

**THAI SOLAR ENERGY PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND SEPARATE  
FINANCIAL INFORMATION**

**30 SEPTEMBER 2019**

## **AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION**

To the Shareholders and the Board of Directors of Thai Solar Energy Public Company Limited

I have reviewed the interim consolidated financial information of Thai Solar Energy Public Company Limited and its subsidiaries, and the interim separate financial information of Thai Solar Energy Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 September 2019, the consolidated and separate statements of comprehensive income for the three-month and nine-month periods then ended, and the related consolidated and separate statements of changes in equity and cash flows for the nine-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

### **Scope of review**

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

**Kajornkiet Aroonpirodkul**  
Certified Public Accountant (Thailand) No. 3445  
Bangkok  
14 November 2019

**Thai Solar Energy Public Company Limited**  
**Statement of Financial Position**  
**As at 30 September 2019**

	Consolidated		Separate	
	financial information□		financial information□	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
Notes	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	646,746	561,021	37,754	209,558
Short-term restricted bank deposits	59,750	74,399	11,213	11,603
Short-term investments	6 463	460	463	460
Trade and other receivables	7 409,861	478,067	257,658	258,869
Short-term loans to subsidiaries	13.3 -	-	754,001	335,288
Inventories	28,521	14,453	-	-
Refundable Value Added Tax	281,419	181,179	-	-
Other current assets	26,385	152,582	13,550	11,978
<b>Total current assets</b>	<b>1,453,145</b>	<b>1,462,161</b>	<b>1,074,639</b>	<b>827,756</b>
<b>Non-current assets</b>				
Long-term restricted bank deposits	22,837	12,009	1,050	1,050
Long-term loans to subsidiaries	13.4 -	-	4,265,537	4,333,468
Receivables from disposal of investments	13.2 -	-	1,383,683	1,383,683
Investments in subsidiaries	8.1 -	-	1,199,150	1,198,750
Investments in joint ventures	8.2 1,809,169	1,787,087	350,000	350,000
Investment property	89,978	89,978	89,978	89,978
Property, plant and equipment	9 7,262,674	6,928,083	275,664	280,234
Goodwill	10 17,318	17,726	-	-
Intangible assets	9 4,574,942	4,376,580	6,942	7,679
Deferred tax assets	1,806	2,410	108	-
Other non-current assets	14,532	13,202	3,789	2,652
<b>Total non-current assets</b>	<b>13,793,256</b>	<b>13,227,075</b>	<b>7,575,901</b>	<b>7,647,494</b>
<b>Total assets</b>	<b>15,246,401</b>	<b>14,689,236</b>	<b>8,650,540</b>	<b>8,475,250</b>

Director \_\_\_\_\_ Director \_\_\_\_\_

The accompanying notes form part of this interim financial information.

**Thai Solar Energy Public Company Limited**
**Statement of Financial Position (Cont'd)**
**As at 30 September 2019**

	Notes	Consolidated		Separate	
		financial information□		financial information□	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 September	31 December	30 September	31 December
		2019	2018	2019	2018
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Short-term borrowings from financial institutions	11.1	99,485	98,794	99,485	98,794
Construction and other payables		190,707	278,446	82,713	42,594
Current portion of right in power purchase agreement payables		2,029	-	-	-
Current portion of finance lease liabilities		6,558	2,620	2,695	2,620
Current portion of long-term borrowings	11.2	570,037	437,241	216,006	175,889
Short-term loan from subsidiaries	13.5	-	-	22,500	22,500
Current portion of debentures		2,999,481	2,048,530	2,999,481	2,048,530
Income tax payable		2,861	1,350	-	-
Other current liabilities		23,559	15,485	2,534	966
<b>Total current liabilities</b>		<b>3,894,717</b>	<b>2,882,466</b>	<b>3,425,414</b>	<b>2,391,893</b>
<b>Non-current liabilities</b>					
Right in power purchase agreement payables		73,850	-	-	-
Finance lease liabilities		12,944	7,980	5,949	7,980
Long-term borrowings from financial institutions	11.2	6,208,734	5,922,634	2,173,013	2,062,780
Debentures		-	949,066	-	949,066
Employee benefit obligations		10,665	8,607	10,665	8,607
Provision for decommissioning costs		2,455	2,454	2,455	2,454
Deferred tax liabilities		7,090	1,335	-	1,267
Other non-current liabilities		72	72	72	72
<b>Total non-current liabilities</b>		<b>6,315,810</b>	<b>6,892,148</b>	<b>2,192,154</b>	<b>3,032,226</b>
<b>Total liabilities</b>		<b>10,210,527</b>	<b>9,774,614</b>	<b>5,617,568</b>	<b>5,424,119</b>
<b>Equity</b>					
Share capital					
Authorised share capital					
Ordinary shares, 2,477,474,454 shares of par Baht 1 each					
(2018: 2,450,250,000 shares of par Baht 1 each)	14	2,477,474	2,450,250	2,477,474	2,450,250
Issued and paid-up share capital					
Ordinary shares, 1,905,749,580 shares of fully-paid					
	14	1,905,750	1,905,750	1,905,750	1,905,750
Premium on ordinary shares		727,554	727,554	727,554	727,554
Retained earnings					
Appropriated - legal reserve					
		63,972	63,972	50,894	50,894
Unappropriated retained earnings					
		2,662,334	2,207,231	348,774	366,933
Other components of equity					
		(328,468)	(134,119)	-	-
Equity attributable to owners of the parent		5,031,142	4,770,388	3,032,972	3,051,131
Non-controlling interests		4,732	144,234	-	-
<b>Total equity</b>		<b>5,035,874</b>	<b>4,914,622</b>	<b>3,032,972</b>	<b>3,051,131</b>
<b>Total liabilities and equity</b>		<b>15,246,401</b>	<b>14,689,236</b>	<b>8,650,540</b>	<b>8,475,250</b>

The accompanying notes form part of this interim financial information.

