

Sermsang Power Corporation Public Company Limited  
and its subsidiaries  
Report and interim financial statements  
30 June 2019

## **Independent Auditor's Report on Review of Interim Financial Information**

To the shareholders of Sermsang Power Corporation Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Sermsang Power Corporation Public Company Limited and its subsidiaries as at 30 June 2019, the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated statement of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Sermsang Power Corporation Public Company Limited for the same period. 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 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 financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Sirikorn Plernpissiri

Certified Public Accountant (Thailand) No. 5234

EY Office Limited

Bangkok: 14 August 2019

**Sernsang Power Corporation Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 30 June 2019**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4	742,247	1,125,130	69,566	356,811
Short-term restricted bank deposits	4	210,753	438,922	4,061	235,071
Trade and other receivables	3, 5	498,179	408,800	173,388	134,597
Unbilled Receivables	6	-	32,012	-	-
Dividend receivable	3	-	-	140,000	-
Short-term loans to related parties	3	-	-	108,363	108,363
Other current assets		20,277	10,081	-	-
<b>Total current assets</b>		<b>1,471,456</b>	<b>2,014,945</b>	<b>495,378</b>	<b>834,842</b>
<b>Non-current assets</b>					
Long-term restricted bank deposits	7	116,530	96,733	15,410	10
Revenue Department receivable		14,803	68,634	-	768
Long-term loans to related parties					
- net of current portion	3	-	-	2,546,078	2,095,078
Investments in subsidiaries	8	-	-	2,154,999	1,761,822
Long-term investment		26,661	17,079	-	-
Property, plant and equipment	9	9,577,566	8,352,084	904	1,004
Intangible assets	10	1,056,904	950,633	40	49
Prepaid rental		127,876	135,997	-	-
Deferred tax assets	12	603	482	241	182
Other non-current assets		303,762	256,141	-	-
<b>Total non-current assets</b>		<b>11,224,705</b>	<b>9,877,783</b>	<b>4,717,672</b>	<b>3,858,913</b>
<b>Total assets</b>		<b>12,696,161</b>	<b>11,892,728</b>	<b>5,213,050</b>	<b>4,693,755</b>

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

**Sermuang Power Corporation Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 June 2019**

(Unit: Thousand Baht)

	Note	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		As at	As at	As at	As at
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade payables and other payables		528,826	503,820	31,579	35,472
Construction retention		7,881	5,319	-	-
Short-term loans from related parties	3	-	-	104,545	106,095
Share acquisition payable to subsidiary's existing shareholders		9,401	117,504	-	-
Current portion of liabilities under financial lease agreement		131	-	-	-
Current portion of long-term loans	11	568,237	508,587	169,343	-
Other current liabilities		150,162	11,671	315	1,155
<b>Total current liabilities</b>		<b>1,264,638</b>	<b>1,146,901</b>	<b>305,782</b>	<b>142,722</b>
<b>Non-current liabilities</b>					
Liabilities under finance lease agreement - net of current portion		1,127	-	-	-
Long-term loans - net of current portion	11	7,541,561	6,868,208	1,327,491	780,645
Deferred tax liabilities	12	9,484	-	-	-
Other non-current liabilities		7,470	19,473	1,206	910
Loss in excess of cost over investments accounted for under equity method in investments in subsidiaries	8	-	-	33,316	235,937
<b>Total non-current liabilities</b>		<b>7,559,642</b>	<b>6,887,681</b>	<b>1,362,013</b>	<b>1,017,492</b>
<b>Total liabilities</b>		<b>8,824,280</b>	<b>8,034,582</b>	<b>1,667,795</b>	<b>1,160,214</b>

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

**Sermuang Power Corporation Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 June 2019**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at	As at	As at	As at
Note	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered				
922,000,000 ordinary shares of Baht 1 each	922,000	922,000	922,000	922,000
Issued and paid up				
922,000,000 ordinary shares of Baht 1 each	922,000	922,000	922,000	922,000
Share premium	1,511,210	1,511,210	1,511,210	1,511,210
Surplus on business combination under common control	33,098	33,098	33,098	33,098
Retained earnings				
Appropriated - statutory reserve	13 64,815	64,815	64,815	64,815
Unappropriated	1,168,461	1,084,056	1,168,461	1,084,056
Other components of shareholders' equity	(154,329)	(81,638)	(154,329)	(81,638)
Equity attributable to owners of the Company	3,545,255	3,533,541	3,545,255	3,533,541
Non-controlling interests of the subsidiaries	326,626	324,605	-	-
<b>Total shareholders' equity</b>	<b>3,871,881</b>	<b>3,858,146</b>	<b>3,545,255</b>	<b>3,533,541</b>
<b>Total liabilities and shareholders' equity</b>	<b>12,696,161</b>	<b>11,892,728</b>	<b>5,213,050</b>	<b>4,693,755</b>

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

Directors

## Statement of comprehensive income

For the three-month period ended 30 June 2019

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
<b>Revenues</b>					
Sales		238,019	148,767	-	-
Subsidy for adder		160,771	150,057	-	-
Revenue from construction service		273	-	-	-
Service income		188	-	7,250	7,250
Other income		3,744	2,620	20,694	9,421
<b>Total revenues</b>		<b>402,995</b>	<b>301,444</b>	<b>27,944</b>	<b>16,671</b>
<b>Expenses</b>					
Cost of sales		101,479	81,268	-	-
Cost of construction		220	-	-	-
Administrative expenses		76,582	29,325	12,712	16,190
<b>Total expenses</b>		<b>178,281</b>	<b>110,593</b>	<b>12,712</b>	<b>16,190</b>
<b>Profit before share of profit from investment</b>					
<b>in subsidiaries, financial cost and income tax expenses</b>		<b>224,714</b>	<b>190,851</b>	<b>15,232</b>	<b>481</b>
Share of profit from investment in subsidiaries	8.2	-	-	161,900	155,672
<b>Profit before finance cost and income tax expenses</b>		<b>224,714</b>	<b>190,851</b>	<b>177,132</b>	<b>156,153</b>
Finance cost		48,747	35,842	16,707	3,395
<b>Profit before income tax expenses</b>		<b>175,967</b>	<b>155,009</b>	<b>160,425</b>	<b>152,758</b>
Income tax revenue (expenses)	12	(9,437)	26	29	21
<b>Profit for the period</b>		<b>166,530</b>	<b>155,035</b>	<b>160,454</b>	<b>152,779</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange differences on translation of financial statements in foreign currency		(49,694)	31,080	(39,415)	26,239
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain loss - net of income tax		-	-	-	-
<b>Other comprehensive income for the period</b>		<b>(49,694)</b>	<b>31,080</b>	<b>(39,415)</b>	<b>26,239</b>
<b>Total comprehensive income for the period</b>		<b>116,836</b>	<b>186,115</b>	<b>121,039</b>	<b>179,018</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		160,454	152,779	160,454	152,779
Non-controlling interests of the subsidiaries		6,076	2,256		
		166,530	155,035		

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

## Statement of comprehensive income (continued)

For the three-month period ended 30 June 2019

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
Comprehensive income attributable to:					
Equity holders of the Company		121,039	179,018	121,039	179,018
Non-controlling interests of the subsidiaries		(4,203)	7,097		
		116,836	186,115		
Earnings per share					
Basic earnings per share	16				
Profit attributable to equity holders					
of the Company (Baht per share)		0.174	0.166	0.174	0.166
Weighted average number of ordinary shares (shares)		922,000,000	922,000,000	922,000,000	922,000,000

