

THAI SOLAR ENERGY PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION**

30 JUNE 2017

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 June 2017, the consolidated and separate statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated and separate statements of changes in equity and cash flows for the six-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
11 August 2017

Thai Solar Energy Public Company Limited
Statement of Financial Position
As at 30 June 2017

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
		2017	2016	2017	2016
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Assets					
Current assets					
Cash and cash equivalents		1,513,905	977,037	1,126,124	497,008
Short-term restricted bank deposits	6	55,235	39,003	5,069	-
Short-term investments	7	607,667	1,764,966	607,667	1,764,966
Trade and other receivables	8	217,841	349,994	212,082	373,101
Short-term loans		13,665	20,000	-	-
Short-term loans to subsidiaries	16 c)	-	-	544,756	868,172
Refundable Value Added Tax		58,944	76,184	71	983
Other current assets		14,131	9,024	9,944	3,757
Total current assets		2,481,388	3,236,208	2,505,713	3,507,987
Non-current assets					
Long-term restricted bank deposits	6	65,850	1,050	64,050	1,050
Investments in subsidiaries	9.1	-	-	1,950,999	1,390,224
Investments in jointly controlled entities	10	1,674,896	1,615,092	350,000	350,000
General investment	9.3	624,827	-	624,827	-
Investment property		88,400	88,400	88,400	88,400
Property, plant and equipment	11	3,134,021	2,850,492	569,888	582,459
Intangible assets	12	486,217	485,542	5,002	4,155
Deferred tax assets		77,066	76,002	76,428	75,377
Other non-current assets		23,344	22,084	2,690	1,860
Total non-current assets		6,174,621	5,138,662	3,732,284	2,493,525
Total assets		8,656,009	8,374,870	6,237,997	6,001,512

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 June 2017

	Notes	Consolidated financial information		Separate financial information	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		30 June	31 December	30 June	31 December
		2017	2016	2017	2016
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Liabilities and equity					
Current liabilities					
Short-term borrowings from financial institution	14.1	-	488,997	-	488,997
Construction and other payables	13	146,988	450,851	36,315	199,184
Current portion of finance lease liabilities	14.2	774	3,828	774	3,828
Current portion of long-term borrowings	14.3	57,699	61,663	-	-
Income tax payable		825	929	-	-
Other current liabilities		6,580	3,782	1,290	2,196
Total current liabilities		212,866	1,010,050	38,379	694,205
Non-current liabilities					
Long-term borrowings	14.3	709,832	728,771	-	-
Long-term loans from subsidiaries	16 d)	-	-	22,500	22,500
Debentures	14.5	2,993,991	2,044,875	2,993,991	2,044,875
Employee benefit obligations		4,609	5,683	4,609	5,683
Other non-current liabilities		98	72	72	72
Total non-current liabilities		3,708,530	2,779,401	3,021,172	2,073,130
Total liabilities		3,921,396	3,789,451	3,059,551	2,767,335
Equity					
Share capital					
Authorised share capital					
Ordinary shares, 1,815,000,000 shares of					
par Baht 1 each					
		1,815,000	1,815,000	1,815,000	1,815,000
Issued and paid-up share capital					
Ordinary shares, 1,815,000,000 shares of					
paid-up Baht 1 each					
		1,815,000	1,815,000	1,815,000	1,815,000
Premium on ordinary shares		727,554	727,554	727,554	727,554
Legal reserve		46,826	46,826	40,026	40,026
Retained earnings		1,960,301	1,935,203	595,866	651,597
Other components of equity		22,310	37,992	-	-
Equity attributable to owners of the parent		4,571,991	4,562,575	3,178,446	3,234,177
Non-controlling interests		162,622	22,844	-	-
Total equity		4,734,613	4,585,419	3,178,446	3,234,177
Total liabilities and equity		8,656,009	8,374,870	6,237,997	6,001,512

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 June 2017

	Notes	Consolidated financial information		Separate financial information	
		30 June 2017	30 June 2016	30 June 2017	30 June 2016
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Revenue from sales		55,098	48,519	-	645
Subsidy for adders		-	925	-	925
Management service income		10,145	9,662	16,886	11,552
Cost of sales and services		(44,000)	(41,568)	(19,032)	(21,011)
Gross profit (loss)		21,243	17,538	(2,146)	(7,889)
Dividends income	16 a)	-	-	150,500	124,250
Other income	17	8,468	29,076	9,241	28,977
Administrative expenses		(41,714)	(23,579)	(31,962)	(19,914)
Other expenses		-	(29)	-	(29)
Finance costs		(31,526)	(10,295)	(31,584)	(2,132)
Share of profit from jointly controlled entities		136,839	147,967	-	-
Profit before income tax		93,310	160,678	94,049	123,263
Income tax		810	(154)	824	81
Profit for the period		94,120	160,524	94,873	123,344
Other comprehensive income (expense):					
Items that will be reclassified subsequently to profit or loss:					
Currency translation differences		(15,125)	70,854	-	-
Total comprehensive income for the period		78,995	231,378	94,873	123,344
Profit attributable to:					
Owners of the parent		94,523	160,524	94,873	123,344
Non-controlling interests		(403)	-	-	-
		94,120	160,524	94,873	123,344
Total comprehensive income attributable to:					
Owners of the parent		79,730	231,378	94,873	123,344
Non-controlling interests		(735)	-	-	-
		78,995	231,378	94,873	123,344
Basic earnings per share					
Earnings per share (Baht)		0.05	0.09	0.05	0.07

The accompanying notes form part of this interim financial information.