**Thai Solar Energy Public Company Limited**  
**Statement of Comprehensive Income (Unaudited)**  
**For the three-month period ended 30 September 2019**

	Consolidated		Separate	
	financial information		financial information	
	30 September 2019 Baht Thousand	30 September 2018 Baht Thousand	30 September 2019 Baht Thousand	30 September 2018 Baht Thousand
Revenue from sales	333,333	126,610	-	107
Subsidy for adders	14,108	4,995	-	69
Management service fee income	13,375	10,909	24,106	18,891
Cost of sales and services	(226,147)	(109,841)	(18,146)	(22,747)
<b>Gross profit (loss)</b>	<b>134,669</b>	<b>32,673</b>	<b>5,960</b>	<b>(3,680)</b>
Dividends income	-	-	136,850	218,400
Other income	6,084	60,974	2,566	68,750
Administrative expenses	(46,727)	(60,078)	(56,163)	(102,926)
Finance costs	(27,233)	(38,765)	(40,471)	(73,408)
Share of profit from joint ventures	141,568	133,121	-	-
<b>Profit before income tax</b>	<b>208,361</b>	<b>127,925</b>	<b>48,742</b>	<b>107,136</b>
Income tax	(1,788)	(1,989)	514	2,661
<b>Profit for the period</b>	<b>206,573</b>	<b>125,936</b>	<b>49,256</b>	<b>109,797</b>
<b>Other comprehensive income:</b>				
Items that will be reclassified subsequently to profit or loss:				
Currency translation differences	(39,068)	(184,742)	-	-
<b>Total comprehensive income for the period</b>	<b>167,505</b>	<b>(58,806)</b>	<b>49,256</b>	<b>109,797</b>
<b>Profit attributable to:</b>				
Owners of the parent	204,796	124,429	49,256	109,797
Non-controlling interests	1,777	1,507	-	-
	<b>206,573</b>	<b>125,936</b>	<b>49,256</b>	<b>109,797</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	165,703	(60,324)	49,256	109,797
Non-controlling interests	1,802	1,518	-	-
	<b>167,505</b>	<b>(58,806)</b>	<b>49,256</b>	<b>109,797</b>
<b>Earnings per share</b>				
Basic earnings per share	0.11	0.07	0.03	0.05
Diluted earnings per share	0.11	0.07	0.03	0.05

The accompanying notes form part of this interim financial information.

**Thai Solar Energy Public Company Limited**  
**Statement of Comprehensive Income (Unaudited)**  
**For the nine-month period ended 30 September 2019**

	Notes	Consolidated financial information		Separate financial information	
		30 September 2019	30 September 2018	30 September 2019	30 September 2018
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Revenue from sales		954,165	267,587	2	1,056
Subsidy for adders		41,282	9,048	-	1,353
Management service fee income		37,395	31,871	69,544	54,946
Cost of sales and services		(645,795)	(241,928)	(52,303)	(64,492)
<b>Gross profit (loss)</b>		<b>387,047</b>	<b>66,578</b>	<b>17,243</b>	<b>(7,137)</b>
Dividends income	13.1	-	-	465,080	451,822
Other income		26,359	78,459	5,763	152,976
Administrative expenses		(162,242)	(151,419)	(207,744)	(125,303)
Finance costs		(141,127)	(90,507)	(195,062)	(206,197)
Share of profit from joint ventures	8.2	475,332	446,657	-	-
<b>Profit before income tax</b>		<b>585,369</b>	<b>349,768</b>	<b>85,280</b>	<b>266,161</b>
Income tax		(932)	(6,933)	1,375	4,006
<b>Profit for the period</b>		<b>584,437</b>	<b>342,835</b>	<b>86,655</b>	<b>270,167</b>
<b>Other comprehensive income:</b>					
Items that will be reclassified subsequently to profit or loss:					
Currency translation differences		(183,771)	(51,938)	-	-
<b>Total comprehensive income for the period</b>		<b>400,666</b>	<b>290,897</b>	<b>86,655</b>	<b>270,167</b>
<b>Profit attributable to:</b>					
Owners of the parent		559,917	341,370	86,655	270,167
Non-controlling interests		24,520	1,465	-	-
		<b>584,437</b>	<b>342,835</b>	<b>86,655</b>	<b>270,167</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		376,092	289,381	86,655	270,167
Non-controlling interests		24,574	1,516	-	-
		<b>400,666</b>	<b>290,897</b>	<b>86,655</b>	<b>270,167</b>
<b>Earnings per share</b>					
	15				
Basic earnings per share		0.29	0.18	0.05	0.14
Diluted earnings per share		0.29	0.18	0.05	0.14

The accompanying notes form part of this interim financial information.

**Thai Solar Energy Public Company Limited**  
**Statement of Changes in Equity (Unaudited)**  
**For the nine-month period ended 30 September 2019**