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



## Statement of comprehensive income

For the six-month period ended 30 June 2019

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
<b>Revenues</b>					
Sales		397,667	235,357	-	-
Subsidy for adder		302,162	285,018	-	-
Revenue from construction service		11,903	-	-	-
Service income		375	-	14,500	14,500
Other income		4,813	3,457	37,729	17,078
<b>Total revenues</b>		<b>716,920</b>	<b>523,832</b>	<b>52,229</b>	<b>31,578</b>
<b>Expenses</b>					
Cost of sales		195,693	133,858	-	-
Cost of construction		10,100	-	-	-
Administrative expenses		117,669	66,603	25,940	28,698
<b>Total expenses</b>		<b>323,462</b>	<b>200,461</b>	<b>25,940</b>	<b>28,698</b>
<b>Profit before share of profit from investment</b>					
<b>in subsidiaries, financial cost and income tax expenses</b>		393,458	323,371	26,289	2,880
Share of profit from investment in subsidiaries	8.2	-	-	285,990	260,526
<b>Profit before finance cost and income tax expenses</b>		393,458	323,371	312,279	263,406
Finance cost		94,813	62,321	27,859	4,117
<b>Profit before income tax expenses</b>		298,645	261,050	284,420	259,289
Income tax revenue (expense)	12	(9,418)	(23)	59	43
<b>Profit for the period</b>		<b>289,227</b>	<b>261,027</b>	<b>284,479</b>	<b>259,332</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period</i>					
Exchange differences on translation of financial statements in foreign currency		(88,764)	34,688	(72,691)	31,705
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent period</i>					
Actuarial gain loss - net of income tax		-	-	-	-
<b>Other comprehensive income for the periods</b>		<b>(88,764)</b>	<b>34,688</b>	<b>(72,691)</b>	<b>31,705</b>
<b>Total comprehensive income for the periods</b>		<b>200,463</b>	<b>295,715</b>	<b>211,788</b>	<b>291,037</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		284,479	259,332	284,479	259,332
Non-controlling interests of the subsidiaries		4,748	1,695		
		289,227	261,027		

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

## Statement of comprehensive income (continued)

For the six-month period ended 30 June 2019

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
Comprehensive income attributable to:					
Equity holders of the Company		211,788	291,037	211,788	291,037
Non-controlling interests of the subsidiaries		(11,325)	4,678		
		200,463	295,715		
Earnings per share					
Basic earnings per share	16				
Profit attributable to equity holders					
of the Company (Baht per share)		0.309	0.281	0.309	0.281
Weighted average number of ordinary shares (shares)		922,000,000	922,000,000	922,000,000	922,000,000

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

## Statement of changes in shareholders' equity

For the six-month ended 30 June 2019

(Unit: Thousand Baht)

## Consolidated financial statements

Equity attributable to owners of the Company													
Note	Issued and paid-up share capital	Share Premium	Surplus on combination under common control	Retained earnings		Other components of shareholder's equity		Total other components of shareholder's equity	Total equity attributable to owners of the company	Non-controlling interest of subsidiaries	Total shareholder's equity		
				Appropriated Statutory reserve	Unappropriated Retained earnings	Exchange differences on translation of financial statements in foreign currency	Acturial loss						
												Other comprehensive income	
<b>Balance as at 31 December 2017</b>	922,000	1,511,210	33,098	40,714	814,990	(13,856)	(326)	(14,182)	3,307,830	113,839	3,421,669		
Profit for the period	-	-	-	-	259,332	-	-	-	259,332	1,695	261,027		
Other comprehensive income for the period	-	-	-	-	-	31,705	-	31,705	31,705	2,983	34,688		
Total comprehensive income for the period	-	-	-	-	259,332	31,705	-	31,705	291,037	4,678	295,715		
Dividend payment	14	-	-	-	(188,859)	-	-	-	(188,859)	-	(188,859)		
Non-controlling interest of the subsidiaries	-	-	-	-	-	-	-	-	-	42,750	42,750		
<b>Balance as at 30 June 2018</b>	922,000	1,511,210	33,098	40,714	885,463	17,849	(326)	17,523	3,410,008	161,267	3,571,275		
<b>Balance as at 31 December 2018</b>	922,000	1,511,210	33,098	64,815	1,084,056	(81,311)	(327)	(81,638)	3,533,541	324,605	3,858,146		
Profit for the period	-	-	-	-	284,479	-	-	-	284,479	4,748	289,227		
Other comprehensive income for the period	-	-	-	-	-	(72,691)	-	(72,691)	(72,691)	(16,073)	(88,764)		
Total comprehensive income for the period	-	-	-	-	284,479	(72,691)	-	(72,691)	211,788	(11,325)	200,463		
Dividend payment	14	-	-	-	(200,074)	-	-	-	(200,074)	-	(200,074)		
Non-controlling interest of the subsidiaries	-	-	-	-	-	-	-	-	-	13,346	13,346		
<b>Balance as at 30 June 2019</b>	922,000	1,511,210	33,098	64,815	1,168,461	(154,002)	(327)	(154,329)	3,545,255	326,626	3,871,881		

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

(Unaudited but reviewed)

## Sermuang Power Corporation Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2019

(Unit: Thousand Baht)

## Seperate financial statements

						Other components of shareholders' equity			
						Other comprehensive income			
						Exchange difference			
						on translation of		Total other	
						financial statement		components of	
						in foreign currency		shareholders' equity	
						Actual		Total	
Note	Issued and paid up	Share	Surplus on	Retained earnings				Total	
	share capital	Premium	business combination	Appropriated	Unappropriated			shareholders' equity	
			under common control					equity	
Balance as at 31 December 2017	922,000	1,511,210	33,098	40,714	814,990	(13,856)	(326)	(14,182)	3,307,830
Profit for the period	-	-	-	-	259,332	-	-	-	259,332
Other comprehensive income for the period	-	-	-	-	-	31,705	-	31,705	31,705
Total comprehensive income for the period	-	-	-	-	259,332	31,705	-	31,705	291,037
Dividend payment	14	-	-	-	(188,859)	-	-	-	(188,859)
Balance as at 30 June 2018	922,000	1,511,210	33,098	40,714	885,463	17,849	(326)	17,523	3,410,008
Balance as at 31 December 2018	922,000	1,511,210	33,098	64,815	1,084,056	(81,311)	(327)	(81,638)	3,533,541
Profit for the period	-	-	-	-	284,479	-	-	-	284,479
Other comprehensive income for the period	-	-	-	-	-	(72,691)	-	(72,691)	(72,691)
Total comprehensive income for the period	-	-	-	-	284,479	(72,691)	-	(72,691)	211,788
Dividend payment	14	-	-	-	(200,074)	-	-	-	(200,074)
Balance as at 30 June 2019	922,000	1,511,210	33,098	64,815	1,168,461	(154,002)	(327)	(154,329)	3,545,255

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

## Cash flow statement

For the six-month period ended 30 June 2019

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018 (Reclassified)	2019	2018 (Reclassified)
<b>Cash flows from operating activities</b>				
Profit before tax	298,645	261,050	284,420	259,289
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	131,081	91,683	120	101
Provision for long-term employee benefits	610	472	297	214
Share of profit from investments in subsidiaries	-	-	(285,990)	(260,526)
Loss on exchange rate	5,262	8,008	-	-
Interest income	(2,230)	(2,817)	(37,435)	(17,071)
Finance cost	94,813	62,321	27,859	4,117
Profit (loss) from operating activities before changes in operating assets and liabilities	528,181	420,717	(10,729)	(13,876)
Operating assets (increase) decrease				
Trade and other receivables	(86,980)	(80,256)	(1,425)	(4,513)
Unbilled revenue	32,012	-	-	-
Other current assets	(10,195)	(1,419)	-	(7)
Revenue Department receivable	59,302	(79,375)	768	514
Non-current assets	(39,497)	4,330	-	-
Increase (decrease) in operating liabilities				
Trade payables and other payables	26,432	18,980	(4,933)	3,583
Share acquisition payable to subsidiary's existing shareholders	(108,102)	-	-	-
Retention payable	2,563	(778)	-	-
Other current liabilities	15,678	1,882	(842)	175
Other non-current liabilities	(12,613)	291	-	-
Cash flow from (used in) operating activities	406,781	284,372	(17,161)	(14,124)
Cash paid for income tax	(3,825)	(497)	(804)	(374)
<b>Net cash flows from (used in) operating activities</b>	<b>402,956</b>	<b>283,875</b>	<b>(17,965)</b>	<b>(14,498)</b>