Thai Solar Energy Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the six-month period ended 30 June 2017

	Notes	Consolidated financial information		Separate financial information	
		30 June 2017	30 June 2016	30 June 2017	30 June 2016
		Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Revenue from sales		99,864	79,107	-	737
Subsidy for adders		-	925	-	925
Management service income		19,963	19,013	33,444	22,793
Cost of sales and services		(84,457)	(72,257)	(37,915)	(39,728)
Gross profit (loss)		35,370	26,788	(4,471)	(15,273)
Dividends income	16 a)	-	-	241,500	255,500
Other income	17	15,837	41,276	17,312	41,051
Administrative expenses		(71,273)	(61,052)	(56,938)	(41,070)
Other expenses		-	(400)	-	(400)
Finance costs		(58,335)	(19,615)	(54,537)	(4,129)
Share of profit from jointly controlled entities	10	301,304	303,212	-	-
Profit before income tax		222,903	290,209	142,866	235,679
Income tax		737	(293)	1,051	163
Profit for the period		223,640	289,916	143,917	235,842
Other comprehensive income (expense):					
Items that will be reclassified subsequently to profit or loss:					
Currency translation differences		(16,023)	90,736	-	-
Total comprehensive income for the period		207,617	380,652	143,917	235,842
Profit attributable to:					
Owners of the parent		224,746	289,916	143,917	235,842
Non-controlling interests		(1,106)	-	-	-
		223,640	289,916	143,917	235,842
Total comprehensive income attributable to:					
Owners of the parent		209,064	380,652	143,917	235,842
Non-controlling interests		(1,447)	-	-	-
		207,617	380,652	143,917	235,842
Basic earnings per share					
Earnings per share (Baht)		0.12	0.16	0.08	0.13

The accompanying notes form part of this interim financial information.

Thai Solar Energy Public Company Limited
Statement of Changes in Equity (Unaudited)
For the six-month period ended 30 June 2017

Consolidated financial information									
Attribute to owner of the parent									
Note	Issued and called-up share capital Baht Thousand	Premium on ordinary capital Baht Thousand	Retained earnings		Other components of equity		Total owners of the parent Baht Thousand	Non-controlling interests Baht Thousand	Total Baht Thousand
			Appropriated-legal reserve Baht Thousand	Unappropriated Baht Thousand	Translation of financial statements Baht Thousand				
Opening balance at 1 January 2016	1,815,000	727,554	-	1,473,294	24,478	4,040,326	3	4,040,329	
Change in equity for the period									
Dividends	19	-	-	(108,894)	-	(108,894)	-	(108,894)	
Total comprehensive income for the period		-	-	289,916	90,736	380,652	-	380,652	
Non-controlling interests invested in subsidiaries		-	-	-	-	-	3	3	
Closing balance at 30 June 2016	<u>1,815,000</u>	<u>727,554</u>	<u>-</u>	<u>1,654,316</u>	<u>115,214</u>	<u>4,312,084</u>	<u>6</u>	<u>4,312,090</u>	
Opening balance at 1 January 2017	1,815,000	727,554	46,826	1,935,203	37,992	4,562,575	22,844	4,585,419	
Change in equity for the period									
Dividends	19	-	-	(199,648)	-	(199,648)	-	(199,648)	
Total comprehensive income for the period		-	-	224,746	(15,682)	209,064	(1,447)	207,617	
Non-controlling interests invested in subsidiaries		-	-	-	-	-	141,225	141,225	
Closing balance at 30 June 2017	<u>1,815,000</u>	<u>727,554</u>	<u>46,826</u>	<u>1,960,301</u>	<u>22,310</u>	<u>4,571,991</u>	<u>162,622</u>	<u>4,734,613</u>	

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 six-month period ended 30 June 2017

Separate financial information					
Note	Issued and called-up share capital Baht Thousand	Premium on ordinary capital Baht Thousand	Retained earnings		Total
	Baht Thousand	Baht Thousand	Appropriated- legal reserve Baht Thousand	Unappropriated Baht Thousand	Baht Thousand
Opening balance at 1 January 2016	1,815,000	727,554	-	325,391	2,867,945
Change in equity for the period					
Dividends	-	-	-	(108,894)	(108,894)
Total comprehensive income for the period	-	-	-	235,842	235,842
Closing balance at 30 June 2016	<u>1,815,000</u>	<u>727,554</u>	<u>-</u>	<u>452,339</u>	<u>2,994,893</u>
Opening balance at 1 January 2017	1,815,000	727,554	40,026	651,597	3,234,177
Change in equity for the period					
Dividends	-	-	-	(199,648)	(199,648)
Total comprehensive income for the period	-	-	-	143,917	143,917
Closing balance at 30 June 2017	<u>1,815,000</u>	<u>727,554</u>	<u>40,026</u>	<u>595,866</u>	<u>3,178,446</u>

The accompanying notes form part of this interim financial information.

Thai Solar Energy Public Company Limited
Statement of Cash Flows (Unaudited)
For the six-month period ended 30 June 2017

	Consolidated financial information		Separate financial information	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	Notes	Baht Thousand	Baht Thousand	Baht Thousand
Cash flows from operating activities				
Profit before income tax		222,903	290,209	142,866
Adjustments for:				
Depreciation	11	40,986	27,967	10,187
Amortisation	12	388	-	216
Share of profit from jointly controlled entities	10	(301,304)	(303,212)	-
Provision for employee benefits obligations		(1,074)	813	(1,074)
Unrealised loss (gain) on exchange		-	-	16,677
Fair value loss (gain) on trading securities	7	(1,855)	400	(1,855)
Loss from write-off of property, plant and equipment		1,404	-	1,389
Dividends income		-	-	(241,500)
Interest income	17	(5,065)	(4,369)	(8,823)
Finance costs		58,335	19,615	54,537
		14,718	31,423	(27,380)
Changes in operating assets and liabilities				
Trade and other receivables		200,750	(6,383)	224,762
Refundable Value Added Tax		17,241	-	913
Other current assets		1,009	(13,219)	(80)
Other non-current assets		(1,262)	1,638	(832)
Other payables		(220,173)	4,548	6,297
Other current liabilities		2,794	(554)	(907)
Other non-current liabilities		26	-	-
Cash flows generated from (used in)				
operating activities		15,103	17,453	202,773
<u>Add</u> Income tax received		1,724	-	1,724
<u>Less</u> Income tax paid		(8,271)	(746)	(7,831)
Net cash generated from (used in)				
operating activities		8,556	16,707	196,666

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 six-month period ended 30 June 2017

