

**SPCG Public Company Limited
and its Subsidiaries**

Financial statements for the year ended
31 December 2020
and
Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of SPCG Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of SPCG Public Company Limited and its subsidiaries (the "Group") and of SPCG Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2020, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2020 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Key Audit Matters

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

Valuation of inventories

Refer to Notes 4 (g), 8 to the financial statements.

Inventories are measured at the lower of cost and net realizable value. Due to some inventories have slow movement and long outstanding which may cause the net realizable value to be lower than cost, therefore, this is focus area in my audit.

My audit procedures included understanding the policies and procedures that the management applied for net realizable value calculation. I verified the appropriateness of the net realizable value calculation and randomly tested the price of inventories with the relevant documents. I considered the adequacy of the disclosure of inventories.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

(Natthaphong Tantichattanon)
Certified Public Accountant
Registration No. 8829

KPMG Phoomchai Audit Ltd.
Bangkok
25 February 2021

SPCG Public Company Limited and its Subsidiaries
Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2020	2019	2020	2019
<i>(in thousand Baht)</i>					
Current assets					
Cash and cash equivalents	6	735,467	460,067	667,364	23,702
Other current financial assets	23	1,777,855	2,644,396	1,487,640	2,600,694
Trade and other current receivables	5, 7	1,028,760	1,025,058	10,032	15,838
Short-term loan to related party	5	-	-	-	22,000
Current portion of long-term loans to related parties	5	-	-	2,516,244	2,477,672
Inventories	8	537,400	762,581	-	-
Other current assets		99,118	122,490	4,592	428
Total current assets		4,178,600	5,014,592	4,685,872	5,140,334
Non-current assets					
Other non-current financial assets	23	1,426,057	158,472	1,359,674	29,794
Investments in associate	5, 9	-	39,976	-	40,000
Investments in subsidiaries	5, 9	-	-	3,129,313	3,089,313
Long-term loans to related parties	5	-	-	1,681,080	4,339,913
Investment properties		36,229	38,312	26,065	27,191
Property, plant and equipment	11	15,263,510	15,800,320	31,300	21,894
Intangible assets	12	94,488	101,361	20,520	18,329
Deferred tax assets	20	184,101	162,427	-	-
Prepaid warranty expense for inventors		531,152	583,150	-	-
Other non-current assets		4,058	4,691	1,353	1,519
Total non-current assets		17,539,595	16,888,709	6,249,305	7,567,953
Total assets		21,718,195	21,903,301	10,935,177	12,708,287

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

SPCG Public Company Limited and its Subsidiaries
Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
		2020	2019	2020	2019
<i>(in thousand Baht)</i>					
Liabilities and equity					
Current liabilities					
Short-term loans from financial institutions	13, 23	3,000	30,632	-	-
Trade and other current payables	5, 14	202,929	367,981	26,461	30,345
Current portion of debentures	13, 23	2,197,353	1,696,189	2,197,353	1,696,189
Current portion of lease liabilities <i>(2019: Current portion of finance lease liabilities)</i>	13, 23	21,100	691	4,417	691
Income tax payable		48,896	19,941	-	1,656
Other current financial liabilities	23	328	-	-	-
Other current liabilities		50,325	64,894	3,200	2,601
Total current liabilities		2,523,931	2,180,328	2,231,431	1,731,482
Non-current liabilities					
Debentures	13, 23	1,898,084	4,095,219	1,898,084	4,095,219
Lease liabilities <i>(2019: Finance lease liabilities)</i>	13, 23	69,346	677	14,394	677
Deferred tax liabilities	20	14,615	7,050	14,486	6,965
Non-current provisions for employee benefits		2,009	15,564	575	8,052
Other non-current financial liabilities	23	54,169	-	-	-
Other non-current liabilities		300	300	-	-
Total non-current liabilities		2,038,523	4,118,810	1,927,539	4,110,913
Total liabilities		4,562,454	6,299,138	4,158,970	5,842,395
Equity					
Share capital					
Authorised share capital <i>(1,016,389,000 ordinary shares, par value at Baht 1 per share)</i>		1,016,389	1,016,389	1,016,389	1,016,389
Issued and paid-up share capital <i>(973,990,000 ordinary shares, par value at Baht 1 per share)</i>		973,990	973,990	973,990	973,990
Share premium on ordinary shares		3,955,923	3,955,923	4,782,793	4,782,793
Share premium from business combination		89,000	89,000	-	-
Retained earnings					
Appropriated					
Legal reserve	15	101,639	101,639	101,639	101,639
Unappropriated		10,100,631	8,668,521	917,785	980,041
Other components of equity	15	-	27,774	-	27,429
Equity attributable to owners of the parent		15,221,183	13,816,847	6,776,207	6,865,892
Non-controlling interests	10	1,934,558	1,787,316	-	-
Total equity		17,155,741	15,604,163	6,776,207	6,865,892
Total liabilities and equity		21,718,195	21,903,301	10,935,177	12,708,287

