary	17,803	13,244	-	-
Unappropriated	202,031,646	190,075,505	201,607,247	189,709,713
Other components of equity	(13,387)	(8,337)	(2,272)	(2,126)
Total equity	<u>206,925,567</u>	<u>194,969,917</u>	<u>206,494,480</u>	<u>194,597,092</u>
Total liabilities and equity	<u>568,793,032</u>	<u>545,464,002</u>	<u>567,411,958</u>	<u>543,559,597</u>

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



(Mr. Supachai Ek-un)
Director and Governor



(Mrs. Sasiwipa Ampornsittikul)
Deputy Governor
Accounting and Finance

Provincial Electricity Authority and its subsidiary
Statement of comprehensive income
For the year ended 31 December 2024

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2024	2023	2024	2023
Profit or loss:					
Revenues					
Sales and rendering of services	6, 31	648,728,576	676,511,194	648,029,964	676,372,992
Revenue compensations	32	21,882,280	12,000,000	21,882,280	12,000,000
Dividend income	6, 11	-	-	7,952	4,262
Other income	6	1,397,781	1,082,305	1,388,477	1,075,629
Total revenues		672,008,637	689,593,499	671,308,673	689,452,883
Expenses					
Cost of electricity	6	564,493,304	601,676,058	564,493,304	601,676,058
Employee compensations		23,128,930	20,805,061	23,075,979	20,765,436
Employee benefit expenses		1,598,920	1,529,090	1,597,886	1,528,220
Directors and management's benefits		140,738	115,004	136,243	111,525
Preventive, repair and maintenance, and construction expenses	6	10,206,258	8,258,268	9,601,424	8,175,878
Depreciation and amortisation expenses		31,392,233	28,274,494	31,416,555	28,265,188
Other operating expenses	6	10,440,236	11,102,621	10,397,020	11,050,313
Other expenses		693,819	389,997	693,819	390,172
Total expenses		642,094,438	672,150,593	641,412,230	671,962,790
Operating profit		29,914,199	17,442,906	29,896,443	17,490,093
Share of profit from investments in associates	14.2	46,189	59,859	-	-
Finance income	6	1,784,322	1,019,705	1,770,871	1,010,017
Finance cost	33	(4,643,897)	(3,934,227)	(4,628,689)	(3,926,068)
Profit before income tax		27,100,813	14,588,243	27,038,625	14,574,042
Tax income		978	3,472	-	-
Profit for the year		27,101,791	14,591,715	27,038,625	14,574,042
Other comprehensive income:					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods</i>					
Share of other comprehensive income from investments					
in associates		(5,722)	(6,211)	-	-
Total other comprehensive income to be reclassified					
to profit or loss in subsequent periods - net of income tax		(5,722)	(6,211)	-	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods</i>					
Share of other comprehensive income from investments					
in associates		818	-	-	-
Actuarial loss - net of income tax	30	(1,541,191)	(242,286)	(1,541,191)	(242,374)
Loss on changes in value of equity investments					
designated at fair value through other comprehensive income		(146)	(226)	(146)	(226)
Total other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		(1,540,519)	(242,512)	(1,541,337)	(242,600)
Other comprehensive income for the year		(1,546,241)	(248,723)	(1,541,337)	(242,600)
Total comprehensive income for the year		25,555,550	14,342,992	25,497,288	14,331,442

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

Provincial Electricity Authority and its subsidiary

Statement of changes in equity

For the year ended 31 December 2024

(Unit: Thousand Baht)

Consolidated financial statements							
		Other components of equity					
		Other comprehensive income					
		Loss on					
Initial capital and contributions from the government	Retained earnings		investment in equity designated at fair value through other comprehensive income	Share of other comprehensive income from investments in associates	Total other components of equity	Total equity	
	Appropriated	Unappropriated					
Balance as at 1 January 2023	4,889,505	11,653	183,873,667	(1,900)	-	(1,900)	188,772,925
Profit for the year	-	-	14,591,715	-	-	-	14,591,715
Other comprehensive income for the year	-	-	(242,286)	(226)	(6,211)	(6,437)	(248,723)
Total comprehensive income for the year	-	-	14,349,429	(226)	(6,211)	(6,437)	14,342,992
Transfer unappropriated to statutory reserve - subsidiary	-	1,591	(1,591)	-	-	-	-
Remittance to the Ministry of Finance for the year (Note 23)	-	-	(8,146,000)	-	-	-	(8,146,000)
Balance as at 31 December 2023	4,889,505	13,244	190,075,505	(2,126)	(6,211)	(8,337)	194,969,917
Balance as at 1 January 2024	4,889,505	13,244	190,075,505	(2,126)	(6,211)	(8,337)	194,969,917
Profit for the year	-	-	27,101,791	-	-	-	27,101,791
Other comprehensive income for the year	-	-	(1,541,191)	(146)	(4,904)	(5,050)	(1,546,241)
Total comprehensive income for the year	-	-	25,560,600	(146)	(4,904)	(5,050)	25,555,550
Transfer unappropriated to statutory reserve - subsidiary	-	4,559	(4,559)	-	-	-	-
Adjusted remittance to the Ministry of Finance for the year 2023 (Note 23)	-	-	100	-	-	-	100
Remittance to the Ministry of Finance for the year (Note 23)	-	-	(13,600,000)	-	-	-	(13,600,000)
Balance as at 31 December 2024	4,889,505	17,803	202,031,646	(2,272)	(11,115)	(13,387)	206,925,567

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

Provincial Electricity Authority and its subsidiary

Statement of changes in equity (continued)

For the year ended 31 December 2024

(Unit: Thousand Baht)

	Separate financial statements				Total equity
	Initial capital and contributions from the government	Unappropriated retained earnings	Other components of equity Other comprehensive income Loss on investment in equity designated at fair value through other comprehensive income	Total other components of equity	
Balance as at 1 January 2023	4,889,505	183,524,045	(1,900)	(1,900)	188,411,650
Profit for the year	-	14,574,042	-	-	14,574,042
Other comprehensive income for the year	-	(242,374)	(226)	(226)	(242,600)
Total comprehensive income for the year	-	14,331,668	(226)	(226)	14,331,442
Remittance to the Ministry of Finance for the year (Note 23)	-	(8,146,000)	-	-	(8,146,000)
Balance as at 31 December 2023	<u>4,889,505</u>	<u>189,709,713</u>	<u>(2,126)</u>	<u>(2,126)</u>	<u>194,597,092</u>
Balance as at 1 January 2024	4,889,505	189,709,713	(2,126)	(2,126)	194,597,092
Profit for the year	-	27,038,625	-	-	27,038,625
Other comprehensive income for the year	-	(1,541,191)	(146)	(146)	(1,541,337)
Total comprehensive income for the year	-	25,497,434	(146)	(146)	25,497,288
Adjusted remittance to the Ministry of Finance for the year 2023 (Note 23)	-	100	-	-	100
Remittance to the Ministry of Finance for the year (Note 23)	-	(13,600,000)	-	-	(13,600,000)
Balance as at 31 December 2024	<u>4,889,505</u>	<u>201,607,247</u>	<u>(2,272)</u>	<u>(2,272)</u>	<u>206,494,480</u>

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

Provincial Electricity Authority and its subsidiary

Cash flow statement

For the year ended 31 December 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Cash flows from operating activities				
Profit before tax	27,100,813	14,588,243	27,038,625	14,574,042
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	31,392,233	28,274,494	31,416,555	28,265,188
Expected credit losses (reversal)	(185,033)	371,417	(186,429)	370,491
Loss from obsolete materials (reversal)	4,944	(9,585)	794	(11,270)
Amortisation of deferred revenues	(5,556,658)	(5,488,400)	(5,556,658)	(5,488,400)
Revenues from donations	(11,018)	(11,096)	(11,018)	(11,096)
Loss on sales and write-off of assets	467,030	134,174	467,030	134,349
Loss on write-off of intangible assets	1,065	11	1,065	11
Loss (gain) on write-off of materials	(1,219)	10,770	(1,219)	10,770
Loss from terminated leases	954	2,336	954	2,336
Provision for long-term employee benefits	1,598,920	1,529,090	1,597,886	1,528,220
Provisions for litigations (reversal)	64,566	(96,048)	64,566	(96,048)
Impairment loss on investments in associates	3,600	17,937	-	-
Unrealised loss (gain) on foreign exchange	(7,661)	1,721	(7,661)	1,721
Amortisation premium on loans	158	3	-	-
Loss on amendment of loan agreement	-	255	-	-
Loss on amendment of service agreement	749	-	-	-
Dividend income	-	-	(7,952)	(4,262)
Share of profit from investments in associates	(46,189)	(59,859)	-	-
Finance income	(1,784,322)	(1,019,705)	(1,770,871)	(1,010,017)
Finance cost	4,643,897	3,934,227	4,628,689	3,926,068
Profit from operating activities before changes in operating assets and liabilities	57,686,829	42,179,985	57,674,356	42,192,103
Operating assets (increase) decrease				
Trade and other receivables	2,199,194	7,925,970	2,304,908	7,762,278
Inventories	167,110	635,947	167,110	635,361
Specific-purpose deposits at financial institutions	(2,012,063)	(4,426,047)	(2,012,063)	(4,426,047)
Undue input VAT	(41,911)	594,347	(45,555)	594,129
Advance payments to suppliers	1,129,891	(191,113)	1,129,699	(197,143)
Other current assets	65,507	(172,545)	67,718	(35,478)
Other non-current receivables	(3,645)	(373,738)	(34,218)	(400,304)
Other non-current assets	(115,529)	(116,739)	(110,566)	(87,255)
Operating liabilities increase (decrease)				
Trade and other payables	833,870	(9,553,432)	(443,088)	(9,527,330)
Advance received per contract	208,953	(77,804)	208,953	(77,804)
Deposits payable	19,145	188,910	19,145	188,910
Other current liabilities	478,424	(2,345,674)	463,154	(2,325,793)
Other non-current payables	(9,108)	16,649	(9,108)	16,649
Provisions for service contracts	143,590	116,761	-	-
Construction obligations	515,525	309,209	515,525	307,475
Deferred revenues	5,493,941	5,340,373	5,493,866	5,342,019

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

Provincial Electricity Authority and its subsidiary
Cash flow statement (continued)
For the year ended 31 December 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Operating liabilities increase (decrease) (continued)				
Electricity usage guarantee	1,839,678	1,675,920	1,839,678	1,675,920
Sales and service guarantee	(610,528)	868,904	(604,601)	888,603
Other non-current liabilities	(125,690)	43,725	(125,690)	43,725
Cash paid for provisions for litigations	(12,033)	(22,060)	(12,033)	(22,060)
Cash paid for long-term employee benefits	(1,537,190)	(1,338,643)	(1,537,190)	(1,338,643)
Cash flows from operating activities	66,313,960	41,278,905	64,950,000	41,209,315
Cash received from interest income	1,728,661	1,021,955	1,715,510	1,012,856
Cash received from VAT refund	-	136,759	-	-
Cash received from withholding tax refund	4,315	-	-	-
Cash paid for income tax	(24,090)	(13,530)	-	-
Net cash flows from operating activities	68,022,846	42,424,089	66,665,510	42,222,171
Cash flows from investing activities				
Cash paid for other current financial assets	(2,879,800)	-	(2,879,800)	-
Cash received from other current financial assets	2,879,800	-	2,879,800	-
Cash paid for other non-current financial assets	-	(27,000)	-	-
Cash paid for short-term loans to related parties	(12,000)	-	-	-
Cash paid for investments in subsidiary	-	-	-	(1,100,000)
Cash paid for investments in associates	-	(1,215,651)	-	-
Cash received from dividends from investments in subsidiary	-	-	7,952	4,262
Cash received from dividends from investments in associates	78,374	71,218	-	-
Cash paid for constructions in progress	(48,024,297)	(47,920,401)	(47,904,952)	(47,726,442)
Cash paid for purchase of investment properties	(108)	(28,587)	(108)	(28,587)
Cash paid for purchase of property, plant and equipment	(3,435,853)	(2,799,074)	(2,231,971)	(2,810,996)
Cash received from disposal of property, plant and equipment	166,552	141,168	166,552	141,168
Cash paid for purchase of intangible asset	(78,374)	(245,811)	(76,577)	(245,811)
Interest expense capitalised to constructions in progress	(726,850)	(786,250)	(714,343)	(761,034)
Net cash flows used in investing activities	(52,032,556)	(52,810,388)	(50,753,447)	(52,527,440)
Cash flows from financing activities				
Cash received from long-term loans	20,000,000	26,000,000	20,000,000	26,000,000
Repayment of long-term loans	(15,079,602)	(9,396,096)	(15,017,679)	(9,353,781)
Interest paid	(4,424,718)	(3,815,622)	(4,402,673)	(3,809,377)
Repayment of lease liabilities	(971,328)	(571,766)	(989,525)	(558,445)
Repayment of liabilities arising from installment sales and purchase agreements	(51,376)	-	-	-
Cash paid for remittance to the Ministry of Finance	(14,904,256)	(3,305,610)	(14,904,256)	(3,305,610)
Net cash flows from (used in) financing activities	(15,431,280)	8,910,906	(15,314,133)	8,972,787
Net increase (decrease) in cash and cash equivalents	559,010	(1,475,393)	597,930	(1,332,482)
Cash and cash equivalents at beginning of year	8,213,931	9,689,324	7,227,366	8,559,848
Cash and cash equivalents at end of year (Note 7)	8,772,941	8,213,931	7,825,296	7,227,366

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

Provincial Electricity Authority and its subsidiary
Cash flow statement (continued)
For the year ended 31 December 2024

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Supplemental cash flows information				
Non-cash items consist of:				
Payables from purchase of property, plant and equipment	87,584	136,909	87,584	136,909
Payables from constructions in progress	4,486,466	2,054,125	4,481,659	1,972,861
Transfer constructions in progress to property, plant and equipment	53,591,539	47,607,123	53,591,539	47,607,123
Transfer constructions in progress to intangible asset	2,106,245	1,008,545	2,106,245	1,008,545
Transfer constructions in progress to other non-current receivables	579,563	425,085	-	-
Transfer investment property to property, plant and equipment	24,618	9,470	24,618	9,470
Transfer property, plant and equipment to investment properties	-	369	-	369
Transfer property, plant and equipment to intangible assets	-	1,206	-	1,206
Acquisitions of equipment under lease agreements	746,199	723,061	2,619,713	723,061
Increase in property, plant and equipment from liabilities arising from installment sales and purchase agreements	1,188,396	-	-	-
Increase in other non-current receivables and lease liabilities due to solar energy generating system lease agreements	375,670	-	375,670	-
Received assets from donations	148,744	221,186	148,744	221,186
Interest expense capitalised	726,850	786,250	714,343	761,034
Increase in equipment from estimated decommissioning costs	15,257	-	-	-
Increase in interest from estimated decommissioning costs	208	-	-	-

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

Provincial Electricity Authority and its subsidiary

Notes to financial statements

For the year ended 31 December 2024

1. General information

1.1 General information of Provincial Electricity Authority

Provincial Electricity Authority was established as a state enterprise for public utility under Provincial Electricity Authority Act, B.E. 2503 and is located at 200 Ngamwongwan Road, Ladyao, Chatuchak, Bangkok 10900. The main objective of Provincial Electricity Authority is to generate, obtain, distribute and sell electricity energy to people, businesses and industrial sectors in 74 provinces throughout Thailand, with the exception of Bangkok, Nonthaburi, and Samut Prakan province.