	Notes	Consolidated financial information		Separate financial information	
		30 June 2017 Baht Thousand	30 June 2016 Baht Thousand	30 June 2017 Baht Thousand	30 June 2016 Baht Thousand
Cash flows from investing activities					
Repayment to subscription payables	9.1,13	(179,635)	-	(179,635)	-
Increase in restricted bank deposits		(18,032)	(370,266)	(5,069)	(364,266)
Purchase of short-term investments	7	(2,256,749)	(5,365)	(2,256,749)	(5,365)
Proceeds from disposals of short-term investments	7	3,352,903	569,965	3,352,903	569,965
Decrease in short-term loans		6,335	-	-	-
Short-term loans made to subsidiaries	16 c)	-	-	(186,923)	(460,638)
Short-term loan repayments received from subsidiaries	16 c)	-	-	493,663	28,575
Long-term loans to third party		-	(169)	-	(169)
Acquisition of subsidiaries	9.1	-	-	(560,775)	(329,575)
Purchase of general investments	9.3	(624,827)	-	(624,827)	-
Purchase of property, plant and equipment		(229,170)	(608,542)	(2,041)	(1,168)
Proceed from disposal of equipment		4,169	-	4,169	-
Purchase of intangible assets		(1,063)	-	(1,063)	-
Interest received		8,219	6,114	12,380	5,967
Dividends received		169,750	255,500	174,200	255,500
Net cash generated from (used in) investing activities		231,900	(152,763)	220,233	(301,174)
Cash flows from financing activities					
Proceed from short-term loans from financial institutions		-	450,557	-	530,053
Repayment to short-term loans from financial institutions	14.1	(490,000)	-	(490,000)	-
Repayment to finance lease liabilities		(3,128)	(2,388)	(3,128)	(2,388)
Proceed from short-term loan from subsidiaries		-	-	-	45,000
Repayment to short-term loan from subsidiaries		-	-	-	(8,000)
Proceeds from long-term borrowings, net of debt issuance cost	14.3	40,029	443,987	-	-
Repayment to long-term borrowings	14.3	(59,730)	(44,208)	-	(20,000)
Proceeds from issuance of debentures	14.5	947,862	-	947,862	-
Non-controlling interests invested in subsidiaries		141,225	3	-	-
Dividends payment	19	(199,585)	(108,894)	(199,585)	(108,894)
Interest expenses and financial service fee		(64,238)	(28,512)	(42,932)	(3,768)
Net cash generated from financing activities		312,435	710,545	212,217	432,003
Net increase in cash and cash equivalents		552,891	574,489	629,116	105,650
Cash and cash equivalents at beginning of the period		977,037	337,426	497,008	241,191
Effect of exchange rate on translation of financial statements		(16,023)	90,736	-	-
Cash and cash equivalents at end of the period		1,513,905	1,002,651	1,126,124	346,841
Non-cash transaction					
Material non-cash transaction is as follow:					
Payable arising from construction and purchase of equipments		94,178	53	1,705	1

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 listed on the Stock Exchange of Thailand and is incorporated and domiciled in Thailand. 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:

3199 Maleenont Tower, 16th Floor, Rama IV Rd., Klongtan, Klongtoey, 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 and private sector and investments in companies which generate and distribute electricity.

The interim consolidated and separate company financial information was authorised for issue by the Board of Directors on 11 August 2017.

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

2 Accounting policies

2.1 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in shareholders’ equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the financial information are prepared in a condensed format. 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 2016.

An English version of the interim consolidated and separate 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 2016.

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

Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017.

a) Financial reporting standards, which have significant changes and are relevant to the Group:

TAS 1 (revised 2016)	Presentation of financial statements
TAS 16 (revised 2016)	Property, plant and equipment
TAS 19 (revised 2016)	Employee benefits
TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TAS 34 (revised 2016)	Interim financial reporting
TAS 38 (revised 2016)	Intangible assets
TFRS 10 (revised 2016)	Consolidated financial statements
TFRS 11 (revised 2016)	Joint arrangements

TAS 1 (revised 2016), the amendments provide clarifications on a number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals - line items specified in TAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes - confirmation that the notes do not need to be presented in a particular order.
- OCI arising from investments accounted for under the equity method - the share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.

TAS 16 (revised 2016), key amendments are 1) The amendments clarify that depreciation of an item of property, plant and equipment based on revenue generated by using the asset is not appropriate and 2) The amendments include bearer plants in scope of TAS 16. This standard has no impact to the Group.

TAS 19 (revised 2016), the amendments clarify that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in that is important and not the country where they arise. This standard has no impact to the Group.

TAS 27 (revised 2016), the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method as described in TAS 28. While current TAS 27 allows entities to measure their investments in subsidiaries, joint ventures and associates either at cost or at fair value (when announced). The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). Entities wishing to change to the equity method must do so retrospectively. This standard has no impact to the Group.

TAS 28 (revised 2016), the significant changes are 1) the amendments allow an entity which is not an investment entity, but has an interest in an associate or joint venture which is an investment entity, a policy choice when applying the equity method of accounting. The entity may choose to retain the fair value measurement applied by the investment entity associate or joint venture, or to unwind the fair value measurement and instead perform a consolidation at the level of the investment entity associate or joint venture. 2) the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method. This standard has no impact to the Group.

2 Accounting policies (Cont'd)

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

Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017.
(Cont'd)

a) Financial reporting standards, which have significant changes and are relevant to the Group: (Cont'd)

TAS 34 (revised 2016), the amendments clarify that what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'; entities taking advantage of the relief must provide a cross-reference from the interim financial statements to the location of that information and make the information available to users on the same terms and at the same time as the interim financial statements. This standard has no impact to the Group.

TAS 38 (revised 2016), the amendments include a rebuttable presumption that the amortisation of intangible assets based on revenue is inappropriate. This presumption can be overcome if either the intangible asset is expressed as a measure of revenue (i.e. where a measure of revenue is the limiting factor on the value that can be derived from the asset), or it can be shown that revenue and the consumption of economic benefits generated by the asset are highly correlated. This standard has no impact to the Group.

TFRS 10 (revised 2016), the amendments clarify that: 1) the exception from preparing consolidated financial statements is also available to intermediate parent entities which are subsidiaries of investment entities and 2) an investment entity should consolidate a subsidiary which is not an investment entity and whose main purpose and activity is to provide services in support of the investment entity's investment activities. This standard has no impact to the Group.

TFRS 11 (revised 2016), the amendments clarify that 1) the accounting for the acquisition of an interest in a joint operation where the activities of the operation constitute a business. They require an investor to apply the principles of business combination accounting and 2) existing interests in the joint operation are not remeasured on acquisition of an additional interest, provided joint control is maintained. This standard has no impact to the Group.

b) There are 47 revised financial reporting standards and interpretations with minor changes and which do not have any impact to the Group.

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 2016.

