

**THAI SOLAR ENERGY PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND  
COMPANY FINANCIAL INFORMATION (UNAUDITED)**

**31 MARCH 2015**

## **AUDITOR’S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

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

I have reviewed the accompanying consolidated and company statement of financial position as at 31 March 2015, the related consolidated and company statements of comprehensive income, changes in shareholders’ equity, and cash flows for the three-month period then ended, and condensed notes to interim financial information of Thai Solar Energy Public Company Limited and its subsidiaries, and of Thai Solar Energy Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

### *Scope of review*

I conducted my review in accordance with Thai Standard on Review Engagements 2410, “Review of interim financial information performed by the independent auditor of the entity”. A review 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 interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”.

*Emphasis of Matter*

I draw attention to Note 4 to the interim financial information which describes the effects on the financial statements for the year ended 31 December 2014 and financial information for the three-month period ended 31 March 2014 due to the change in accounting policy regarding investment in associates and joint ventures, which requires the Company to apply the equity method to recognise an investment in jointly controlled entities. My conclusion is not qualified in respect of this matter.

Kajornkiet Aroonpirodkul  
Certified Public Accountant (Thailand) No. 3445  
PricewaterhouseCoopers ABAS Ltd.

Bangkok  
11 May 2015

**Thai Solar Energy Public Company Limited**  
**Statement of Financial Position**  
**As at 31 March 2015**

	Notes	Consolidated		Company	
		(Unaudited) 31 March 2015 Baht	(Restated) (Audited) 31 December 2014 Baht	(Unaudited) 31 March 2015 Baht	(Audited) 31 December 2014 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		107,046,844	7,210,028	47,440,607	4,061,247
Restricted bank deposits	7	79,114,076	54,648,942	36,776,019	36,557,183
Short-term investments	8	1,026,006,805	1,231,998,094	1,026,006,805	1,231,998,094
Trade and other receivables	9	18,935,292	60,085,427	82,656,810	117,147,159
Short-term loans to subsidiaries	16 d)	-	-	138,636,541	68,453,208
Value added tax refundable		35,396,173	31,966,619	2,173,573	-
Other current assets		21,084,315	23,924,259	13,924,988	4,530,503
<b>Total current assets</b>		<b>1,287,583,505</b>	<b>1,409,833,369</b>	<b>1,347,615,343</b>	<b>1,462,747,394</b>
<b>Non-current assets</b>					
Restricted bank deposits	7	4,365,000	4,365,000	4,365,000	4,365,000
Investments in subsidiaries	10	-	-	235,836,663	176,194,963
Investments in jointly controlled entities	11	1,452,864,909	1,296,940,181	350,000,130	350,000,130
Investment properties		88,399,605	88,399,605	88,399,605	88,399,605
Property, plant and equipment	12	1,241,423,691	1,197,519,951	605,344,915	609,746,587
Deferred tax assets		109,789,663	109,635,743	109,134,753	109,067,611
Other non-current assets		9,441,508	9,718,985	3,430,817	6,860,806
<b>Total non-current assets</b>		<b>2,906,284,376</b>	<b>2,706,579,465</b>	<b>1,396,511,883</b>	<b>1,344,634,702</b>
<b>Total assets</b>		<b>4,193,867,881</b>	<b>4,116,412,834</b>	<b>2,744,127,226</b>	<b>2,807,382,096</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 31 March 2015**

	Notes	Consolidated		Company	
		(Unaudited) 31 March 2015 Baht	(Restated) (Audited) 31 December 2014 Baht	(Unaudited) 31 March 2015 Baht	(Audited) 31 December 2014 Baht
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts		355,907	-	355,907	-
Construction and other payables	13	47,344,898	150,977,563	12,725,612	14,378,815
Current portion of finance lease liabilities	14.1	4,341,424	4,294,225	4,341,424	4,294,225
Current portion of long-term borrowings	14.2	103,549,262	102,122,416	39,662,264	39,663,187
Income tax payable		105,044	-	-	-
Value added tax payable		-	38,340,415	-	38,340,415
Other current liabilities		2,571,363	4,474,540	1,783,614	4,056,285
<b>Total current liabilities</b>		<b>158,267,898</b>	<b>300,209,159</b>	<b>58,868,821</b>	<b>100,732,927</b>
<b>Non-current liabilities</b>					
Finance lease liabilities	14.1	7,215,639	8,320,075	7,215,639	8,320,075
Long-term borrowings	14.2	394,890,965	315,846,352	153,072,610	152,988,637
Other non-current liabilities		3,078,371	2,786,184	3,078,371	2,786,184
<b>Total non-current liabilities</b>		<b>405,184,975</b>	<b>326,952,611</b>	<b>163,366,620</b>	<b>164,094,896</b>
<b>Total liabilities</b>		<b>563,452,873</b>	<b>627,161,770</b>	<b>222,235,441</b>	<b>264,827,823</b>
<b>Shareholders' equity</b>					
Share capital					
Authorised share capital					
Ordinary shares 1,815,000,000 shares of par Baht 1 each		1,815,000,000	1,815,000,000	1,815,000,000	1,815,000,000
Issued and paid-up share capital					
Ordinary shares, 1,815,000,000 shares of called-up Baht 1 each		1,815,000,000	1,815,000,000	1,815,000,000	1,815,000,000
Premium on ordinary shares		1,266,097,322	1,266,097,322	1,266,097,322	1,266,097,322
Retained earnings (deficits)		548,586,807	408,153,742	(559,205,537)	(538,543,049)
Other components of equity		730,879	-	-	-
Equity attributable to owners of the parent		3,630,415,008	3,489,251,064	2,521,891,785	2,542,554,273
Non-controlling interests		-	-	-	-
<b>Total shareholders' equity</b>		<b>3,630,415,008</b>	<b>3,489,251,064</b>	<b>2,521,891,785</b>	<b>2,542,554,273</b>
<b>Total liabilities and shareholders' equity</b>		<b>4,193,867,881</b>	<b>4,116,412,834</b>	<b>2,744,127,226</b>	<b>2,807,382,096</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 31 March 2015**