	Consolidated financial information									
	Attribute to owners of the parent									
	Issued and called-up share capital	Premium on ordinary capital	Retained earnings		Other components of equity			Total owners of the parent	Non-controlling interests	Total
			Appropriated - legal reserve	Unappropriated	Changes in parent's ownership interest in subsidiary	Translation of financial statements	Baht Thousand			
Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand	
<b>Opening balance at 1 January 2018</b>	1,815,000	727,554	62,894	2,135,195	-	(122,053)	4,618,590	162,152	4,780,742	
<b>Change in equity for the period</b>										
Share dividends	90,750	-	-	-	-	-	90,750	-	90,750	
Appropriation of legal reserve	-	-	1,078	(1,078)	-	-	-	-	-	
Dividends	-	-	-	(100,841)	-	-	(100,841)	-	(100,841)	
Total comprehensive income for the period	-	-	-	341,370	-	(51,989)	289,381	1,516	290,897	
<b>Closing balance at 30 September 2018</b>	<b>1,905,750</b>	<b>727,554</b>	<b>63,972</b>	<b>2,374,646</b>	<b>-</b>	<b>(174,042)</b>	<b>4,897,880</b>	<b>163,668</b>	<b>5,061,548</b>	
<b>Opening balance at 1 January 2019</b>	1,905,750	727,554	63,972	2,207,231	(7,769)	(126,350)	4,770,388	144,234	4,914,622	
<b>Change in equity for the period</b>										
Additional investment in subsidiaries by purchasing shares from non-controlling interests (Note 8.1)	-	-	-	-	(10,524)	-	(10,524)	(164,076)	(174,600)	
Dividends	-	-	-	(104,814)	-	-	(104,814)	-	(104,814)	
Total comprehensive income for the period	-	-	-	559,917	-	(183,825)	376,092	24,574	400,666	
<b>Closing balance at 30 September 2019</b>	<b>1,905,750</b>	<b>727,554</b>	<b>63,972</b>	<b>2,662,334</b>	<b>(18,293)</b>	<b>(310,175)</b>	<b>5,031,142</b>	<b>4,732</b>	<b>5,035,874</b>	

The accompanying notes form part of this interim financial information.

Thai Solar Energy Public Company Limited  
Statement of Changes in Equity (Unaudited) (Cont'd)  
For the nine-month period ended 30 September 2019

	Separate financial information				Total Baht Thousand
	Issued and called-up share capital Baht Thousand	Premium on ordinary capital Baht Thousand	Retained earnings Appropriated - legal reserve Baht Thousand	Unappropriated Baht Thousand	
<b>Opening balance at 1 January 2018</b>	1,815,000	727,554	50,894	658,395	3,251,843
<b>Change in equity for the period</b>					
Share dividends	90,750	-	-	-	90,750
Dividends	-	-	-	(100,841)	(100,841)
Total comprehensive income for the period	-	-	-	270,167	270,167
<b>Closing balance at 30 September 2018</b>	<u>1,905,750</u>	<u>727,554</u>	<u>50,894</u>	<u>827,721</u>	<u>3,511,919</u>
<b>Opening balance at 1 January 2019</b>	1,905,750	727,554	50,894	366,933	3,051,131
<b>Change in equity for the period</b>					
Dividends	-	-	-	(104,814)	(104,814)
Total comprehensive income for the period	-	-	-	86,655	86,655
<b>Closing balance at 30 September 2019</b>	<u>1,905,750</u>	<u>727,554</u>	<u>50,894</u>	<u>348,774</u>	<u>3,032,972</u>

The accompanying notes form part of this interim financial information.



**Thai Solar Energy Public Company Limited**  
**Statement of Cash Flows (Unaudited)**  
**For the nine-month period ended 30 September 2019**

	Notes	Consolidated financial information		Separate financial information	
		30 September 2019	30 September 2018	30 September 2019	30 September 2018
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
<b>Cash flows from operating activities</b>					
Profit before income tax		585,369	349,768	85,280	266,161
Adjustments for:					
Depreciation	9	216,737	99,467	6,644	19,494
Amortisation	9	30,210	2,650	1,474	718
Share of profit from joint ventures	8.2	(475,332)	(446,657)	-	-
Provision for employee benefits obligations		2,059	1,989	2,059	1,989
Unrealised (gain) loss on exchange		5,693	(25,981)	109,591	(62,196)
Fair value gain on trading securities		-	69	-	69
Gain on disposal of trading securities		(822)	(1,267)	(822)	(1,267)
Loss (gain) from write-off equipment		-	38	-	(19)
(Reversal) loss from impairment of assets		(578)	9,962	(578)	-
Loss from write-off withholding tax		9	17	-	-
Dividends income	13.1	-	-	(465,080)	(451,822)
Interest income		(941)	(21,490)	(2,824)	(108,381)
Other income		-	(1,578)	-	(3,031)
Finance cost		141,127	90,507	195,062	206,197
Gain on bargain purchase of subsidiary	12	(5,683)	-	-	-
Loss on impairment of goodwill	10	766	-	-	-
		498,614	57,494	(69,194)	(132,088)
Changes in operating assets and liabilities					
Trade and other receivables		64,512	(88,899)	3,377	312,032
Inventories		(14,068)	(5,254)	-	-
Value Added tax refundable		35,519	(33,971)	-	235
Other current assets		8,248	(63,273)	479	(5)
Receivables from disposal of investments		-	-	-	(379,410)
Other non-current assets		1,222	6,799	(1,143)	1,306
Other payables		(104,533)	67,334	8,630	66,283
Other current liabilities		3,210	(1,515)	4,379	1,274
Cash flows generated from (used in) operating activities		492,724	(61,285)	(53,472)	(130,373)
<u>Add</u> Income tax received		-	1,547	-	1,547
<u>Less</u> Income tax paid		(2,958)	(13,552)	(2,051)	(1,714)
Net cash from (used in) operating activities		489,766	(73,290)	(55,523)	(130,540)

The accompanying notes form part of this interim financial information.