Thai Solar Energy Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2017

4 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

	For the three-month period ended 30 June (Million Baht)									
	Domestic		International		Total		Elimination		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenue from operations	57.88	45.96	25.72	16.84	83.60	62.80	(9.89)	(1.89)	73.71	60.91
Dividends income	150.50	124.25	-	-	150.50	124.25	(150.50)	(124.25)	-	-
Cost of operations	(33.10)	(34.11)	(13.40)	(9.35)	(46.50)	(43.46)	2.49	1.89	(44.01)	(41.57)
Operating profit	175.28	136.10	12.32	7.49	187.60	143.59	(157.90)	(124.25)	29.70	19.34
Selling and administrative expenses	(29.69)	(21.70)	(4.94)	(1.04)	(34.63)	(22.74)	0.85	-	(33.78)	(22.74)
Profit (loss) before finance cost, taxes, depreciation and amortisation	145.59	114.40	7.38	6.45	152.97	120.85	(157.05)	(124.25)	(4.08)	(3.40)
Depreciation and amortisation	(1.13)	(0.87)	-	-	(1.13)	(0.87)	-	-	(1.13)	(0.87)
Finance costs	(31.41)	(7.29)	(2.41)	(3.00)	(33.82)	(10.29)	2.29	-	(31.53)	(10.29)
Profit (loss) from exchange rate	(5.90)	27.27	(0.89)	-	(6.79)	27.27	-	-	(6.79)	27.27
Share of profit from jointly controlled entity	136.84	147.97	-	-	136.84	147.97	-	-	136.84	147.97
Operating results before taxes	243.99	281.48	4.08	3.45	248.07	284.93	(154.76)	(124.25)	93.31	160.68
Income tax	0.82	0.08	(0.01)	(0.24)	0.81	(0.16)	-	-	0.81	(0.16)
Net profit	244.81	281.56	4.07	3.21	248.88	284.77	(154.76)	(124.25)	94.12	160.52
Total assets									8,656.01	5,961.77
Total liabilities									3,921.40	1,649.68

Thai Solar Energy Public Company Limited
Condensed Notes to Interim Financial Information (Unaudited)
For the interim period ended 30 June 2017

4 Operating segments (Cont'd)

Financial information by geography segment (Cont'd)

	For the six-month period ended 30 June (Million Baht)									
	Domestic		International		Total		Elimination		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenue from operations	112.42	90.31	42.45	18.91	154.87	109.22	(19.21)	(3.78)	135.66	105.44
Dividends income	241.50	255.50	-	-	241.50	255.50	(241.50)	(255.50)	-	-
Cost of operations	(65.46)	(65.68)	(21.96)	(10.36)	(87.42)	(76.04)	2.96	3.78	(84.46)	(72.26)
Operating profit	288.46	280.13	20.49	8.55	308.95	288.68	(257.75)	(255.50)	51.20	33.18
Selling and administrative expenses	(56.57)	(45.07)	(6.44)	(14.57)	(63.01)	(59.64)	2.30	-	(60.71)	(59.64)
Profit (loss) before finance cost, taxes, depreciation and amortisation	231.89	235.06	14.05	(6.02)	245.94	229.04	(255.45)	(255.50)	(9.51)	(26.46)
Depreciation and amortisation	(2.91)	(1.81)	-	-	(2.91)	(1.81)	-	-	(2.91)	(1.81)
Finance costs	(60.08)	(14.54)	(2.58)	(5.07)	(62.66)	(19.61)	4.32	-	(58.34)	(19.61)
Profit (loss) from exchange rate	(6.75)	34.88	(0.89)	-	(7.64)	34.88	-	-	(7.64)	34.88
Share of profit from jointly controlled entity	301.30	303.21	-	-	301.30	303.21	-	-	301.30	303.21
Operating results before taxes	463.45	556.80	10.58	(11.09)	474.03	545.71	(251.13)	(255.50)	222.90	290.21
Income tax	1.05	(0.06)	(0.31)	(0.24)	0.74	(0.30)	-	-	0.74	(0.30)
Net profit (loss)	464.50	556.74	10.27	(11.33)	474.77	545.41	(251.13)	(255.50)	223.64	289.91
Total assets									8,656.01	5,961.77
Total liabilities									3,921.40	1,649.68

5 Fair value

Financial instruments are 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 30 June 2017.

	Consolidated and Separate financial information
	Level 1
	Baht Thousand
Asset	
Trading securities	607,467

6 Restricted bank deposits

Short-term restricted bank deposits comprise a reserve bank deposit of the Company which it has opened specifically for the repayments of principles and interests of debentures and pledged saving deposits, pledged deposits in current accounts of subsidiaries and the transfer of claims in the deposit accounts to the lender according to the specified expenditure conditions to secure the credit facilities.

The long-term restricted bank deposits consist of the pledged saving bank deposits of the Company to guarantee its electricity consumption, the pledged saving bank deposits of the subsidiaries for the specific purpose specified in the credit facility agreement, a fixed deposit of the Company pledged to the lender to guarantee the credit facilities of its two subsidiaries and a fixed deposit of one of the subsidiaries which the deposit is bound with a letter of guarantee in respect of certain performance bonds with Provincial Electricity Authority.

7 Short-term investments

	Consolidated and Separate financial information			
	30 June 2017		31 December 2016	
	Cost	Fair value	Cost	Fair value
	Baht	Baht	Baht	Baht
	Thousand	Thousand	Thousand	Thousand
Short-term investments comprise:				
1. Trading securities	604,645	607,467	520,000	520,966
2. Held-to-maturity investments	200	200	1,244,000	1,244,000
Total	604,845	607,667	1,764,000	1,764,966
<u>Less</u> Revaluation adjustments	-	-	-	-
Total short-term investments	604,845	607,667	1,764,000	1,764,966

7 Short-term investments (Cont'd)

During the six-month period ended 30 June 2017, movements of short-term investments are as follows:

	Consolidated and Separate financial information		
	Trading securities	Held-to-maturity due within 1 year	Total
	Baht Thousand	Baht Thousand	Baht Thousand
Book value - beginning balance	520,966	1,244,000	1,764,966
Addition	2,250,000	6,749	2,256,749
Disposal	(2,165,354)	(1,187,549)	(3,352,903)
Transfers-out	-	(63,000)	(63,000)
Change in fair value	1,855	-	1,855
Book value - ending balance	607,467	200	607,667

