

Independent Auditor's Report

To the Unitholders of Khonburi Sugar Power Plant Infrastructure Fund

Opinion

I have audited the accompanying financial statements of Khonburi Sugar Power Plant Infrastructure Fund (the Fund), which comprise the statement of financial position, including the details of investments, as at 31 December 2024, the related statements of comprehensive income, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Khonburi Sugar Power Plant Infrastructure Fund as at 31 December 2024, and its financial performance, changes in net assets and cash flows for the year then ended in accordance with the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies and approved by the Securities and Exchange Commission of Thailand.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

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

Key audit matter and audit procedures are described below.

Value of investment in the Revenue Transfer Agreement

As described in Note 7 to the financial statements, the Fund presented the investment in the Revenue Transfer Agreement ("the RTA") in the statement of financial position as at 31 December 2024 at its fair value of Baht 2,728 million, representing 97% of total assets. Since the investment is not traded in an active market and a quoted price is not available for the same or similar investments, the Fund's management determined its fair value at the end of the reporting period based on the appraisal value calculated by an independent appraiser using an income approach. The Fund's management had to exercise judgement with respect to the projection of future cashflows that the Fund will receive from the investment, including the determination of an appropriate discount rate by the independent appraiser. Therefore, I addressed the importance of the audit of the measurement of the investment's value.

In auditing of the value of the investment, I gained an understanding of the key provisions of the RTA, assessed the accounting policy on the investment and the calculation of the fair value of the investment in the RTA by reading the RTA, making inquiries of the management and reading the appraisal report, considered the scope and objectives of the fair value measuring performed by an independent appraiser, and evaluated the techniques and models applied by the independent appraiser to measure the fair value, as specified in the appraisal report prepared by the independent appraiser. Moreover, I evaluated the competence and the independence of the independent appraiser using publicly available information, reviewed the key information of the key assumptions by comparing the actual income from investment in the RTA with the forecasted income to evaluate the reliability of the management's forecast, reading the technical consultant's

report which is related to the key assumptions, assessing the discount rate used in the measurement by comparing it with comparable information in the same industry and publicly available information and testing the fair value calculation in accordance with the above models and assumptions. In addition, I reviewed the disclosures relating to the fair value measurement of the investment in the RTA in the notes to the financial statements.

Other Information

The Fund's management is responsible for the other information. The other information comprise the information included in annual report of the Fund, but does not include the financial statements and my auditor's report thereon. The annual report of the Fund 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 Fund, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the Fund's management for correction of the misstatement

Responsibilities of Management for the Financial Statements

The Fund's management is responsible for the preparation and fair presentation of the financial statements in accordance with the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies and approved by the Securities and Exchange Commission of Thailand, and for such internal control as the Fund's 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, the Fund's management is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

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 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 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund's management.
- Conclude on the appropriateness of the Fund's 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 Fund'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 Fund 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.



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

I also provide the Fund's management with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

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

Suchada Tantioran

Certified Public Accountant (Thailand) No. 7138

EY Office Limited

Bangkok: 13 February 2025

Khonburi Sugar Power Plant Infrastructure Fund

Statement of financial position

As at 31 December 2024

(Unit: Baht)