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

SPCG Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2020	2019	2020	2019
<i>(in thousand Baht)</i>					
Revenue from sale and rendering of services	5, 16	4,920,154	5,246,538	-	-
Cost of sale and rendering of services	5, 19	(1,351,595)	(1,620,566)	-	-
Gross profit		3,568,559	3,625,972	-	-
Other income	5, 17	55,462	46,013	1,436,821	1,652,247
Selling and distribution expenses	5, 19	(20,192)	(17,320)	-	-
Administrative expenses	5, 19	(261,980)	(276,578)	(124,847)	(140,378)
Gain on fair value measurement of derivatives		58,422	-	6,305	-
Gain (loss) on fair value measurement of financial assets		13,276	30,015	(7,301)	22,797
Profit from operating activities		3,413,547	3,408,102	1,310,978	1,534,666
Share of loss of associate accounted for using equity method		(2,004)	(24)	-	-
Finance costs		(266,164)	(360,201)	(205,442)	(275,862)
Profit before income tax expense		3,145,379	3,047,877	1,105,536	1,258,804
Tax expense	20	(83,006)	(36,619)	(324)	(10,225)
Profit for the year		3,062,373	3,011,258	1,105,212	1,248,579
Other comprehensive income					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Gain on measurement of financial assets		-	39,667	-	39,527
Income tax relating to items that will be reclassified		-	(7,934)	-	(7,905)
Other comprehensive income for the year, net of tax		-	31,733	-	31,622
Total comprehensive income for the year		3,062,373	3,042,991	1,105,212	1,280,201
Profit attributable to:					
Owners of parent		2,731,616	2,669,424	1,105,212	1,248,579
Non-controlling interests		330,757	341,834	-	-
Profit for the year		3,062,373	3,011,258	1,105,212	1,248,579
Total comprehensive income attributable to:					
Owners of parent		2,731,616	2,701,155	1,105,212	1,280,201
Non-controlling interests		330,757	341,836	-	-
Total comprehensive income for the year		3,062,373	3,042,991	1,105,212	1,280,201
Basic earnings per share (in Baht)	21	2.80	2.74	1.13	1.28

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

SPCG Public Company Limited and its Subsidiaries

Statement of changes in equity

Consolidated financial statements

			Retained earnings		Other components of equity		Equity attributable to		Total equity
	Issued and paid-up share capital	Share premium on ordinary shares	Shares premium from business combination	Legal reserve	Unappropriated	Available-for-sale investments	owners of the parent	Non-controlling interests	
<i>(in thousand Baht)</i>									
Year ended 31 December 2019									
Balance at 1 January 2019	973,990	3,955,923	89,000	101,639	7,119,160	(3,957)	12,235,755	1,644,899	13,880,654
Transactions with owners, recorded directly in equity									
<i>Distributions to owners of the company</i>									
Dividends paid	-	-	-	-	(1,120,063)	-	(1,120,063)	(199,419)	(1,319,482)
Total distributions to owners of the company	-	-	-	-	(1,120,063)	-	(1,120,063)	(199,419)	(1,319,482)
Comprehensive income for the year									
Profit	-	-	-	-	2,669,424	-	2,669,424	341,834	3,011,258
Other comprehensive income	-	-	-	-	-	31,731	31,731	2	31,733
Total comprehensive income for the year	-	-	-	-	2,669,424	31,731	2,701,155	341,836	3,042,991
Balance at 31 December 2019	973,990	3,955,923	89,000	101,639	8,668,521	27,774	13,816,847	1,787,316	15,604,163

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

SPCG Public Company Limited and its Subsidiaries

Statement of changes in equity

		Consolidated financial statements								
					Retained earnings		Other components of equity			
		Issued and paid-up share capital	Share premium on ordinary shares	Shares premium from business combination	Legal reserve	Unappropriated	Available- for-sale investments	Equity attributable to owners of the parent	Non-controlling interests	Total equity
<i>Note</i>										
<i>(in thousand Baht)</i>										
Year ended 31 December 2020										
	Balance at 31 December 2019 - as reported	973,990	3,955,923	89,000	101,639	8,668,521	27,774	13,816,847	1,787,316	15,604,163
	Impact of changes in accounting policies	3	-	-	-	(62,562)	(27,774)	(90,336)	-	(90,336)
	Balance at 1 January 2020	973,990	3,955,923	89,000	101,639	8,605,959	-	13,726,511	1,787,316	15,513,827
Transactions with owners, recorded directly in equity										
<i>Distributions to owners of the company</i>										
	Dividends paid	22	-	-	-	(1,236,944)	-	(1,236,944)	(240,487)	(1,477,431)
	Total distributions to owners of the company		-	-	-	(1,236,944)	-	(1,236,944)	(240,487)	(1,477,431)
<i>Changes in ownership interests in subsidiary</i>										
	Acquisition of non-controlling interests with a change in control		-	-	-	-	-	-	56,972	56,972
	Total changes in ownership interests in subsidiary		-	-	-	-	-	-	56,972	56,972
Comprehensive income for the year										
	Profit		-	-	-	2,731,616	-	2,731,616	330,757	3,062,373
	Other comprehensive income		-	-	-	-	-	-	-	-
	Total comprehensive income for the year		-	-	-	2,731,616	-	2,731,616	330,757	3,062,373
	Balance at 31 December 2020	973,990	3,955,923	89,000	101,639	10,100,631	-	15,221,183	1,934,558	17,155,741