1.2 Financial Criteria

According to the policy on determining the electricity tariff structure, the Energy Regulatory Commission (ERC) has established financial criteria with objectives to supervise the operational performance of Provincial Electricity Authority in order to bring about appropriate investments with a financial rate of return that reflects the weighted average cost of capital, efficiently control costs, monitor the investments and establish operating principles. In the event that the operational investing of Provincial Electricity Authority do not comply with the investment plan, the ERC will consider a clawback as stipulated in the criteria and conditions set forth by the ERC. Moreover, the ERC will consider restoring/recovering the financial position so that Provincial Electricity Authority is able to maintain financial position in accordance with the specified criteria and conditions (Return On Investment Capital: ROIC).

1.3 The rising energy price situation

The rising energy price situation has resulted in higher commodity and energy prices.

Therefore, the Cabinet approved measures to assist people who has been affected, the related measures that Provincial Electricity Authority provided are as follows:

1.3.1 Measure to reduce electricity tariff for residential user type 1: a residential user with electricity consumption not exceeding 300 units per month for 4 months, for the monthly electricity bills from January 2024 to April 2024.

1.3.2 Measure to reduce electricity tariff for residential user type 1: a residential user with electricity consumption not exceeding 300 units per month for 4 months, for the monthly electricity bills from May 2024 to August 2024.

1.3.3 Measure to reduce electricity tariff for residential user type 1: a residential user with electricity consumption not exceeding 300 units per month for 4 months, for the monthly electricity bills from September 2024 to December 2024.

According to measure No. 1.3.1 and No. 1.3.2, funds from the Annual Budget Expenditure Act, Budget B.E. 2567, the central fund appropriation and reserves for emergencies or necessities. Measure No. 1.3.3 for electricity bills of September 2024, funds from the Annual Budget Expenditure Act, Budget B.E. 2568, the central fund appropriation and reserves for emergencies or necessities and for electricity bills of October 2024 to December 2024 are currently under submission to the Cabinet for consideration and approval regarding the utilisation of budgetary resources.

1.4 Flood disaster situation

The Cabinet approved measures to assist people who has been affected by floods with electricity tariff. This assistance will be provided to residential user type 1: a residential user and residential user type 2: a small business user in areas declared as flood disaster zones by government authorities. The details of the assistance are as follows:

1.4.1 For the electricity bill of September 2024, provided 100% discount on electricity tariff.

1.4.2 For the electricity bill of October 2024, provided 30% discount on electricity tariff.

These measures are currently under proposiry to the Cabinet for consideration and approval regarding the source of budget utilisation.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Provincial Electricity Authority and the following subsidiary company (“the subsidiary”) (collectively as “PEA and its subsidiary or the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2024	2023
			(%)	(%)
PEA ENCOM International Company Limited	Investing in electricity-related businesses and conducting training services concerning electricity systems	Thailand	100	100

- b) Provincial Electricity Authority is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiary is fully consolidated, being the date on which Provincial Electricity Authority obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiary are prepared using the same significant accounting policies as Provincial Electricity Authority's.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

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

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

The amendments to the 2023 financial reporting standards which are effective for fiscal years address four matters: the definition of accounting estimates to distinguish between "changes in accounting estimates" and "changes in accounting policies"; disclosure of accounting policies; deferred tax related to assets and liabilities arising from a single transaction; and other amendments resulting from changes in Thai Financial Reporting Standard No. 17 Insurance Contracts.

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

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2025

The new financial reporting standards that are effective for fiscal years beginning on or after 1 January 2025 are Thai Financial Reporting Standard 17 Insurance Contracts. Additionally, the amendments to the 2024 Thai Financial Reporting Standard, which will become effective for fiscal years beginning on or after 1 January 2025 address four matters: classifying of liabilities as non-current in accordance with the criteria items subject for the entity entitled to extend payment for at least 12 months after the reporting period; non-current liabilities subject to covenants that must be maintained; disclosure requirements for supplier finance arrangements; Subsequent measurement requirements for lease liabilities in sales and leaseback transactions.

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

4. Accounting policies

4.1 Revenue and expense recognition

Sales

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

Revenue from electricity sales

Revenue from electricity sales is recognised when control of the asset is transferred to the customer. The performance obligation to distribute electricity to consumers is fulfilled over the period. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting discounts.

Rendering of services

Service revenue is recognised at a point in time upon completion of the service.

Construction service revenue is recognised over time when services have been rendered taking into account the stage of completion, measuring based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs to be incurred to completion.

The recognised revenue which is not yet due per the contracts. The amounts recognised as are reclassified to trade receivables when the Group's right to consideration is unconditional such as upon completion of services and acceptance by the customer.

The obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer is presented under the caption of “Advance received per contract / Deferred revenues” in the statement of financial position are recognised as revenue when the Group performs under the contract.

Contributions for constructing electricity distributing systems

Contributions for constructing electricity distributing systems represent cash collected from people who request to use the electricity in order to reduce the cost of Provincial Electricity Authority for construction of the electricity distributing systems. Ownership of the systems, including responsibility for maintenance and repair belongs to Provincial Electricity Authority. Such contributions are presented as “Deferred revenues” in the statements of financial position and recognised as revenues at the rate align with the depreciation rate of Provincial Electricity Authority’s electricity distributing system assets when the construction is completed.

Revenues from transferring of operating assets

Revenues from transferring of operating assets represent assets received from donations which are used in operations. Most of such assets are electricity distribution systems that the electricity users donate to Provincial Electricity Authority, which Provincial Electricity Authority is responsible for maintenance. Such assets are presented as deferred revenues from transferring of operating assets in the statements of financial position and recognised as revenues at the rate align with depreciation rates of such assets over their useful lives.

Assets received from donations, which have no performance obligations to perform are recognised as other non-operating revenues in the statements of comprehensive income in the period of acquisitions.

Contribution revenues from foreign financial institutions

Contribution revenues from foreign financial institutions represent contributions in forms of interest discount to be used for various purposes of Provincial Electricity Authority. Such revenues are presented as deferred revenues in the statements of financial position and recognised as revenues based on the actual amount of expenses incurred.

Revenue compensations

Revenue compensations received in accordance with resolution of regulators are recognised when Provincial Electricity Authority obtains the right to receive the revenue compensations.

Interest income

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

Finance cost

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

Dividends

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

4.2 Cash and cash equivalents

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

4.3 Inventories

Inventories which consist of spare parts and supplies, are valued at the lower of cost (under the weighted average method) and net realisable value. Allowance is made in full for obsolete demolition materials and supplies and for materials and supplies pending for adjustments.

4.4 Specific-purpose deposits at financial institutions

4.4.1 Specific-purpose deposits at financial institutions, which are presented as current assets in statements of financial position, are deposits to be used within one accounting period and with the specific purposes and conditions. Special-purpose deposits comprises of electricity usage guarantee fund, sinking fund for repayment of bonds, and restricted deposits with banks. All of which can be used in Provincial Electricity Authority's activities in case of Provincial Electricity Authority having the deficits in working capital. Interest from electricity usage guarantee fund is used for benefits of electricity users and KFW special fund is used for scholarships, training, analysis and research and deposits on incomes reimburse to users based on the Energy Regulatory Commission's directives are deposits at financial institutions that Provincial Electricity Authority utilised in accordance with the resolution directive by the Energy Regulatory Commission.

4.4.2 Special-purpose deposits at financial institutions, which are presented as non-current assets in the statements of financial position, are deposits to be used longer than one accounting period and cannot be used for operating activities i.e. PEA Employee Gratuity Fund.

4.5 Investments in subsidiary, joint venture and associates

Investments in joint venture and associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiary is accounted for in the separate financial statements using the cost method.

4.6 Investment properties

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

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated economic useful lives of 33 years. No depreciation is provided on land. Depreciation of the investment properties is included in determining income.

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

4.7 Constructions in progress

Constructions in progress include construction costs, borrowing costs incurred on direct costs associated with the borrowing of funds used for the construction, and other costs which are directly related to construction or preparation of the property for its intended use. No depreciation is provide on constructions in progress.

4.8 Property, plant and equipment and Depreciation

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

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

Land improvement	16 - 33 years
Buildings and construction	5 - 33 years
Electricity generating systems	5 - 33 years
Electricity distributing systems	5 - 25 years
Furniture, tools and equipment	5 - 25 years
Vehicles	5 - 10 years

Depreciation is included in determining income.

No depreciation is provided on land.

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

4.9 Borrowing costs

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

4.10 Intangible assets

Intangible assets are carried at cost less accumulated amortisation and any accumulated impairment losses (if any).

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

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

	<u>Useful lives</u>
Computer software licenses	5 years
Computer software	5 years

4.11 Leases

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

The Group as a lessee

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

Right-of-use assets

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

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

Land and land improvement	1 - 30	years
Buildings and construction	1 - 5	years
Electricity systems	10	years
Furniture, tools and equipment	3 - 5	years
Vehicles	4 - 5	years
Intangible assets	5 - 6	years

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

The Group as a lessor

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

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

4.12 Related party transactions

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

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

4.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also Provincial Electricity Authority's functional currency.

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

Gains and losses on exchange are included in determining income.

4.14 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

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

4.15 Employee benefits

Short-term employee benefits

Salaries, wages, overtimes, bonuses, contributions to the social security fund, compensated absences and other short-term benefits in accordance with the contract of employment are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plan and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under State Enterprise Labor Relations Act, B.E. 2543, compensation under Labor Law, compensated absences of employees who are dismissed without committing an offense under the law, unused portion of personal leaves of employees, souvenir for retired employees and other employee benefit plans in accordance with the contract of employment. In addition, the Group has other long-term employee benefit welfare for employees who are due in accordance with the conditions.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

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

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

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

4.16 Provisions

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

4.17 Income tax

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

Current tax

For subsidiary, current income 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

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

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

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

4.18 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Classification and measurement of financial liabilities

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

Derecognition of financial instruments

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

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

Impairment of financial assets

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

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

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

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

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

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

Offsetting of financial instruments

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

4.19 Fair value measurement

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

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

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

5. Significant accounting judgements and estimates

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

Allowance for expected credit losses of trade receivables

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

Post-employment benefits under defined benefit plans and other long-term employee benefits

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

Provisions for service contracts

In recognising provisions for financing service contracts, the management is required to exercise judgement and rely on past experience. The estimation of insurance premiums throughout the contract period is calculated on assumptions derived from a percentage of the project value. The estimation of maintenance and inverter costs is based on the experience of maintenance and transactions in the past.

Provisions and contingent liabilities in relation to litigations

The Group has contingent liabilities as a result of litigation. The Group's management has used judgement to assess of the results of the litigation and believes that loss incurred will not exceed the record amounts as at the end of reporting period.