| | <u>Note</u> | <u>2024</u> | <u>2023</u> |
|--|-------------|----------------------|----------------------|
| Assets | | | |
| Investment in the Revenue Transfer Agreement at fair value | | | |
| (at cost: Baht 2,408.0 million (2023: Baht 2,489.3 million)) | 7, 14 | 2,728,230,000 | 2,902,410,000 |
| Investments in securities at fair value | | | |
| (at cost: Baht 64.4 million (2023: Baht 49.5 million)) | 7 | 64,712,363 | 49,485,789 |
| Cash at banks | 8 | 7,399,620 | 5,606,645 |
| Accounts receivable from the Revenue Transfer Agreement | 9, 14 | 28,961,888 | 47,778,602 |
| Accrued interest receivables | | 193 | 56 |
| Prepaid expenses | | 171,185 | 171,463 |
| Total assets | | <u>2,829,475,249</u> | <u>3,005,452,555</u> |
| Liabilities | | | |
| Accrued expenses | | 1,749,355 | 1,738,869 |
| Total liabilities | | <u>1,749,355</u> | <u>1,738,869</u> |
| Net assets | | <u>2,827,725,894</u> | <u>3,003,713,686</u> |
| Net assets | | | |
| Registered capital | | | |
| 280,000,000 units of Baht 10.00 each | | <u>2,800,000,000</u> | <u>2,800,000,000</u> |
| Capital from unitholders | | <u>2,800,000,000</u> | <u>2,800,000,000</u> |
| Retained earnings | 10 | <u>27,725,894</u> | <u>203,713,686</u> |
| Net assets | | <u>2,827,725,894</u> | <u>3,003,713,686</u> |
| Net asset value per unit (Baht) | | 10.0990 | 10.7275 |
| Number of units issued at the end of year (units) | | 280,000,000 | 280,000,000 |

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

Khonburi Sugar Power Plant Infrastructure Fund

Details of investments

As at 31 December 2024

Details of investments classified by investment category

| | 2024 | | | 2023 | | |
|---|----------------------|----------------------|------------------------------------|----------------------|----------------------|------------------------------------|
| | Cost (Baht) | Fair value (Baht) | Percentage of investment (%) | Cost (Baht) | Fair value (Baht) | Percentage of investment (%) |
| Investment in power plant infrastructure business (Note 7) | | | | | | |
| Investment in the Revenue Transfer Agreement with | | | | | | |
| Khonburi Power Plant Company Limited to receive the transfer of | | | | | | |
| revenue generated from the biomass power plant business. | | | | | | |
| The Revenue Transfer Agreement covers revenue | | | | | | |
| from 1 April 2020 to 31 December 2039 | 2,407,964,658 | 2,728,230,000 | 97.68 | 2,489,308,799 | 2,902,410,000 | 98.32 |
| Total investment in power plant infrastructure business | 2,407,964,658 | 2,728,230,000 | 97.68 | 2,489,308,799 | 2,902,410,000 | 98.32 |
| | | | | | | |
| | | | | | | |
| | Face value (Baht) | Fair value (Baht) | Percentage of investment (%) | Face value (Baht) | Fair value (Baht) | Percentage of investment (%) |
| Investments in debt securities (Note 7) | | | | | | |
| Government bonds | | | | | | |
| Bank of Thailand: BOT 47/91/66 | - | - | - | 5,000,000 | 4,985,652 | 0.17 |
| Bank of Thailand: BOT 51/91/66 | - | - | - | 10,000,000 | 9,953,966 | 0.34 |
| Bank of Thailand: BOT 9/364/66 | - | - | - | 10,000,000 | 9,843,267 | 0.33 |
| Bank of Thailand: BOT 10/364/66 | - | - | - | 10,000,000 | 9,812,883 | 0.33 |
| Bank of Thailand: BOT 11/364/66 | - | - | - | 5,000,000 | 4,900,212 | 0.17 |
| Bank of Thailand Bond 47/91/67 | 10,000,000 | 9,971,996 | 0.36 | - | - | - |
| Bank of Thailand Bond 52/91/67 | 15,000,000 | 14,940,504 | 0.54 | - | - | - |
| Treasury bill | | | | | | |
| Treasury bill (DM) 21/182/66 | - | - | - | 10,000,000 | 9,989,809 | 0.34 |
| Treasury bill (DM) 23/182/67 | 25,000,000 | 24,899,907 | 0.89 | - | - | - |
| Treasury Bill (DM) 4/182/68 | 15,000,000 | 14,899,956 | 0.53 | - | - | - |
| Total investments in debt securities | 65,000,000 | 64,712,363 | 2.32 | 50,000,000 | 49,485,789 | 1.68 |
| Total investments | | 2,792,942,363 | 100.00 | | 2,951,895,789 | 100.00 |