	Notes	Consolidated		Company	
		(Restated)			
		31 March 2015 Baht	31 March 2014 Baht	31 March 2015 Baht	31 March 2014 Baht
Revenue from sales		14,051,226	1,974,002	1,003,114	1,974,002
Subsidy for adders		1,291,200	3,207,360	1,291,200	3,207,360
Management service income		9,116,188	8,481,250	9,784,253	10,581,250
Cost of sales and services		(25,664,443)	(15,860,382)	(20,756,686)	(17,691,792)
<b>Gross loss</b>		(1,205,829)	(2,197,770)	(8,678,119)	(1,929,180)
Other income		14,459,862	3,047,102	12,792,699	177,063
Administrative expenses		(23,381,978)	(8,737,304)	(22,195,567)	(7,997,364)
Other expenses		(41,942)	-	(41,942)	-
Finance costs		(5,370,652)	(9,702,750)	(2,606,702)	(9,407,961)
Share of profit from investments in jointly controlled entities	11	155,924,728	73,359,081	-	-
<b>Profit (loss) before income tax expense</b>		140,384,189	55,768,359	(20,729,631)	(19,157,442)
Tax income	15	48,876	65,730	67,143	45,437
<b>Profit (loss) for the period</b>		140,433,065	55,834,089	(20,662,488)	(19,112,005)
<b>Other comprehensive income:</b>					
Items that will be reclassified subsequently to profit or loss					
Currency translation differences		730,879	-	-	-
<b>Total comprehensive income (expense) for the period</b>		<u>141,163,944</u>	<u>55,834,089</u>	<u>(20,662,488)</u>	<u>(19,112,005)</u>
<b>Profit (loss) attributable to:</b>					
Owners of the parent		140,433,065	55,834,089	(20,662,488)	(19,112,005)
Non-controlling interests		-	-	-	-
		<u>140,433,065</u>	<u>55,834,089</u>	<u>(20,662,488)</u>	<u>(19,112,005)</u>
<b>Comprehensive income (expense) attributable to:</b>					
Owners of the parent		141,163,944	55,834,089	(20,662,488)	(19,112,005)
Non-controlling interests		-	-	-	-
		<u>141,163,944</u>	<u>55,834,089</u>	<u>(20,662,488)</u>	<u>(19,112,005)</u>
<b>Earnings (loss) per share</b>					
Basic earnings (loss) per share		<u>0.08</u>	<u>0.05</u>	<u>(0.01)</u>	<u>(0.02)</u>

The accompanying notes form part of this interim financial information.

**Thai Solar Energy Public Company Limited**  
**Statement of Changes in Shareholders' Equity (Unaudited)**  
**For the three-month period ended 31 March 2015**

<b>Consolidated</b>											
	<b>Note</b>	<b>Issued and called-up share capital Baht</b>	<b>Premium on paid-up capital Baht</b>	<b>Share subscription received in advance Baht</b>	<b>Subscription receivables Baht</b>	<b>Retained earnings (deficits) Baht</b>	<b>Other components of equity</b>		<b>Total equity Baht</b>	<b>Non-controlling interests Baht</b>	<b>Total Baht</b>
							<b>Other comprehensive income</b>	<b>Translation of financial statements</b>			
<b>Opening balance at 1 January 2014</b>		1,021,219,408	-	92,465,750	(5,708,417)	(175,250,252)	-		932,726,489	-	932,726,489
Retrospective adjustments due to changes in accounting policy	4	-	-	-	-	1,844,145	-		1,844,145	-	1,844,145
<b>Opening balance after adjustment</b>		1,021,219,408	-	92,465,750	(5,708,417)	(173,406,107)	-		934,570,634	-	934,570,634
<b>Change in equity for the period</b>											-
Called up ordinary shares		343,780,592	-	(92,465,750)	5,708,417	-	-		257,023,259	-	257,023,259
Total comprehensive income for the period		-	-	-	-	55,834,089	-		55,834,089	-	55,834,089
<b>Closing balance at 31 March 2014</b>		<u>1,365,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(117,572,018)</u>	<u>-</u>		<u>1,247,427,982</u>	<u>-</u>	<u>1,247,427,982</u>
<b>Opening balance at 1 January 2015</b>		1,815,000,000	1,266,097,322	-	-	406,246,647	-		3,487,343,969	163,356	3,487,507,325
Retrospective adjustments due to changes in accounting policy	4	-	-	-	-	1,907,095	-		1,907,095	(163,356)	1,743,739
<b>Opening balance after adjustment</b>		1,815,000,000	1,266,097,322	-	-	408,153,742	-		3,489,251,064	-	3,489,251,064
<b>Change in equity for the period</b>											-
Total comprehensive income for the period		-	-	-	-	140,433,065	730,879		141,163,944	-	141,163,944
<b>Closing balance at 31 March 2015</b>		<u>1,815,000,000</u>	<u>1,266,097,322</u>	<u>-</u>	<u>-</u>	<u>548,586,807</u>	<u>730,879</u>		<u>3,630,415,008</u>	<u>-</u>	<u>3,630,415,008</u>

The accompanying notes form part of this interim financial information.

**Thai Solar Energy Public Company Limited**  
**Statement of Changes in Shareholders' Equity (Unaudited) (Cont'd)**  
**For the three-month period ended 31 March 2015**

	<b>Company</b>					
	<b>Issued and called-up share capital</b>	<b>Premium on paid-up capital</b>	<b>Share subscription received in advance</b>	<b>Subscription receivables</b>	<b>Retained earnings (deficits)</b>	<b>Total</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Opening balance at 1 January 2014</b>	1,021,219,408	-	92,465,750	(5,708,417)	(200,164,354)	907,812,387
<b>Change in equity for the period</b>						
Called up ordinary shares	343,780,592	-	(92,465,750)	5,708,417	-	257,023,259
Total comprehensive expenses for the period	-	-	-	-	(19,112,005)	(19,112,005)
<b>Closing balance at 31 March 2014</b>	<u>1,365,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(219,276,359)</u>	<u>1,145,723,641</u>
<b>Opening balance at 1 January 2015</b>	1,815,000,000	1,266,097,322	-	-	(538,543,049)	2,542,554,273
<b>Change in equity for the period</b>						
Total comprehensive expenses for the period	-	-	-	-	(20,662,488)	(20,662,488)
<b>Closing balance at 31 March 2015</b>	<u>1,815,000,000</u>	<u>1,266,097,322</u>	<u>-</u>	<u>-</u>	<u>(559,205,537)</u>	<u>2,521,891,785</u>

The accompanying notes form part of this interim financial information.