Property, plant and equipment/Depreciation

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

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

6. Related party transactions

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

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2024	2023	2024	2023
<u>Transactions with subsidiary company</u>				
(eliminated from the consolidated financial statements)				
Sales and rendering of services	-	-	44	15
Dividend income	-	-	8	4
Construction and purchase of fixed asset	-	-	69	10
Other operating expenses	-	-	137	2
<u>Transactions with associates</u>				
Sales and rendering of services	105	287	105	276
Dividend income	78	71	-	-
Other income	2	3	-	3
Finance income	1	-	-	-
Cost of electricity	505	636	505	636
Preventive, repair and maintenance, and construction expenses	20	54	17	46
Other operating expenses	2	6	2	6

As at 31 December 2024, the balances of the accounts between the Group and those related companies are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Trade and other receivables - related parties (Note 8)				
Subsidiary	-	-	18	14
Associates	5	22	4	17
Total	5	22	22	31
Advance payments to suppliers				
Subsidiary	-	-	-	2
Other current assets				
Associates	-	19	-	-
Right-of-use assets				
Subsidiary	-	-	1,779	-
Trade and other payables - related parties (Note 20)				
Subsidiary	-	-	48	1
Associates	60	113	60	112
Total	60	113	108	113
Current portion of lease liabilities				
Subsidiary	-	-	242	-
Other current liabilities				
Subsidiary	-	-	1	-
Associates	-	1	-	-
Total	-	1	1	-
Lease liabilities, net of current portion				
Subsidiary	-	-	1,632	-
Construction obligations				
Associates	1	2	1	2
Deferred revenues				
Subsidiary	-	-	1	2
Electricity usage guarantee				
Associates	7	30	7	30
Sales and service guarantee				
Subsidiary	-	-	31	30
Associates	2	2	2	2
Total	2	2	33	32

Short-term loans to related parties

The outstanding balance of short-term loans to related parties as of 31 December 2024 and the movements in short-term loans are as follows:

(Unit: Million Baht)

	Consolidated financial statements			Balance as at 31 December 2024
	Balance as at 31 December 2023	During the year		
		Increase	Decrease	
<u>Short-term loans to related parties</u>				
<u>Associates</u>				
Pracharath Biomass Maelan Company Limited	-	6	-	6
Pracharath Biomass Bannangsata Company Limited	-	6	-	6
Total	-	12	-	12

Short-term loans to related parties are unsecured loans and carried interest at a fixed annual rate. These loans, including interest, are due within one year.

On 19 September 2024, the subsidiary's Board of Directors meeting No. 11/2024 resolved to approve the extension of the loan repayment period for two associates by a further year. The due date for repayment was extended from September 2024 to September 2025, with the interest rate remaining unchanged.

Related party transactions, as mentioned above, exclude transactions with government agencies and state enterprises, except for PEA ENCOM International Company Limited, a subsidiary of the Provincial Electricity Authority.

Directors and management's benefits

During the year ended 31 December 2024, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Short-term employee benefits	141	115	136	112
Post-employment benefits	5	4	5	3
Total	146	119	141	115

7. Cash and cash equivalents

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Cash	79	56	79	56
Bank deposits - Current	10	8	2	2
Bank deposits - Saving	7,980	7,394	7,744	7,169
Bank deposits - Fixed	704	756	-	-
Total	8,773	8,214	7,825	7,227

As at 31 December 2024, bank deposits in saving accounts and fixed deposits carried interests between 0.15 and 1.65 percent per annum (2023: between 0.15 and 1.70 percent per annum).

8. Trade and other receivables

The balance of trade and other receivables as at 31 December 2024, aged on the basis of due dates, can be summarised as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<u>Trade receivables - related parties (Note 6)</u>				
Aged on the basis of due dates				
Not yet due	5	22	9	16
Past due				
3 - 6 months	-	-	2	5
6 - 12 months	-	-	2	-
Total trade receivables - related parties	5	22	13	21

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	39,372	38,497	39,120	38,320
Past due				
Up to 3 months	7,066	7,424	7,066	7,424
3 - 6 months	414	770	413	770
6 - 12 months	326	867	325	867
Over 12 months	1,387	1,484	1,382	1,478
Total trade receivables - unrelated parties	48,565	49,042	48,306	48,859
Less: Allowance for expected credit losses	(1,539)	(1,748)	(1,532)	(1,743)
Total trade receivables - net	47,031	47,316	46,787	47,137
<u>Other receivables</u>				
Other receivables - unrelated parties	1,025	2,199	919	2,187
Other receivables - related parties (Note 6)	-	-	-	1
Prepaid expenses	39	51	22	21
Interest receivable	111	55	110	54
Accrued revenues from				
the Power Development Fund	2,315	4,494	2,315	4,494
Other accrued income - unrelated parties	2,017	375	2,011	326
Other accrued income - related parties (Note 6)	-	-	9	9
Total	5,507	7,174	5,386	7,092
Less: Allowance for expected credit losses	(290)	(283)	(280)	(273)
Total other receivables - net	5,217	6,891	5,106	6,819
Trade and other receivables - net	52,248	54,207	51,893	53,956

Set out below is the movements in the allowance for expected credit losses of trade and other receivables.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Beginning balance	2,031	1,666	2,016	1,651
Provision for expected credit losses				
(reversal)	(185)	371	(187)	371
Amount written off	(17)	(6)	(17)	(6)
Ending balance	1,829	2,031	1,812	2,016

The normal credit term is 10 to 30 days (Provincial Electricity Authority only: 10 to 18 days).

9. Inventories

(Unit: Million Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2024	2023	2024	2023	2024	2023
Operating materials and supplies	57	49	-	-	57	49
Materials and supplies for construction and maintenance	1,072	785	(6)	(2)	1,066	783
Materials and supplies for repair	830	599	-	-	830	599
Demolition materials and supplies	619	571	(12)	(24)	607	547
Materials and supplies pending for adjustments	65	52	(65)	(52)	-	-
Cars waiting for delivery	6	6	(6)	(6)	-	-
Materials and supplies in transit	9	15	-	-	9	15
Total	2,658	2,077	(89)	(84)	2,569	1,993

(Unit: Million Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2024	2023	2024	2023	2024	2023
Operating materials and supplies	57	49	-	-	57	49
Materials and supplies for construction and maintenance	1,066	779	-	-	1,066	779
Materials and supplies for repair	830	599	-	-	830	599
Demolition materials and supplies	619	571	(12)	(24)	607	547
Materials and supplies pending for adjustments	65	52	(65)	(52)	-	-
Materials and supplies in transit	9	15	-	-	9	15
Total	2,646	2,065	(77)	(76)	2,569	1,989

During the year, the Group reduced cost of allowance by Baht 209 million (2023: Baht 253 million) (Provincial Electricity Authority only: Baht 205 million, 2023: Baht 251 million), to reflect the net realisable value. This was included in expense. In addition, the Group reversed

the write-down of cost of inventories by Baht 204 million (2023: Baht 262 million) (Provincial Electricity Authority only: Baht 204 million, 2023: Baht 262 million), and reduced the amount of inventories recognised as expenses during the year.

10. Specific-purpose deposits at financial institutions

(Unit: Million Baht)

	Consolidated and separate financial statements	
	2024	2023
Electricity usage guarantee fund (Note 29)	27,735	26,045
Interest from electricity usage guarantee fund	6,034	5,348
Sinking fund for repayment of bonds	5,697	5,480
KFW special fund	175	188
Restricted deposits with banks	3,965	4,520
Funding under the energy conservation policy from Energy Policy and Planning Office and other government agencies	-	2
Deposits on incomes reimburse to users based on the Energy Regulatory Commission's directives	789	800
Total	44,395	42,383

Electricity usage guarantee fund and sinking fund for repayment of bonds are deposits at financial institutions that can be used in Provincial Electricity Authority's activities in case of Provincial Electricity Authority have deficits in working capital.

Sinking fund for repayment of bonds is used as Provincial Electricity Authority guarantee for repayment of bonds at the maturity date. Provincial Electricity Authority will periodically deposit to the account for repayment of bonds with maturity period within 3 years.

Interest from electricity usage guarantee fund, interest from KFW special fund, and funding under the energy conservation policy from Energy Policy are deposited at financial institutions which are restricted for specific purposes as determined by Provincial Electricity Authority.

Restricted deposits - saving accounts are used as a guarantee for Provincial Electricity Authority's employee loans. Provincial Electricity Authority has to maintain a balance of saving accounts at a monthly average of Baht 3,100 million.

Deposits on incomes reimburse to users based on the Energy Regulatory Commission's directives are deposits at financial institutions that Provincial Electricity Authority uses according to a resolution directive by the Energy Regulatory Commission.

11. Other non-current financial assets

Other non-current financial assets represent the Group's investments details as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
<u>Equity instruments designated at FVOCI</u>				
Listed company equity investment				
WP Energy Public Company Limited	1	1	1	1
Non-listed company equity investment				
B.Grimm Power (AIE-MTP) Company Limited	282	282	-	-
Total	<u>283</u>	<u>283</u>	<u>1</u>	<u>1</u>

12. Other non-current receivables

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Installment receivables	23	25	23	25
Finance lease receivables	42	67	-	-
Receivables under financing service contracts	3,421	2,436	1,132	720
Total	<u>3,486</u>	<u>2,528</u>	<u>1,155</u>	<u>745</u>

13. Investments in subsidiary

Details of investment in subsidiary

Investment in subsidiary as at 31 December 2024 are as follows:

		Separate financial statements					
		Paid-up capital		Shareholding percentage		Cost	
		2024	2023	2024	2023	2024	2023
		(Million Baht)	(Million Baht)	(%)	(%)	(Million Baht)	(Million Baht)
Non-listed company							
PEA ENCOM							
International							
Company Limited		5,111	5,111	100	100	5,111	5,111

Provincial Electricity Authority received dividends from its subsidiary for the year ended 31 December 2024, amounting to Baht 8 million (2023: Baht 4 million).

Investment in subsidiary in the separate financial statements represent the investment in PEA Encom International Company Limited. The Subsidiary is registered in Thailand with purposes of investing in electricity-related businesses and conducting training services concerning electricity systems for public organisations and private organisations both domestically and internationally. Provincial Electricity Authority has acquired 100 percent shareholding of its ordinary shares. The investments in subsidiary are recorded under the cost method.

14. Investments in associates

14.1 Details of associates

Investments in associated companies in the consolidated financial statements as a transaction of PEA ENCOM International Company Limited which is the subsidiary of Provincial Electricity Authority, has jointly invested for the equity method.

(Unit: Million Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements									
			Shareholding percentage		Cost		Carrying amounts based on equity method		Allowance for impairment of investments		Carrying amounts based on equity method - net	
			2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
			(%)	(%)								
Indirect holdings												
Solar Power (Surin 1) Company Limited	Generating electricity from solar power	Thailand	25	25	41.25	41.25	116.2	124.7	-	-	116.2	124.7
Solar Power (Surin 2) Company Limited	Generating electricity from solar power	Thailand	25	25	41.25	41.25	114.4	122.9	-	-	114.4	122.9
Solar Power (Khon Kaen 10) Company Limited	Generating electricity from solar power	Thailand	25	25	41.25	41.25	112.8	121.2	-	-	112.8	121.2
Solar Power (Loei 2) Company Limited	Generating electricity from solar power	Thailand	25	25	41.25	41.25	113.8	121.6	-	-	113.8	121.6
Pracharath Biomass Maelan Company Limited	Generating electricity from biomass	Thailand	40	40	57.8	57.8	34.6	48.0	-	-	34.6	48.0
Pracharath Biomass Bannangsata Company Limited	Generating electricity from biomass	Thailand	40	40	61.6	61.6	47.3	48.5	-	-	47.3	48.5

(Unit: Million Baht)

		Consolidated financial statements										
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method		Allowance for impairment of investments		Carrying amounts based on equity method - net	
			2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
			(%)	(%)								
Indirect holdings (continued)												
Thai Serm Suk Energy Company Limited	Generating electricity from biogas	Thailand	25	25	25.0	25.0	28.6	27.7	-	-	28.6	27.7
Thai Digital Energy Development Company Limited	Develop integrated digital energy products and services	Thailand	25	25	50.0	50.0	54.1	53.1	-	-	54.1	53.1
Set Energy Co., Ltd.	Develop and invest in smart power grids	Thailand	25	25	861.4	861.4	828.4	835.4	-	-	828.4	835.4
Encom Waste To Energy (Phranakhon Si Ayutthaya) Company Limited	Generating electricity from refuse derived fuel	Thailand	25	25	20.6	20.6	18.0	18.0	(18.0)	(18.0)	-	-
Salo Tech (Thailand) Company Limited	Generating and distribution of solar panels	Thailand	25	25	69.3	69.3	44.2	56.7	-	-	44.2	56.7
Siam Electrail Company Limited	Full services related power system assets	Thailand	25	25	3.1	3.1	-	1.3	-	-	-	1.3
R E N Korat Energy Company Limited	Generating electricity from combined cycle power plant	Thailand	25	25	205.5	205.5	149.7	179.2	-	-	149.7	179.2

(Unit: Million Baht)

		Consolidated financial statements										
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on equity method		Allowance for impairment of investments		Carrying amounts based on equity method - net	
			2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
			(%)	(%)								
Indirect holdings (continued)												
PEA Intelligent Technology Company Limited	Provide and sold electronic and smart devices	Thailand	25	25	1.5	1.5	1.5	1.7	-	-	1.5	1.7
THAI ENCOM Co., Ltd.	Provide setting up a system for data analysis and research	Thailand	25	25	6.3	6.3	3.6	5.3	(3.6)	-	-	5.3
PEA ENCOM Smart Solution Company Limited	Full services related to a solar cell system	Thailand	25	25	2.5	2.5	4.4	4.3	-	-	4.4	4.3
Encom Sharge Utility Services Co., Ltd.	Provide power distribution grid services for electric vehicles	Thailand	25	25	5.5	5.5	10.0	11.6	-	-	10.0	11.6
B. Grimm Power (Laem Chabang) 1 Limited	Generating electricity from combined cycle power plant	Thailand	25	25	1,100.0	1,100.0	1,157.5	1,095.0	-	-	1,157.5	1,095.0
					<u>2,635.1</u>	<u>2,635.1</u>	<u>2,839.1</u>	<u>2,876.2</u>	<u>(21.6)</u>	<u>(18.0)</u>	<u>2,817.5</u>	<u>2,858.2</u>

14.2 Share of comprehensive income and dividend received

During the year ended 31 December 2024, the subsidiary of Provincial Electricity Authority has recognised its share of comprehensive income from investments in associates in the statement of comprehensive income as follows:

(Unit: Million Baht)

Associates	Consolidated financial statements					
	Share of profits (losses)		Share of other		Dividend received by subsidiary*	
	from investments in		comprehensive income			
	associates		from investments in			
	2024	2023	2024	2023	2024	2023
Solar Power (Surin 1) Company Limited	12.6	24.1	-	-	21.2	18.6
Solar Power (Surin 2) Company Limited	13.2	24.3	-	-	21.7	18.8
Solar Power (Khon Kaen 10) Company Limited	9.7	21.4	-	-	18.1	18.5
Solar Power (Loei 2) Company Limited	7.9	18.5	-	-	15.6	15.2
Pracharath Biomass Maelan Company Limited	(13.4)	(6.4)	-	-	-	-
Pracharath Biomass Bannangsata Company Limited	(1.2)	(8.7)	-	-	-	-
Thai Serm Suk Energy Company Limited	0.9	1.6	-	-	-	-
Thai Digital Energy Development Company Limited	1.0	2.2	-	-	-	-
Set Energy Co., Ltd.	(7.0)	(6.8)	-	-	-	-
Encom Waste To Energy (Phranakhon Si Ayutthaya) Company Limited	-	(0.2)	-	-	-	-
Salo Tech (Thailand) Company Limited	(12.5)	(7.4)	-	-	-	-
Siam Electrail Company Limited	(1.3)	1.3	-	-	-	-
R E N Korat Energy Company Limited	(29.4)	(12.2)	-	-	-	-
PEA Intelligent Technology Company Limited	(0.2)	(0.1)	-	-	-	0.1
THAI ENCOM Co., Ltd.	(1.7)	(0.4)	-	-	-	-
PEA ENCOM Smart Solution Company Limited	0.2	1.2	-	-	0.2	-
Encom Sharge Utility Services Co., Ltd.	0.1	6.3	-	-	1.6	-
B.Grimm Power (Laem Chabang) 1 Limited	67.3	1.2	(4.9)	(6.2)	-	-
Total	46.2	59.9	(4.9)	(6.2)	78.4	71.2

* Dividend received by the subsidiary presented in the subsidiary's separate financial statements.