**Thai Solar Energy Public Company Limited**  
**Statement of Cash Flows (Unaudited) (Cont'd)**  
**For the nine-month period ended 30 September 2019**

	Notes	Consolidated financial information		Separate financial information	
		30 September 2019	30 September 2018	30 September 2019	30 September 2018
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
<b>Cash flows from investing activities</b>					
Acquisition of subsidiaries, net of cash acquired	12	(204,818)	-	(400)	(13,701)
Decrease in restricted bank deposits		3,821	22,420	390	21,914
Purchase of short-term investments	6	(455,389)	(384,146)	(455,389)	(384,146)
Proceeds from disposals of short-term investments		456,208	261,365	456,208	261,365
Short-term loans made to subsidiaries	13.3	-	-	(486,000)	(386,634)
Short-term loans repayments received from subsidiaries	13.3	-	-	67,287	588,024
Long-term loans made to subsidiaries	13.4	-	-	(59,263)	(1,564,255)
Long-term loans repayments received from subsidiaries	13.4	-	-	21,988	1,523,523
Purchase of property, plant and equipment		(363,726)	(1,287,382)	(3,590)	(5,783)
Proceeds from disposals of equipment		15	272	15	263
Purchase of intangible asset		(1,303)	(4,149)	(1,303)	(2,127)
Interest received		732	22,411	352	22,060
Dividends received		462,980	352,422	462,980	352,422
Net cash (used in) generated from investing activities		(101,480)	(1,016,787)	3,275	412,925
<b>Cash flows from financing activities</b>					
Proceed from short-term borrowings from financial institutions, net of financial service fee	11.1	47,879	98,640	47,879	98,640
Repayment to short-term loans from financial institutions	11.1	(50,000)	-	(50,000)	-
Repayment to finance lease liabilities		(3,799)	(2,230)	(2,230)	(2,230)
Proceeds from long-term borrowings, net of financial service fee	11.2	558,864	2,101,614	203,517	-
Repayment to long-term borrowings	11.2	(393,074)	(59,089)	(91,200)	-
Purchase shares in subsidiary from non-controlling interests	8.1	(174,600)	-	-	-
Cash dividends payment		(104,814)	(10,181)	(104,814)	(10,091)
Interest expenses and financial service fee		(187,057)	(291,766)	(120,677)	(210,934)
Net cash (used in) generated from financing activities		(306,601)	1,836,988	(117,525)	(124,615)
<b>Net increase (decrease) in cash and cash equivalents</b>		81,685	746,911	(169,773)	157,770
Cash and cash equivalents at beginning of the period		561,021	424,752	209,558	32,023
Exchange differences on cash and cash equivalents		1,999	(5,704)	(2,031)	-
Effect of exchange rate change on translation of financial statements		2,041	10,845	-	2
<b>Cash and cash equivalents at end of the period</b>		<b>646,746</b>	<b>1,176,804</b>	<b>37,754</b>	<b>189,795</b>
<b>Non-cash transaction</b>					
Significant non-cash transactions are as follow:					
Payables arising from construction and purchases of equipments		23,372	390,432	8	2,043
Share dividends		-	90,750	-	90,750
Receivables from disposal of investments		-	-	1,383,683	1,606,981

The accompanying notes form part of this interim financial information.

**1 General information**

Thai Solar Energy Public Company Limited (“the Company”) is a public company limited which is incorporated and domiciled in Thailand. The Company is listed on the Stock Exchange of Thailand and its parent company is P.M. Energy Company Limited (incorporated in Thailand) (“Parent Company”). The address of the Company’s registered office is as follows:

725 Metropolis Building, 19<sup>th</sup> Floor, Sukhumvit Rd., Klongton Nua, Wattana, Bangkok.

For reporting purposes the Company, its subsidiaries and jointly controlled entities are referred to as “the Group”.

The principal business operations of the Group are generation and distribution of electricity from solar power and biomass to government.

The interim consolidated and separate financial information was authorised for issue by the Board of Directors on 14 November 2019.

This interim consolidated and separate financial information has been reviewed, not audited.

**2 Basis of preparation**

The interim consolidated and separated financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2018.

An English version of these interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

**3 Accounting policies**

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2018, except the new and amended Thai Financial Reporting Standards effective on 1 January 2019, which do not have material impact on the Group.

The Group has not early adopted the new and amended Thai Financial Reporting Standards effective on 1 January 2020 and is currently assessing the impacts from these standards.

**4 Estimates**

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

**Thai Solar Energy Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 September 2019**

**5 Operating segments**

Segment information is presented in respect of the Group's geography segments which are domestic and international. The two segments presented were classified and reviewed by authorised persons which are Chief Executive Officer and Executive Committee. The following information is used by authorised persons to evaluate operation of each segment.

**Financial information by geography segment**

	<b>For the nine-month period ended 30 September (Million Baht)</b>									
	<b>Domestic</b>		<b>International</b>		<b>Total</b>		<b>Elimination</b>		<b>Total</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
Revenue from operations	814.55	257.26	251.12	74.32	1,065.67	331.58	(32.83)	(23.07)	1,032.84	308.51
Other income	26.44	153.83	2.39	11.58	28.83	165.41	(2.47)	(88.79)	26.36	76.62
Dividends income	465.08	451.82	-	-	465.08	451.82	(465.08)	(451.82)	-	-
Cost of operations	(516.59)	(202.07)	(140.60)	(44.68)	(657.19)	(246.75)	11.40	4.83	(645.79)	(241.92)
Operating profit	789.48	660.84	112.91	41.22	902.39	702.06	(488.98)	(558.85)	413.41	143.21
Selling and administrative expenses	(141.16)	(116.00)	(37.46)	(39.28)	(178.62)	(155.28)	21.05	3.86	(157.57)	(151.42)
Profit (loss) before finance cost and taxes	648.32	544.84	75.45	1.94	723.77	546.78	(467.93)	(554.99)	255.84	(8.21)
Finance cost	(276.86)	(235.31)	(33.97)	(103.37)	(310.83)	(338.68)	169.70	248.17	(141.13)	(90.51)
(Loss) gain from exchange	(88.34)	(18.83)	(0.07)	(7.43)	(88.41)	(26.26)	83.74	28.09	(4.67)	1.83
Share of profit from joint ventures	475.33	446.66	-	-	475.33	446.66	-	-	475.33	446.66
Operating results before taxes	758.45	737.36	41.41	(108.86)	799.86	628.50	(214.49)	(278.73)	585.37	349.77
Income tax	0.83	4.00	(1.76)	(10.93)	(0.93)	(6.93)	-	-	(0.93)	(6.93)
<b>Net profit (loss)</b>	<b>759.28</b>	<b>741.36</b>	<b>39.65</b>	<b>(119.79)</b>	<b>798.93</b>	<b>621.57</b>	<b>(214.49)</b>	<b>(278.73)</b>	<b>584.44</b>	<b>342.84</b>
<b>Timing of revenue recognition</b>										
At a point in time									995.44	276.64
Over time									37.40	31.87
Total revenue									<u>1,032.84</u>	<u>308.51</u>
<b>Total assets</b>									<u>15,246.40</u>	<u>14,855.34</u>
<b>Total liabilities</b>									<u>10,210.53</u>	<u>9,793.79</u>