**Thai Solar Energy Public Company Limited**  
**Statement of Cash Flows (Unaudited)**  
**For the three-month period ended 31 March 2015**

	Notes	Consolidated		Company	
		(Restated)			
		31 March 2015 Baht	31 March 2014 Baht	31 March 2015 Baht	31 March 2014 Baht
<b>Cash flows from operating activities</b>					
Profit (loss) before income tax expense		140,384,189	55,768,359	(20,729,631)	(19,157,442)
Adjustments for:					
Depreciation	12	8,095,894	7,974,218	5,073,605	8,021,162
Share of profit from investments in jointly controlled entities	11	(155,924,728)	(73,359,081)	-	-
Provision for employee benefits obligations		335,713	227,186	335,713	227,186
Unrealised loss (gain) on exchange		80	-	80	(531)
Fair value gain on trading investments	8	(710,644)	-	(710,644)	-
Interest income		(8,006,595)	(71,553)	(8,003,083)	(71,553)
Finance cost		5,370,652	9,702,750	2,606,702	9,407,961
		(10,455,439)	241,879	(21,427,258)	(1,573,217)
Changes in operating assets and liabilities					
Trade and other receivables		(7,477,734)	87,783	(14,171,032)	(157,450,125)
Value added tax refundable		(3,429,554)	-	(2,173,573)	-
Other current assets		3,253,345	(33,351,158)	(9,002,247)	(212,840)
Other non-current assets		277,477	44,222	3,429,990	(4,200)
Other payables		1,358,448	(160,932,302)	(1,865,424)	(4,979,478)
Value added tax payable		(38,340,415)	-	(38,340,415)	-
Other current liabilities		(1,903,179)	(84,350)	(2,272,671)	(317,112)
Other non-current liabilities		(43,526)	72,000	(43,526)	72,000
Cash flows used in operating activities		(56,760,577)	(193,921,926)	(85,866,156)	(164,464,972)
<u>Less</u> Income tax paid		(411,922)	-	(392,238)	-
Net cash used in operating activities		(57,172,499)	(193,921,926)	(86,258,394)	(164,464,972)

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 three-month period ended 31 March 2015**

	Notes	Consolidated		Company	
		(Restated)		31 March 2015 Baht	31 March 2014 Baht
		31 March 2015 Baht	31 March 2014 Baht		
<b>Cash flows from investing activities</b>					
Increase in restricted bank deposits		(24,465,133)	(61,479)	(218,836)	(61,479)
Purchase of short-term investments	8	(170,100,000)	-	(170,100,000)	-
Proceeds from disposals of short-term investments		376,801,933	-	376,801,933	-
Loans made to subsidiaries	16 d)	-	-	(85,000,000)	(68,400,000)
Loan repayments received from subsidiaries	16 d)	-	-	14,816,667	-
Acquisition of subsidiary	10	-	-	(59,641,700)	(249,992)
Acquisition of property, plant and equipment		(156,242,740)	(84,419,017)	(432,553)	(535,101)
Interest received		9,384,460	-	9,414,460	-
Dividends received		47,250,004	-	47,250,004	-
Net cash from (used in) investing activities		<u>82,628,524</u>	<u>(84,480,496)</u>	<u>132,889,975</u>	<u>(69,246,572)</u>
<b>Cash flows from financing activities</b>					
Proceed from bank overdrafts		355,907	129,020,052	355,907	90,604,218
Repayment to finance lease liabilities		(1,057,237)	(1,011,408)	(1,193,826)	(1,193,826)
Cash proceeds from long-term borrowings	14.2	99,876,565	-	-	-
Repayment to long-term borrowings	14.2	(19,619,583)	-	-	-
Cash proceeds from share subscription		-	251,314,842	-	257,023,259
Cash proceeds from subscription receivable		-	5,708,417	-	-
Interest expenses and financial service fee		(5,905,740)	(9,619,700)	(2,414,302)	(9,520,529)
Net cash from (used in) financing activities		<u>73,649,912</u>	<u>375,412,203</u>	<u>(3,252,221)</u>	<u>336,913,122</u>
<b>Net increase in cash and cash equivalents</b>		<u>99,105,937</u>	<u>97,009,781</u>	<u>43,379,360</u>	<u>103,201,578</u>
Cash and cash equivalents at beginning of the period		7,210,028	22,732,097	4,061,247	6,332,998
Effect of exchange rate changes on balances held in foreign currencies		730,879	-	-	-
<b>Cash and cash equivalents at end of the period</b>		<u>107,046,844</u>	<u>119,741,878</u>	<u>47,440,607</u>	<u>109,534,576</u>

There is no significant non-cash transactions during the period

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. The address of the Company’s registered office is as follows:

3199 Maleenont Tower, 16th Floor, Rama IV Rd., Klongtan, Klongtoey, Bangkok.

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

The interim consolidated and company financial information was authorised for issue by the Board of Directors on 11 May 2015.

The interim consolidated and company financial information have been reviewed, not audited.

## **2 Accounting policies**

### **2.1 Basis of preparation**

This interim consolidated and company financial information was prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial information (i.e. statements of financial position, statements of comprehensive income, changes in shareholders’ equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial information are prepared in a condensed format according to Thai Accounting Standard 34 (revised 2012), ‘Interim Financial Reporting’ and additional notes are presented as required by the Securities and Exchange Commission 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 2014.

An English version of the interim consolidated and company 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.

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 2014 except as described in note 4.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

## 2 Accounting policies (Cont'd)

### 2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the group.

a) Financial reporting standards, which have a significant impact to the group:

TAS 1 (revised 2014)	Presentation of financial statements
TAS 19 (revised 2014)	Employee benefits
TAS 27 (revised 2014)	Separate financial statements
TAS 28 (revised 2014)	Investments in associates and joint ventures
TAS 34 (revised 2014)	Interim financial reporting
TFRS 10	Consolidated financial statements
TFRS 12	Disclosure of interests in other entities
TFRS 13	Fair value measurement

TAS 1 (revised 2014), the main change is that a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI.

TAS 19 (revised 2014), the key changes are (a) actuarial gains and losses are renamed 'remeasurements' and will be recognised immediately in 'other comprehensive income' (OCI). Actuarial gains and losses will no longer be deferred using the corridor approach or recognised in profit or loss; and (b) past-service costs will be recognised in the period of a plan amendment; unvested benefits will no longer be spread over a future-service period. This standard has no impact to the group.

TAS 27 (revised 2014) provide the requirements relating to separate financial statements.

TAS 28 (revised 2014) provide the requirements for investment in associates and joint ventures accounted by equity method. The significant impact to the group is described in Note 4.

TAS 34 (revised 2014), the key change is the disclosure requirements for operating segment. An entity shall disclose information of a measure of total assets and liabilities for a particular reportable segment if such amounts are regularly provided to the chief operating decision maker and if there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment.