14.3 Significant changes in investments in associates during the year

THAI ENCOM Co., Ltd.

During the year, the subsidiary recognised an impairment loss on its investment in THAI ENCOM Co.,Ltd. (“an associate”) amounting to Baht 4 million. The decision was made as the subsidiary’s management determined that the Board of Directors meeting of the associate held on 22 April 2024 resolved to approve the dissolution and liquidation due to business constraints that limited the ability to fulfill the original intentions for the joint investment.

14.4 Financial information of significant associated companies

Summary of financial position

	(Unit: Million Baht)					
	SET Energy Co., Ltd.		R E N Korat Energy Company Limited		B.Grimm (Laem Chabang) 1 Limited	
	2024	2023	2024	2023	2024	2023
Current assets	390.4	437.6	448.4	507.1	1,113.0	1,298.2
Non-current assets	2,938.6	2,932.6	1,491.9	1,205.4	8,397.3	8,604.7
Current liabilities	(31.7)	(45.1)	(125.5)	(112.5)	(569.7)	(942.3)
Non-current liabilities	-	-	(1,216.0)	(883.4)	(4,310.8)	(4,580.4)
Assets - Net	3,297.3	3,325.1	598.8	716.6	4,629.8	4,380.2
Investment proportion (%)	25	25	25	25	25	25
Proportional to the entity's interest in assets - net	824.3	831.3	149.7	179.2	1,157.5	1,095.0
The higher cost of business acquisition than the book value	4.1	4.1	-	-	-	-
Book value of interest in associates	828.4	835.4	149.7	179.2	1,157.5	1,095.0

Summary of comprehensive income

	(Unit: Million Baht)					
	SET Energy Co., Ltd.		R E N Korat Energy Company Limited		B.Grimm (Laem Chabang) 1 Limited	
	2024	2023	2024	2023	2024	2023
Revenues	6.9	4.3	217.1	215.5	2,983.0	1,306.5
Profit before tax	27.8	27.0	117.6	49.1	218.1	45.6
Profit after tax	27.8	27.0	117.6	49.1	366.2	45.1
Other comprehensive income	0.1	-	-	-	19.7	24.8
Total comprehensive income	27.8	27.0	117.6	49.1	346.5	45.1

15. Investments in joint venture

Details of investments in joint venture

Investments in joint venture represent investments in entities which are jointly controlled by the subsidiary of Provincial Electricity Authority and other companies as at 31 December 2024. Details of these investments are as follows:

		(Unit: Million Baht)						
		Consolidated financial statements						
Joint venture	Nature of business	Country of incorporation	Shareholding percentage		Cost		Carrying amounts based on cost method	
			2024 (%)	2023 (%)	2024	2023	2024	2023
Indirectly owned								
PEA Encom Fah Chai joint venture	install and provide service on solar power electricity generating system	Thailand	25	25	5.5	5.5	5.3	5.3
Less: Allowance for impairment of investments					(5.5)	(5.5)	(5.3)	(5.3)
Total					-	-	-	-

Investments in joint venture in the consolidated financial statements is the investment of PEA ENCOM International Company Limited, the subsidiary of Provincial Electricity Authority, which has entered into a joint venture agreement in the name of PEA Encom Fah Chai joint venture to install and provide service on solar power electricity generating system on 8 March 2017 and are accounted by using the equity method.

During the year ended 31 December 2024, there was no share of other comprehensive income from investments in joint venture and there was no dividend received from the joint venture.

16. Constructions in progress

		(Unit: Million Baht)		
		Consolidated financial statements		
		The Group's capital budget	Partially funded by electricity users	Total
As at 1 January 2023		43,809	4,912	48,721
Acquisition - at cost		43,848	8,612	52,460
Transfer out		(41,231)	(7,810)	(49,041)
		46,426	5,714	52,140
Inventories				15,473
Work in progress				2
As at 31 December 2023				67,615

(Unit: Million Baht)

Consolidated financial statements

	The Group's capital budget	Partially funded by electricity users	Total
As at 1 January 2024	46,426	5,714	52,140
Acquisition - at cost	40,649	8,913	49,562
Transfer out	(47,752)	(8,526)	(56,278)
	39,323	6,101	45,424
Inventories			17,458
Work in progress			4
As at 31 December 2024			62,886

(Unit: Million Baht)

Separate financial statements

	Provincial Electricity Authority's capital budget	Partially funded by electricity users	Total
As at 1 January 2023	42,931	4,912	47,843
Acquisition - at cost	43,604	8,612	52,216
Transfer out	(40,806)	(7,810)	(48,616)
	45,729	5,714	51,443
Inventories			15,473
Work in progress			2
As at 31 December 2023			66,918
As at 1 January 2024	45,729	5,714	51,443
Acquisition - at cost	40,570	8,913	49,483
Transfer out	(47,172)	(8,526)	(55,698)
	39,127	6,101	45,228
Inventories			17,458
Work in progress			4
As at 31 December 2024			62,690

Inventories presented in constructions in progress are the materials and supplies which Provincial Electricity Authority has purchased with specific purposes for use in the projects.

The Group has borrowed specific loans to construct buildings, electricity generating and distributing systems which are eligible for qualifying assets. The borrowing costs that directly attributable to the construction of qualifying assets and incurred from loans made for specific purposes are capitalised as cost of assets at interest rates of 1.33 to 4.57 percent per annum (2023: 1.33 to 4.85 percent per annum). Interest expenses on loans for the year ended 31 December 2024 amounting to Baht 5,243 million (2023: Baht 4,633 million) (Provincial Electricity Authority only: Baht 5,208 million, 2023: Baht 4,602 million) are capitalised as part of the cost of constructions in progress amounting to Baht 727 million (2023: Baht 786 million) (Provincial Electricity Authority only: Baht 714 million, 2023: Baht 761 million) and recognised as expenses in profit or loss amounting to Baht 4,516 million (2023: Baht 3,847 million) (Provincial Electricity Authority only: Baht 4,494 million, 2023: Baht 3,841 million).

17. Investment properties

The net book value of investment properties as at 31 December 2024 is presented below.

	(Unit: Million Baht)		
	Consolidated and separate financial statements		
	Land and land improvements	Building and building improvements	Total
As at 31 December 2023			
Cost	160	479	639
Less: Accumulated depreciation	-	(171)	(171)
Net book value	<u>160</u>	<u>308</u>	<u>468</u>
As at 31 December 2024			
Cost	136	479	615
Less: Accumulated depreciation	-	(184)	(184)
Net book value	<u>136</u>	<u>295</u>	<u>431</u>

A reconciliation of the net book value of investment properties for the years 2024 is presented below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2024	2023	2024	2023
Net book value at beginning of year	468	462	468	462
Acquisition - at cost	-	28	-	28
Transfer	(24)	(9)	(24)	(9)
Depreciation for the year	(13)	(13)	(13)	(13)
Net book value at end of year	<u>431</u>	<u>468</u>	<u>431</u>	<u>468</u>

Provincial Electricity Authority had rental revenue from investment properties for the year ended 31 December 2024 of Baht 24 million (2023: Baht 23 million). As at 31 December 2024, the cost value of land for lease is Baht 42 million (2023: Baht 42 million) and the cost value of building for lease is Baht 479 million (2023: Baht 479 million).

The additional information of the investment properties as at 31 December 2024 stated below:

(Unit: Million Baht)

	Consolidated and separate financial statements	
	2024	2023
The fair value of land and land improvements	549	556
The fair value of building and building improvements	166	170
Total	715	726

The fair value has been determined based on valuation announced by the Treasury Department.

18. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2024 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements						Total
	Land and land improvements	Buildings and construction	Electricity generating systems	Electricity distributing systems	Furniture, tools and equipment	Vehicles	
Cost:							
1 January 2023	20,112	22,505	3,309	582,742	32,068	13,432	674,168
Additions	338	48	4	-	1,011	1,462	2,863
Received from donations	3	-	-	210	8	-	221
Transfer from construction in progress	691	2,267	84	42,855	1,710	-	47,607
Transfer - change in assets classification	10	4	25	(232)	(34)	(1)	(228)
Disposals	(11)	(63)	(4)	(6,714)	(743)	(261)	(7,796)
31 December 2023	21,143	24,761	3,418	618,861	34,020	14,632	716,835
Additions	542	31	16	1,224	1,049	540	3,402
Received from donations	-	11	2	136	-	-	149
Transfer from construction in progress	913	1,879	218	48,577	2,004	-	53,591
Transfer - change in assets classification	29	(2)	-	(11)	8	-	24
Disposals	(10)	(78)	(22)	(8,199)	(1,412)	(230)	(9,951)
31 December 2024	22,617	26,602	3,632	660,588	35,669	14,942	764,050

(Unit: Million Baht)

Consolidated financial statements

	Land and land improvements	Buildings and construction	Electricity generating systems	Electricity distributing systems	Furniture, tools and equipment	Vehicles	Total
Accumulated depreciation:							
1 January 2023	2,136	8,814	1,692	300,854	20,119	9,135	342,750
Depreciation for the year	191	731	129	22,390	2,375	739	26,555
Transfer - change in assets classification	4	11	11	(213)	(48)	(1)	(236)
Depreciation on disposals	(6)	(41)	(10)	(5,471)	(737)	(260)	(6,525)
31 December 2023	2,325	9,515	1,822	317,560	21,709	9,613	362,544
Depreciation for the year	220	810	144	24,432	2,615	809	29,030
Transfer - change in assets classification	6	3	-	(11)	3	-	1
Depreciation on disposals	(5)	(55)	(23)	(6,853)	(1,406)	(230)	(8,572)
31 December 2024	2,546	10,273	1,943	335,128	22,921	10,192	383,003
Net book value:							
31 December 2023	18,818	15,246	1,596	301,301	12,311	5,019	354,291
31 December 2024	20,071	16,329	1,689	325,460	12,748	4,750	381,047
Depreciation for the year							
2023 (Baht 328 million included in construction in progress cost, and the balance in statement of profit or loss)							26,555
2024 (Baht 341 million included in construction in progress cost, and the balance in statement of profit or loss)							29,030

(Unit: Million Baht)

Separate financial statements

	Land and land improvements	Buildings and construction	Electricity generating systems	Electricity distributing systems	Furniture, tools and equipment	Vehicles	Total
Cost:							
1 January 2023	20,112	22,504	3,309	582,756	32,055	13,430	674,166
Additions	338	47	5	3	1,020	1,462	2,875
Received from donations	3	-	-	210	8	-	221
Transfer from construction in progress	691	2,267	84	42,855	1,710	-	47,607
Transfer - change in assets classification	10	4	25	(232)	(34)	(1)	(228)
Disposals	(11)	(63)	(4)	(6,714)	(743)	(260)	(7,795)
31 December 2023	21,143	24,759	3,419	618,878	34,016	14,631	716,846
Additions	542	31	16	5	1,049	540	2,183
Received from donations	-	11	2	136	-	-	149
Transfer from construction in progress	913	1,879	218	48,577	2,004	-	53,591
Transfer - change in assets classification	29	(2)	-	(11)	8	-	24
Disposals	(10)	(78)	(22)	(8,199)	(1,412)	(230)	(9,951)
31 December 2024	22,617	26,600	3,633	659,386	35,665	14,941	762,842

(Unit: Million Baht)

	Separate financial statements						Total
	Land and land improvements	Buildings and construction	Electricity generating systems	Electricity distributing systems	Furniture, tools and equipment	Vehicles	
Accumulated depreciation:							
1 January 2023	2,136	8,814	1,692	300,851	20,112	9,135	342,740
Depreciation for the year	191	731	129	22,390	2,374	738	26,553
Transfer - change in assets classification	4	11	11	(213)	(48)	(1)	(236)
Depreciation on disposals	(6)	(41)	(10)	(5,471)	(737)	(260)	(6,525)
31 December 2023	2,325	9,515	1,822	317,557	21,701	9,612	362,532
Depreciation for the year	220	810	144	24,370	2,614	809	28,967
Transfer - change in assets classification	6	2	-	(11)	3	-	-
Depreciation on disposals	(5)	(55)	(23)	(6,853)	(1,406)	(230)	(8,572)
31 December 2024	2,546	10,272	1,943	335,063	22,912	10,191	382,927
Net book value:							
31 December 2023	18,818	15,244	1,597	301,321	12,315	5,019	354,314
31 December 2024	20,071	16,328	1,690	324,323	12,753	4,750	379,915
Depreciation for the year							
2023 (Baht 328 million included in construction in progress cost, and the balance in statement of profit or loss)							26,553
2024 (Baht 341 million included in construction in progress cost, and the balance in statement of profit or loss)							28,967

As at 31 December 2024, certain items of building and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 134,417 million (2023: Baht 124,955 million) (Provincial Electricity Authority only: Baht 134,411 million, 2023: Baht 124,951 million).