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

## Cash flow statement (continued)

For the six-month period ended 30 June 2019

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018 (Reclassified)	2019	2018 (Reclassified)
<b>Cash flows from investing activities</b>				
Short-term restricted bank deposits	228,169	(22,974)	231,010	(15,011)
Long-term restricted bank deposits	(19,796)	(77,984)	(15,400)	(10)
Short-term loans to related parties	-	-	(5,000)	(6,000)
Long-term loans to related parties	-	-	(446,000)	(96,881)
Investment in subsidiaries	-	-	(602,500)	120,000
Long-term investment	(9,582)	-	-	-
Dividend received from investment	-	-	80,000	-
Acquisition of property, plant and equipment	(1,484,840)	(1,268,738)	(10)	(43)
Acquisition of intangible assets	(141,847)	(14,808)	-	-
Government grants	122,811	16,088	-	-
Interest income	2,230	2,817	873	1,400
Non-controlling interest of the subsidiaries	13,346	42,750	-	-
<b>Net cash flows from (used in) investing activities</b>	<b>(1,289,509)</b>	<b>(1,322,849)</b>	<b>(757,027)</b>	<b>3,455</b>
<b>Cash flows from financing activities</b>				
Short-term loans from related parties	-	-	(1,550)	(1,262)
Liabilities under finance lease agreements	(48)	(70)	-	-
Cash received from long-term loans	1,150,649	1,439,198	715,000	470,000
Payment of long-term loans	(291,387)	(176,948)	-	-
Dividend payment	(200,074)	(188,859)	(200,074)	(188,859)
Payment of interest expenses and bank fee	(126,908)	(118,134)	(25,629)	(22,711)
<b>Net cash flows from financing activities</b>	<b>532,232</b>	<b>955,187</b>	<b>487,747</b>	<b>257,168</b>
<b>Difference in translation adjustments</b>	<b>(28,562)</b>	<b>5,689</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(382,883)</b>	<b>(78,098)</b>	<b>(287,245)</b>	<b>246,125</b>
Cash and cash equivalents at beginning of period	1,125,130	1,411,243	356,811	699,494
<b>Cash and cash equivalents at end of period</b>	<b>742,247</b>	<b>1,333,145</b>	<b>69,566</b>	<b>945,619</b>

## Supplemental cash flow information:

Non - cash item

Increase in fixed assets by replacement	87	537	-	-
Interest expenses record to cost of property and equipment	37,519	26,091	-	-
Dividend recievable	-	-	140,000	-
Liabilities under finance lease agreements	1,258	-	-	-

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

**Sernsang Power Corporation Public Company Limited and its subsidiaries**

**Notes to interim consolidated financial statements**

**For the three-month and six-month periods ended 30 June 2019**

**1. General information**

**1.1 Corporate information**

Sernsang Power Corporation Public Company Limited (“the Company”) is a company limited incorporated under Thai Laws and domiciled in Thailand, and listed on the Stock Exchange of Thailand. The major shareholder of the Company is a group of ordinary persons in the same family (“the group of major shareholders”) by directly held by their names or held by the company. The Company is principally engaged in investment, consultancy and provision of services for the power business to related parties. The registered office is at 325/14, Lan Luang Road, Si Yaek Mahanak, Dusit, Bangkok.

**1.2 Basis of the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

### 1.3 Basis of preparation on the interim consolidated financial statements

The interim consolidated financial statements include the financial statements of Serm Sang Power Corporation Public Company Limited (“the Company”) and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statement for the year ended 31 December 2018.

Subsidiary companies	Nature of business	Country of incorporation	Percentage of shareholding	
			30 June 2019	31 December 2018
			(Percentage)	(Percentage)
<b><u>Subsidiary companies which directly held by the Company</u></b>				
Serm Sang Palang Ngan Company Limited	Production and distribution of electricity	Thailand	100	100
Sernsang Corporation Company Limited	Production and distribution of electricity	Thailand	100	100
Sernsang International Company Limited	Investment and consultancy	Thailand	100	100
Access Energy Company Limited	Investment and consultancy	Thailand	100	100
Essential Power Company Limited	Production and distribution of electricity	Thailand	100	100
Sernsang Solar Company Limited	Production and distribution of electricity	Thailand	100	100
Siam Renewable Power Company Limited	Production and distribution of electricity	Thailand	100	100
Plus Energy Company Limited	Production and distribution of electricity	Thailand	100	100
Sernsang Infinite Company Limited	Production and distribution of electricity	Thailand	100	100
Siam Clean Solutions Company Limited	Production and distribution of electricity	Thailand	100	100
Prestige Group Company Limited	Production and distribution of electricity	Thailand	100	100
Triple P Renewable Company Limited	Production and distribution of electricity	Thailand	100	100
<b><u>Subsidiary companies which indirectly held by the Company</u></b>				
S. Global Power Limited	Investment and consultancy	Hong Kong	100	100
Surge Energy Corporation Limited	Investment and consultancy	Hong Kong	100	100
Access C Management Limited	Investment and consultancy	Hong Kong	100	100
Seijo Corporation	Investment and consultancy	Japan	100	100
SS Hidaka No Mori GK	Production and distribution of electricity	Japan	87	87
GK GSSE	Production and distribution of electricity	Japan	90	90
Zouen Energy GK	Production and distribution of electricity	Japan	100	100
Sernsang Sustainable Singapore Private Limited	Investment and consultancy	Singapore	100	100
Ashita Power 1 GK	Production and distribution of electricity	Japan	100	100
Ashita Power 2 GK	Production and distribution of electricity	Japan	100	100
Tenuun Gerel Construction LLC	Production and distribution of electricity	Mongolia	75	75
Truong Thanh Quang Ngai Power and High Technology JSC.	Production and distribution of electricity	Vietnam	80	80
Sea Sun Energy Partners Pte.,Ltd	Investment and consultancy	Singapore	84	-
PT Sea Sun Energi	Production and distribution of electricity	Indonesia	84	-



### **1.3.1 Called up and increase in share capital of subsidiary**

- 1.3.1.1 During the period, the subsidiary invested in Ashita Power 2 GK amounting to Yen 2 Million.
- 1.3.1.2 During the period, the subsidiary invested in Sea Sun Energy Partners Pte.,Ltd established in Singapore which engaged in investment business. The subsidiary's shareholding was 84% and paid for the share amounting to USD 520,000 on 6 June 2019.
- 1.3.1.3 During the period, the subsidiary invested in PT Sea Sun Energi, which is established in Indonesia and engaged in production and distribution of electricity on solar rooftop by 99.96% of shareholding. As at 30 June 2019 the subsidiary has not paid for the share.

## **1.4 New financial reporting standards**

### **(a) Financial reporting standards that became effective in the current period**

During the period, the Company and its subsidiaries have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

#### **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

**(b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020**

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These new standards involve changes to key principles, which are summarised below.

**Financial reporting standards related to financial instruments**

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model, calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

**TFRS 16 Leases**

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Company and its subsidiaries is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

**2. Significant accounting policies**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2018.

**3. Related party transactions**

During the period, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and based agreed upon between the Company, key managements and those related parties.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	For the three-month periods ended 30 June		For the three-month periods ended 30 June		Pricing policy
	2019	2018	2019	2018	
<u>Transactions with subsidiary companies</u>					
<i>(eliminated from the consolidated financial statements)</i>					
Service income	-	-	7,250	7,250	Per agreement
Dividend income	-	-	220,000	15,000	
Interest income	-	-	19,768	8,014	2.0% - 3.3% per annum
Interest expense	-	-	521	729	2.0% per annum
Service expense	-	-	2,550	2,550	Per agreement
<u>Transactions with related parties</u>					
Sales	1,849	1,262	-	-	Per agreement
Revenue from construction					
service	273	-	-	-	Per agreement
Rental and service expenses	90	146	90	90	Per agreement
Purchase computer software	332	-	-	-	Per agreement

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate		
	financial statements		financial statements		
	For the six-month periods		For the six-month periods		
	ended 30 June		ended 30 June		Pricing policy
	2019	2018	2019	2018	
<u>Transactions with subsidiary companies</u>					
<i>(eliminated from the consolidated financial statements)</i>					
Service income	-	-	14,500	14,500	Per agreement
Dividend income	-	-	220,000	120,000	
Interest income	-	-	36,562	15,671	2.0% - 3.7% per annum
Interest expense	-	-	1,040	1,451	2.0% per annum
Service expense	-	-	5,100	5,100	Per agreement
<u>Transactions with related parties</u>					
Sales	3,124	1,633	-	-	Per agreement
Revenue from construction	273	-	-	-	
service					Per agreement
Rental and service expenses	180	236	180	180	Per agreement
Purchase computer software	504	-	-	-	Per agreement