8 Trade and other receivables

Trade and other receivables as at 30 June 2017 and 31 December 2016 comprise the following:

	Consolidated financial information		Separate financial information	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Trade receivables	28,747	16,060	-	-
<u>Less</u> Provision for impairment of trade receivables	-	-	-	-
Total trade receivables, net	28,747	16,060	-	-
Amounts due from and advances to related parties (Note 16 b)	3,719	225,262	40,352	226,164
Prepaid expenses	15,241	7,490	2,084	2,530
Dividends receivable (Note 16 b)	150,500	78,750	150,500	83,200
Other receivables	520	3,668	342	43,141
Advance payment	19,114	18,764	18,804	18,066
Total other receivables	189,094	333,934	212,082	373,101
<u>Less</u> Provision for impairment of other receivables	-	-	-	-
Total other receivables, net	189,094	333,934	212,082	373,101
Total trade and other receivables	217,841	349,994	212,082	373,101

All outstanding trade receivables are not yet due.

9 Investments in subsidiaries

9.1 Movements of investments in subsidiaries

	Separate financial information Baht Thousand
For the six-month period ended 30 June 2017	
Opening net book amount	1,390,224
Increase in investments during the period	560,775
Closing net book amount	<u>1,950,999</u>

Additional investments under Thai Solar Energy Plc.

Investments in TSE Group International Pte. Ltd.

The Company made additional payments for the remaining called-up capital of TSE Group International Pte. Ltd. amounting to Baht 96.16 million during the first quarter of 2017 and Baht 123.40 million during the second quarter of 2017.

Investments in Solar Assets Pte. Ltd.

The Company made additional payments for the remaining called-up capital of Solar Assets Pte. Ltd. amounting to Baht 0.19 million during the first quarter of 2017.

Investments in TSE Overseas Group Co., Ltd.

On 20 March 2017, the Group has established TSE Overseas Group Co., Ltd. with the total investment of Baht 2.50 million for the purpose of supporting its international investment in renewable energy. The Company has the voting right of 100 percent in this company and has classified the investment in TSE Overseas Group Co., Ltd. as an investment in subsidiary.

Investments in Oscar Save The World Co., Ltd.

On 15 May 2017, the Company made payments for the share subscription payable and the additional called-up during the second quarter of 2017 of Oscar Save The World Co., Ltd amounting to Baht 179.64 million and Baht 79.62 million respectively.

On 16 May 2017, Oscar Save The World Co., Ltd increased its share capital from Baht 225 million to Baht 582 million and the Company made a payment amounting to Baht 249.90 million during the period to subscribe for the increase capital.

Investments in Bangsawan Green Co., Ltd.

On 16 May 2017, Bangsawan Green Co., Ltd increased its share capital from Baht 165 million to Baht 174 million and the Company made a payment amounting to Baht 9 million on 12 June 2017 to subscribe for the increase capital.

9 Investments in subsidiaries (Cont'd)

9.2 Details of investments in subsidiaries

Details of investments are as follows:

	Business	Country of incorporation	% Ownership interest	
			30 June 2017	31 December 2016
Subsidiaries directly held by the Company				
TSE Rooftop Co., Ltd.	Investment	Thailand	100	100
Solar Visible Co., Ltd.	Provision of maintenance service for power plants	Thailand	100	100
TSE Group International. Pte. Ltd.	Investment	Singapore	100	100
Solar Assets Pte. Ltd.	Investment	Singapore	100	100
TSE Overseas Group Co., Ltd.	Investment	Thailand	100	-
The Solar Earth Co., Ltd.	Production and distribution of electricity	Thailand	100	100
Clean Renewable Co., Ltd.	Production and distribution of electricity	Thailand	100	100
Bangsawan Green Co., Ltd.	Production and distribution of electricity	Thailand	49	49
Oscar Save The World Co., Ltd.	Production and distribution of electricity	Thailand	70	70
Subsidiaries held by TSE Rooftop Co., Ltd.				
Green Rooftop Co., Ltd.	Production and distribution of electricity	Thailand	100	100
North Rooftop 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
World Solar Co., Ltd.	Production and distribution of electricity	Thailand	100	100
Subsidiaries held by Solar Visible Co., Ltd				
Thai Community Energy Co., Ltd.	Production and distribution of electricity	Thailand	100	100
Sun Future Co., Ltd.	Production and distribution of electricity	Thailand	100	100
Solar Community Co., Ltd.	Production and distribution of electricity	Thailand	100	100
Subsidiaries held by TSE Group International. Pte. Ltd.				
Eco Solar Aizu GK	Production and distribution of electricity	Japan	97	97
Ishikawa Hanamizuki 1 GK	Production and distribution of electricity	Japan	97	97
Subsidiaries held by Solar Assets Pte. Ltd.				
Ibaraki Ushiku 1 GK	Land lease	Japan	100	100

9.3 General investment

The Company made a down-payment of Baht 624.83 million for a new investment in the solar power plant project in Japan (Note 20.3). Due to the investment structure is not finalised, the Company currently classified this down-payment as a general investment.

On 8 August 2017, the Company agreed to the solar power plant project purchasing agreement with the electricity production capacity of 154.98 MW by acquiring 100 percent of ordinary shares of two companies which are registered in Japan to obtain certification to operate power plant granted by the Ministry of Economy, Trade and Industry of Japan (METI Certification), and a plot of land for operation of the solar power plant. The aforementioned down-payment will be used to offset with the purchase price.

10 Investments in jointly controlled entities

10.1 Movements of investments in jointly controlled entities

	Consolidated financial information Baht Thousand	Separate financial information Baht Thousand
For the six-month period ended 30 June 2017		
Opening net book amount	1,615,092	350,000
Share of profit	301,304	-
Dividends received	(241,500)	-
Closing net book amount	<u>1,674,896</u>	<u>350,000</u>

As at 30 June 2017, Thai Solar Renewable Company Limited, its jointly controlled entity, has pledged share certificates of investments in Siam Solar Energy 1 Company Limited, its subsidiary, with the carrying value of Baht 1,080 million (31 December 2016: 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 its land including constructions thereon and machinery with a total net book value of Baht 5,321 million (31 December 2016: Baht 5,436 million) and has pledged its bank deposits amounting to Baht 579 million (31 December 2016: Baht 461 million), as collateral for credit facilities granted by a commercial bank.