19. Intangible assets

The net book value of intangible assets as at 31 December 2024 is presented below.

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Computer software licenses	Computer software	Total	Computer software licenses	Computer software	Total
As at 31 December 2023						
Cost	6,738	3,486	10,224	6,733	3,486	10,219
Less: Accumulated amortisation	(5,120)	(2,072)	(7,192)	(5,117)	(2,072)	(7,189)
Net book value	1,618	1,414	3,032	1,616	1,414	3,030
As at 31 December 2024						
Cost	8,482	3,884	12,366	8,475	3,884	12,359
Less: Accumulated amortisation	(6,175)	(2,816)	(8,991)	(6,171)	(2,816)	(8,987)
Net book value	2,307	1,068	3,375	2,304	1,068	3,372

A reconciliation of the net book value of intangible assets for the years 2024 is presented below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Net book value at beginning of year	3,032	2,989	3,030	2,985
Acquisition - cost	78	246	76	246
Transfers from construction in progress	2,106	1,009	2,106	1,009
Transfer - change in assets classification	-	1	-	1
Write-off during the year - net book value at the write-off date	(1)	-	(1)	-
Amortisation for the year	(1,840)	(1,213)	(1,839)	(1,211)
Net book value at end of year	<u>3,375</u>	<u>3,032</u>	<u>3,372</u>	<u>3,030</u>

20. Trade and other payables

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Trade payables - unrelated parties	49,225	50,880	49,115	50,794
Trade payables - related parties (Note 6)	60	109	68	110
Other payables - unrelated parties	4,946	2,845	4,801	2,840
Other payables - related parties (Note 6)	-	3	-	3
Accrued interest expenses	1,101	1,012	1,101	1,012
Accrued expenses - unrelated parties	4,766	2,933	4,692	2,904
Accrued expenses - related parties (Note 6)	-	1	38	-
Unearned revenues - unrelated parties	345	344	344	244
Unearned revenues - related parties (Note 6)	-	-	2	-
Total trade and other payables	<u>60,443</u>	<u>58,117</u>	<u>60,161</u>	<u>57,907</u>

21. Long-term loans

		(Unit: Million Baht)				
	Interest rate (% per annum)	Repayment schedule	Consolidated		Separate	
			financial statements 2024	2023	financial statements 2024	2023
<u>Domestic long-term loans</u>						
The Ministry of Finance	No interest charge	1988 - 2031	75	99	75	99
Bonds	1.33 - 4.57	2024 - 2042	154,219	149,716	154,219	149,716
Financial institutions	2.1106 - 3.0781	2022 - 2031	9,845	9,407	9,000	8,500
Total			164,139	159,222	163,294	158,315
Less: Current portion			(13,894)	(11,578)	(13,795)	(11,516)
Long-term loans, net of current portion			150,245	147,644	149,499	146,799

Movements of the long-term loan account for the year ended 31 December 2024 summarised as follows:

		(Unit: Million Baht)				
		Consolidated financial statements				
		2024				
	Balance as at 1 January 2024	Additions during year	Decreases during year	Unrealised gain on foreign exchange	Amortisation premium	Balance as at 31 December 2024
<u>Domestic long-term loans</u>						
The Ministry of Finance	99	-	(17)	(8)	1	75
Bonds	149,716	15,000	(10,500)	-	3	154,219
Financial institutions	9,407	5,000	(4,562)	-	-	9,845
Total	159,222	20,000	(15,079)	(8)	4	164,139

		(Unit: Million Baht)				
		Consolidated financial statements				
		2023				
	Balance as at 1 January 2023	Additions during year	Decreases during year	Unrealised loss on foreign exchange	Amortisation premium	Balance as at 31 December 2023
<u>Domestic long-term loans</u>						
The Ministry of Finance	114	-	(18)	2	1	99
Bonds	138,514	18,500	(7,300)	-	2	149,716
Financial institutions	3,949	7,500	(2,042)	-	-	9,407
<u>Foreign long-term loans</u>						
Financial institutions	36	-	(36)	-	-	-
Total	142,613	26,000	(9,396)	2	3	159,222

(Unit: Million Baht)

Separate financial statements						
2024						
	Balance as at	Additions	Decreases	Unrealised	Amortisation	Balance as at
	1 January 2024	during year	during year	gain on foreign	premium	31 December 2024
				exchange		
<u>Domestic long-term loans</u>						
The Ministry of Finance	99	-	(17)	(8)	1	75
Bonds	149,716	15,000	(10,500)	-	3	154,219
Financial institutions	8,500	5,000	(4,500)	-	-	9,000
Total	158,315	20,000	(15,017)	(8)	4	163,294

(Unit: Million Baht)

Separate financial statements						
2023						
	Balance as at	Additions	Decreases	Unrealised	Amortisation	Balance as at
	1 January 2023	during year	during year	loss on foreign	premium	31 December 2023
				exchange		
<u>Domestic long-term loans</u>						
The Ministry of Finance	114	-	(18)	2	1	99
Bonds	138,514	18,500	(7,300)	-	2	149,716
Financial institutions	3,000	7,500	(2,000)	-	-	8,500
<u>Foreign long-term loans</u>						
Financial institutions	36	-	(36)	-	-	-
Total	141,664	26,000	(9,354)	2	3	158,315

During the year, Provincial Electricity Authority issued PEA bonds and entered into long-term loan agreements with financial institutions summarised as follows:

Name	No.	Facility	Issued date	Maturity date	Interest rate	Interest payment term
		(Million Baht)			(% per annum)	
PEA Bond	No.2/2567	3,000	27 March 2024	27 March 2031	2.88	Every six months
PEA Bond	No.3/2567	2,000	27 March 2024	27 March 2039	3.42	Every six months
PEA Bond	No.4/2567	2,000	23 May 2024	23 May 2031	3.20	Every six months
PEA Bond	No.5/2567	3,000	23 May 2024	23 May 2039	3.70	Every six months
PEA Bond	No.6/2567	3,000	7 August 2024	7 August 2034	3.19	Every six months
<u>PEA Sustainability</u>						
Bond	No.1/2567	1,000	21 August 2024	21 August 2029	2.67	Every six months
PEA Bond	No.7/2567	1,000	18 September 2024	18 September 2031	2.95	Every six months

On 31 January 2024, the Provincial Electricity Authority drew down a loan of Baht 1,000 million from the remaining credit facility under a loan agreement with a domestic bank entered into on 29 November 2023. The interest rate is based on the six-month BIBOR minus 0.05 percent per annum. The principal repayment is due within 1 year, and interest payments are due semi-annually, with the final repayment due on 29 November 2024.

On 29 May 2024, the Provincial Electricity Authority entered into a loan agreement with a domestic bank for a credit facility of Baht 1,000 million, fully drawn down. The interest rate is based on the six-month BIBOR minus 0.07 percent per annum. The principal repayment is due within 1 year 6 months, and interest payments are due semi-annually, with the final payment due on 29 November 2025.

On 12 June 2024, the Provincial Electricity Authority entered into a loan agreement with a domestic bank for a credit facility of Baht 1,000 million, fully drawn down. The interest rate is based on the six-month BIBOR minus 0.07 percent per annum. The principal repayment is due within 2 years, and interest payments are due semi-annually, with the final payment due on 12 June 2026.

On 5 September 2024, the Provincial Electricity Authority entered into a loan agreement with a domestic bank for a credit facility of Baht 2,000 million, fully drawn down. The interest rate is based on the six-month BIBOR. The principal repayment is due within 3 years, and interest payments are due semi-annually, with the final payment due on 5 September 2027.

Long-term loan from a local financial institution of a subsidiary is secured by the assets of the Solar Rooftop sales and installation project, which are presented as other non-current receivables in the statement of financial position. In addition, the loan agreement contains several covenants which, among other things, require the subsidiary to maintain financial ratio at the rate prescribed in the agreement.

As at 31 December 2024, the long-term credit facilities and other credit facilities of the Group which have not yet been drawn down amounted to Baht 3,000 million (2023: Baht 4,800 million) (Provincial Electricity Authority only: Baht 3,000 million, 2023: Baht 4,000 million).

Subsequent to the reporting period, the Provincial Electricity Authority issued PEA Bonds 2025, with the following details:

Name	No.	Facility	Issued date	Maturity date	Interest rate	Interest payment term
		(Million Baht)			(% per annum)	
PEA Bond	No.1/2568	2,000	27 February 2025	27 February 2030	2.45	Every six months
PEA Bond	No.2/2568	3,000	27 February 2025	27 February 2037	2.92	Every six months

22. Leases

22.1 The Group as a lessee

The Group has lease contracts for various items of land, buildings, vehicles and others used in its operations. Leases generally have lease terms between 1 - 30 years.

22.1.1 Right-of-use assets

Movements of right-of-use assets for the year ended 31 December 2024 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements						Total
	Land and land improvements	Buildings and construction	Electricity generating systems	Furniture, tools and equipment	Vehicles	Intangible assets	
As at 1 January 2023	89	72	32	1	1,817	7	2,018
Additions	55	60	-	4	600	4	723
Decrease from contract termination	-	(2)	-	-	-	-	(2)
Depreciation for the year	(58)	(62)	(21)	(1)	(676)	(3)	(821)
As at 31 December 2023	86	68	11	4	1,741	8	1,918
Additions	85	48	-	109	504	-	746
Decrease from contract termination	-	(1)	-	-	-	-	(1)
Depreciation for the year	(59)	(57)	(11)	(33)	(686)	(3)	(849)
As at 31 December 2024	112	58	-	80	1,559	5	1,814

(Unit: Million Baht)

Separate financial statements

	Land and land improvements	Buildings and construction	Electricity generating systems	Electricity systems	Furniture, tools and equipment	Vehicles	Intangible assets	Total
As at 1 January 2023	89	62	32	-	1	1,814	7	2,005
Additions	55	60	-	-	4	600	4	723
Decrease from contract termination	-	(2)	-	-	-	-	-	(2)
Depreciation for the year	(58)	(58)	(21)	-	(1)	(675)	(3)	(816)
As at 31 December 2023	86	62	11	-	4	1,739	8	1,910
Additions	85	48	-	1,873	109	504	-	2,619
Depreciation from contract termination	-	(1)	-	-	-	-	-	(1)
Depreciation for the year	(59)	(52)	(11)	(94)	(33)	(685)	(3)	(937)
As at 31 December 2024	112	57	-	1,779	80	1,558	5	3,591

22.1.2 Lease liabilities

(Unit: Million Baht)

	Consolidated financial statements	
	2024	2023
Lease payments	3,778	3,398
Less: Deferred interest expenses	(784)	(656)
Total	2,994	2,742
Less: Portion due within one year	(931)	(908)
Lease liabilities - net of current portion	<u>2,063</u>	<u>1,834</u>

(Unit: Million Baht)

	Separate financial statements	
	2024	2023
Lease payments	5,951	3,375
Less: Deferred interest expenses	(1,092)	(654)
Total	4,859	2,721
Less: Portion due within one year	(1,165)	(896)
Lease liabilities - net of current portion	<u>3,694</u>	<u>1,825</u>

Movements of the lease liabilities account during the year ended 31 December 2024 are summarised below:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Balance at beginning of year	2,742	2,506	2,721	2,474
Additions	1,121	723	2,996	723
Accretion of interest	102	85	132	83
Repayments	(971)	(572)	(990)	(559)
Balance at end of year	<u>2,994</u>	<u>2,742</u>	<u>4,859</u>	<u>2,721</u>

A maturity analysis of lease payments is disclosed in Note 38.1 to the financial statements under the liquidity risk.

22.1.3 Expenses relating to leases that are recognised in profit or loss

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Depreciation expense of right-of-use assets	849	821	937	816
Interest expense on lease liabilities	133	85	132	83
Expense relating to short-term leases	48	245	47	245
Expense relating to leases of low-value assets	217	2	217	2
Expense relating to variable lease payments that do not depend on an index or a rate	27	28	27	28

22.1.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2024 of Baht 1,263 million (2023: Baht 847 million) (Provincial Electricity Authority only: Baht 1,281 million, 2023: Baht 834 million), including the cash outflow related to short-term lease, leases of low-value assets and variable lease payments that do not depend on an index or a rate.

22.2 Group as a lessor

The Group has entered into finance leases for its generating electricity from solar rooftop system of the lease terms are between 10 - 25 years.