As at 30 June 2019 and 31 December 2018, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial Statements		financial statements	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
<b>Accounts receivables</b>				
<b>- related parties (Note 5)</b>				
Subsidiaries	-	-	4,892	20,359
Related parties	1,569	823	-	-
Total accounts receivables - related parties	1,569	823	4,892	20,359
<b>Dividend receivable- related party</b>				
Subsidiary	-	-	140,000	-
Total dividend receivable-related party	-	-	140,000	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial Statements		financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
<b>Interest receivables - related parties</b>				
<b>(Note 5)</b>				
Subsidiaries	-	-	143,826	107,263
Total interest receivables-related parties	-	-	143,826	107,263
<b>Interest payables - related parties</b>				
Subsidiaries	-	-	21,846	20,806
Total interest payables - related parties	-	-	21,846	20,806
<b>Accrued rental expense - director</b>				
Director	30	30	30	30
Total accrued rental expense - director	30	30	30	30

### Service income agreement

The Company entered into service income agreement with two subsidiaries whereby the subsidiaries have to pay service income on monthly basis as stated in the agreement.

A subsidiary entered into service income agreement with the Company whereby the Company has to pay service income as stated in the agreement.

### Power purchase agreement

On 15 August 2017, a subsidiary ( Sermasang Infinite Co., Ltd. ) entered into Power purchase agreement with a related company ( Srinanaporn Marketing Co., Ltd ) for 25 years. The subsidiary has commenced to generate revenue since March 2018.

On 17 August 2018, a subsidiary ( Sermasang Infinite Co., Ltd. ) entered into Power purchase agreement with a related company ( Srinanaporn Marketing Co., Ltd. ) for 25 years. The subsidiary has commenced to generate revenue since April 2019.

Loans to related parties and loans from related parties

As at 30 June 2019, the balance of loans between the Company and the related parties and their movements are as follows:

(Unit: Thousand Baht)

	Separate financial statement			
	For the six-month periods ended 30 June 2019			
	Balance as at 1 January 2019	Increase during the period	Decrease during the period	Balance as at 30 June 2019
<u>Short-term loans to related parties</u>				
<u>Subsidiaries</u>				
Access Energy Company Limited	19,731	-	-	19,731
Sermsang International Company Limited	88,632	-	-	88,632
Total short-term loans to related parties	108,363	-	-	108,363
<u>Long-term loans to related parties</u>				
<u>Subsidiaries</u>				
Sermsang Solar Company Limited	11,123	54,000	-	65,123
Sermsang International Company Limited	1,970,474	415,000	-	2,385,474
Access Energy Company Limited	5,500	20,000	-	25,500
Sermsang Infinite Company Limited	107,981	-	(38,000)	69,981
Total long-term loans to related parties	2,095,078	489,000	(38,000)	2,546,078

The Company entered into loan agreements with Sermsang Solar Company Limited. The loan is repayable within 2021, which have interest rate at 3.05% - 3.7% per annum.

The Company entered into loan agreements with Sermsang International Company Limited. The loans are repayable within 2020 - 2029, which have interest rate at 3.05% - 3.7% per annum.

The Company entered into loan agreements with Sermsang Infinite Company Limited. The loans are repayable within 2021, which have interest rate at 3.05% - 3.7% per annum.

The Company entered into the loan agreements with Access Energy Company Limited. The loans are repayable within 2021 - 2029, which have interest rate at 3.05 - 3.7% per annum.

(Unaudited but reviewed)

(Unit: Thousand Baht)

Separate financial statement				
For the six-month periods ended 30 June 2019				
	Balance as at 1 January 2019	Increase during the period	Decrease during the period	Balance as at 30 June 2019
<u>Short-term loans from related parties</u>				
Sermsang Corporation Company Limited	76,990	-	(700)	76,290
Essential Power Company Limited	11,599	-	(170)	11,429
Siam Renewable Power Company Limited	2,879	-	(170)	2,709
Plus Energy Company Limited	2,953	-	(170)	2,783
Prestige Group Company Limited	2,155	-	(170)	1,985
Siam Clean Solution Company Limited	9,519	-	(170)	9,349
Total short-term loans to related parties	106,095	-	(1,550)	104,545

Directors and management's benefits

During the period, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	Consolidated financial statements		Separate financial statements	
	For the three-month periods ended 30 June		For the three-month periods ended 30 June	
	2019	2018	2019	2018
Short-term employee benefits	5,639	6,137	5,639	6,137
Post-employment benefits	143	103	143	103
Total	5,782	6,240	5,782	6,240

  

	Consolidated financial statements		Separate financial statements	
	For the six-month period ended 30 June		For the six-month period ended 30 June	
	2019	2018	2019	2018
Short-term employee benefits	11,363	12,374	11,363	12,374
Post-employment benefits	286	207	286	207
Total	11,649	12,581	11,649	12,581

**4. Cash and cash equivalents/Short - term restricted bank deposits****Cash and cash equivalents**

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
Cash	323	3,506	11	4
Bank deposits - Current accounts	48,836	760	67	32
Bank deposits - Saving accounts	693,088	1,120,864	69,488	356,775
Total	742,247	1,125,130	69,566	356,811

As at 30 June 2019, a subsidiary (Serm Sang Palang Ngan Company Limited) has pledged its bank deposit in savings account amounting to Baht 181.5 million (31 December 2018 Subsidiary: Baht 90.9 million) as security against long-term loans, as discussed in Note 11 to the financial statements, however such subsidiary can withdraw such savings account to use in operation.

**Short-term restricted bank deposits**

As at 30 June 2019, the Company has saving account of Baht 4.1 million (31 December 2018: Baht 235.0 million) that is pledged as collateral to secure long-term loans, the Company shall receive an approval from the bank before withdrawing from such bank accounts as discussed in Note 11 to financial statements.

A subsidiary has pledged and assigned a right of claim on bank accounts with outstanding balances as at 30 June 2019 totaling approximately Baht 206.7 million (31 December 2018: Baht 203.9 million) with lenders to secure long-term loans of the Company, in accordance with conditions stipulated in the long-term loan agreements as discussed. Those bank accounts have restrictions on withdrawal for a purpose of loan principal and interest payment due within 6 months.



**5. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2019	2018	2019	2018
<u>Trade receivable - related parties</u>				
Not yet due	1,569	375	4,892	7,519
Past due				
Up to 3 months	-	448	-	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	1,070
Over 1 year	-	-	-	11,770
Total trade receivable - related parties	1,569	823	4,892	20,359
<u>Trade receivable - unrelated parties</u>				
Not yet due	272,786	181,600	-	-
Past due - not over 3 months	71	37	-	-
Total trade receivable - unrelated parties	272,857	181,637	-	-
<u>Other receivable - related parties</u>				
Interest receivable	-	-	143,826	107,263
Accrued service income	-	-	-	-
Total other receivable - related parties	-	-	143,826	107,263
<u>Other receivable - unrelated parties</u>				
Other advance payment	41,790	10,434	21,571	4,693
Advance payment for construction	81,392	93,558	-	-
Advances to existing shareholders of subsidiaries	-	107,048	-	-
Refundable input VAT	97,802	8,875	3,099	2,282
Other receivable	2,769	6,425	-	-
Total other receivable - unrelated parties	223,753	226,340	24,670	6,975
Total trade receivable and other receivable	498,179	408,800	173,388	134,597

**6. Unbilled receivables**

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June 2019	31 December 2018
Project value as per contract	43,642	43,642
Accumulated amount recognised as revenue on percentage of completion basis	43,642	32,012
Less: Value of total billed	43,642	-
Unbilled receivables	-	32,012

**7. Long-term restricted bank deposits**

As at 30 June 2019, the Company has savings account of Baht 15.41 million (31 December 2018: Baht 0.01 million) that is pledged as collateral to secure long-term loans as discussed in Note 11 to financial statements.