The accompanying notes are an integral part of the financial statements

Khonburi Sugar Power Plant Infrastructure Fund**Statement of comprehensive income****For the year ended 31 December 2024**

(Unit: Baht)

| | <u>Note</u> | <u>2024</u> | <u>2023</u> |
|--|-------------|--------------|-------------|
| Investment income | | | |
| Interest income | 12 | 183,984,286 | 200,509,457 |
| Total income | | 183,984,286 | 200,509,457 |
| Expenses | | | |
| Management fee | 13, 14 | 9,475,878 | 9,833,822 |
| Fund supervisor fee | 13, 14 | 627,220 | 653,705 |
| Registrar fee | 13 | 952,300 | 888,460 |
| Professional fees | | 2,177,971 | 2,108,253 |
| Other expenses | | 2,232,381 | 2,531,447 |
| Total expenses | | 15,465,750 | 16,015,687 |
| Net investment income | | 168,518,536 | 184,493,770 |
| Net gain on investments | | | |
| Net realised gain (loss) from investments | | 12,888 | (166,637) |
| Gain (loss) on change in fair value of investments | 7.2 | (92,799,395) | 12,669,458 |
| Total net gain (loss) on investments | | (92,786,507) | 12,502,821 |
| Increase in net assets from operations | | 75,732,029 | 196,996,591 |

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

Khonburi Sugar Power Plant Infrastructure Fund**Statement of changes in net assets****For the year ended 31 December 2024**

(Unit: Baht)

| | <u>Note</u> | <u>2024</u> | <u>2023</u> |
|---|-------------|-----------------------------|-----------------------------|
| Increase in net assets from operations during the year | | | |
| Net investment income | | 168,518,536 | 184,493,770 |
| Net realised gain (loss) from investments | | 12,888 | (166,637) |
| Gain (loss) on change in fair value of investments | 7.2 | (92,799,395) | 12,669,458 |
| Increase in net assets from operations | | <u>75,732,029</u> | <u>196,996,591</u> |
| Distributions to unitholders | 11 | (251,719,821) | (245,559,906) |
| Decrease in net assets during the year | | <u>(175,987,792)</u> | <u>(48,563,315)</u> |
| Net assets at the beginning of year | | <u>3,003,713,686</u> | <u>3,052,277,001</u> |
| Net assets at the end of year | | <u><u>2,827,725,894</u></u> | <u><u>3,003,713,686</u></u> |

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

Khonburi Sugar Power Plant Infrastructure Fund

Statement of cash flows

For the year ended 31 December 2024

| | | (Unit: Baht) | |
|--|-------------|-------------------------|-------------------------|
| | <u>Note</u> | <u>2024</u> | <u>2023</u> |
| Cash flows from operating activities | | | |
| Increase in net assets from operations | | 75,732,029 | 196,996,591 |
| Adjustments to reconcile increase in net assets from operations to net cash from operating activities: | | | |
| Purchases of investments in securities | 7 | (342,579,902) | (308,752,709) |
| Disposals of investments in securities | 7 | 329,193,438 | 289,980,483 |
| Decrease (increase) in accrued interest receivables | | (137) | 25,433 |
| Decrease (increase) in prepaid expenses | | 278 | (278) |
| Increase (decrease) in accrued expenses | | 10,486 | (727,450) |
| Interest income | 12 | (183,984,286) | (200,509,457) |
| Cash received from investment in the Revenue Transfer Agreement | | 282,217,618 | 269,789,790 |
| Cash received from interest | | 136,765 | 265,378 |
| Net realised loss (gain) from investment | | (12,888) | 166,637 |
| Loss (gain) on change in fair value of investment | 7 | 92,799,395 | (12,669,458) |
| Net cash flows from operating activities | | <u>253,512,796</u> | <u>234,564,960</u> |
| Cash flows used in financing activities | | | |
| Distributions to unitholders | 11 | (251,719,821) | (245,559,906) |
| Net cash flows used in financing activities | | <u>(251,719,821)</u> | <u>(245,559,906)</u> |
| Net increase (decrease) in cash at banks | | 1,792,975 | (10,994,946) |
| Cash at banks at the beginning of year | | 5,606,645 | 16,601,591 |
| Cash at banks at the end of year | | <u><u>7,399,620</u></u> | <u><u>5,606,645</u></u> |