TFRS 10 has a single definition of control and supersedes the principles of control and consolidation included within the original TAS 27, 'Consolidated and separate financial statements'. The standard sets out the requirements for when an entity should prepare consolidated financial statements, defines the principles of control, explains how to apply the principles of control and explains the accounting requirements for preparing consolidated financial statements. The key principle in the new standard is that control exists, and consolidation is required, only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. This standard has no impact to the group.

TFRS 12 require entities to disclose information that helps readers of financial statements to evaluate the nature of risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. This standard has no impact to the group.

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs. This standard has no impact to the group, except for disclosures.

**2 Accounting policies (Cont'd)**

**2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd):**

New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the group. (Cont'd):

b) Financial reporting standards with minor changes and do not have impact to the group are as follows:

TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of cash flows
TAS 8 (revised 2014)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2014)	Events after the reporting period
TAS 11 (revised 2014)	Construction contracts
TAS 12 (revised 2014)	Income taxes
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 20 (revised 2014)	Accounting for government grants & disclosure of government assistance
TAS 21 (revised 2014)	The effects of changes in foreign exchange rates
TAS 23 (revised 2014)	Borrowing costs
TAS 24 (revised 2014)	Related party disclosures
TAS 26 (revised 2014)	Accounting and reporting by retirement benefit plans
TAS 29 (revised 2014)	Financial reporting in hyperinflationary economies
TAS 33 (revised 2014)	Earnings per share
TAS 36 (revised 2014)	Impairment of assets
TAS 37 (revised 2014)	Provisions, contingent liabilities and contingent assets
TAS 38 (revised 2014)	Intangible assets
TAS 40 (revised 2014)	Investment property
TFRS 2 (revised 2014)	Share-based payment
TFRS 3 (revised 2014)	Business combinations
TFRS 5 (revised 2014)	Non-current asset held for sale and discontinued operations
TFRS 6 (revised 2014)	Exploration for and evaluation of mineral resources
TFRS 8 (revised 2014)	Operating segments
TSIC 10 (revised 2014)	Government assistance - No specific relation to operating activities
TSIC 15 (revised 2014)	Operating leases - Incentives
TSIC 25 (revised 2014)	Income taxes - changes in the tax status of an entity or its shareholders

**2 Accounting policies (Cont'd)**

**2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd):**

New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the group. (Cont'd):

b) Financial reporting standards with minor changes and do not have impact to the group are as follows: (Cont'd)

TSIC 27 (revised 2014)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 29 (revised 2014)	Service concession arrangements: Disclosures
TSIC 31 (revised 2014)	Revenue - barter transactions involving advertising services
TSIC 32 (revised 2014)	Intangible assets - Web site costs
TFRIC 1 (revised 2014)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2014)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2014)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2014)	Applying the restatement approach under IAS29 Financial reporting in hyperinflationary economies
TFRIC 10 (revised 2014)	Interim financial reporting and impairment
TFRIC 12 (revised 2014)	Service concession arrangements
TFRIC 13 (revised 2014)	Customer loyalty programmes
TFRIC 15 (revised 2014)	Agreements for the construction of real estate
TFRIC 17 (revised 2014)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2014)	Transfers of assets from customers

New financial reporting standard which is effective on 1 January 2016.

TFRS4 (revised 2014)	Insurance contracts
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**3 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.

In preparing this interim financial information, the significant judgements made by management in applying the group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2014.

**4 Change in accounting policies**

**Investments in associates and joint ventures**

TAS 28 (revised 2014) requires for investment in associates and joint ventures to be accounted for using equity method.

The Company used the proportionate consolidated method to account for jointly controlled entities when preparing the consolidated financial statements for the year ended 31 December 2014. The Company adopted this standard on 1 January 2015 and applied the equity method for recognising an investment in jointly controlled entities by making retrospective adjustments to the financial statements for the year ended 31 December 2014 presented for comparative purposes. The effects on the financial statements for the year ended 31 December 2014 and financial information for the three-month period ended 31 March 2014 are as follows:

	<b>Consolidated</b>		
	<b>As previously reported Baht</b>	<b>Increase (decrease) Baht</b>	<b>As restated Baht</b>
<b>Statement of financial positions as at 1 January 2014</b>			
<b>Assets</b>			
Cash and cash equivalents	22,900,649	(168,552)	22,732,097
Short-term restricted bank deposits	14,985,719	(14,271,840)	713,879
Trade and other receivables	118,135,676	(22,332,851)	95,802,825
Prepaid income tax	10,346,068	(10,345,613)	455
Value added tax refundable	17,066,273	(11,360,105)	5,706,168
Import duty refundable	55,519,947	(53,458,055)	2,061,892
Undue input tax	17,562,921	(13,990,372)	3,572,549
Other current assets	7,068,534	(3,206,486)	3,862,048
Long-term restricted bank deposits	879,181	(102,181)	777,000
Investments in jointly controlled entities	-	354,176,184	354,176,184
Advance payments under operating and maintenance contracts	76,923,325	(76,923,325)	-
Investment properties	88,399,605	-	88,399,605
Property, plant and equipment	4,682,613,736	(3,448,045,540)	1,234,568,196
Deferred tax assets	190,839,323	(80,333,838)	110,505,485
Other non-current assets	1,575,527	(364,613)	1,210,914
<b>Total assets</b>	<b>5,304,816,484</b>	<b>(3,380,727,187)</b>	<b>1,924,089,297</b>

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**4 Change in accounting policies (Cont'd)**