## 6 Short-term investments

The movement of short-term investments for nine-month period ended 30 September 2019 is as follows:

	Consolidated and Separate financial information		
	Trading Baht Thousand	Held-to-maturity due within 1 year Baht Thousand	Total Baht Thousand
Opening net book value	-	460	460
Additions	455,386	3	455,389
Disposals	(455,386)	-	(455,386)
Closing net book value	-	463	463

## 7 Trade receivables

As at 30 September 2019 and 31 December 2018, trade receivables, included in trade and other receivables in statement of financial position can be analysed by age as follows:

	Consolidated financial information		Separate financial information	
	30 September 2019 Baht Thousand	31 December 2018 Baht Thousand	30 September 2019 Baht Thousand	31 December 2018 Baht Thousand
Not yet due	217,337	168,206	-	57
<u>Less</u> Provision for impairment of trade receivables	-	-	-	-
Total trade receivables, net	217,337	168,206	-	57

## 8 Investments in subsidiaries and joint ventures

### 8.1 Movements of investments in subsidiaries

#### Additional investment under Thai Solar Energy Plc.

On 9 August 2019, the Company paid for additional called-up capital of World Solar Co., Ltd. for 100,000 shares at Baht 4 each amounting to Baht 0.40 million.

#### Additional investment under Solar Visible Co., Ltd.

On 7 March 2019, the Group acquired 820,000 ordinary shares representing 100% interests in BS Bangsai Solar Company Limited, which operates a ground-mounting solar power plant with the production capacity of 5 MW for a consideration of Baht 131.20 million. The acquisition is considered as an acquisition of business. Details of the acquisition are disclosed in Note 12.

On 19 August 2019, the Group acquired 630,000 ordinary shares representing 100% interests in BS Solar Energy Company Limited, which operates a ground-mounting solar power plant with the production capacity of 5 MW for a consideration of Baht 73.71 million. The acquisition is considered as an acquisition of business. Details of the acquisition are disclosed in Note 12.

#### Additional investment under Thai Community Energy Co., Ltd.

On 9 July 2019, the Group acquired additional 1,455,000 ordinary shares of Oscar Save The World Co., Ltd. from Thainakorn Parawood Co., Ltd. at Baht 120 per share totaling Baht 174.60 million, resulting in an increase in the investment proportion of the Group in that subsidiary from 75% to 100%. Loss from change in holding interest amounting to Baht 10.52 million was recognised directly in equity attributed to the owners of parent in the consolidated financial statements.

8 Investments in subsidiaries and joint ventures (Cont'd)

8.2 Movements of investments in joint ventures

Movements of investments in joint ventures entities for nine-month period ended 30 September 2019 and 2018 are as follows:

	Consolidated financial information		Separate financial information	
	Equity method		Cost method	
	2019	2018	2019	2018
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Opening net book value	1,787,087	1,750,549	350,000	350,000
Share of profit	475,332	446,657	-	-
Dividends received	(453,250)	(438,900)	-	-
Closing net book value	1,809,169	1,758,306	350,000	350,000

Thai Solar Renewable Company Limited, joint venture, has pledged share certificates of its subsidiary, Siam Solar Energy 1 Company Limited, amounting to Baht 1,080 million (31 December 2018: Baht 1,080 million) as collateral for the subsidiary's credit facilities granted by a commercial bank. In addition, Siam Solar Energy 1 Company Limited has mortgaged its land including constructions thereon and machinery with a total net book value of Baht 4,806 million (31 December 2018: Baht 4,975 million) and pledged bank deposits amounting to Baht 350 million (31 December 2018: Baht 360 million) as collateral for credit facilities granted by a commercial bank.

8.3 Investment details

As at 30 September 2019, details of investments in subsidiaries that have been significantly changed from those disclosed in Note 13 to the 2018 annual financial statements are as follows:

Business	Country of incorporation	% Ownership interest		
		30 September 2019	31 December 2018	
<b>Subsidiaries</b>				
<b>Subsidiaries held by Solar Visible Co., Ltd.</b>				
BS Bangsai Co., Ltd	Production and distribution of electricity	Thailand	100	-
BS Solar Energy Co., Ltd.	Production and distribution of electricity	Thailand	100	-
<b>Subsidiaries held by Thai Community Energy Co., Ltd.</b>				
Oscar Save The World Co., Ltd.	Production and distribution of electricity	Thailand	100	75

**9 Property, plant and equipment and intangible assets**

Movements of property, plant and equipment and intangible assets for the nine-month period ended 30 September 2019 are as follows:

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>Property, plant and equipment Baht Thousand</b>	<b>Intangible assets Baht Thousand</b>	<b>Property, plant and equipment Baht Thousand</b>	<b>Intangible assets Baht Thousand</b>
Opening net book value	6,928,083	4,376,580	280,234	7,679
Acquisition of subsidiaries (Note 12)	399,700	195,205	-	-
Additions	294,755	152,563	1,511	737
Write-off, net	(15)	-	(15)	-
Depreciation and amortisation	(216,737)	(30,210)	(6,644)	(1,474)
Reversal of impairments	578	-	578	-
Foreign currency translation differences	(143,690)	(119,196)	-	-
Closing net book value	<u>7,262,674</u>	<u>4,574,942</u>	<u>275,664</u>	<u>6,942</u>

Borrowing costs incurring from the borrowings for the construction of the power plants during the period were capitalised and included as "Additions" for Baht 15.45 million (31 December 2018: Baht 75.95 million). The Group used the capitalisation rates of 3.00% to 4.58% per annum (31 December 2018: 1.25% to 6.07% per annum) to calculate the borrowing costs for the capitalisation. The capitalisation rate is the actual rate of the borrowings which were used for the construction.