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

Khonburi Sugar Power Plant Infrastructure Fund

Notes to the financial statements

For the year ended 31 December 2024

1. Description of Khonburi Sugar Power Plant Infrastructure Fund

Khonburi Sugar Power Plant Infrastructure Fund (“the Fund”) is a closed-end infrastructure fund, offering its units to the public investors. The Fund was established and registered as a fund on 18 August 2020 with no project life stipulated. The Fund’s key objective is to seek funds from investors and to invest in infrastructure businesses related to biomass power plant. Furthermore, the Fund may also engage in activities within the scope allowed under Securities and Exchange Commission Thailand (“SEC”) regulations and other relevant regulations, with a view to generate income and returns for the Fund and unitholders. This may include investment in other securities and/or deriving benefits from other means as prescribe by securities laws and/or other relevant laws.

On 20 August 2020, the Fund entered into the Revenue Transfer Agreement with Khonburi Power Plant Company Limited to receive the transfer of revenue generated from the biomass power plant business. The Revenue Transfer Agreement covers the revenue from 1 April 2020 to 31 December 2039.

On 21 August 2020, the Stock Exchange of Thailand approved the listing of the Fund’s units and permitted their trading from 24 August 2020 onwards.

The Fund is managed by Krungthai Asset Management Public Company Limited (“the Management Company”). Bank of Ayudhya Public Company Limited has been appointed as the fund supervisor.

As at 31 December 2024, Khonburi Sugar Public Company Limited, a major unitholder, held 16.13% in the Fund’s units issued and paid-up.

2. Basis of preparation of financial statements

These financial statements are prepared in accordance with the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts issued by the Association of Investment Management Companies and approved by the Securities and Exchange Commission of Thailand.

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

3. Dividend policy

The Fund has a policy to pay dividends to the unitholders at least twice a year in the case that the Fund has sufficient retained earnings. The Fund may make a dividend payment by cash and capital reduction according to the Fund management manual and the Securities Law.

The dividend policy of the Fund is as follow.

- 1) Any proposed payment of dividend will be made to unitholders, in aggregate for each financial year, at a rate of not less than 90% of the adjusted net profit.
- 2) In case that the Fund has retained earnings, management company may make a dividend payment to the unitholders from such retained earnings.
- 3) In case that the Fund has accumulated losses, management company shall not pay dividend neither out of the adjusted net profit as mentioned in 1) nor the retained earnings as mentioned in 2).
- 4) In case that the Fund has excess liquidity, management company may make payment to the unitholders by capital reduction.

4. Significant accounting policies

4.1 Revenues and expenses recognition

Income from the Revenue Transfer Agreement

Interest income from the Revenue Transfer Agreement is recognised on an accrual basis based on the effective interest rate.

Interest income and finance costs

Interest income and finance costs are recognised on an accrual basis based on the effective interest rate.

Expenses

Expenses are recognised on an accrual basis.

4.2 Measurement of investments

Investments in financial assets are recognised at fair value on the date which the Fund has rights on investments. Subsequently, the investments are measured at fair value and gain or loss on measurement of such investments (if any) are presented as gain or loss in the statement of income when incurred.

Investment in the Revenue Transfer Agreement

The Fund measured the initial value of investment in the Revenue Transfer Agreement at the transaction price on the date that the Fund has the right on the investment, as it is considered the best estimation of the fair value because it was the latest exchange transaction that the price of which was determined by market mechanism. Subsequently, the investment is measured at fair value, referring to the value as appraised by an independent appraiser.