The Company has pledged all share certificates of its investments in jointly controlled entities with a lender as collateral for Siam Solar Energy 1 Company Limited's credit facilities received from the commercial bank.

10.2 Details of investments in jointly controlled entities

Details of investments are as follows:

	Business	Country of incorporation	% Ownership interest	
			30 June 2017	31 December 2016
Jointly controlled entity directly held by the Company				
Thai Solar Renewable Co., Ltd.	Investment	Thailand	60	60
Jointly controlled entity held by Thai Solar Renewable Co., Ltd.				
Siam Solar Energy 1 Co., Ltd.*	Generation and distribution of electricity	Thailand	60	60

* The Company also directly holds one share.

11 Property, plant and equipment

Property, plant and equipment for the six-month period ended 30 June 2017 have the following movement:

	Consolidated financial information Baht Thousand	Separate financial information Baht Thousand
For the six-month period ended 30 June 2017		
Opening net book amount	2,850,492	582,459
Currency translation differences	(19,158)	-
Additions	351,098	3,174
Disposals - net	(5,573)	(5,558)
Transfer-out	(1,852)	-
Depreciation	(40,986)	(10,187)
Closing net book amount	<u>3,134,021</u>	<u>569,888</u>

Borrowing costs of Baht 10.66 million (2016: Baht 12.23 million) were capitalised during the period and are included in "Additions". The borrowing costs arising from specific borrowings for the construction of new power plants will be capitalised until the assets are ready for its intended use. The capitalisation rate is 2.91% to 6.00% per annum (2016: 2.91% to 6.00% per annum), representing the actual borrowing costs of the borrowings used to finance the projects.

Capital commitments

Capital commitments as at the statement of financial position date which are not recognised in the financial statements are as follows:

	Currency	Consolidated financial information		Separate financial information	
		30 June 2017	31 December 2016	30 June 2017	31 December 2016
Power plant	Baht Thousand	1,268,460	367,177	-	-
Power plant	Yen Thousand	4,947,612	5,125,809	-	-
Power plant	USD Thousand	3,679	1,523	-	-
Machinery	Euro Thousand	52	52	52	52

As at 30 June 2017, the Company has vehicles under hire purchase agreements with net book value amounting to Baht 6.86 million (31 December 2016: Baht 13.38 million).

The Company's subsidiaries have pledged their assets with the net book value amounting to Baht 2,047 million (31 December 2016: Baht 1,574 million) as collateral for credit facilities received from the commercial bank.

12 Intangible assets

	Consolidated financial information Baht Thousand	Separate financial information Baht Thousand
For the six-month period ended 30 June 2017		
Opening net book amount	485,542	4,155
Additions	1,063	1,063
Amortisation	(388)	(216)
Closing net book amount	<u>486,217</u>	<u>5,002</u>

13 Construction and other payables

	Consolidated financial information		Separate financial information	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Amounts due to related parties (Note 16 b)	669	229,260	-	-
Construction payables and retention guarantee	94,178	2,788	1,705	573
Other payables	2,438	5,758	1,560	2,223
Subscription payables	-	179,635	-	179,635
Accrued expenses	24,917	17,946	8,443	1,420
Accrued interests	24,786	15,464	24,607	15,333
	<u>146,988</u>	<u>450,851</u>	<u>36,315</u>	<u>199,184</u>

14 Borrowings

14.1 Short-term borrowings from financial institutions

	Consolidated and Separate financial information	
	30 June 2017	31 December 2016
	Baht Thousand	Baht Thousand
Short-term borrowings from bank	-	488,997

Movements in short-term borrowings are analysed as follows:

	Consolidated and Separate financial information
	Baht Thousand
For the six-month for the period ended 30 June 2017	
Opening amount as at 1 January	488,997
Repayment to borrowings	(490,000)
Amortisation of discount on note payables	1,003
Closing amount as at 30 June	-

14.2 Finance lease liabilities

The present value of finance lease liabilities is due for settlement as follows:

	Consolidated and Separate financial information	
	30 June 2017	31 December 2016
	Baht Thousand	Baht Thousand
Not later than 1 year	774	3,828
Later than 1 year but not later than 5 years	-	-
Total	<u>774</u>	<u>3,828</u>

14 Borrowings (Cont'd)

14.3 Long-term borrowings from financial institutions

	Consolidated financial information	
	30 June 2017	31 December 2016
	Baht Thousand	Baht Thousand
Current portion of long-term borrowings	57,699	61,663
Long-term borrowings repayable between 1 to 5 years	370,217	347,345
Long-term borrowings repayable more than 5 years	339,615	381,426
Total	767,531	790,434

The loans are secured by the pledge and the assignment of rights over the Group's bank deposits, land with construction thereon, machinery, the assignment of rights under all project agreements and 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 provided by the Company, the subsidiaries' director and a shareholder of the parent company.

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.

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

	Consolidated financial information
	Baht Thousand
For the six-month period ended 30 June 2017	
Opening book amount	790,434
Additions	43,829
Repayment of borrowings	(59,730)
Financial service fee	(7,437)
Amortisation of financial service fee	435
Closing book amount	767,531

The contractual interest rates of the long-term borrowings at the statement of financial position date are as follows:

	Consolidated financial information	
	30 June 2017	31 December 2016
	%	%
Long-term loans for the construction of solar power plants	MLR - 1.5 TIBOR+2.85	MLR - 1.5 MLR - 2 TIBOR+2.85
Long-term loans for the construction of biomass power plants	4.75	-

14 Borrowings (Cont'd)

14.4 Borrowing Facilities

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

	Consolidated financial statements		Separate financial statements	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	Baht thousand	Baht thousand	Baht thousand	Baht thousand
Floating rate				
Expiring beyond one year	1,904,031	-	-	-
Fixed rate				
Expiring beyond one year	114,140	-	-	-

14.5 Debentures

	Consolidated and Separate financial information	
	30 June 2017	31 December 2016
	Baht Thousand	Baht Thousand
Current portion of debentures	-	-
Debentures due between 1 to 5 years	2,993,991	2,044,875
Total	2,993,991	2,044,875

Movements in debenture are analysed as follows

	Consolidated and Separate financial information Baht Thousand
For the six-month period ended 30 June 2017	
Opening amount as at 1 January	2,044,875
Issuance of debentures	950,000
Deferred issuance cost	(2,138)
Amortisation of issuance costs	1,254
Closing amount as at 30 June	2,993,991

2017

On 5 April 2017, the Company issued name-registered certificate of unsubordinated and unsecured debentures totalling 950,000 units with the fixed interest of 4.50% per annum payable every 6 months. The issued debentures unit has the face value of Baht 1,000. The debentures will be redeemed within three years after the issuance date at the amount of Baht 950 million.