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Undiscounted lease payments receivable under finance leases				
Within 1 year	302	234	91	62
Over 1 and up to 5 years	1,171	845	360	229
Over 5 years	3,623	2,655	1,417	1,012
Total	5,096	3,734	1,868	1,303
Less: Deferred interest income	(1,507)	(1,165)	(696)	(560)
Net investment in the finance leases	3,589	2,569	1,172	743

23. Accrued remittance to the Ministry of Finance

Movements of accrued remittance to the Ministry of Finance for the year ended 31 December 2024 summarised as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	2024	2023
Balance at beginning of year	15,070	10,229
Reserve for remittance	13,600	8,146
Remit during the year	(14,905)	(3,305)
Balance at end of year	13,765	15,070

The Ministry of Finance requires that Provincial Electricity Authority allocate net profit to the Ministry of Finance as a remittance of state revenue, either in accordance with the specified rate or at the remittance amount specified in the Annual Budget Appropriation Act of the Budget Bureau, the Office of the Prime Minister.

Provincial Electricity Authority reserved remittance to the ministry of finance as considering the estimated annual income for the fiscal year.

On 4 June 2024, the State Enterprise Policy Office approved that Provincial Electricity Authority is to remit the state revenue for the year 2023 of Baht 8,146 million to the Ministry of Finance. Provincial Electricity Authority is to remit the remaining amount after deducting of the state revenue for the half-year 2023, which was Baht 467 million and was already remitted in 2023. During the year 2024, Provincial Electricity Authority already remitted the full remittance. As a result, Provincial Electricity Authority revised its estimate of the state revenue for 2023, reducing it by Baht 0.1 million.

On 30 September 2024, Provincial Electricity Authority remitted the remaining state revenue for the year 2022, amounting to Baht 2,880 million, as approved by the State Enterprise Policy Office on 12 July 2023.

On 25 October 2024, the State Enterprise Policy Office approved that Provincial Electricity Authority is to remit the state revenue for the half-year 2024 of Baht 4,346 million. During the year 2024, Provincial Electricity Authority already remitted the full amount of the half-year revenue to the Ministry of Finance.

24. Deposits payable

(Unit: Million Baht)

	Consolidated and separate financial statements	
	2024	2023
Pending repayment electricity usage guarantee	339	303
Other deposits payable	251	268
Total deposits payable	590	571

25. Other current liabilities

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Retentions and deposits	1,088	541	1,068	534
Undue output tax	3,143	3,171	3,137	3,168
Suspense accounts	136	176	136	176
Total other current liabilities	4,367	3,888	4,341	3,878

26. Provisions for litigations

(Unit: Million Baht)

	Consolidated and separate financial statements	
	2024	2023
Balance at beginning of year	150	268
Increase	65	8
Decrease	(12)	(126)
Balance at end of year	203	150

As at 31 December 2024, provisions for litigations have been set up for lawsuits relates to litigation in which compensation claims have been lodged against Provincial Electricity Authority. Provincial Electricity Authority has assessed the status of these lawsuits and expects to have provision for liabilities under 68 cases (2023: 62 cases), consisting of 6 cases in which full compensation of the claims is expected to be set up and 62 cases in which the compensation is expected to be less than the claims.

During the current year, Provincial Electricity Authority concluded court proceedings by for 13 cases, totalling Baht 14 million. Among these cases, 5 cases resulted in compensatory damages of Baht 12 million.

27. Construction obligations

As at 31 December 2024, The Group had construction obligations of Baht 7,326 million (2023: Baht 6,811 million) (Provincial Electricity Authority only: Baht 7,326 million, 2023: Baht 6,811 million) from Provincial Electricity Authority receiving payment to expand the electricity distributing areas for electricity users which the electricity users have fully or partially funded the construction costs. The ownership of the assets belongs to Provincial Electricity Authority.

28. Deferred revenues

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Contributions for construction	54,455	54,538	54,456	54,540
Deferred revenues from transferring of assets	1,323	1,322	1,323	1,322
Deferred revenues from services	148	113	148	113
Deferred revenues from donation	170	185	170	185
Deferred revenues from rental	278	293	278	293
Deferred revenues from energy management	417	265	417	265
Total deferred revenues	<u>56,791</u>	<u>56,716</u>	<u>56,792</u>	<u>56,718</u>

29. Electricity usage guarantee

	(Unit: Million Baht)	
	Consolidated and separate	
	financial statements	
	2024	2023
Specific-purpose deposits at financial institutions (Note 10)	27,735	26,045
Suspense saving accounts	249	99
Total electricity usage guarantee	<u>27,984</u>	<u>26,144</u>

Movements of Electricity usage guarantee for the year ended 31 December 2024 are summarised as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	2024	2023
Balance at beginning of year	26,144	24,468
Increase from electricity usage guarantee	4,024	3,766
Decrease in refunding of electricity usage guarantee	(34)	(50)
Decrease in offset with unpaid electricity bills	(366)	(375)
Decrease in electricity usage cancellation or changing collateral from cash to bank guarantees	(1,753)	(1,607)
Transfer guarantees to income	(31)	(58)
Balance at end of year	27,984	26,144

Electricity usage guarantee is the money that electricity users deposit to Provincial Electricity Authority for guarantee of electricity usage. Provincial Electricity Authority deposits into the bank account named Electricity Usage Guarantee Fund to reserve fund for refunding of electricity usage guarantee to electricity users. Any interest income earned is separately deposited in the bank account named "Interest from Electricity Usage Guarantee Fund". Provincial Electricity Authority will use interest of the fund to be repaid as interest on deposit for electricity usage guarantee to the electricity users according to the requirement of the Energy Regulatory Commission and will use in activities for public interests and/or beneficial activities for electricity users.

Provincial Electricity Authority has set the Regulation on Supervision of Electricity Usage Guarantee Fund, B.E.2557 and appointed the committee which is responsible for supervising and controlling an operation of Electricity Usage Guarantee Fund and interest from Electricity Usage Guarantee Fund. Provincial Electricity Authority has to made fund transfer at the amount equal to the net increase in electricity usage guarantee for each month to the Electricity Usage Guarantee Fund account. In case of working capital deficiency or liquidity difficulty, Provincial Electricity Authority can use the Electricity Usage Guarantee Fund as a working capital under consideration and approval of the Board of Directors of Provincial Electricity Authority. Then, Provincial Electricity Authority will be required to repay to Electricity Usage Guarantee Fund for not less than Baht 100 million on each month by depositing into the Electricity Usage Guarantee Fund account until the amount is fully covered. Also, Provincial Electricity Authority is required to make a payment of interest at the interest rate of saving accounts for state enterprises specified by Krung Thai Bank Public

Company Limited by depositing into the Interest from Electricity Usage Guarantee Fund. In case of working capital deficiency or liquidity difficulty, the repayment can be postponed under the approval of the Governor and should be reported to the Board of Directors.

30. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2024 are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Provision for long-term post employee benefits	16,305	15,154	16,299	15,150
Provision for special post employee benefits	538	415	538	415
Provision for long service year award	780	599	780	599
Total	<u>17,623</u>	<u>16,168</u>	<u>17,617</u>	<u>16,164</u>

Provision for long-term employee benefits are presented as follows:

(Unit: Million Baht)

	Consolidated financial statements					
	2024			2023		
	Post-employment benefits	Other long-term employee benefits	Total	Post-employment benefits	Other long-term employee benefits	Total
Provision for long-term employee benefits at beginning of year	15,569	599	16,168	15,167	565	15,732
Included in profit or loss:						
Current service cost	947	50	997	877	46	923
Interest cost	453	16	469	394	14	408
Past service costs and gains or losses on settlement	(22)	(2)	(24)	175	-	175
Actuarial loss	-	158	158	-	22	22
Included in other comprehensive income:						
Actuarial loss arising from						
Financial assumptions changes	1,288	-	1,288	108	-	108
Experience adjustments	253	-	253	134	-	134
Benefits paid during the year	(1,645)	(41)	(1,686)	(1,286)	(48)	(1,334)
Provision for long-term employee benefits at end of year	16,843	780	17,623	15,569	599	16,168

(Unit: Million Baht)

	Separate financial statements					
	2024			2023		
	Post-employment benefits	Other long-term employee benefits	Total	Post-employment benefits	Other long-term employee benefits	Total
Provision for long-term employee benefits at beginning of year	15,565	599	16,164	15,163	565	15,728
Included in profit or loss:						
Current service cost	945	50	995	877	46	923
Interest cost	453	16	469	394	14	408
Past service costs and gains or losses on settlement	(22)	(2)	(24)	175	-	175
Actuarial loss	-	158	158	-	22	22
Included in other comprehensive income:						
Actuarial loss arising from						
Financial assumptions changes	1,288	-	1,288	108	-	108
Experience adjustments	253	-	253	134	-	134
Benefits paid during the year	(1,645)	(41)	(1,686)	(1,286)	(48)	(1,334)
Provision for long-term employee benefits at end of year	16,837	780	17,617	15,565	599	16,164

The Group expects to pay Baht 1,160 million of long-term employee benefits during the next year (2023: Baht 1,420 million) (Provincial Electricity Authority only: Baht 1,160 million, 2023: Baht 1,420 million).

As at 31 December 2024, the weighted average duration of the liabilities for long-term employee benefits is 21.1 years (2023: 21.1 years) (Provincial Electricity Authority only: 21.1 years, 2023: 21.1 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated financial statements		Separate financial statements	
	2024	2023	2024	2023
Discount rate	2.76 - 4.01	3.33 - 4.01	2.76	3.33
Inflation rate	2.00 - 3.00	2.00 - 3.00	2.00	2.00
Salary increase rate	7.00 - 8.00	7.00 - 8.00	7.00 - 8.00	7.00 - 8.00
Turnover rate	0.20 - 17.19	0.20 - 17.19	0.20 - 10.00	0.20 - 10.00
Mortality rate	Thai mortality table 2017 with 3% adjustment of mortality rate	Thai mortality table 2017 with 3% adjustment of mortality rate	Thai mortality table 2017 with 3% adjustment of mortality rate	Thai mortality table 2017 with 3% adjustment of mortality rate

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2024 are summarised below:

		(Unit: Million Baht)			
		2024			
		Consolidated financial statements		Separate financial statements	
	(%)	Increase	Decrease	Increase	Decrease
Discount rate	1	(1,975)	2,410	(1,974)	2,409
Inflation rate	1	160	(137)	160	(137)
Salary increase rate	1	2,291	(1,918)	2,290	(1,917)
Turnover rate	20*	(141)	148	(140)	147
Mortality rate	1	101	(120)	101	(120)

* percent of assumptions

(Unit: Million Baht)

		2023			
		Consolidated financial statements		Separate financial statements	
	(%)	Increase	Decrease	Increase	Decrease
Discount rate	1	(1,635)	1,976	(1,634)	1,975
Inflation rate	1	115	(99)	115	(99)
Salary increase rate	1	1,924	(1,625)	1,923	(1,625)
Turnover rate	20*	(114)	119	(113)	118
Mortality rate	1	82	(96)	82	(96)

* percent of assumptions

31. Revenue from contracts with customers

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Type of goods or service:				
Sale of electricity	629,810	660,041	629,813	660,041
Construction service income	6,419	4,489	5,770	4,406
Rendering of services	12,500	11,981	12,447	11,926
Total revenue from contracts with customers	<u>648,729</u>	<u>676,511</u>	<u>648,030</u>	<u>676,373</u>

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Timing of revenue recognition:				
Revenue recognised at a point in time	4,061	4,064	4,067	4,060
Revenue recognised over time	644,668	672,447	643,963	672,313
Total revenue from contracts with customers	<u>648,729</u>	<u>676,511</u>	<u>648,030</u>	<u>676,373</u>

Set out below is a reconciliation of the revenue from contracts with customers with the amounts disclosed in Note 34 to the financial statements relating to the segment information:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
External customers	648,729	676,511	648,030	676,373
Inter-segment	234	27	-	-
	648,963	676,538	648,030	676,373
Adjustments and eliminations	(234)	(27)	-	-
Total revenue from contracts with customers	648,729	676,511	648,030	676,373

Assistance and support in accordance with measures to relieve impacts from the rising energy prices situation

On 9 July 2024, the Cabinet passed a resolution approving a budget for measures to mitigate the impacts on users from the high energy price situation. During the meeting held on 19 December 2023, measures were established to provide discounts on electricity bills for residential user type 1: a residential user with electricity consumption not exceeding 300 units per month for 4 months, for the monthly electricity bills from January 2024 to April 2024, by expending the funds from Annual Budget Expenditure Act Budget B.E. 2567, the central fund appropriation and reserves for emergencies or necessities. Provincial Electricity Authority has been allocated a total budget of Baht 1,583 million. Provincial Electricity Authority has already received Baht 1,311 million in compensation for providing electricity bill discounts to users in August 2024.

On 24 September 2024, the Cabinet passed a resolution approving a budget for measures to mitigate the impacts on users from the high energy price situation. During the meeting held on 7 May 2024, measures were established to provide discounts on electricity bills for residential user type 1: a residential user with electricity consumption not exceeding 300 units per month for 4 months, for the monthly electricity bills from May 2024 to August 2024, by expending the funds from Annual Budget Expenditure Act, Budget B.E. 2567, the central fund appropriation and reserves for emergencies or necessities. Provincial Electricity Authority has been allocated a total budget of Baht 1,488 million. Provincial Electricity Authority has already received Baht 1,186 million in compensation for providing electricity bill discounts to users in October 2024.

On 11 December 2024, the Cabinet passed a resolution approving a budget for measures to mitigate the impacts on users from the high energy price situation. During the meeting held on 23 July 2024, measures were established to provide discounts on electricity bills for residential user type 1: a residential user with electricity consumption not exceeding 300 units per month for 4 months, for the monthly electricity bills from September 2024 to December 2024, by expending the funds from Annual Budget Expenditure Act, Budget B.E. 2568, the central fund appropriation and reserves for emergencies or necessities. Provincial Electricity Authority has been allocated a total budget of Baht 398 million. Provincial Electricity Authority has already received Baht 303 million in compensation for providing electricity bill discounts to users in January 2025.