Investments in securities

Investments in marketable debt securities are presented at fair value, based on the latest yield rate quoted by the Thai Bond Market Association as of the date on which the investments are valued. Gains or losses from the valuation of investments are recorded as net unrealised gains or losses in the statement of income. To determine the cost of investments which are disposed of, the average method is used.

Investments in cash at banks is presented using the sum of principal and accrued interest as of the date on which the investment is valued to determine fair value. Accrued interest is separately presented in the statement of financial position under the caption of "Accrued interest receivables".

4.3 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.

4.4 Accounts receivable from the Revenue Transfer Agreement

Accounts receivable from the Revenue Transfer Agreement are stated at the net realisable value which management company considers to be the nearest equivalent to fair value.

4.5 Capital distribution

A decrease in retained earnings is recognised on the date a dividend is declared.

4.6 Income tax

The Fund has no corporate income tax liability since it is exempted from corporate income tax in Thailand.

4.7 Related party transactions

Related parties of the Fund comprise individuals or enterprises that own voting interest of at least 10% in the Fund, control, or are controlled by, the Fund, whether directly or indirectly, or which are under common control with the Fund.

They also include the fund manager and their related parties and included associated companies and individuals or enterprises which directly or indirectly own voting interests in the Fund that gives them significant influence over the Fund, key management personnel and directors of the Fund manager with authority in planning and directing the Fund's operations.

4.8 Provisions

Provisions are recognised when the Fund 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.

4.9 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 Fund 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 the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Fund 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 categories 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 for such assets or liabilities such as estimates of future cash flows

At the end of each reporting period, the Fund 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 judgments and estimates

The preparation of financial statements in conformity with the Accounting Guidance for Property Funds, Real Estate Investment Trusts, Infrastructure Funds and Infrastructure Trusts at times requires the fund management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgement and estimate is as follows:

Fair value of investment in the Revenue Transfer Agreement

The fair value of the investment in the Revenue Transfer Agreement is the value per the appraisal report of an independent appraiser, which was determined using the income approach. The determination of the fair value of the investment requires the use of estimates of the future cash inflows of the Fund from the agreement, basing on projections of the revenue generated from the biomass power plant business owned by Khonburi Power Plant Company Limited ("KPP"). The Fund is to receive 62 percent of the revenue in accordance with the power purchase agreements between KPP with Electricity Generating Authority of Thailand and KPP with Khonburi Sugar Public Company Limited. The expiry date of the Revenue Transfer Agreement is 31 December 2039 (see Note 7.1 to the financial statements). An appropriate discount rate is applied to discount the projected future cashflows to present value.

6. Segment information

Currently, the Fund only operates in one business segment which is the investment in infrastructure business related to biomass power plant business and the business is only operated in Thailand. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

7. Investment at fair value

7.1 Investment in the Revenue Transfer Agreement

On 20 August 2020, the Fund entered into the Revenue Transfer Agreement with Khonburi Power Plant Company Limited ("KPP") whereby it is to receive the transfer of revenue generated from the biomass power plant business. The Fund is to receive 62 percent of the revenue in accordance with the power purchase agreements between KPP with Electricity Generating Authority of Thailand ("EGAT") and KPP with Khonburi Sugar Public Company Limited ("KBS") which can be summarised as follows:

| Counterparty's name | Expiry date | Contracted capacity (megawatts) |
|--|------------------|------------------------------------|
| Electricity Generating Authority of Thailand | 31 December 2039 | 22.0 |
| Khonburi Sugar Public Company Limited | 31 December 2039 | 3.5 |

The benefits that the Fund will obtain from the power purchase agreement between KPP and EGAT (maximum capacity of 22 megawatts) is 62 percent of revenue, only for the part that is not affected by the US dollar exchange rate and average coal price. The amount of revenue is calculated based on the fixed tariff as stipulated in the power purchase agreement; comprising capacity payment, energy payment, fuel saving and renewable energy promotion. However, KPP has provided the minimum performance guarantee in accordance with the Revenue Transfer Agreement; namely operating hours of the power plant in each year must not be lower than the capacity stipulated in the Revenue Transfer Agreement and actual average capacity of the power plant in each year must not be lower than 21 megawatts.