**Investments in associates and joint ventures (Cont'd)**

	<b>Consolidated</b>		
	<b>As previously reported Baht</b>	<b>Increase (decrease) Baht</b>	<b>As restated Baht</b>
<b>Statement of financial positions as at 1 January 2014</b>			
<b>Liabilities</b>			
Bank overdrafts and short-term borrowings from banks	70,294,349	-	70,294,349
Construction and other payables	793,061,624	(467,749,048)	325,312,576
Short-term borrowing from related parties	20,000,000	-	20,000,000
Current portion of finance lease liabilities	4,105,174	-	4,105,174
Current portion of long-term borrowings	1,019,565,010	(491,250,000)	528,315,010
Income tax payable	11,930,081	-	11,930,081
Other current liabilities	10,935,841	(9,345,996)	1,589,845
Finance lease liabilities	12,614,300	-	12,614,300
Long-term borrowings	2,410,650,030	(2,410,650,030)	
Deferred tax liabilities	13,664,863	-	13,664,863
Other non-current liabilities	5,268,723	(3,576,258)	1,692,465
<b>Total liabilities</b>	<b>4,372,089,995</b>	<b>(3,382,571,332)</b>	<b>989,518,663</b>
<b>Shareholders' equity</b>			
Retained earnings (deficit)	(175,250,252)	1,844,145	(173,406,107)
	<b>Consolidated</b>		
	<b>As previously reported Baht</b>	<b>Increase (decrease) Baht</b>	<b>As restated Baht</b>
<b>Statement of comprehensive income for the three-month period ended 31 March 2014</b>			
Revenue from sales	46,967,514	(44,993,512)	1,974,002
Subsidy for adders	83,600,303	(80,392,943)	3,207,360
Management service income	3,392,500	5,088,750	8,481,250
Cost of sales and services	(32,354,088)	16,493,706	(15,860,382)
Other income	11,492,800	(8,445,697)	3,047,102
Administrative expenses	(25,153,941)	16,416,638	(8,737,304)
Finance costs	(34,362,162)	24,659,412	(9,702,750)
Share of profit from investments in jointly controlled entities	-	73,359,081	73,359,081
Tax income (expense)	2,132,087	(2,066,357)	65,730
Net profit and comprehensive income	55,715,013	119,076	55,834,089
Basic earnings per share (Baht per share)	0.05	-	0.05



**Thai Solar Energy Public Company Limited**  
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**4 Change in accounting policies (Cont'd)**

**Investments in associates and joint ventures (Cont'd)**

	<b>Consolidated</b>		
	<b>As previously reported Baht</b>	<b>Increase (decrease) Baht</b>	<b>As restated Baht</b>
<b>Statement of financial positions as at 31 December 2014</b>			
<b>Assets</b>			
Cash and cash equivalents	7,534,582	(324,554)	7,210,028
Short-term restricted bank deposits	151,764,712	(97,115,770)	54,648,942
Short-term investments	1,231,998,094	-	1,231,998,094
Trade and other receivables	197,166,765	(137,081,338)	60,085,427
Value added tax refundable	32,060,958	(94,339)	31,966,619
Other current assets	40,028,895	(16,104,636)	23,924,259
Long-term restricted bank deposits	121,467,440	(117,102,440)	4,365,000
Investments in jointly controlled entities	-	1,296,940,181	1,296,940,181
Advance payments under operating and maintenance contracts	69,051,265	(69,051,265)	-
Investment properties	88,399,605	-	88,399,605
Property, plant and equipment	4,742,184,305	(3,544,664,354)	1,197,519,951
Deferred tax assets	189,631,965	(79,996,222)	109,635,743
Other non-current assets	10,103,398	(384,413)	9,718,985
<b>Total assets</b>	<b>6,881,391,984</b>	<b>(2,764,979,150)</b>	<b>4,116,412,834</b>
<b>Liabilities</b>			
Construction and other payables	169,206,340	(18,228,777)	150,977,563
Current portion of finance lease liabilities	4,294,225	-	4,294,225
Current portion of long-term borrowings	424,772,416	(322,650,000)	102,122,416
Income tax payable	4,943,617	(4,943,617)	-
Value added tax payable	39,498,293	(1,157,878)	38,340,415
Other current liabilities	18,042,813	(13,568,273)	4,474,540
Finance lease liabilities	8,320,075	-	8,320,075
Long-term borrowings	2,722,020,696	(2,406,174,344)	315,846,352
Other non-current liabilities	2,786,184	-	2,786,184
<b>Total liabilities</b>	<b>3,393,884,659</b>	<b>(2,766,722,889)</b>	<b>627,161,770</b>
<b>Shareholders' equity</b>			
Retained earnings (deficit)	406,246,647	1,907,095	408,153,742
Non-controlling interests	163,356	(163,356)	-

**5 Operating segments**

The Company, its subsidiaries and jointly controlled entities are principally engaged in the production and distribution of electricity generated from solar energy. Their operations are carried out only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

**6 Fair value**

**Fair value estimation**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the group's financial assets that are measured at fair value at 31 March 2015.

	<b>Consolidated and Company</b>
	<b>Level 1</b>
	<b>Baht</b>
<b>Asset</b>	
Trading securities	122,008,738
Total asset	<u>122,008,738</u>

**7 Restricted bank deposits**

The Company has pledged bank deposits with the banks to guarantee its electricity consumption and subsidiaries' short-term bank credit facilities. In addition, the Company and its subsidiaries have pledged and assigned rights in bank deposits to secure the credit facilities.

**8 Short-term investments**

	<b>Consolidated and Company</b>			
	<b>31 March 2015</b>		<b>31 December 2014</b>	
	<b>Cost</b>	<b>Fair value</b>	<b>Cost</b>	<b>Fair value</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Short-term investments comprise:				
1. Trading securities	121,852,586	122,008,738	135,005,000	135,198,094
2. Held-to-maturity investments	903,998,067	903,998,067	1,096,800,000	1,096,800,000
Total	<u>1,025,850,653</u>	<u>1,026,006,805</u>	<u>1,231,805,000</u>	<u>1,231,998,094</u>
<u>Less</u> Revaluation adjustments	-	-	-	-
Total short-term investments	<u>1,025,850,653</u>	<u>1,026,006,805</u>	<u>1,231,805,000</u>	<u>1,231,998,094</u>

As at 31 March 2015, bank deposits in fixed accounts carry interests at 2.80 to 3.00% per annum (31 December 2014: 2.8 to 3.0% per annum).

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**8 Short-term investments (Cont'd)**

During the three-month period ended 31 March 2015, movement of trading securities is as follows:

	<b>Consolidated and Company</b>
	<b>Trading securities</b>
	<b>Baht</b>
Book value - beginning balance	135,198,094
Addition	170,100,000
Disposal	(184,000,000)
Change in fair value of trading securities	710,644
Book value - ending balance	122,008,738

**9 Trade and other receivables**

Trade and other receivables as at 31 March 2015 and 31 December 2014 comprise the following:

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Trade accounts receivable	11,408,119	4,472,351	2,179,022	427,226
<u>Less: provision for impairment</u> of trade receivables	-	-	-	-
Total trade accounts receivable, net	11,408,119	4,472,351	2,179,022	427,226
Amounts due from and advances to related parties (Note 16 c)	3,176,228	3,176,228	76,192,441	64,323,961
Dividends receivable (Note 16 c)	-	47,250,004	-	47,250,004
Other receivables	4,450,945	5,286,844	4,385,347	5,245,968
Total other receivable	7,627,173	55,713,076	80,577,788	116,819,933
<u>Less: provision for impairment</u> of other receivables	(100,000)	(100,000)	(100,000)	(100,000)
Total other receivables, net	7,527,173	55,613,076	80,477,788	116,719,933
Total trade and other receivable	18,935,292	60,085,427	82,656,810	117,147,159