Power Development Fund subsidies to support underprivileged power consumers under Section 97(1)

On 9 March 2023, in accordance with the resolution of the National Energy Policy Council, Provincial Electricity Authority is required to provide electricity subsidies to non-juristic residential households with installed meters of not exceeding 5 amps and with electricity consumption not exceeding 50 units per month, for a consecutive period of not less than 3 months. Provincial Electricity Authority has conducted inspections to ensure the avoidance of duplication of rights, and eligible electricity users have duly registered as recipients of a state welfare card. For electricity bills from May 2023 onwards, the cost of subsidising underprivileged power consumers is incorporated into the revenue requirements of the electricity distribution authority, a consideration integral to assessing the financial position of Provincial Electricity Authority.

On 15 March 2024, the Energy Regulatory Commission (ERC) approved the consideration outcome for the financial position (actual values) for the year 2022, with Provincial Electricity Authority reporting revenue lower than the desired amount in relation to the expenditure of the Power Development Fund under Section 97(1) of 2022, totalling Baht 2,430 million. Moreover, the ERC approved a directive for a state-owned enterprise to return the excess benefits for 2022 (actual values) to Provincial Electricity Authority, thereby adjusting the desired revenue for the expenditure of the Power Development Fund subsidies to support underprivileged power consumers under Section 97(1) of 2022 amounting to Baht 2,430 million (accrued revenue from the Power Development Fund for 2022 of Provincial Electricity Authority). Provincial Electricity Authority received such payment in April 2024.

Rendering of services

Provincial Electricity Authority has received license to operate the third type of telecommunication business No. 3n/50/003 (fiber optic) since 1 March 2007 from Office of The National Broadcasting and Telecommunications Commission, which recognised as service income. During the year ended 31 December 2024, Provincial Electricity Authority has recognised sales and service revenues amounting to Baht 198 million (2023: Baht 142 million).

Provincial Electricity Authority has received license to operate broadcasting and television business No. B1-F22051-0004-56 in providing assistance on broadcasting and television. The service includes a rental of electric pole for putting up cable line by National Broadcasting and Telecommunications Commission beginning from 16 December 2013 to 15 December 2028. During the years ended 31 December 2024, Provincial Electricity Authority has revenues on rental of electric pole for putting up cable line from Cable TVs business amounting to Baht 10 million (2023: Baht 13 million).

32. Revenue compensations

With respect to sending contributions to and disbursement of money from the Power Development Fund under Section 97(1) and Section 97 paragraph two for revenue compensation among power utilities that are Provincial Electricity Authority, Metropolitan Electricity Authority and Electricity Generating Authority of Thailand to enhance extensive electrification and to support the policy on development decentralisation to provincial areas, Metropolitan Electricity Authority is required to remit contributions to the Power Development Fund in accordance with Section 97(1) and Section 97 paragraph two on a monthly basis. The contributions are calculated based on the amount of Baht 1,250 million per month, in accordance with the Order of the Energy Regulatory Commission No.6/2024 dated 2 February 2024 (2023: Baht 1,000 million per month in accordance with the Order of the Energy Regulatory Commission No. 8/2023 dated 31 January 2023). Provincial Electricity Authority can request to disburse from the Power Development Fund in compliance with Section 97(1) and Section 97 paragraph two in the amount equal to the amount that Metropolitan Electricity Authority has contributed to the Power Development Fund each month. For the year ended 31 December 2024, the amount that Provincial Electricity Authority disbursed from the Power Development Fund in this matter was Baht 15,000 million (2023: Baht 12,000 million).

On 1 August 2024, the Energy Regulatory Commission (ERC) approved the consideration outcome for the financial position (actual values) for the year 2022, with Provincial Electricity Authority reporting revenue lower than the desired amount. The ERC also approved the offset interest received from the retention of excess benefits for the years 2020 - 2022 that Provincial Electricity Authority is required to return to the ERC amounting to Baht 31 million against the desired amount. For the remaining amount, the ERC approved a directive for two state-owned enterprises to return the excess benefits for the year 2022 (actual values) to Provincial Electricity Authority to adjust the desired revenue for 2022, amounting to Baht 577 million and Baht 6,274 million. During the year 2024, Provincial Electricity Authority has already received Baht 577 million from the first state-owned enterprise and Baht 5,000 million from the second state-owned enterprise and Baht 1,274 million in January 2025.

33. Finance cost

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2024	2023	2024	2023
Interest expenses on borrowings	4,518	3,848	4,496	3,842
Interest expenses on lease liabilities	125	85	132	83
Interest expenses on liabilities arising from installment sales and purchase agreements	1	1	1	1
Total	4,644	3,934	4,629	3,926

34. Segment information

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

For management purposes, the Group is organised into business units by region and have five reportable segments as follows:

- North
- Northeast
- Central region
- South
- Head office

The Group has aggregated the operating segments presented them as the reportable segment. The aggregated operating segments have similar economic characteristics and are similar in the other respects required by the standard.

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. Provincial Electricity Authority segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

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

The following tables present revenue and profit and total assets/total liabilities information regarding the Group's operating segments.

Total assets/total liabilities information regarding operating segments as at 31 December 2024 are as follows:

(Unit: Million Baht)

	Northern		Northeastern		Central		Southern		Head office		Elimination		Consolidated financial statements	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Assets														
Trade receivables	7,457	8,231	7,986	9,217	23,718	23,909	9,232	9,239	4,000	3,626	(145)	(15)	52,248	54,207
Other current assets	447	353	540	433	813	883	845	562	57,252	55,658	(6)	(2)	59,891	57,887
Property, plant and equipment	80,872	76,158	87,526	81,820	120,196	113,345	84,488	76,748	7,995	6,250	(30)	(30)	381,047	354,291
Other non-current assets	13,401	13,197	13,254	14,253	18,673	18,298	15,325	15,071	21,671	23,158	(6,717)	(4,898)	75,607	79,079
Total Assets	102,177	97,939	109,306	105,723	163,400	156,435	109,890	101,620	90,918	88,692	(6,898)	(4,945)	568,793	545,464
Liabilities and equity														
Current liabilities	86,114	81,994	99,083	96,145	(358,326)	(326,290)	48,535	44,183	206,486	183,814	(313)	(18)	81,579	79,828
Long-term loans	-	-	-	-	-	-	-	-	164,139	159,222	-	-	164,139	159,222
Other non-current liabilities	19,495	18,851	25,514	25,263	42,342	40,807	22,082	19,649	8,380	6,905	(1,664)	(31)	116,149	111,444
Total Liabilities	105,609	100,845	124,597	121,408	(315,984)	(285,483)	70,617	63,832	379,005	349,941	(1,977)	(49)	361,867	350,494
Equity	(3,432)	(2,906)	(15,291)	(15,685)	479,384	441,918	39,273	37,788	(288,087)	(261,249)	(4,921)	(4,896)	206,926	194,970
Total Liabilities and equity	102,177	97,939	109,306	105,723	163,400	156,435	109,890	101,620	90,918	88,692	(6,898)	(4,945)	568,793	545,464

Operating results information regarding operating segments for the year ended 31 December 2024 are as follows:

(Unit: Million Baht)

	Consolidated												financial statements	
	Northern		Northeastern		Central		Southern		Head office		Eliminations		2024	2023
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Statement of comprehensive income														
Sales and rendering of services	97,037	102,232	112,116	115,240	325,086	344,549	113,346	113,775	1,378	742	(234)	(27)	648,729	676,511
Revenue compensations	3,253	1,803	3,734	2,038	11,147	6,155	3,748	2,004	-	-	-	-	21,882	12,000
Other income	263	143	150	197	247	212	536	349	288	256	(86)	(75)	1,398	1,082
Total revenues	100,553	104,178	116,000	117,475	336,480	350,916	117,630	116,128	1,666	998	(320)	(102)	672,009	689,593
Cost of electricity	86,535	92,599	99,223	104,161	279,655	303,194	99,080	101,722	-	-	-	-	564,493	601,676
Employee compensations	4,449	3,935	5,195	4,654	5,228	4,742	4,033	3,666	4,228	3,813	(4)	(5)	23,129	20,805
Employee benefit expenses	311	296	368	360	376	358	301	280	243	235	-	-	1,599	1,529
Directors and management's benefits	6	5	8	7	7	6	7	7	113	90	-	-	141	115
Preventive, repair and maintenance, and construction expenses	1,482	1,192	1,488	1,512	3,445	2,439	1,816	1,668	2,073	1,464	(98)	(17)	10,206	8,258
Depreciation and amortisation expenses	6,268	5,659	6,640	6,175	8,808	8,341	6,797	5,995	2,973	2,104	(94)	-	31,392	28,274
Other operating expenses	1,696	2,004	2,170	2,526	2,237	2,531	2,308	2,271	2,047	1,777	(18)	(6)	10,440	11,103
Other expenses	38	8	144	94	189	57	240	156	83	75	-	-	694	390
Total expenses	100,785	105,698	115,236	119,489	299,945	321,668	114,582	115,765	11,760	9,558	(214)	(28)	642,094	672,150
Share of profit from investments in associates	-	-	-	-	-	-	-	-	-	-	46	60	46	60
Finance income	13	18	14	18	35	56	20	23	1,702	905	-	-	1,784	1,020
Finance cost	(13)	(11)	(11)	(11)	(14)	(15)	(47)	(13)	(4,591)	(3,885)	32	-	(4,644)	(3,935)
Profit (loss) before income tax	(232)	(1,513)	767	(2,007)	36,556	29,289	3,021	373	(12,983)	(11,540)	(28)	(14)	27,101	14,588
Tax income	-	-	-	-	-	-	-	-	1	4	-	-	1	4
Profit (loss) for the year	(232)	(1,513)	767	(2,007)	36,556	29,289	3,021	373	(12,982)	(11,536)	(28)	(14)	27,102	14,592
Other comprehensive income	-	-	-	-	-	-	-	-	(1,541)	(243)	(5)	(6)	(1,546)	(249)
Total comprehensive income for the year	(232)	(1,513)	767	(2,007)	36,556	29,289	3,021	373	(14,523)	(11,779)	(33)	(20)	25,556	14,343

Major customers

For the year 2024, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

35. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530 which employees have option to pay into the fund accumulated at the rate of 3 - 20 percent of the salary of each and the Group will pay into the fund at the rate of 9 - 11 percent of salary of members. The fund, which is managed by MFC Asset Management Public Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2024 amounting to approximately Baht 1,241 million (2023: Baht 1,245 million) (Provincial Electricity Authority only: Baht 1,238 million 2023: Baht 1,243 million) were recognised as expenses.

36. Commitments and contingent liabilities

36.1 Capital commitments

As at 31 December 2024, the Group had capital commitments of approximately Baht 15,840 million (2023: Baht 29,991 million) (Provincial Electricity Authority only: Baht 15,800 million 2023: Baht 29,896 million), mainly relating to purchase materials and supplies for construction.

36.2 Lease commitments

As at 31 December 2024, the Group has future lease payments for land, buildings, equipment and vehicles required under these non-cancellable leases contracts that have not yet commenced as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2024	2023	2024	2023
Payable:				
Within 1 year	138	229	138	229
Over 1 and up to 5 years	6	129	6	129

36.3 Significant long-term agreement commitments

As at 31 December 2024, Provincial Electricity Authority has commitment under the Power Purchase Agreement with the Very Small Power Producer (VSPP) amounting to 973 contracts (2023: 963 contracts). The performance obligations are in accordance with the terms and conditions, specified in the contracts. The purchase of electricity consists of the base electricity cost, electricity bill according to the formula for automatically adjusting the electricity rate, adder on the purchase price of electricity and deduction of the operating fee of 2 percent (if any). The purchase prices will vary according to the contractual sales volume and the type of fuel that each VSPP has contracted with Provincial Electricity Authority.

36.4 Contributions to the Power Development Fund commitments

According to the Energy Business Act B.E. 2550, Sections 97(4) and 97(5) (Act), Provincial Electricity Authority must remit money to the Power Development Fund to promote the use of renewable energy and the technology used in the electricity business that has less impact on the environment, and to promote society and people to have knowledge, awareness and participation in electricity use. The amount delivered is based on calculation from Provincial Electricity Authority's distribution unit each month and other relevant information in accordance with the rules and conditions specified in the said Act.

On 29 December 2022, the Energy Regulatory Commission issued announcements regarding the contribution to the Power Development Fund for electricity distribution licensees to promote the use of renewable energy and the technology used that has less impact on the environment, and the contribution to the Power Development Fund for electricity distribution licensees to promote society and people to have knowledge, awareness and involvement in electricity use. These announcements requires that Provincial Electricity Authority make contribution to the funds at a rate of Baht 0.00 per unit of net distribution in the month in which the electricity bill is charged, effective from 1 January 2023 onwards.

During the current year, Provincial Electricity Authority recognised the transactions based on the specified rates and recorded such no expenses in profit or loss (2023: Nil).

36.5 Litigations

As at 31 December 2024, Provincial Electricity Authority was being sued in 237 cases with claims totalling Baht 18,233 million, which are under judicial proceedings. Provincial Electricity Authority expects to have full compensation of the claims for 6 cases. The remaining cases, 169 cases are not expected to the results in significant losses, and in 62 cases the compensation is expected to be less than the claims.