The benefits that the Fund will obtain from the power purchase agreement between KPP and KBS (capacity of 3.5 megawatts) is 62 percent of revenue which is calculated based on the fixed tariff as stipulated in the power purchase agreement. However, KPP is to provide the minimum performance guarantee on a basis of the actual generation capacity (Kilowatt-hour) of the power plant in each year as stipulated in the Revenue Transfer Agreement.

If KPP fails to meet the minimum performance mentioned above, KPP shall make an additional payment to the Fund in accordance with the Revenue Transfer Agreement.

KPP and KBS provided following collaterals under the Revenue Transfer Agreement; mortgages of KBS's land and KPP's power plant, KPP's and KBS's machinery under the power purchase agreement, pledging of all shares of KPP held by KBS, transfer of land leasehold right of KPP, conditional transfer of KPP's rights of claims in the revenue account under the power purchase agreement and claims under the power purchase agreement, the endorsement of insurance policies related to the operations of the power plants, whereby the Fund is the co-insured and the beneficiary, and a subordination agreement with KPP and KBS for the rights of calls for intercompany loan repayments.

7.2 Movements of the investments

7.2.1 Investment in the Revenue Transfer Agreement

| | (Unit: Thousand Baht) | |
|---|-----------------------|-----------|
| | 2024 | 2023 |
| Beginning of the year | 2,902,410 | 2,963,930 |
| Amortisation | (81,344) | (74,186) |
| Gain (loss) on valuation of investments | (92,836) | 12,666 |
| Ending of the year | 2,728,230 | 2,902,410 |

7.2.2 Investment in securities

| | (Unit: Thousand Baht) | |
|---|-----------------------|-----------|
| | 2024 | 2023 |
| Beginning of the year | 49,486 | 29,872 |
| Acquisitions | 342,580 | 308,753 |
| Disposals | (329,182) | (290,147) |
| Amortisation of premium on investments in securities | 1,791 | 1,005 |
| Gain on valuation of investments | 37 | 3 |
| Ending of the year | 64,712 | 49,486 |

7.3 Fair value measurement

The Fund engaged an independent appraiser to appraise the fair value of the investment in the Revenue Transfer Agreement as at 31 December 2024 and 2023, using the income approach. A key assumption used in the valuation of investment in the Revenue Transfer Agreement as at 31 December 2024 is the discount rate of 5.86% per annum (2023: 5.56% per annum). An increase in the discount rate would cause the fair value of the investment to decrease.

As at 31 December 2024 and 2023, the Fund had the investments that were measured at fair value using different levels of inputs as follows:

| (Unit: Thousand Baht) | | | | |
|--|---------|---------|-----------|-----------|
| 2024 | | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Investment in the Revenue Transfer Agreement | - | - | 2,728,230 | 2,728,230 |
| Investments in securities | - | 64,712 | - | 64,712 |

| (Unit: Thousand Baht) | | | | |
|--|---------|---------|-----------|-----------|
| 2023 | | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Investment in the Revenue Transfer Agreement | - | - | 2,902,410 | 2,902,410 |
| Investments in securities | - | 49,486 | - | 49,486 |

During the year, there were no transfers within the fair value hierarchy, and there were no changes in valuation techniques during the year.

7.4 Revenue from the Revenue Transfer Agreement

| (Unit: Thousand Baht) | | |
|---|---------|---------|
| | 2024 | 2023 |
| Revenue from the agreement | 263,401 | 273,426 |
| Amortisation of investment in the agreement | 81,344 | 74,186 |
| Interest income | 182,057 | 199,240 |

8. Cash at banks

| | 2024 | | 2023 | |
|---|------------------------------|--------------------------------|------------------------------|--------------------------------|
| | Principal (Thousand Baht) | Interest rate (% per annum) | Principal (Thousand Baht) | Interest rate (% per annum) |
| Saving accounts | | | | |
| Bank of Ayudhya Public Company Limited | 3,522 | 0.40 | 815 | 0.50 |
| United Overseas Bank (Thai) Public Company Limited | 3,876 | 1.10 | 4,790 | 1.15 |
| Current account | | | | |
| Bank of Ayudhya Public Company Limited | 2 | - | 2 | - |
| Total cash at banks | 7,400 | | 5,607 | |

9. Accounts receivable from the Revenue Transfer Agreement

The balances of accounts receivable from the Revenue Transfer Agreement as at 31 December 2024 and 2023 were not yet due.