Outstanding trade accounts receivable can be analysed as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Current	11,408,119	4,472,351	2,179,022	427,226

**10 Investments in subsidiaries**

**10.1 Movements of investments in subsidiaries**

	<b>Company Baht</b>
<b>For the three-month period ended 31 March 2015</b>	
Opening net book amount	176,194,963
Acquisitions during the period	59,641,700
Closing net book amount	<u>235,836,663</u>

**Investments in TSE Group International Pte. Ltd.**

On 11 February 2015, the Company has established TSE Group International Pte. Ltd., which was incorporated in Singapore for the purposes to invest in renewable energy businesses in other countries. The investment totaling Baht 59.64 million represents 100 percent of ordinary shares of such company.

**10.2 Details of investment in subsidiaries**

Details of investments are as follows:

	<b>Business</b>	<b>Country of incorporation</b>	<b>% Ownership interest</b>	
			<b>31 March 2015</b>	<b>31 December 2014</b>
<b>Subsidiaries directly held by the Company</b>				
TSE Rooftop Co., Ltd.	Investment	Thailand	100	100
TSE Operations Co., Ltd.	Provision of maintenance service for power plants	Thailand	100	100
TSE Group International. Pte Ltd.	Investment	Singapore	100	-
<b>Subsidiaries held by TSE Rooftop Co., Ltd.</b>				
Green Rooftop Co., Ltd.	Production and distribution of electricity	Thailand	100	100
Home Rooftop Co., Ltd.	Production and distribution of electricity	Thailand	100	100
Central Rooftop Co., Ltd.	Production and distribution of electricity	Thailand	100	100
North Rooftop Co., Ltd.	Production and distribution of electricity	Thailand	100	100
Clean Solar Co., Ltd.	Production and distribution of electricity	Thailand	100	100
Lucky Solar Co., Ltd.	Production and distribution of electricity	Thailand	100	100
Champ Energy Co., Ltd.	Production and distribution of electricity	Thailand	100	100
Roof Energy Co., Ltd.	Production and distribution of electricity	Thailand	100	100
<b>Subsidiaries held by TSE Operations Co., Ltd</b>				
Win Win Investment Co., Ltd.	Production and distribution of electricity	Thailand	100	100
World Solar Co., Ltd.	Production and distribution of electricity	Thailand	100	100

**11 Investments in jointly controlled entities**

**11.1 Movements of investments in jointly controlled entities**

	<b>Consolidated Baht</b>	<b>Company Baht</b>
<b>For the three-month period ended 31 March 2015</b>		
Opening net book amount	1,296,940,181	350,000,130
Share of profit	155,924,728	-
Closing net book amount	<u>1,452,864,909</u>	<u>350,000,130</u>

As at 31 March 2015, Thai Solar Renewable Company Limited has pledged share certificates of investments in Siam Solar Energy 1 Company Limited, its subsidiary, amounting to Baht 1,080 million (31 December 2014: Baht 1,080 million) as collateral for its subsidiary's credit facilities granted by a commercial bank. In addition, Siam Solar Energy 1 Company Limited has mortgaged land with construction thereon and machinery with a total net book value of Baht 5,847 million (31 December 2014: Baht 5,904 million) (the Company's proportion: Baht 3,508 million, 31 December 2014: Baht 3,542 million) and pledged bank deposits amounting to Baht 478 million (31 December 2014: Baht 357 million) (the Company's proportion: Baht 287 million, 31 December 2014: Baht 214 million), as collateral for credit facilities granted by a commercial bank.

The Company has pledged all share certificates of investments in jointly controlled entities with a lender as collateral against a jointly controlled entity's credit facilities received from the commercial bank.

Assets, liabilities, revenue and expenses of jointly controlled entities as at 31 March 2015 and for the three-month period then ended are as follows:-

	<b>31 March 2015 Baht</b>
Non-current assets	3,695,111,360
Current assets	363,196,305
Total assets	<u>4,058,307,665</u>
Non-current liabilities	2,325,507,221
Current liabilities	361,560,946
Total liabilities	<u>2,687,068,167</u>
Net assets	<u>1,371,239,498</u>
Revenue	240,379,967
Expenses	(84,353,528)

**11 Investments in jointly controlled entities (Cont'd)**

**11.2 Details of investment in jointly controlled entities**

Details of investments are as follows:

	Business	Country of incorporation	% Ownership interest	
			31 March 2015	31 December 2014
<b>Jointly controlled entity directly held by the Company</b>				
Thai Solar Renewable Co., Ltd	Investment	Thailand	60	60
<b>Jointly controlled entity held by Thai Solar Renewable Co., Ltd.</b>				
Siam Solar Energy 1 Co., Ltd.*	Production and distribution of electricity	Thailand	60	60

\* The Company directly holds one share and the remaining shareholding portions are mainly held by Thai Solar Renewable Company Limited.

**12 Property, plant and equipment**

Property, plant and equipment for the three-month period ended 31 March 2015 have the following movement:

	<b>Consolidated</b>	<b>Company</b>
	<b>Baht</b>	<b>Baht</b>
<b>For the three-month period ended 31 March 2015</b>		
Opening net book amount	1,197,519,951	609,746,587
Additions	51,250,069	671,933
Capitalised borrowing costs	749,565	-
Depreciation	(8,095,894)	(5,073,605)
Closing net book amount	<u>1,241,423,691</u>	<u>605,344,915</u>
Capital commitments as at 31 March 2015	56,578,258	-
Capital commitments as at 31 December 2014	69,448,758	-

As at 31 March 2015, the Company had vehicles under hire purchase agreements with net book value amounting to Baht 17 million (31 December 2014: Baht 18 million).

The Company, its subsidiaries and its jointly controlled entity have pledged assets with the net book value amounting to Baht 1,077 million (31 December 2014: Baht 1,042 million) (Company: Baht 584 million, 31 December 2014: Baht 588 million) as collateral against credit facilities received from the commercial bank.

In January and February 2014, the subsidiaries' solar rooftop panel installation projects were temporarily suspended in certain areas, in order to wait for the relevant government agencies to reach an agreement regarding construction in accordance with the regulatory policy. The construction of some projects resumed since March 2014.