Borrowing costs incurring from the borrowings specifically for developing the power plant projects to its intended use were capitalised and included as "Additions" for Baht 151.83 million (2018: Baht 181.23 million). The Group used the capitalisation rates of 3.00% to 4.58% per annum (2018: 3.42% to 6.07% per annum) to calculate the borrowing costs for the capitalisation. The capitalisation rate includes the actual rate of the borrowing which were used for developing the power plant projects to its intended use and the interest rate differential between borrowing costs that would incur if the company borrowed in its functional currency and actual borrowing costs incurred on foreign currency borrowings.

As at 30 September 2019, the Group has vehicles acquired using hire purchase agreements with the net book value amounting to Baht 30.50 million (31 December 2018: Baht 19.87 million).

Land, building and equipment with the net book value amounting to Baht 5,564 million (31 December 2018: Baht 5,522 million) have been pledged as collaterals for credit facilities received from commercial bank.

**10 Goodwill**

	<b>Consolidated financial information Baht Thousand</b>
<b>For the nine-month period ended 30 September 2019</b>	
Opening net book value	17,726
Acquisition of subsidiaries (Note 12)	358
Impairment	(766)
Closing net book value	<u>17,318</u>

## 11 Borrowings

### 11.1 Short-term borrowings from financial institutions

Movements in short-term borrowings from financial institution for the nine-month period ended 30 September 2019 are analysed as follows:

	<b>Consolidated and Separate financial information Baht Thousand</b>
Opening net book value	98,794
Cash inflows (outflows):	
Additions	50,000
Discount on notes payables	(2,121)
Repayment	(50,000)
Non-cash changes:	
Amortisation of discount on notes payables	2,812
Closing net book value	<u>99,485</u>

### 11.2 Long-term borrowings from financial institutions

Movements in long-term borrowings from financial institution for the nine-month period ended 30 September 2019 are analysed as follows:

	<b>Consolidated financial information Baht Thousand</b>	<b>Separate financial information Baht Thousand</b>
Opening net book value	6,359,875	2,238,669
Cash inflows (outflows):		
Increase from acquisition of subsidiaries (Note 12)	270,157	-
Additions	568,105	204,392
Financial service fee	(9,241)	(875)
Repayment	(393,074)	(91,200)
Non-cash changes:		
Foreign currency translation differences	(27,485)	34,918
Amortisation of financial service fee	10,434	3,115
Closing net book value	<u>6,778,771</u>	<u>2,389,019</u>

The long-term borrowings from financial institutions are secured by the pledge and the assignment of rights over the Group's bank deposits, land with construction thereon and machinery, the assignment of rights under all project agreements, pledge of the certain shares held by the subsidiaries and the jointly controlled entity's shares held by the Company, pledge of the Company's shares that held by P.M. Energy Company Limited, shares of subsidiaries, and the right to receive dividends from subsidiaries and jointly controlled companies.

The loan agreements contain covenants imposed on the Group as specified in the agreements, related to such matters as dividend payment, reduction of share capital, merger or consolidation with any other entities and maintenance of certain debt to equity and debt service coverage ratios.



**12 Business combination**

On 7 March 2019, the Group purchased 100 % of interests in BS Bangsai Solar Company Limited for a total consideration of Baht 131.20 million to acquire a business of a ground-mounting solar power plant with the production capacity of 5 MW.

The following table summarises the consideration paid for BS Bangsai Solar Company Limited, and the amounts of the assets acquired and liabilities assumed recognised on 7 March 2019.

<b>Consideration at 7 March 2019</b>	<b>As at acquisition date Baht Thousand</b>
Cash	131,200
<b>Total consideration</b>	<b>131,200</b>
<b>Recognised amounts of identifiable assets acquired and liabilities assumed</b>	<b>Baht Thousand</b>
Cash and cash equivalents	68
Short-term investments	10
Trade receivables	7,204
Short-term loans to subsidiaries	83
Other current assets	9,631
Power Purchase Agreement	128,725
Property, plant and equipment	208,900
Other non-current assets	842
Construction and other payables	(41,314)
Right in power purchase agreement payables	(28,144)
Long-term borrowings from financial institutions	(140,264)
Other current liabilities	(4,459)
Deferred tax liabilities	(4,399)
Total identifiable net assets	136,883
Gain on bargain purchase	(5,683)
<b>Total</b>	<b>131,200</b>

**Thai Solar Energy Public Company Limited**  
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**12 Business combination (Cont'd)**

On 19 August 2019, the Group purchased 100 % of interests in BS Solar Energy Company Limited for a total consideration of Baht 73.71 million to acquire a business of a ground-mounting solar power plant with the production capacity of 5 MW.

The following table summarises the consideration paid for BS Solar Energy Company Limited, and the amounts of the assets acquired and liabilities assumed recognised on 19 August 2019.