10. Retained earnings

| | (Unit: Thousand Baht) | |
|--|-----------------------|-----------|
| | 2024 | 2023 |
| Retained earnings as at beginning of the year | 203,714 | 252,277 |
| Add: Net investment income | 168,518 | 184,495 |
| Net realised gain (loss) from investments | 13 | (167) |
| Gain (loss) on change in fair value of investments | (92,799) | 12,669 |
| Less: Distributions to unitholders (Note 11) | (251,720) | (245,560) |
| Retained earnings at ending of the year | 27,726 | 203,714 |

11. Distributions of net income to unitholders

Distributions of net income during the year 2024 are as the following:

| Announcement date | Period | Per unit | Total |
|-------------------|--|----------|-----------------|
| | | (Baht) | (Thousand Baht) |
| 21 February 2024 | 1 October 2023 - 31 December 2023 and retain earnings | 0.1760 | 49,280 |
| 16 May 2024 | 1 January 2024 - 31 March 2024 and retain earnings | 0.2420 | 67,760 |
| 16 August 2024 | 1 April 2024 - 30 June 2024 and retain earnings | 0.2350 | 65,800 |
| 15 November 2024 | 1 July 2024 - 30 September 2024 and retain earnings | 0.2460 | 68,880 |
| Total | | 0.8990 | 251,720 |

Distributions of net income during the year 2023 are as the following:

| Announcement date | Period | Per unit | Total |
|-------------------|--|----------|-----------------|
| | | (Baht) | (Thousand Baht) |
| 20 February 2023 | 1 October 2022 - 31 December 2022 and retained earnings | 0.1740 | 48,720 |
| 19 May 2023 | 1 January 2023 - 31 March 2023 and retained earnings | 0.2280 | 63,840 |
| 22 August 2023 | 1 April 2023 - 30 June 2023 and retained earnings | 0.2310 | 64,680 |
| 17 November 2023 | 1 July 2023 - 30 September 2023 and retained earnings | 0.2440 | 68,320 |
| Total | | 0.8770 | 245,560 |

12. Interest income

| | (Unit: Thousand Baht) | |
|---|-----------------------|---------|
| | 2024 | 2023 |
| Interest income from: | | |
| Investment in the Revenue Transfer Agreement (Note 7.4 and 14) | 182,057 | 199,240 |
| Investment in securities | 1,791 | 1,163 |
| Cash at banks | 136 | 106 |
| Total interest income | 183,984 | 200,509 |

13. Expenses

Management fee

The Management Company is entitled to receive a monthly management fee from the Fund at a rate, not exceeding 5.0% per annum of the total assets value of the Fund but not less than Baht 4.2 million per annum (exclusive of value added tax, specific business tax or any other similar tax).

Fund supervisor fee

The fund supervisor is entitled to receive a monthly remuneration at a rate, not exceeding 1.0% per annum (exclusive of value added tax, specific business tax or any other similar tax) of the net assets value of the Fund, and the foregoing does not include other expense as actually incurred such as fund transfer fee, bank charges, the expenses for the inspection of assets of the Fund.

Registrar fee

The fee for the investment unit registrar shall be charged on an annual basis at a rate of 0.030 - 0.035% per annum of the Fund's registered capital (exclusive of value added tax, specific business tax or any other similar tax) before applicable discounts (if any). The charge shall not exceed Baht 4.0 million per annum.