Subsidiaries in Japan have restricted saving deposits of Yen 354 million, or approximately Baht 101.1 million (31 December 2018: Yen 330.0 million or approximately Baht 96.7 million), under the long-term loan agreements with banks. The Subsidiaries have requested to obtain permission from the bank on withdrawal of the such restricted deposits.

**8. Investments in subsidiaries****8.1 Details of investments in subsidiaries as presented in separate financial statements as at 30 June 2019 and 31 December 2018 are as follows:**

(Unit: Thousand Baht)

Company Name	Separate financial Statements							
	Percentage of Shareholding		Paid up Share Capital		Investment at Cost method		Carrying amounts based on equity method	
	30	31	30	31	30	31	30	31
	June	December	June	December	June	December	June	December
	2019	2018	2019	2018	2019	2018	2019	2018
	(Percentage)	(Percentage)						
<b>Subsidiary companies which directly held by the Company</b>								
Serm Sang Palang Ngan Co., Ltd.	100	100	900,506	900,506	900,506	900,506	1,639,051	1,538,337
Serm Sang Corporation Co., Ltd.	100	100	131,312	131,312	131,312	131,312	95,732	95,645
Serm Sang International Co., Ltd.	100	100	810,000	210,000	810,000	210,000	280,203	-
Essential Power Co., Ltd.	100	100	13,250	13,250	13,250	13,250	11,989	12,046
Serm Sang Solar Co., Ltd.	100	100	50,000	50,000	50,000	50,000	57,286	49,749
Siam Renewable Power Co., Ltd.	100	100	3,250	3,250	3,250	3,250	2,760	2,904
Serm Sang Infinite Co., Ltd.	100	100	72,400	70,000	72,400	70,000	53,479	48,282
Plus Energy Co., Ltd.	100	100	3,250	3,250	3,250	3,250	2,858	3,000
Siam Clean Solutions Co., Ltd.	100	100	10,000	10,000	10,000	10,000	9,626	9,704
Prestige Group Co., Ltd.	100	100	2,500	2,500	2,500	2,500	2,015	2,155
Total							2,154,999	1,761,822

(Unaudited but reviewed)

In addition, as at 30 June 2019 and 31 December 2018, investments in subsidiary companies with a deficit in shareholders' equity were presented under the caption "Loss in excess of cost over investments accounted for under equity method in investment in subsidiaries" in the financial statements are as follows:

(Unit: Thousand Baht)

Separate financial Statements							
Percentage of Shareholding		Paid up Share Capital		Investment at Cost method		Carrying amounts based on equity method	
30	31	30	31	30	31	30	31
June	December	June	December	June	December	June	December
2019	2018	2019	2018	2019	2018	2019	2018
(Percentage)	(Percentage)						
<b><u>Loss in excess of cost over investments accounted for under equity method in investment in subsidiaries</u></b>							
Serm Sang Palang Ngan Co., Ltd.	100	100	810,000	210,000	810,000	210,000	- (209,321)
Access Energy Co., Ltd.	100	100	20,000	20,000	20,000	20,000	(33,179) (26,560)
Triple P Renewable Co., Ltd.	100	100	5,300	5,200	5,300	5,200	(137) (56)
Total loss in excess of cost over investments accounted for under equity method in investment in subsidiaries in separate financial statements						(33,316)	(235,937)

## 8.2 Share of comprehensive income

During the period, the Company has recognised its share of profit (loss) from investments in subsidiaries in the separate financial statements as follows:

(Unit: Thousand Baht)

For the three-month periods ended 30 June				
Separate financial statements				
Company Name	Share of profit (loss) from investment in subsidiaries		Share of other comprehensive income from investment in subsidiaries	
	2019	2018	2019	2018
Serm Sang Palang Ngan Co., Ltd.	175,456	152,839	-	-
Serm Sang Corporation Co., Ltd.	(12)	(269)	-	-
Serm Sang International Co., Ltd.	(14,124)	8,465	(39,550)	26,846
Access Energy Co., Ltd.	(3,928)	(3,742)	135	(607)
Essential Power Co., Ltd.	(28)	(27)	-	-
Serm Sang Solar Co., Ltd.	3,599	(152)	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month periods ended 30 June				
Separate financial statements				
Company Name	Share of profit (loss) from investment in subsidiaries		Share of other comprehensive income from investment in subsidiaries	
	2019	2018	2019	2018
Siam Renewable Power Co., Ltd.	(72)	(70)	-	-
Serm Sang Infinite Co.,Ltd.	1,275	(1,100)	-	-
Plus Energy Co., Ltd.	(66)	(64)	-	-
Siam Clean Solutions Co., Ltd.	(39)	(37)	-	-
Prestige Group Co., Ltd.	(70)	(68)	-	-
Triple P Renewable Co., Ltd.	(91)	(103)	-	-
Total	161,900	155,672	(39,415)	26,239

(Unit: Thousand Baht)

For the six-month periods ended 30 June				
Separate financial statements				
Company Name	Share of profit (loss) from investment in subsidiaries		Share of other comprehensive income from investment in subsidiaries	
	2019	2018	2019	2018
Serm Sang Palang Ngan Co., Ltd.	320,713	285,216	-	-
Serm Sang Corporation Co., Ltd.	87	(556)	-	-
Serm Sang International Co., Ltd.	(37,301)	(13,219)	(73,173)	32,113
Access Energy Co., Ltd.	(7,101)	(6,896)	482	(408)
Essential Power Co., Ltd.	(57)	(55)	-	-
Serm Sang Solar Co., Ltd.	7,537	(409)	-	-
Siam Renewable Power Co., Ltd.	(144)	(140)	-	-
Serm Sang Infinite Co.,Ltd.	2,798	(2,865)	-	-
Plus Energy Co., Ltd.	(143)	(129)	-	-
Siam Clean Solutions Co., Ltd.	(78)	(80)	-	-
Prestige Group Co., Ltd.	(140)	(137)	-	-
Triple P Renewable Co., Ltd.	(181)	(204)	-	-
Total	285,990	260,526	(72,691)	31,705

**8.3 Dividend received**

During the period, the company recorded dividend income as follows:

(Unit: Thousand Baht)

Company Name	Dividend income			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Serm Sang Palang Ngan Co., Ltd.	220,000	15,000	220,000	120,000
Total	220,000	15,000	220,000	120,000

**8.4 Called up and increase in share capital of subsidiaries**

- 8.4.1 During the period, Serm Sang International Company Limited called up of its registered capital amounting to Baht 600 million. The subsidiary had gradually received capital payment until the calling amount on 9 May 2019.
- 8.4.2 During the period, Serm Sang Infinite Company Limited called up of its registered capital amounting to Baht 2.4 million and was received from its shareholders on 19 March 2019.
- 8.4.3 During the period, Triple P Renewable Company Limited called up of its registered capital amounting to Baht 0.1 million and was received from its shareholders on 5 February 2019.

## 9. Property, plant and equipment

The movement in property, plant and equipment for the six-month period ended 30 June 2019 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Cost</b>		
31 December 2018	8,900,033	1,479
Additions during the period	1,519,514	10
Disposals / written off	(87)	-
Exchange differences on translation	(172,974)	-
30 June 2019	10,246,486	1,489
<b>Accumulated depreciation</b>		
31 December 2018	547,949	475
Depreciation for the period	123,080	110
Disposals / written off	(14)	-
Exchange differences on transaction	(2,095)	-
30 June 2019	668,920	585
<b>Net book value</b>		
31 December 2018	8,352,084	1,004
30 June 2019	9,577,566	904

As at 30 June 2019, a subsidiary has pledged and mortgaged all property plant and equipment with the net book value of Baht 2,552.0 million (31 December 2018: Baht 2,609.8 million) as collateral against credit facilities obtained from two financial institutions as discussed in Note 11 to the financial statements.

As at 30 June 2019, a subsidiary in Japan has mortgaged all machineries and equipment of solar power plant with the net book value of Baht 2,048.8 million (31 December 2018: Baht 2,159.0 million) as collateral against credit facilities obtained from financial institutions as discussed in Note 11 to the financial statements.