<b>Consideration at 19 August 2019</b>	<b>As at acquisition date Baht Thousand</b>
Cash	73,710
<b>Total consideration</b>	<b>73,710</b>
<b>Recognised amounts of identifiable assets acquired and liabilities assumed</b>	<b>Baht Thousand</b>
Cash and cash equivalents	24
Trade receivables	6,261
Other current assets	6,133
Power Purchase Agreement	66,480
Property, plant and equipment	190,800
Other non-current assets	1,613
Construction and other payables	(14,160)
Right in power purchase agreement payables	(50,058)
Long-term borrowings from financial institutions	(129,893)
Other current liabilities	(410)
Deferred tax liabilities	(3,438)
Total identifiable net assets	73,352
Goodwill	358
<b>Total</b>	<b>73,710</b>

Acquisition-related costs of Baht 495,504 are included in administrative expenses in the profit or loss for the period ended 30 September 2019.

**13 Related party transactions**

The Group is controlled by the following entities:

<b>Name</b>	<b>Relationship</b>	<b>Place of incorporation</b>	<b>% of ownership interest</b>	
			<b>30 September 2019</b>	<b>31 December 2018</b>
P.M. Energy Company Limited	Parent	Thailand	41.09	41.09
Wave Entertainment Public Company Limited	Related party	Thailand	10.01	10.01
Sino-Thai Engineering & Construction Public Company Limited	Related party	Thailand	10.00	10.00

The remaining 38.90% of the shares is widely held.

13 Related party transactions (Cont'd)

13.1 Sales of goods and services and dividends

For the nine-month period ended	Consolidated financial information		Separate financial information	
	30 September 2019 Baht Thousand	30 September 2018 Baht Thousand	30 September 2019 Baht Thousand	30 September 2018 Baht Thousand
<b>Sales of goods and services</b>				
Subsidiaries	-	-	36,169	23,160
Joint ventures	33,716	33,658	33,716	33,658
Related parties	-	126	-	126
	<u>33,716</u>	<u>33,784</u>	<u>69,885</u>	<u>56,944</u>
<b>Dividends income</b>				
Subsidiaries	-	-	11,830	12,922
Joint ventures	-	-	453,250	438,900
	<u>-</u>	<u>-</u>	<u>465,080</u>	<u>451,822</u>

13.2 Outstanding balances arising from sales/purchases of goods and services

	Consolidated financial information		Separate financial information	
	30 September 2019 Baht Thousand	31 December 2018 Baht Thousand	30 September 2019 Baht Thousand	31 December 2018 Baht Thousand
<b>Amounts due from and advances to related parties</b>				
Subsidiaries	-	-	102,876	89,171
Joint ventures	4,054	3,861	4,054	3,861
	<u>4,054</u>	<u>3,861</u>	<u>106,930</u>	<u>93,032</u>
<b>Dividends receivable</b>				
Joint ventures	<u>136,850</u>	<u>134,750</u>	<u>136,850</u>	<u>134,750</u>
<b>Receivables from disposal of investments</b>				
Subsidiaries				
- including in non-current assets	<u>-</u>	<u>-</u>	<u>1,383,683</u>	<u>1,383,683</u>
<b>Amounts due to related parties</b>				
Related parties	<u>-</u>	<u>667</u>	<u>-</u>	<u>-</u>
<b>Payables from acquisition of investments</b>				
Subsidiaries	<u>-</u>	<u>-</u>	<u>250</u>	<u>250</u>

13 Related party transactions (Cont'd)

13.3 Short-term loans to subsidiaries

The movement of short-term loans to subsidiaries for the nine-month period ended 30 September 2019 is as follows:

	<b>Separate financial information</b>
	<b>30 September 2019</b>
	<b>Baht Thousand</b>
Opening net book value	335,288
Loans provided	486,000
Repayment received	(67,287)
Closing net book value	<u>754,001</u>

Loans to subsidiaries are non-bearing interest promissory notes denominated in Thai Baht with maturity within August 2020.

Another loans to subsidiaries are promissory notes denominated in Thai Baht due for repayment at call. Loans carry interest at the rate of 6% per annum.

13.4 Long-term loans to subsidiaries

The movement of long-term loans to subsidiaries for the nine-month period ended 30 September 2019 is as follows:

	<b>Separate financial information</b>
	<b>30 September 2019</b>
	<b>Baht Thousand</b>
Opening net book value	4,333,468
Loans provided	59,263
Repayment received	(21,988)
Foreign currency translation differences	(105,206)
Closing net book value	<u>4,265,537</u>

Long-term loans to subsidiaries are in form of loan agreements denominated in Japanese Yen, Thai Baht, Singapore Dollar and US Dollar with no interest bearing and due for repayment at call, and with maturity within June 2021, respectively.

The management does not have intention to call these loans within next 12 months and classify these loans as long-term accordingly.

13 Related party transactions (Cont'd)

13.5 Short-term loan from subsidiary

	Separate financial information	
	30 September 2019 Baht Thousand	31 December 2018 Baht Thousand
Short-term loans from subsidiary	22,500	22,500

Short-term loan from subsidiary is in form of a promissory note with no interest and due for repayment within September 2020.

13.6 Key management compensation

For the nine-month period ended	Consolidated financial information		Separate financial information	
	30 September 2019 Baht Thousand	30 September 2018 Baht Thousand	30 September 2019 Baht Thousand	30 September 2018 Baht Thousand
Short-term employee benefits	20,789	24,859	16,293	15,775
Post-employment benefits	1,034	944	1,034	944
	<u>21,823</u>	<u>25,803</u>	<u>17,327</u>	<u>16,719</u>

14 Share capital

	Consolidated and Separate financial information			
	Number of shares Shares	Issued and paid up Shares	Issued and paid up Baht Thousand	Total Baht Thousand
At 1 January 2019	2,450,250,000	1,905,749,580	1,905,750	1,905,750
Reduce registered shares	(1,116,225,294)	-	-	-
Increase registered shares	1,143,449,748	-	-	-
At 30 September 2019	<u>2,477,474,454</u>	<u>1,905,749,580</u>	<u>1,905,750</u>	<u>1,905,750</u>

On 22 April 2019, the Annual General Meeting for 2019 approved a reduction of registered capital by reducing 544,500,420 unissued and non-offering shares and approved the issuance of 571,724,874 new ordinary shares at par value of 1 Baht each for General Mandate purpose. As at 30 September 2019, registered share capital was amounting to Baht 2,477.47 million.