14. Related party transactions

The relationship between the Fund and individuals or enterprises that are related parties are summarised below.

| Name of entities | Nature of relationships |
|---|----------------------------------|
| Krungthai Asset Management Public Company Limited | The management company |
| Bank of Ayudhya Public Company Limited | The fund supervisor |
| Khonburi Sugar Public Company Limited | A major unitholder |
| Khonburi Power Plant Company Limited | Subsidiary of a major unitholder |

During the year, the Fund had significant business transactions with related parties, which have been concluded on the commercial terms and bases agreed upon in the ordinary course of business between the Fund and related parties. Below is a summary of those transactions.

| (Unit: Thousand Baht) | | | |
|---|---------|---------|---------|
| | Note | 2024 | 2023 |
| <u>Subsidiary of a major unitholder</u> | | | |
| Interest income from investment in the Revenue Transfer Agreement | 7.4, 12 | 182,057 | 199,240 |
| <u>Management company</u> | | | |
| Management fee | 13 | 9,476 | 9,834 |
| <u>Fund supervisor</u> | | | |
| Fund supervisor fee | 13 | 627 | 654 |
| <u>A major unitholder</u> | | | |
| Distributions of net income | 11 | 40,503 | 38,171 |

As at 31 December 2024 and 2023, the Fund has the following significant outstanding balances with its related parties.

| (Unit: Thousand Baht) | | |
|---|-----------|-----------|
| | 2024 | 2023 |
| <u>Subsidiary of a major unitholder</u> | | |
| Investment in the Revenue Transfer Agreement | 2,728,230 | 2,902,410 |
| Accounts receivable from the Revenue Transfer Agreement | 28,962 | 47,779 |
| <u>The management company</u> | | |
| Accrued management fee | 769 | 819 |
| <u>The fund supervisor</u> | | |
| Cash at bank | 3,524 | 817 |
| Accrued fund supervisor fee | 51 | 55 |

15. Investment trading information

The Fund's investment trading transactions for the year ended 31 December 2024, excluding cash at banks, amounted to Baht 671.8 million. This is 22.93% of average net assets during the year (2023: Baht 598.7 million, 19.60%).

16. Commitments

The Fund is committed to pay fees to counterparties as described in Note 13.

17. Financial instruments

17.1 Financial risk management objectives and policies

The Fund's financial instruments principally comprise investment in the Revenue Transfer Agreement, investments in securities, cash at banks, accounts receivable from investment in the Revenue Transfer Agreement, and accrued expenses. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

Credit risk is the risk that counterparties might not be able to repay to their creditors which may affect the cash inflow from financial assets to the Fund. The Fund concentrates in investing in the investments that the counterparty of the agreement or the issuer of the instruments are financially stable, and pursuant to the investment in the Revenue Transfer Agreement, the Fund has obtained the collaterals and other instrumental agreements, as described in Note 7.1 to the financial statements, to manage the credit risk. Therefore, the Fund does not expect to incur material financial losses from credit in the short term to longer term. The maximum exposure to credit risk is the carrying amounts of the assets as stated in the statement of financial position less the amount to be able to recover from all the collaterals.

Interest rate risk

Interest rate risk is the risk associated with the effects of fluctuations in the prevailing levels of market interest rates. The financial assets that potentially cause the Fund to be subject to the interest rate risk are government bonds, treasury bills and cash at banks. However, most of the Fund's financial assets are short-term in nature and bear fixed interest rates which are close to the market rate. Therefore, the interest rate risk is expected to be minimal.

17.2 Fair values of financial instruments

The carrying amounts of the Fund's financial assets and liabilities which are cash at banks, account receivable from investment in the Revenue Transfer Agreement, and accrued expenses are approximately the fair values due to their short maturities. In addition, the Fund measures its other investments at fair value. The Fund therefore believes that fair value of financial instruments is not to be materially different from the amounts presented in the statement of financial position.

18. Approval of financial statements

These financial statements were authorised for issue by an authorised person of the Management Company on 13 February 2025.