As at 30 June 2019, the subsidiaries in Japan capitalised their borrowing costs as construction in progress-power plant totaling to Baht 37.5 million (31 December 2018: Baht 55.1 million).

**10. Intangible assets**

The movement in intangible assets for the six-month period ended 30 June 2019 is presented below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
<b>Cost</b>		
31 December 2018	978,605	91
Additions during the period - cost	141,382	-
Disposals / written off	(57)	-
Exchange differences on translation	(27,640)	-
30 June 2019	1,092,290	91
<b>Accumulated amortisation</b>		
31 December 2018	14,783	42
Amortisation for the period	8,030	9
Disposals / written off	(14)	-
Exchange differences on translation	(261)	-
30 June 2019	22,538	51
<b>Provision for impairment</b>		
31 December 2018	(13,189)	-
Exchange differences on translation	341	-
30 June 2019	(12,848)	-
<b>Net book value</b>		
31 December 2018	950,633	49
30 June 2019	1,056,904	40

## 11. Long-term loans

(Unit: Thousand Baht)								
Loan	Interest rate	Currency	Repayment schedule	Consolidated		Separate		Note
	(percent per annum)			financial statements		financial statements		
				30 June	31 December	30 June	31 December	
				2019	2018	2019	2018	
1)	THBFIX 3 months plus additional rate	Baht	Repayments of principal and interest are to be made on quarterly basis starting from June 2015 and ending in December 2024	1,331,839	1,511,489	-	-	a)
2)	Fixed rate per agreement	Baht	Repayments of principal and interest are to be made on quarterly basis starting from March 2020 and ending in December 2025	800,000	800,000	800,000	800,000	b)
	THBFIX 3 months plus additional rate	Baht	Repayments of principal and interest are to be made on quarterly basis starting from March 2020 and ending in December 2025	715,000	-	715,000	-	b)
3)	JPY LIBOR 3 months plus additional rate	Yen	Repayments of principal and interest are to be made on quarterly basis starting from September 2018 to June 2036	1,572,611	1,661,522	-	-	c)
4)	JPY LIBOR 3 months plus additional rate	Yen	Repayments of principal and interest on quarterly basis and starting from March 2021 to December 2037	2,306,963	1,920,962	-	-	d)
5)	JPY TIBOR 3 months plus additional rate	Yen	Repayments of principal and interest are to be made on quarterly basis starting from March 2019 to December 2035	634,597	718,947	-	-	e)
6)	JPY TIBOR 6 months plus additional rate	Yen	Repayments of principal and interest are to be made in Yen currency on 6 month basis starting from June 2022 to December 2038	1,125,211	1,155,064	-	-	f)



(Unit: Thousand Baht)

Loan	Interest rate	Currency	Repayment schedule	Consolidated		Separate		Note
	(percent per annum)			financial statements		financial statements		
				30 June	31 December	30 June	31 December	
				2019	2018	2019	2018	
7)	USD LIBOR 6 months plus additional rate	USD	Repayments of principal and interest are to be made in USD currency on 6 month basis starting from February 2020 to February 2029	-	-	-	-	g)
8)	USD LIBOR 6 months plus additional rate	USD	Repayments of principal and interest are to be made in USD currency on 3 month basis starting from June 2020 to March 2034	-	-	-	-	h)
Total loan from banks				8,486,221	7,767,984	1,515,000	800,000	
Less: Deferred finance charges				(376,423)	(391,189)	(18,166)	(19,355)	
Total				8,109,798	7,376,795	1,496,834	780,645	
Less: Current portion				(568,237)	(508,587)	(169,343)	-	
Long-term loans - net of current portion				7,541,561	6,868,208	1,327,491	780,645	

## Note:

- a) As at 30 June 2019, a subsidiary (Serm Sang Palang Ngan Co., Ltd.) had pledged the bank saving account and mortgaged property, plant and equipment with two commercial banks as discussed in Note 4 and Note 9 to the financial statement.
- b) On 30 March 2018, The Company entered into loans agreements with two commercial banks, total credit facilities amounting to Baht 2,000 million consisting of 2 tranches. First tranche of Baht 800 million is subject to fixed interest rate as per agreement and the second tranche of Baht 1,200 million is charged at THBFIX 3 months plus additional rate. As at 30 June 2019, the Company had drawn totaling to Baht 1,515 million (31 December 2018: Baht 800 million). The Company has pledged its dividend account as collateral against credit facilities as discussed in Note 4 and Note 7 to the financial statement.
- c) As at 30 June 2019, a subsidiary (SS Hidaka No Mori GK) has mortgaged all machines and plant equipment for solar power plant as collateral against credit facilities as discussed in Note 7 and Note 9 to the financial statement.

- d) On 28 June 2017, a subsidiary (GK GSSE) entered into loan agreement with financial institution, total credit facilities amounting to Yen 10,023.0 million. As at 30 June 2019, the subsidiary had drawn Yen 8,080.0 million (31 December 2018: Yen 6,554.2 million).
- e) As at 30 June 2019, a subsidiary (Zouen Energy GK) has mortgaged all machines and plant equipment for solar power plant as collateral against credit facilities as discussed in Note 7 and Note 9 to financial statement.
- f) On 14 September 2018, a subsidiary (Ashita Power 1 GK) entered into loan agreement with financial institution, total credit facility amounting to Yen 11,935.5 million. As at 30 June 2019, the subsidiary had drawn Yen 3,941.0 million (31 December 2018: Yen 3,941.0 million)
- g) On 20 March 2019, a subsidiary (Tenuun Gerel Construction LLC) entered into loan agreement with financial institution and the company acts as the guarantor. The total credit facility was USD 18.7 million. As at 30 June 2019, the subsidiary had not withdrawn such loan.
- h) On 28 March 2019, a subsidiary (Truong Thanh Quang Ngai Power and High Technology JSC.) entered into loan agreement with the financial institution for the solar power plant project in Vietnam. The credit facility was totaling USD 32.5 million. As at 30 June 2019, the subsidiary had not withdrawn such loan.

The loan agreements contain several covenants which, among other things; require the Company and its subsidiaries to maintain debt-to-equity ratio at the rate stipulated in the agreement, and the dividend payment is required to meet the condition in loan agreement and notify the bank.

As at 30 June 2019, the Company and its subsidiaries have undrawn credit facility amounting to Baht 525 million, Yen 9,937.5 million and USD 51.2 million (the company: Baht 485 million) (The Company and its subsidiaries: 31 December 2018: Yen 1,240.0 million and Yen 11,463.3 million and the Company: Baht 1,200.0 million).

**12. Income tax expenses (revenue)**

Income tax expenses (revenue) for the three-month and six-month periods ended 30 June 2019 and 2018 are made up as follows:

(Unit : Thousand Baht)				
For the three-month periods ended 30 June				
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<b>Current income tax:</b>				
Interim corporate income tax charge	9,498	21	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences and others	(61)	(47)	(29)	(21)
<b>Income tax expense (revenue) reported in the statement of comprehensive income</b>	<b>9,437</b>	<b>(26)</b>	<b>(29)</b>	<b>(21)</b>

(Unit : Thousand Baht)				
For the six-month periods ended 30 June				
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
<b>Current income tax:</b>				
Interim corporate income tax charge	9,540	117	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences and others	(122)	(94)	(59)	(43)
<b>Income tax expense (revenue) reported in the statement of comprehensive income</b>	<b>9,418</b>	<b>23</b>	<b>(59)</b>	<b>(43)</b>

The reconciliation between accounting profit (loss) and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statement	
	For the three-month periods ended 30 June		For the three-month periods ended 30 June	
	2019	2018	2019	2018
Accounting profit before tax	175,967	155,009	160,425	152,758
Applicable tax rate	0%, 5%, 10%, 15%, 16.5%, 17%, 20%	0%, 10%, 15%, 16.5%, 17%, 20%	20%	20%
Accounting profit before corporate income tax multiplied by income tax rate	32,282	30,355	32,085	30,551
Effects of:				
Promotional privileges (Note 15)	(35,893)	(30,550)	-	-
Non-deductible expenses	185	389	4	41
Exempted revenue	-	-	(32,380)	(31,134)
Utilised of tax losses	(318)	(2,295)	-	-
Tax losses for the period, that were not recognised as deferred tax assets	13,181	2,075	262	521
Income tax expense (revenue) reported in the statement of comprehensive income	9,437	(26)	(29)	(21)