On 8 July 2019, the Board of Directors' Meeting approved a reduction of registered capital by reducing 571,724,874 unissued and non-offering shares and approved the issuance of 571,724,874 new ordinary shares at par value of 1 Baht each by allocation of up to 381,149,916 newly issued shares for the purpose of reserving to accommodate the exercise of TSR (Transferable Subscription Rights) offered to the existing shareholders of the Company in proportion of their respective shareholdings (Right Offering) without consideration, and allocation of up to 190,574,958 newly issued shares under a General Mandate. The registered share capital will be amounting to Baht 2,477.47 million.

15 Earnings per share

	Consolidated financial information		Separate financial information	
	30 September 2019	30 September 2018	30 September 2019	30 September 2018
<b>Basic earnings per share</b>				
Net profit attributable to ordinary shareholders of the Company (Baht Thousand)	559,917	341,370	86,655	270,167
Weighted average number of ordinary shares outstanding (shares)	1,905,749,580	1,905,749,580	1,905,749,580	1,905,749,580
Basic earnings per share (Baht per share)	0.29	0.18	0.05	0.14

Basic earnings per share is calculated by dividing the net profit attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the year, excluding treasury shares.

	Consolidated financial information		Separate financial information	
	30 September 2019	30 September 2018	30 September 2019	30 September 2018
<b>Diluted earnings per share</b>				
Net profit attributable to ordinary of the Company (Baht Thousand)	559,917	341,370	86,655	270,167
Net profit used to determine diluted earnings per share (Baht Thousand)	559,917	341,370	86,655	270,167
Weighted average number of ordinary shares outstanding (shares)	1,905,749,580	1,905,749,580	1,905,749,580	1,905,749,580
Adjustments for:				
Share options	536,131	-	536,131	-
Weighted average number of ordinary shares for diluted earnings per share	1,906,285,711	1,905,749,580	1,906,285,711	1,905,749,580
Diluted earnings per share (Baht per share)	0.29	0.18	0.05	0.14

The diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares which is Transferable Subscription Rights (TSR). A calculation for potential share options is made to determine the number of shares that could have been acquired at fair value (determined as the average market price of the Company's shares during the exercise period) based on the monetary value of the subscription rights attached to outstanding TSR. No adjustment is made to earnings.

## 16 Commitments

### 16.1 Capital commitments

As at 30 September 2019 and 31 December 2018, capital expenditure contracted but not recognised as liabilities is as follows:

	Currency	Consolidated financial information		Separate financial information	
		30 September 2019	31 December 2018	30 September 2019	31 December 2018
Power plant	Baht Thousand	-	64,400	-	64,400
Power plant	Yen Thousand	-	201,500	-	-

### 16.2 Operating lease commitments - where the Group is the lessee

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of office building space, motor vehicles, equipment and the lease of rooftop space and other building space in order to install solar cells. The terms of the agreements are between 3 and 26 years.

As at 30 September 2019 and 31 December 2018, future minimum lease payments committed under these operating lease contracts are as follows:

	Consolidated financial information		Separate financial information	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Not later than 1 year	18,577	20,089	9,787	12,087
Later than 1 year but not later than 5 years	42,205	43,486	4,129	10,069
Later than 5 years	151,335	137,247	-	-
	<u>212,117</u>	<u>200,822</u>	<u>13,916</u>	<u>22,156</u>

In addition, under agreements to lease rooftop space and other building space, subsidiaries have commitments to pay rental fee at the higher of a percentage of sales and minimum amounts as specified in the agreements.

### 16.3 Power purchase agreements

During the period ended 30 September 2019, the Group has 2 new domestic power purchase agreements in addition to those agreements disclosed in Note 32.1 to the 2018 annual financial statements. Details are as follows:

The electricity generated system	Company	Number of agreement	Production capacity MW	Electricity rate (Baht/kilowatt-hour)	The term of the agreements
Ground-mounting solar power plant	Subsidiary	1	5	Feed-in Tariff system (FIT) amounting to Baht 5.66.	The agreements are for a period of 25 years commencing from commercial operation date (COD).
Ground-mounting solar power plant	Subsidiary	1	5	Feed-in Tariff system (FIT) amounting to Baht 4.12.	The agreements are for a period of 25 years commencing from commercial operation date (COD).

### 16.4 Contracts and other commitments

During the period ended 30 September 2019, the Group does not have new contract and commitment other than those disclosed in Note 32.3 to the 2018 annual financial statements.

**17 Contingencies**

**Guarantees**

As at 30 September 2019, there were outstanding bank guarantees of Baht 6 million (31 December 2018: Baht 8 million) issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business.

**18 Events after the reporting period**

- 1) On 22 October 2019, the Company issued and registered new ordinary shares from the exercise of Transferable Subscription Rights (TSR) offered to exist common shareholders totalling 211,966,701 shares with the par value of Baht 1 each. The new shares were exercise at Baht 2.50 per share, Total proceed was amounting to Baht 529.92 million. As a result, the registered and fully paid-up share capital of the company increase to 2,117,716,281 shares.
- 2) On 22 October 2019, the Company issued name-registered certificate of unsubordinated, unsecured debentures with a debenture holder's representative totalling 2,350,000 units with the fixed interest of 4.50% per annum payable every 3 months. The issued debentures have the face value of Baht 1,000. The debenture will be redeemed within three years after the issuance date at the amount of Baht 2,350 million.