A summary of the lawsuits that are not expected to the results of significant losses and that may result in monetary damages less than the claims are as follows:

1. A total of 13 cases in which Provincial Electricity Authority was accused of breaching civil contracts, with the amount in dispute totalling Baht 71 million.
2. A total of 52 cases in which Provincial Electricity Authority was accused of committing infringement or negligence that caused damage to another person, with the amount in dispute totalling Baht 155 million.
3. A total of 10 cases in which Provincial Electricity Authority is in dispute regarding employment and employee benefits, with the amount in dispute totalling Baht 53 million.
4. A total of 93 cases in which Provincial Electricity Authority was accused of committing infringement or negligence in the use of administrative power, with the amount in dispute totalling Baht 251 million.
5. A total of 24 cases in which Provincial Electricity Authority is required to revoke the rule and administrative act, with the amount in dispute totalling Baht 230 million.
6. A total of 14 cases in which Provincial Electricity Authority was accused of breaching an administrative agreement, with the amount in dispute totalling Baht 7,052 million.
7. A total of 25 cases in which Provincial Electricity Authority is in dispute with Very Small Power Producer (VSPP), with the amount in dispute totalling Baht 10,218 million.

On 15 March 2025, Provincial Electricity Authority received a summons to file a defense statement and a copy of the complaint in a civil case, in which two companies are plaintiffs suing Provincial Electricity Authority as the defendant for breaching the cooperation agreement and obligations in the solar power generation project in the Eastern Economic Corridor. The plaintiffs are claiming damages totalling Baht 3,716 million. Provincial Electricity Authority has considered and determined that there will be no material impact on the financial statement for the year 2024, as Provincial Electricity Authority has carefully managed and ensured that the project complies with the relevant laws and regulations.

36.6 Loan facilities guarantee

Thai Digital Energy Development Company Limited (associated company)

As of 31 December 2024, the subsidiary has a guarantee obligation related to a long-term loan obtained by Thai Digital Energy Development Company Limited from a bank. This obligation resulted from entering into a guarantee agreement with the bank, which includes a principal amount not exceeding Baht 240 million, compound interest and others, as specified in the agreements (In the event of a default, the subsidiary's liability will be calculated proportionally to its shareholding in the associated company). The subsidiary is required to comply with the conditions stipulated in the said guarantee agreement, including the maintenance of financial ratios.

R E N Korat Energy Company Limited (associated company)

The subsidiary entered into a financial support agreement with R E N Korat Energy Co., Ltd., an associated company, whereby the subsidiary pledged ordinary shares of the associated company owned by the subsidiary as collateral for long-term loans, revolving credit lines, and guarantees provided to the associated company. Additionally, the subsidiary is obligated to provide financial support in proportion to its shareholding if the associated company incurs cost overruns, up to a maximum of Baht 9.5 million. This obligation extends to covering cash deficiencies on debt reserve requirements, up to a maximum of Baht 100 million, and responding to requests from the lending bank for a guarantee, not exceeding Baht 50 million.

37. Fair value hierarchy

As at 31 December 2024, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statement			
	2024			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVOCI				
Listed company equity investment	1	-	-	1
Non-listed company equity investment	-	-	282	282
Assets for which fair value are disclosed				
Investment properties	-	-	715	715
Liabilities for which fair value are disclosed				
Long-term loans	-	157,737	9,918	167,655

(Unit: Million Baht)

Consolidated financial statement				
2023				
Level 1	Level 2	Level 3	Total	
Assets measured at fair value				
Financial assets measured at FVOCI				
Listed company equity investment	1	-	-	1
Non-listed company equity investment	-	-	282	282
Assets for which fair value are disclosed				
Investment properties	-	-	726	726
Liabilities for which fair value are disclosed				
Long-term loans	-	147,548	9,501	157,049

(Unit: Million Baht)

Separate financial statement				
2024				
Level 1	Level 2	Level 3	Total	
Assets measured at fair value				
Financial assets measured at FVOCI				
Listed company equity investment	1	-	-	1
Assets for which fair value are disclosed				
Investment properties	-	-	715	715
Liabilities for which fair value are disclosed				
Long-term loans	-	157,737	9,073	166,810

(Unit: Million Baht)

Separate financial statement				
2023				
Level 1	Level 2	Level 3	Total	
Assets measured at fair value				
Financial assets measured at FVOCI				
Listed company equity investment	1	-	-	1
Assets for which fair value are disclosed				
Investment properties	-	-	726	726
Liabilities for which fair value are disclosed				
Long-term Loans	-	147,548	8,594	156,142

During the current year, the Group has no change in methods and assumptions used in measured the fair value of financial instruments and, there were no transfers within the fair value hierarchy.

38. Financial instruments

38.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade and other receivable, specific-purpose deposits at financial institutions, restricted bank deposits, other non-current financial assets, trade and other payables, long-term loans, lease liabilities, and other non-current payables. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade and other receivable, specific-purpose deposits at financial institution, restricted bank deposits, bank deposits, deposits at financial institution, other non-current financial assets, and other financial instruments, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. Most of the electricity debtors of Provincial Electricity Authority are juristic persons and natural persons. There may be a risk arising from the debtor's failure to comply with the terms of the contract, which may cause damage to Provincial Electricity Authority and there may be a risk of credit concentration. However, there has been no significant losses that effect to Provincial Electricity Authority in the past.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by revenues type and customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk.

Foreign currency risk

The Group's exposure to the foreign currency risk relates primarily to loans that are denominated in foreign currencies. Exchange rate risk arises from changes in foreign currency exchange rates, which caused an impact on Provincial Electricity Authority in the current period and in the following years, which the Group It is expected that the effect of exchange rate changes is insignificant on the Group's foreign-denominated financial assets and liabilities. Because most of the group's transactions are made in Thai baht.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its banks deposits, trade and other receivable, specific-purpose deposits at financial institutions, restricted bank deposits, other non-current receivables, trade and other payables, long-term loans, lease liabilities, and other non-current payables. 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 2024, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements							
2024							
Fixed interest rates			Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)	
Within 1 year	1 - 5 years	Over 5 years					
Financial assets							
Cash and cash equivalents	704	-	-	7,980	89	8,773	0.150 - 1.650
Trade and other receivables	205	-	-	-	52,043	52,248	0.000 - 13.403
Short-term loans to related parties	12	-	-	-	-	12	5.84
Specific-purpose deposits at financial institutions	37,780	-	-	6,615	-	44,395	0.150 - 2.800
Restricted bank deposits	50	-	-	-	-	50	1.100
Other non-current receivables	-	742	2,733	-	1	3,486	0.000 - 13.403
	<u>38,751</u>	<u>742</u>	<u>2,733</u>	<u>14,595</u>	<u>52,133</u>	<u>108,964</u>	
Financial liabilities							
Trade and other payables	156	-	-	-	60,287	60,443	1.440 - 3.461
Long-term loans	7,780	37,000	109,439	9,845	75	164,139	1.330 - 4.570
Lease liabilities	931	313	1,750	-	-	2,994	0.872 - 6.998
Other non-current payables	-	642	505	-	1	1,148	1.440 - 3.950
	<u>8,867</u>	<u>37,955</u>	<u>111,694</u>	<u>9,845</u>	<u>60,363</u>	<u>228,724</u>	

(Unit: Million Baht)

Consolidated financial statements

2023

	Fixed interest rates					Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non-interest bearing		
Financial assets							
Cash and cash equivalents	756	-	-	7,394	64	8,214	0.150 - 1.700
Trade and other receivables	184	-	-	-	54,023	54,207	0.000 - 13.403
Specific-purpose deposits at financial institutions	36,859	-	-	5,524	-	42,383	0.150 - 2.825
Restricted bank deposits	50	-	-	-	-	50	1.100
Other non-current receivables	-	572	1,955	-	1	2,528	0.000 - 13.403
	<u>37,849</u>	<u>572</u>	<u>1,955</u>	<u>12,918</u>	<u>54,088</u>	<u>107,382</u>	
Financial liabilities							
Trade and other payables	15	-	-	-	58,102	58,117	1.440 - 2.361
Long-term loans	11,499	51,280	95,432	907	104	159,222	1.330 - 4.850
Lease liabilities	908	1,291	543	-	-	2,742	0.872 - 6.998
Other non-current payables	-	31	-	-	1	32	1.440 - 2.361
	<u>12,422</u>	<u>52,602</u>	<u>95,975</u>	<u>907</u>	<u>58,207</u>	<u>220,113</u>	

(Unit: Million Baht)

Separate financial statements

2024

	Fixed interest rates					Total	Effective interest rate (% per annum)
	Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non-interest bearing		
Financial assets							
Cash and cash equivalents	-	-	-	7,744	81	7,825	0.150 - 1.050
Trade and other receivables	52	-	-	-	51,842	51,894	2.667 - 13.403
Specific-purpose deposits at financial institutions	37,780	-	-	6,615	-	44,395	0.150 - 2.800
Other non-current receivables	-	190	964	-	1	1,155	2.667 - 13.403
	<u>37,832</u>	<u>190</u>	<u>964</u>	<u>14,359</u>	<u>51,924</u>	<u>105,269</u>	
Financial liabilities							
Trade and other payables	20	-	-	-	60,141	60,161	1.440 - 3.461
Long-term loans	7,780	37,000	109,438	9,000	76	163,294	1.330 - 4.570
Lease liabilities	1,164	1,945	1,750	-	-	4,859	0.872 - 6.998
Other non-current payables	-	23	-	-	1	24	1.440 - 3.461
	<u>8,964</u>	<u>38,968</u>	<u>111,188</u>	<u>9,000</u>	<u>60,218</u>	<u>228,338</u>	

(Unit: Million Baht)

Separate financial statements							
2023							
Fixed interest rates							
Within 1 year	1 - 5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)	
Financial assets							
Cash and cash equivalents	-	-	-	7,169	58	7,227	0.150 - 0.700
Trade and other receivables	42	-	-	-	53,914	53,956	2.667 - 13.403
Specific-purpose deposits at financial institutions	36,859	-	-	5,524	-	42,383	0.150 - 2.825
Other non-current receivables	-	105	639	-	1	745	2.667 - 13.403
	<u>36,901</u>	<u>105</u>	<u>639</u>	<u>12,693</u>	<u>53,973</u>	<u>104,311</u>	
Financial liabilities							
Trade and other payables	15	-	-	-	57,892	57,907	1.440 - 2.361
Long-term loans	11,499	51,280	95,432	-	104	158,315	1.330 - 4.850
Lease liabilities	896	1,282	543	-	-	2,721	0.872 - 6.998
Other non-current payables	-	31	-	-	1	32	1.440 - 2.361
	<u>12,410</u>	<u>52,593</u>	<u>95,975</u>	<u>-</u>	<u>57,997</u>	<u>218,975</u>	

Liquidity risk

The Group monitors the risk of a shortage of liquidity by maintaining sufficient cash and cash equivalents to support the Group's operations and reduce the risks that may arise from the effects of fluctuations in cash flow. Approximately 32.87 percent of the Group's debt will mature in less than one year at 31 December 2024 (2023: 32.08 percent) (Provincial Electricity Authority only: 32.87 percent, 2023: 32.15 percent) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a variety of sources of funding sufficiently.

The table below summarises the maturity profile of the Group's financial liabilities as at 31 December 2024 based on contractual undiscounted cash flows:

(Unit: Million Baht)

Consolidated financial statements				
2024				
	Less than 1 year	1 - 5 years	Over 5 years	Total
Financial liabilities				
Trade and other payables	60,098	-	-	60,098
Deposits payable	589	-	-	589
Long-term loans	13,911	40,616	109,745	164,272
Lease liabilities	1,029	476	2,273	3,778
Other non-current payables	-	1,335	-	1,335
Total financial liabilities	75,627	42,427	112,018	230,072

(Unit: Million Baht)

Consolidated financial statements				
2023				
	Less than 1 year	1 - 5 years	Over 5 years	Total
Financial liabilities				
Trade and other payables	57,783	-	-	57,783
Deposits payable	571	-	-	571
Long-term loans	11,580	51,746	95,966	159,292
Lease liabilities	993	1,490	915	3,398
Other non-current payables	-	33	-	33
Total financial liabilities	70,927	53,269	96,881	221,077

(Unit: Million Baht)

Separate financial statements				
2024				
	Less than 1 year	1 - 5 years	Over 5 years	Total
Financial liabilities				
Trade and other payables	59,815	-	-	59,815
Deposits payable	589	-	-	589
Long-term loans	13,796	40,048	109,515	163,359
Lease liabilities	1,320	2,357	2,274	5,951
Other non-current payables	-	25	-	25
Total financial liabilities	75,520	42,430	111,789	229,739

(Unit: Million Baht)

	Separate financial statements			
	2023			
	Less than 1 year	1 - 5 years	Over 5 years	Total
Financial liabilities				
Trade and other payables	57,663	-	-	57,663
Deposits payable	571	-	-	571
Long-term loans	11,518	51,350	95,516	158,384
Lease liabilities	979	1,481	915	3,375
Other non-current payables	-	33	-	33
Total financial liabilities	70,731	52,864	96,431	220,026

38.2 Fair values of financial instruments

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

The estimated fair value of financial instruments, in comparison with the related amounts carried in the statement of financial position, is as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	2024		2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Long-term loans	164,139	167,655	159,222	157,049

(Unit: Million Baht)

	Separate financial statements			
	2024		2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Long-term loans	163,294	166,810	158,315	156,142

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

- The fair value of equity securities is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.

- b) The fair value of fixed rate debentures and long-term loans is estimated by discounting expected future cash flow by the current market interest rate of loans with similar terms and conditions.
- c) The carrying amounts of debentures and long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

39. Capital management

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

As at 31 December 2024, the Group's debt-to-equity ratio was 1.75:1 (2023: 1.80:1) and Provincial Electricity Authority only was 1.75:1 (2023: 1.79:1).

40. Approval of financial statements

These financial statements were authorised for issue by Provincial Electricity Authority's Governor on 20 March 2025.