(Unaudited but reviewed)

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	For the six-month periods		financial statements	
	ended 30 June		For the six-month periods	
	2019	2018	2019	2018
Accounting profit before tax	298,645	261,050	284,420	259,289
Applicable tax rate	0%, 5%, 10%, 15%, 16.5%, 17%, 20%	0%, 10%, 15%, 16.5%, 17%, 20%	20%	20%
Accounting profit before corporate income				
tax multiplied by income tax rate	57,244	52,160	56,884	51,857
Effects of:				
Promotional privileges (Note 15)	(65,774)	(57,008)	-	-
Non-deductible expenses	555	615	76	141
Exempted revenue	-	-	(57,198)	(52,105)
Utilised of tax losses	(883)	(2,782)	-	-
Tax losses for the period, that were not recognised as deferred tax assets	18,276	7,038	179	64
Income tax expenses (revenue) reported in the statement of comprehensive income	9,418	23	(59)	(43)

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated and separate financial statements			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2019	2018	2019	2018
Actuarial loss	-	-	-	-
<b>Income tax expense as reported in the statement of comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The components of deferred tax assets are as follows:

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
<b>Deferred tax assets</b>				
Provision for long-term employee benefits	603	482	241	182

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
<b>Deferred tax liabilities</b>				
Share gain from foreign subsidiaries	9,484	-	-	-

### 13. Statutory reserve

Pursuant to section 116 of the Public Limited Companies Act B.E, 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until such reserve reaches 10 percent of its registered share capital. The statutory reserve is not available for dividend distribution.

### 14. Dividend payment

On 29 April 2019, the Annual General Meeting of the shareholders passed a resolution to approve a dividend payment from the 2018 earning of Baht 0.217 per share, totaling Baht 200 million. The dividend was paid to shareholders in May 2019.

**15. Promotional privileges**

Its subsidiaries have been granted the promotional privileges under the Investment Promotional Act, B.E. 2520 by the Board of Investment under each promotion certificate as follows:

Company's name	Certificates		1 <sup>st</sup> Income Date	Privileges
	No.	Dated		
Sermsang Palang Ngan Co., Ltd.	2645(1)/2556	19 November 2013	2 February 2015	A), B), D)
Sermsang Infinite Co., Ltd	60-1446-1-00-1-0	20 December 2017	12 March 2018	C), D)
	61-0246-1-00-1-0	9 March 2018	1 March 2018	C), D)
	61-0796-1-00-1-0	5 July 2018	1 July 2018	C), D)
	61-0797-1-00-1-0	5 July 2018	1 July 2018	C), D)
	61-0798-1-00-1-0	5 July 2018	1 July 2018	C), D)
	61-0799-1-00-1-0	5 July 2018	1 July 2018	C), D)
	61-0800-1-00-1-0	5 July 2018	1 July 2018	C), D)
	62-0029-1-00-1-0	9 January 2019	1 April 2019	C), D)
Sermsang Solar Co., Ltd	61-0508-1-00-10	3 May 2018	30 November 2018	C), D)

Subject to certain imposed conditions, the privileges include the following:

- A) The privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues.
- B) A 50% reduction of corporate income tax on income derived from the promoted operations for a period of 5 years after the tax-exemption period ends.
- C) The privileges include an exemption from corporate income tax that up to 100 percentage of investment excluding land and working capital for a period of 8 years from the date the promoted operations begin generating revenues.
- D) In case of an accumulated losses incurred during the corporate income tax exemption period, the subsidiary is allowed to utilise the losses as a deduction against net income for a period of 5 years after the expiry of the tax exemption period, whether from any one year or from several years.

The subsidiaries have operating revenues for the three-month and six-month periods ended 30 June 2019 and 2018, divided between promoted and non-promoted operations, are summarised below.

(Unit: Million Baht)

Consolidated financial statements						
For the three-month periods ended 30 June						
	Promoted operations		Non-promoted operations		Total	
	2019	2018	2019	2018	2019	2018
Sales	94.3	74.5	143.8	74.3	238.1	148.8
Subsidy for adder	160.8	150.0	-	-	160.8	150.0
Revenue from construction service	-	-	0.3	-	0.3	-
Service income	-	-	0.2	-	0.2	-
Others	1.4	-	2.3	2.6	3.7	2.6
Total	256.5	224.5	146.6	76.9	403.1	301.4

(Unit: Million Baht)

Consolidated financial statements						
For the six-month periods ended 30 June						
	Promoted operations		Non-promoted operations		Total	
	2019	2018	2019	2018	2019	2018
Sales	178.3	142.5	219.4	92.9	397.7	235.4
Subsidy for adder	302.2	285.0	-	-	302.2	285.0
Revenue from construction service	-	-	11.9	-	11.9	-
Service income	-	-	0.4	-	0.4	-
Others	1.4	-	3.4	3.4	4.8	3.4
Total	481.9	427.5	235.1	96.3	717.0	523.8

## 16. Earnings per share

Basic earnings per share in the separate financial statement is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

## 17. Segment information

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

For management purposes, the Company and its subsidiaries are organised into business units based on their products and have three reportable segments as follows:

1. Production and distribution of electricity from solar power plants



2. Electricity distribution and installation services relating to the solar roof system
3. Others (investment, consultancy and others)

No operating segments have been aggregated to from the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

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

## Segment Information

The following tables present revenue and profit regarding the Company and its subsidiaries' operating segments for the three-month and six-month periods ended 30 June 2019 and 2018.

(Unit: Thousand Baht)

	Consolidated financial statements									
	For the three-month periods ended 30 June									
	Production and distribution of electricity from solar power plants		Electricity distribution, service and installation relating to the solar roof system		Others		Eliminations		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Electricity selling from operations	393,942	297,563	4,848	1,261	-	-	-	-	398,790	298,824
Revenue from construction services	-	-	1,368	-	-	-	(1,095)	-	273	-
Other income	1,727	337	261	-	13,450	13,011	(13,447)	(13,020)	1,991	328
Total revenue and other income	395,669	297,900	6,477	1,261	13,450	13,011	(14,542)	(13,020)	401,054	299,152
Operating profit	270,021	205,386	1,876	(850)	147,586	34,967	(196,710)	(50,944)	222,773	188,559
Interest income	880	1,020	24	15	57,246	21,420	(56,209)	(20,163)	1,941	2,292
Finance costs	(39,928)	(34,130)	(626)	(266)	(61,637)	(22,502)	53,444	21,056	(48,747)	(35,842)
Finance costs, net	(39,048)	(33,110)	(602)	(251)	(4,391)	(1,082)	(2,765)	893	(46,806)	(33,550)
<b>Profit before income tax expense</b>	230,973	172,276	1,274	(1,101)	143,195	33,885	(199,475)	(50,051)	175,967	155,009
Income tax benefit (expense)	(9,483)	(8)	-	-	29	21	17	13	(9,437)	26
<b>Profit for the period</b>	221,490	172,268	1,274	(1,101)	143,224	33,906	(199,458)	(50,038)	166,530	155,035

(Unaudited but reviewed)

(Unit: Thousand Baht)