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**13 Construction and other payables**

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>
Amounts due to related parties (Note 16 c)	11,613	-	-	110,687
Construction payables and retention guarantee	22,092,564	124,973,063	116,645	116,645
Other payables	1,476,067	5,747,310	1,458,229	3,811,088
Accrued expenses	23,764,654	20,257,190	11,150,738	10,340,395
	<u>47,344,898</u>	<u>150,977,563</u>	<u>12,725,612</u>	<u>14,378,815</u>

**14 Borrowings**

**14.1 Finance lease liabilities**

The present value of finance lease liabilities is as follows:

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>
Not later than 1 year	4,341,424	4,294,225	4,341,424	4,294,225
Later than 1 year but not later than 5 years	7,215,639	8,320,075	7,215,639	8,320,075
Total	<u>11,557,063</u>	<u>12,614,300</u>	<u>11,557,063</u>	<u>12,614,300</u>

**14.2 Long-term borrowing**

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>
Current portion of long-term borrowing	103,549,262	102,122,416	39,662,264	39,663,187
Long-term borrowing payable between 1 to 5 years	394,890,965	315,846,352	153,072,610	152,988,637
Total	<u>498,440,227</u>	<u>417,968,768</u>	<u>192,734,874</u>	<u>192,651,824</u>

**14 Borrowings (Cont'd)**

**14.2 Long-term borrowing (Cont'd)**

Movements in Long-term borrowings from financial institutions are analysed as follows:

	<b>Consolidated Baht</b>	<b>Company Baht</b>
For the three-month period ended 31 March 2015		
Opening amount as at 1 January 2015	417,968,768	192,651,824
Additional borrowings	99,876,565	-
Repayment of borrowings	(19,619,583)	-
Financial service fee	214,477	83,050
Closing amount as at 31 March 2015	<u>498,440,227</u>	<u>192,734,874</u>

Subsidiaries entered into long-term loan agreements with a local commercial bank to obtain a loan facility of Baht 397 million in order to finance their obligations in respect of solar rooftop panel installation projects. The long-term loans carry interest at MLR minus a stipulated margin per annum. The long-term loans of Baht 365 million are repayable in quarterly installments as from December 2014 to March 2027, at the percentage specified in the loan agreements and the long-term loans of Baht 32 million are repayable within October 2015.

The loans are secured by the pledge and the assignment of rights over the Company's, its subsidiaries' and its jointly controlled entity's bank deposits, the mortgage of the Company's, its subsidiaries' and its jointly controlled entity's land with construction thereon, the pledge and the mortgage of the Company's, its subsidiaries' and its jointly controlled entity's machinery, the assignment of rights under all project agreements of the Company, its subsidiaries and its jointly controlled entity, the pledge of the Company's shares held by the parent company, certain shares held by the subsidiaries and the jointly controlled entities' shares held by the Company and guarantees issued by the Company, the subsidiaries' director and a shareholder of the parent company.

The loan agreements contain covenants imposed on the Company, its subsidiaries and its jointly controlled entities 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.

**14.3 Borrowing facilities**

The Group and the Company have the following undrawn committed borrowing facilities:

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>
Floating rate				
Expiring beyond one year	65,718,428	165,594,993	-	-

Borrowings facilities and bank overdrafts are secured by the pledge and the assignment of rights over the Company's bank deposits, the mortgage of the Company's land with construction thereon, the pledge and the mortgage of the Company's machinery and investment properties, the assignment of rights under all project agreements, the pledge of the Company's shares held by the parent company and guarantees issued by a shareholder of the parent company.



**15 Promotional privileges and income tax**

**Promotional privileges**

The Company, its subsidiaries and its jointly controlled entity have received several certificates of promotional privileges from the Board of Investment for the production of electricity generated from concentrated solar thermal energy, solar rooftop energy and solar energy, respectively.

Subject to certain imposed conditions, the privileges include an exemption of import duty on imported machinery, an exemption from corporate income tax for a period of 8 years from the date the promoted operations commenced generating revenues (the commercial operation date) and a 50-percent reduction of corporate income tax on income derived from the promoted operations for a period of 5 years after the tax-exemption period ends.

The Company's, and its subsidiaries' operating revenue from sales and subsidy for adders as presented in the statements of comprehensive income for the three-month periods ended 31 March 2015 and 2014 totally resulted from promoted operations.

**Income tax**

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used is 0%.

**16 Related party transactions**

The Company is controlled by P.M. Energy Company Limited (incorporated in Thailand) which owns 43% of the Company's shares. The remaining 57% of the shares are widely held. The significant investments in subsidiaries, and jointly controlled entities are set out in note 10 and note 11.

The following material transactions were carried out with related parties:

**a) Sales of goods and services**

For the three-month period ended	Consolidated		Company	
	31 March 2015 Baht	31 March 2014 Baht	31 March 2015 Baht	31 March 2014 Baht
<b>Management service income</b>				
Subsidiaries	-	-	668,065	2,100,000
Jointly controlled entity	9,013,312	8,481,250	9,013,312	8,481,250
	<u>9,013,312</u>	<u>8,481,250</u>	<u>9,681,377</u>	<u>10,581,250</u>

**b) Purchases of goods and services**

For the three-month period ended	Consolidated		Company	
	31 March 2015 Baht	31 March 2014 Baht	31 March 2015 Baht	31 March 2014 Baht
<b>Service expenses</b>				
Related companies	1,220,625	1,162,500	-	-

**16 Related party transactions (Cont'd)**

**c) Outstanding balances arising from sales/purchases of goods/services**

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>
<b>Amounts due from and advances to related parties (Note 9)</b>				
Subsidiaries	-	-	73,016,213	61,147,733
Jointly controlled entity	3,176,228	3,176,228	3,176,228	3,176,228
	<u>3,176,228</u>	<u>3,176,228</u>	<u>76,192,441</u>	<u>64,323,961</u>
<b>Dividends receivable (Note 9)</b>				
Jointly controlled entity	-	47,250,004	-	47,250,004
<b>Amounts due to related parties (Note 13)</b>				
Subsidiaries	-	-	-	110,687
Jointly controlled entity	11,613	-	-	-
	<u>11,613</u>	<u>-</u>	<u>-</u>	<u>110,687</u>

**d) Short-term loans to subsidiaries**

	<b>Company</b>	
	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>
Short-term loans to subsidiaries	138,636,541	68,453,208
Total	<u>138,636,541</u>	<u>68,453,208</u>

Movements in loans to subsidiaries are analysed as follows:

	<b>Company Baht</b>
<b>For the three-month period ended 31 March 2015</b>	
Opening net book amount	68,453,208
Addition	85,000,000
Repayment of borrowings	(14,816,667)
Closing net book amount	<u>138,636,541</u>

Loans to subsidiaries are the promissory notes with maturity within June 2015 and there is no interest thereon.