2016

On 28 October 2016, the Company issued name-registered certificate of unsubordinated and unsecured debentures totalling 2,050,000 units with the fixed interest of 4.20% per annum payable every 6 months. The issued debentures unit has the face value of Baht 1,000. The debentures will be redeemed within three years after the issuance date at the amount of Baht 2,050 million.

15 Promotional privileges and income tax

Promotional privileges

The Group has received 28 certificates of promotional privileges from the Board of Investment for the production of electricity generated from solar power and biomass, 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).

The Company's, and its subsidiaries' operating revenue from sales and subsidy for adders as presented in the statements of comprehensive income for the six-month periods ended 30 June 2017 and 2016 totally resulted from the promoted operations in Thailand according to the information of operating segments disclosed in Note 4.

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 0.74%.

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 held by Wave Entertainment Public Company Limited, Sino-Thai Engineering & Construction Public Company Limited and individual shareholders. The significant investments in subsidiaries and jointly controlled entities are set out in note 9 and note 10, respectively.

The following material transactions were carried out with related parties:

a) Sales of goods and services

For the three-month period ended	Consolidated financial information		Separate financial information	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Subsidiaries				
Management service income	-	-	6,320	1,470
Operation and maintenance income	-	-	420	420
Other income	-	-	46	-
	-	-	6,786	1,890
Jointly controlled entity				
Management service income	10,145	9,662	10,145	9,662
Rental income	108	108	108	108
Dividends income	-	-	150,500	124,250
	10,253	9,770	160,753	134,020
Related parties				
Rental income	69	69	69	69
Service income	46	46	46	46
Other income	8	7	8	7
	123	122	123	122

16 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

a) Sales of goods and services (Cont'd)

For the six-month period ended	Consolidated financial information		Separate financial information	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Subsidiaries				
Management service income	-	-	12,640	2,940
Operation and maintenance income	-	-	840	840
Other income	-	-	46	-
	-	-	13,526	3,780
Jointly controlled entity				
Management service income	19,963	19,013	19,963	19,013
Rental income	216	216	216	216
Dividends income	-	-	241,500	255,500
	20,179	19,229	261,679	274,729
Related parties				
Rental income	139	139	139	139
Service income	93	93	93	93
Other income	15	13	15	13
	247	245	247	245

b) Outstanding balances arising from sales/purchases of goods and services

	Consolidated financial information		Separate financial information	
	30 June 2017	31 December 2016	30 June 2017	31 December 2016
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Amounts due from and advances to related parties (Note 8)				
Subsidiaries	-	-	36,633	40,902
Jointly controlled entity	3,677	3,502	3,677	3,502
Related parties	42	221,760	42	221,760
	3,719	225,262	40,352	266,164
Dividends receivable (Note 8)				
Subsidiaries	-	-	-	4,450
Jointly controlled entity	150,500	78,750	150,500	78,750
	150,500	78,750	150,500	83,200
Amounts due to related parties (Note 13)				
Related parties	669	229,260	-	-
	669	229,260	-	-

16 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

c) Short-term loans to subsidiaries

	<u>Separate financial information</u>	
	<u>30 June 2017</u>	<u>31 December 2016</u>
	<u>Baht Thousand</u>	<u>Baht Thousand</u>
Short-term loans to subsidiaries	<u>544,756</u>	<u>868,172</u>

Movements in short-term loans to subsidiaries are analysed as follows:

	<u>Separate financial information Baht Thousand</u>
For the six-month period ended 30 June 2017	
Opening net book amount	868,172
Addition	186,923
Repayment received	(493,663)
Foreign currency translation differences	<u>(16,676)</u>
Closing net book amount	<u>544,756</u>

Short-term loans to a subsidiary are non-bearing interest promissory notes denominated in Thai Baht with maturity within 2018.

Short-term loans to another subsidiary are in form of loan agreements denominated in Singapore Dollar with no interest and due for repayment at call.

d) Long-term loans from subsidiaries

	<u>Separate financial information</u>	
	<u>30 June 2017</u>	<u>31 December 2016</u>
	<u>Baht Thousand</u>	<u>Baht Thousand</u>
Long-term loans from subsidiaries	<u>22,500</u>	<u>22,500</u>

Long-term loans from the subsidiary are repayable within September 2018 and there is no interest thereon.

16 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

e) Key management compensation

For the three-month period ended	Consolidated and Separate financial information	
	30 June 2017	30 June 2016
	Baht Thousand	Baht Thousand
Short-term employee benefits	5,077	7,082
Post-employment benefits	217	292
	<u>5,294</u>	<u>7,374</u>

For the six-month period ended	Consolidated and Separate financial information	
	30 June 2017	30 June 2016
	Baht Thousand	Baht Thousand
Short-term employee benefits	11,090	14,155
Post-employment benefits	493	601
	<u>11,583</u>	<u>14,756</u>

17 Other income

For the three-month period ended	Consolidated financial information		Separate financial information	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Rental income	302	374	302	374
Service income	60	60	60	60
Interest income	984	1,298	2,272	1,223
Gain on disposal of assets	-	14	-	-
Realised gain on foreign exchange	-	27,273	-	27,273
Fair value gain on trading securities	6,426	30	6,426	30
Other income	696	27	181	17
	<u>8,468</u>	<u>29,076</u>	<u>9,241</u>	<u>28,977</u>

For the six-month period ended	Consolidated financial information		Separate financial information	
	30 June 2017	30 June 2016	30 June 2017	30 June 2016
	Baht Thousand	Baht Thousand	Baht Thousand	Baht Thousand
Rental income	605	603	603	603
Service income	120	120	120	120
Interest income	5,065	4,369	8,823	4,229
Gain on disposal of assets	-	14	-	-
Realised gain on foreign exchange	-	34,879	-	34,879
Fair value gain on trading securities	7,501	644	7,501	644
Other income	2,546	647	265	576
	<u>15,837</u>	<u>41,276</u>	<u>17,312</u>	<u>41,051</u>

18 Commitments and contingencies

18.1 Power purchase agreements

Domestic

As at 30 June 2017, the Group has 29 power purchase agreements with the Provincial Electricity Authority ("PEA") and the Metropolitan Electricity Authority ("MEA") (31 December 2016: 29 agreements). Currently, the Group has commenced the production and distribution of electricity to the PEA and MEA as specified in 26 power purchase agreements.