## Consolidated financial statements

For the six-month periods ended 30 June

	Production and distribution of electricity from solar power plants		Electricity distribution, service and installation relating to the solar roof system		Others		Eliminations		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Electricity selling from operations	690,948	518,742	8,881	1,633	-	-	-	-	699,829	520,375
Revenue from construction services	-	-	12,998	-	-	-	(1,095)	-	11,903	-
Other income	2,139	625	640	1	27,065	26,043	(26,886)	(26,029)	2,958	640
Total revenue and other income	693,087	519,367	22,519	1,634	27,065	26,043	(27,981)	(26,029)	714,690	521,015
Operating profit	456,370	360,480	4,397	(2,570)	92,174	116,540	(161,713)	(153,896)	391,228	320,554
Interest income	1,043	1,717	24	15	99,418	40,578	(98,255)	(39,493)	2,230	2,817
Finance costs	(78,737)	(60,607)	(1,343)	(310)	(112,037)	(41,503)	97,304	40,099	(94,813)	(62,321)
Finance costs, net	(77,694)	(58,890)	(1,319)	(295)	(12,619)	(925)	(951)	606	(92,583)	(59,504)
<b>Profit before income tax expense</b>	378,676	301,590	3,078	(2,865)	79,555	115,615	(162,664)	(153,290)	298,645	261,050
Income tax benefit (expense)	(9,512)	(92)	-	-	59	43	35	26	(9,418)	(23)
<b>Profit for the period</b>	369,164	301,498	3,078	(2,865)	79,614	115,658	(162,629)	(153,264)	289,227	261,027

## 18. Commitments and contingent liabilities

### 18.1 Power purchase agreement

On 7 June 2013, a subsidiary (Serm Sang Palang Ngan Company Limited) entered into power purchase agreement with Electricity Generating Authority of Thailand (“EGAT”). The agreement covered the periods of five years and it will be renewable for a period of five years. According to electricity sale to EGAT, the subsidiary will be granted a subsidy for adder at Baht 6.5 per kilowatt-hour for the period of ten years starting from the first commercial date (2 February 2015).

On 31 March 2017, a subsidiary in Japan (SS Hidaka No Mori GK) entered into power purchase agreement with Hokkaido Electric Power Company Limited for 20 years. According to electricity sale, the subsidiary requires to comply with agreement conditions.

As at 29 December 2017, a subsidiary (Serm Sang Infinite Co., Ltd.) entered into power purchase agreements with a company (a non-related party) for a period of 25 years. The subsidiary has commenced to generate revenue since July 2018.

On 26 February 2018, a subsidiary (Serm Sang Solar Co., Ltd.) entered into power purchase agreement with Provincial Electricity Authority (“PEA”) for 25 years. According to electricity sale to PEA, the subsidiary requires to comply with conditions in the agreement.

On 3 August 2018, a subsidiary in Japan (Zouen Energy) entered into power purchase agreement with Kyushu Electric KK for 20 years. According to electricity sale, the subsidiary requires to comply with agreement conditions.

On 1 November 2018, a subsidiary in Vietnam (Truong Thanh Quang Ngai Power and High Technology JSC.) entered into power purchase agreement with Vietnam Electricity for 20 years. The subsidiary has commenced to generate revenue since May 2019.

On 8 July 2016, a subsidiary in Mongolia (Tenuun Gerel Construction LLC) entered into power purchase agreement with National Dispatching Center for 12 years. The subsidiary has commenced to generate revenue since July 2019.

### 18.2 Capital Commitments

As at 30 June 2019 and 31 December 2018, the subsidiaries in Japan had capital commitments relating to the project development, land purchase and licenses as follows

(Unit: Million)

Country	Currency	30 June 2019	31 December 2018
Thailand	Baht	3.8	37.4
Japan	Yen	9,453.9	11,057.9
Mongolia	MNT	1,224.7	2,709.5
Vietnam	US Dollar	7.8	23.1
	Vietnam Dong	76,791.4	-

**18.3 Land Lease Agreement**

As at 30 June 2019, subsidiaries in Japan have entered into long-term land lease agreements since 2017 - 2018 that has period 20 years approximately and a total rental expense per year is Yen 153.2 million (31 December 2018: Yen 153.2 million).

**18.4 Service Agreement**

As at 30 June 2019 and 31 December 2018, the Company and its subsidiaries have commitment for service agreements in Thailand which have the remaining schedule repayments as follows:

	(Unit: Million Baht)	
	30 June 2019	31 December 2018
Payable		
In up to 1 year	41	42
In over 1 year and up to 5 years	176	173
In over 5 years	22	44
Total	239	259

As at 30 June 2019, the subsidiaries in Japan have long-term service commitments related to several service agreements amounting to Yen 83.0 million per year (31 December 2018: Yen 83.0 million).

**18.5 Operation and Management Agreement**

As at 30 June 2019 and 31 December 2018, the subsidiaries in Japan entered into operation and management agreements of the power plant. The remaining commitment of these contracts are as follows.

	(Unit: Million Yen)	
	30 June 2019	31 December 2018
Payable		
In up to 1 year	66	35
In over 1 year and up to 5 years	88	87
In over 5 years	402	413
Total	556	535

**18.6 Share capital of subsidiaries**

As at 30 June 2019, the Company has commitments in respect of the unissued and uncalled portion of the subsidiaries' registered share capital amounting to Baht 568.5 million (31 December 2018: Baht 1,171.0 million)

A subsidiary in Hong Kong has a commitment to pay for investment in subsidiaries in Japan of Yen 1,094.6 million (31 December 2018: Yen 1,411.6 million).

**18.7 Bank Guarantees**

As at 30 June 2019, in order to guarantee contracted performance to state enterprises there were outstanding bank guarantees of Baht 32.7 million, issued by bank on behalf of the Company and its subsidiaries, and Baht 31.0 million of such were the Company's (31 December 2018: the Company and the subsidiaries of Baht 32.7 million, and the Company of Baht 31.0 million).

**18.8 Derivatives**

- a) As at 30 June 2019 and 31 December 2018, the subsidiaries have the interest rate swap contracts as follows:

Contract value		Received interest rate	Paid interest rate	Due date
30 June 2019	31 December 2018			
1. Baht 200 Million	Baht 227 Million	Floating interest rate, THBFIX-REUTERS 3 months plus 2 percent per annum	Fixed interest rate 5.795 percent per annum	30 December 2024
2. Baht 666 Million	Baht 756 Million	Floating interest rate, THBFIX-REUTERS 3 months plus 2 percent per annum	Fixed interest rate 5.710 percent per annum	30 December 2024
3. Yen 2,998 Million	Yen 2,998 Million	Floating interest rate, JPY-TIBOR 6 months	Fixed interest rate 0.82 percent per annum	30 December 2038

## b) Forward exchange contracts

As at 30 June 2019 and 31 December 2018, subsidiaries had outstanding forward exchange contracts, of which details are presented below.

As at 30 June 2019			
Currency	Maturity Date	Contractual exchange rate (Baht per 1 foreign currency unit)	Bought amount
US Dollar	14 January 2020	31.52	US Dollar 2.60 million
US Dollar	13 May 2020	31.57	US Dollar 0.50 million
US Dollar	15 May 2020	31.36	US Dollar 0.50 million

  

As at 31 December 2018			
Currency	Maturity Date	Contractual exchange rate (Baht per 1 foreign currency unit)	Bought amount
US Dollar	25 January 2019	32.80	US Dollar 0.03 Million
US Dollar	25 February 2019	32.95	US Dollar 0.05 Million
US Dollar	13 May 2019	31.98	US Dollar 0.50 Million
US Dollar	15 May 2019	31.85	US Dollar 0.50 Million

**18.9 Foreign currency risk**

The Company and its subsidiaries' exposure risk arise mainly from cash in foreign currency, purchase of assets, account receivable - revenue department, accounts payable, share acquisition payable to subsidiary's existing shareholders and loan from financial institution that are denominated in foreign currencies. As at 30 June 2019 and 31 December 2018, the balances of financial assets and liabilities denominated in foreign currencies which have not hedged any foreign currency risk are summarised below.

(Unaudited but reviewed)

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	30 June	31 December	30 June	31 December	30 June	31 December
	2019	2018	2019	2018	2019	2018
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
Yen	2,878,262	3,264,460	18,748,408	18,235,082	0.2855140	0.2930890
US dollar	3,575	1,175	1,561	4,095	30.744250	32.449800
Singapore dollar	30	30	13	5	22.726050	23.694250
Mongolia	19,238	28,873	1,142	22,402	0.0115527	0.0122790
Vietnam Dong	151,136,317	81,325,775	281,071,591	84,261,201	0.0013185	0.0013970
Rupiah	637	-	217,002	-	0.0021894	-

## 19. Approval of financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 14 August 2019.