**e) Key management compensation**

The compensation paid or payable to key management for employee services for the three-month periods ended 31 March is as follows

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 March 2015 Baht</b>	<b>31 March 2014 Baht</b>	<b>31 March 2015 Baht</b>	<b>31 March 2014 Baht</b>
Short-term employee benefits	6,331,750	5,023,000	6,331,750	5,023,000
Post-employment benefits	268,331	221,003	268,331	221,003
	<u>6,600,081</u>	<u>5,244,003</u>	<u>6,600,081</u>	<u>5,244,003</u>

**17 Commitments and contingencies**

**17.1 Power purchase agreements**

As at 31 March 2015, the Company, its subsidiaries and its jointly controlled entity have 25 power purchase agreements with the Provincial Electricity Authority (“PEA”) and the Metropolitan Electricity Authority (“MEA”) (31 December 2014: 25 agreements) (Company: 1 agreement, 31 December 2014: 1 agreement). Currently, the Company, its subsidiaries and its jointly controlled entity have commenced their production and distribution of electricity for the PEA under 19 power purchase agreements (Company: 1 agreement).

The power purchase agreements require the Company and its jointly controlled entity to sell electricity in a specified quantity and at a stipulated price as defined in the agreements. The agreements are for a period of 5 years and will automatically renew every 5 years until termination. In the electricity selling to the PEA, the Company and its jointly controlled entity have also been granted an adder amounting to Baht 6.50 - 8 per kilowatt-hour (Company: Baht 8 per kilowatt-hour) for the period of 10 years commencing from the commercial operation date.

The power purchase agreements require its subsidiaries to sell electricity generated by solar rooftop to the PEA and the MEA under the Feed-in Tariff system (FiT) granted for periods of 25 years starting from December 2013.

**17.2 Operating lease commitments - where the Group is the lessee**

- a) The Company, its subsidiaries and its jointly controlled entities 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 generally between 3 and 26 years.

As at 31 March 2015 and 31 December 2014, future minimum lease payments required under these operating lease contracts were as follows

	<b>Consolidated</b>		<b>Company</b>	
	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>	<b>31 March 2015 Baht</b>	<b>31 December 2014 Baht</b>
Not later than 1 year	9,574,766	11,387,574	1,390,300	1,949,320
Later than 1 year but not later than 5 years	35,185,388	37,507,388	1,969,300	1,779,100
Later than 5 years	169,021,632	169,380,523	-	-
	<b>213,781,786</b>	<b>218,275,485</b>	<b>3,359,600</b>	<b>3,728,420</b>

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

- b) The Company has entered into a financial advisory service agreement for providing advices to the Company relating to acquisition of power businesses which the future payment was in accordance with the agreement.

**17 Commitments and contingencies (Cont'd)**

**17.2 Operating lease commitments - where the Group is the lessee (Cont'd)**

- c) A jointly controlled entity has commitments in respect of a management service agreement with the other venturer amounting to approximately Baht 5 million per annum (in proportionate of the Company's interest in the jointly controlled entity) for a period of 10 years from May 2013, with the service fee to increase on an annual basis at the rate specified in the agreement. The fees for the three-month period ended 31 March 2015 amounting to approximately Baht 1 million (31 March 2014: Baht 1 million) (in proportionate of the Company's interest in the jointly controlled entity) were recognised as expenses.
- d) A jointly controlled entity has commitments in respect of the operation and maintenance agreements of three power plants with a company, amounting to approximately Baht 141 million per annum (31 December 2014 : Baht 138 million per annum) for the period of 10 years from the commercial operation dates.
- e) A jointly controlled entity has commitments in respect of the operation and maintenance agreements of seven power plants with a company, amounting to approximately Baht 5 million per annum (in proportionate of the Company's interest in the jointly controlled entity) for the period of 10 years from the commercial operation date.
- f) A jointly controlled entity has commitments in respect of monitoring the operation and maintenance agreements of ten power plants with a company, amounting to approximately Baht 1 million per annum (31 December 2014: Baht 1 million per annum) (in proportionate of the Company's interest in the jointly controlled entity) for the period of 7 years from the commercial operation dates.

**17.3 Guarantees**

- a) The Company has provided guarantee for bank credit facilities of its subsidiaries and its related company amounting to Baht 397 million and Baht 510 million (31 December 2014: 397 and Baht 510 million), respectively.
- b) As at 31 March 2015, there were outstanding bank guarantees of approximately Baht 11 million (31 December 2014: Baht 11 million) (Company: Baht 7 million, 31 December 2014: Baht 7 million) issued by banks on behalf of the Company, its subsidiaries and its jointly control entity in respect of certain performance bonds as required in the normal course of business.

**17.4 Litigation**

The Company was sued by a shareholder seeking damages amounting to Baht 1,000 million resulting from the Company's sale of that shareholder's shares in arrears by auction. The Bangkok South Civil Court and the Court of Appeals dismissed the case on 7 October 2013 and 18 June 2014, respectively. At present, such shareholder is submitting a petition to the Supreme Court.

On 15 October 2014, the Bangkok South Criminal Court dismissed the criminal case in association with revocation of the share auction as mentioned above and also struck the civil case out of the case-list. Therefore, the management believes that Company will not suffer any losses.

**18 Events occurring after the reporting date**

**18.1 Compensation of the accumulated loss**

At the Annual General Meeting of shareholders held on 29 April 2015, resolution was passed to approve the compensation of the accumulated loss of Baht 538.54 million from the share premium of Baht 1,266.10 million. Upon the compensation, the Company will have no accumulated loss with the remaining share premium of Baht 727.55 million.

**18.2 Issuance of debenture**

At the Annual General Meeting of shareholders held on 29 April 2015, resolution was passed to approve the issuance of debenture amounting up to Baht 3,000 million for operation funding, business expansion and refinancing by authorising the Board of Directors and/or any authorised person designated by the Board of Directors to determine or revise terms and conditions in connection with the issuance and offering of debenture in all kinds/types including to have the power to act as necessary relating to such issuance and offering of debenture in order to complete the transactions and comply with applicable laws.