The power purchase agreement of the Company and the 10 power purchase agreements of its jointly controlled entity 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 be automatically renewed every 5 years until the contract 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 - Baht 8 per kilowatt-hour (Separate financial information: Baht 8 per kilowatt-hour) for the period of 10 years commencing from the commercial operation date.

The 14 power purchase agreements require subsidiaries to sell electricity generated from solar rooftops to the PEA and the MEA under the Feed-in Tariff system (FiT) granted for periods of 25 years starting from December 2013.

The power purchase agreement of another subsidiary requires the subsidiary to sell electricity generated from the solar farms to the PEA under the Feed-in Tariff system (FiT) granted for periods of 25 years starting from commercial operation dates (COD).

The 3 power purchase agreements require the subsidiaries to sell electricity generated from biomass to the PEA under the Feed-in Tariff system (FiT) granted for periods of 15 years 4 months and the Feed-in Tariff system (FiT) premium granted for periods of 8 years commencing from the commercial operation date. The biomass power plants under the contract during the construction.

Overseas

As at 30 June 2017, subsidiaries operating in Japan have 4 power purchase agreements with the power purchasing agencies, of which the power plants have already commenced generating and distributing the electricity. In addition, the subsidiaries have another 3 power purchase agreements for the projects which have not yet commenced generating and distributing the electricity.

The 7 power purchase agreements of the subsidiaries are conditioned to sell the electricity generated from solar energy under the Feed-in Tariff (FiT) for the periods of 20 years starting from August 2015.

18 Commitments and contingencies (Cont'd)

18.2 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 generally between 3 and 26 years.

As at 30 June 2017 and 31 December 2016, future minimum lease payments required under these operating lease contracts were as follows:

	Consolidated financial information		Separate financial information	
	30 June 2017 Baht Thousand	31 December 2016 Baht Thousand	30 June 2017 Baht Thousand	31 December 2016 Baht Thousand
Not later than 1 year	16,159	22,317	5,971	7,653
Later than 1 year but not later than 5 years	38,868	56,801	2,598	4,771
Later than 5 years	149,912	220,909	-	-
	<u>204,939</u>	<u>300,027</u>	<u>8,569</u>	<u>12,424</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.

18.3 Contracts and other commitments

- a) A jointly controlled entity has commitments in respect of a management service agreement with the other venturer amounting to approximately Baht 6 million per annum 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 six-month period ended 30 June 2017 amounting to approximately Baht 2 million (30 June 2016: Baht 2 million) (in proportionate of the Company's interest in the jointly controlled entity) were recognised as expenses.
- b) 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 9 million per annum for the period of 10 years from the commercial operation date. The fees for the six-month period ended 30 June 2017 amounting to approximately Baht 2 million (30 June 2016: Baht 3 million) (in proportionate of the Company's interest in the jointly controlled entity) were recognised as expenses.
- c) A jointly controlled entity has commitments in respect of the operation monitoring and maintenance agreements of ten power plants with a company since January 2013, amounting to approximately Baht 2 million per annum for the period of 7 years from the commercial operation dates.
- 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 8 million per annum for the period of 5 years from June 2017. The fees for the six-month period ended 30 June 2017 amounting to approximately Baht 0.40 million (30 June 2016: nil) (in proportionate of the Company's interest in the jointly controlled entity) were recognised as expenses.
- e) A subsidiary has an obligation to pay management fee to its capital investor totalling Baht 8 million per annum since September 2016. The management fee will be increased annually according to the percentage specified in the contract. For the period of six-month ended 30 June 2017, the subsidiary has recognised the total management expenses based on the specified contract as construction in progress during the period for the amount of Baht 4 million (30 June 2016: nil).
- f) A subsidiary has the commitment according to the operation monitoring and maintenance agreement of power plants with a company with the balance of USD 52,000 (31 December 2016: USD 98,800). The agreement has the period of 2 years from the commercial operation dates.
- g) A subsidiary has the commitment according to the operation monitoring and maintenance agreement of power plants with a company with the balance of USD 106,250 (31 December 2016: nil). The agreement has the period of 2 years from the commercial operation dates.

18 Commitments and contingencies (Cont'd)

18.4 Guarantees

- a) The Company has provided guarantee for bank credit facilities of its subsidiaries amounting to Baht 63 million (31 December 2016: Baht 561 million).
- b) As at 30 June 2017, there were outstanding bank guarantees of Baht 9 million (31 December 2016: Baht 9 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.

19 Dividends

2017

On 19 April 2017, the Annual General Meeting of Shareholders approved a dividend payment in respect of operating results for the year 2016 to shareholders at Baht 0.11 per share, totaling Baht 199.6 million. The dividends were paid on 17 May 2017.

2016

On 27 April 2016, the Annual General Meeting of Shareholders approved a dividend payment in respect of operating results for the year 2015 to shareholders at Baht 0.06 per share, totaling Baht 108.9 million. The dividends were paid on 25 May 2016.

20 Events after the reporting period

20.1 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 dismissed the case on 6 August 2013. On 18 June 2014 the Court of Appeals ordered the Civil Court to prejudge.

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 ordered to dismiss civil case relating to this criminal case out of the case-list. On 15 October 2015, the Appeal Court has judged to consent with the judgement of the Civil Court to dismiss such criminal case.

On 25 July 2017, the Supreme Court has judged to consent with the judgement of the Civil Court to dismiss such criminal case. Therefore, the Company has no litigation that still considered by the court.

20.2 Cross Currency Swap

On 14 June 2017 and 26 June 2017, the Company entered into swap agreements with local commercial bank for facilities amounting to Baht 1,071 million and Baht 300 million respectively. The agreements was classified as cross currency swap and interest rate swap. The agreements are effective on 4 July 2017 and 20 July 2017 respectively.

20.3 Solar power plant purchasing agreement

On 8 August 2017, the Company agreed to the solar power plant project purchasing agreement as described in Note 9.3.