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

SPCG Public Company Limited and its Subsidiaries

Statement of changes in equity

	Issued and paid-up share capital	Share premium on ordinary shares	Separate financial statements		Other components of equity Available- for-sale investments	Total equity
			Retained earnings			
			Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>						
Year ended 31 December 2019						
Balance at 1 January 2019	973,990	4,782,793	101,639	851,525	(4,193)	6,705,754
Transactions with owners, recorded directly in equity						
<i>Distributions to owners of the company</i>						
Dividends paid	-	-	-	(1,120,063)	-	(1,120,063)
Total distributions to owners of the company	-	-	-	(1,120,063)	-	(1,120,063)
Comprehensive income for the year						
Profit	-	-	-	1,248,579	-	1,248,579
Other comprehensive income	-	-	-	-	31,622	31,622
Total comprehensive income for the year	-	-	-	1,248,579	31,622	1,280,201
Balance at 31 December 2019	973,990	4,782,793	101,639	980,041	27,429	6,865,892

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

SPCG Public Company Limited and its Subsidiaries

Statement of changes in equity

	Note	Separate financial statements				Other components of equity	Total equity	
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings				Available- for-sale investments
				Legal reserve	Unappropriated			
<i>(in thousand Baht)</i>								
Year ended 31 December 2020								
Balance at 31 December 2019 - as reported		973,990	4,782,793	101,639	980,041	27,429	6,865,892	
Impact of changes in accounting policies	3	-	-	-	69,476	(27,429)	42,047	
Balance at 1 January 2020		973,990	4,782,793	101,639	1,049,517	-	6,907,939	
Transactions with owners, recorded directly in equity								
<i>Distributions to owners of the company</i>								
Dividends paid	22	-	-	-	(1,236,944)	-	(1,236,944)	
Total distributions to owners of the company		-	-	-	(1,236,944)	-	(1,236,944)	
Comprehensive income for the year								
Profit		-	-	-	1,105,212	-	1,105,212	
Other comprehensive income		-	-	-	-	-	-	
Total comprehensive income for the year		-	-	-	1,105,212	-	1,105,212	
Balance at 31 December 2020		973,990	4,782,793	101,639	917,785	-	6,776,207	

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

SPCG Public Company Limited and its Subsidiaries
Statement of cash flows

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2020	2019	2020	2019
<i>(in thousand Baht)</i>					
<i>Cash flows from operating activities</i>					
Profit for the year		3,062,373	3,011,258	1,105,212	1,248,579
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>					
Tax expense		83,006	36,619	324	10,225
Depreciation and amortisation		677,247	668,369	16,371	10,473
Dividend income	17	(9,947)	(9,287)	(1,110,120)	(1,205,640)
Interest income	17	(531)	(9,303)	(202,266)	(320,696)
Bad and doubtful debts expenses		-	19,704	-	-
Impairment loss		2,713	-	-	-
Reversal of loss on inventories devaluation		(5)	-	-	-
(Gain) loss on fair value measurement		(71,698)	(30,015)	996	(22,797)
(Gain) loss from disposal of plant and equipment		10,509	(87)	16	-
Loss from disposal of intangible assets		99	-	81	-
Finance costs		266,164	360,201	205,442	275,862
Unrealised loss on foreign exchange		19,693	2,465	109	2,308
Provisions for employee benefit		2,012	1,300	1,113	577
Share of loss of associate accounted for using equity method, net of tax		2,004	24	-	-
		<u>4,043,639</u>	<u>4,051,248</u>	<u>17,278</u>	<u>(1,109)</u>
<i>Changes in operating assets and liabilities</i>					
Trade and other current receivables		(5,005)	173,518	(3,574)	65,774
Inventories		225,186	143,684	-	-
Other current assets		36,173	33,635	52	20
Prepaid warranty expense for inventors		51,998	53,197	-	-
Other non-current assets		633	502	166	-
Trade and other current payables		(162,255)	(173,797)	(1,362)	(104,698)
Other current liabilities		(14,711)	(1,254)	599	(2,501)
Non-current provisions for employee benefit		(15,567)	-	(8,590)	-
Net cash generated from (used in) operating activities		<u>4,160,091</u>	<u>4,280,733</u>	<u>4,569</u>	<u>(42,514)</u>
Taxes paid		(57,970)	(70,293)	(9,187)	(10,382)
Net cash from (used in) operating activities		<u>4,102,121</u>	<u>4,210,440</u>	<u>(4,618)</u>	<u>(52,896)</u>

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

SPCG Public Company Limited and its Subsidiaries

Statement of cash flows

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		2020	2019	2020	2019
<i>(in thousand Baht)</i>					
<i>Cash flows from investing activities</i>					
Decreased in short-term deposits at financial institutions		-	90,000	-	90,000
Proceeds from sale of other financial assets		9,319,990	8,642,893	5,677,995	4,876,624
Acquisition of other financial assets		(9,643,366)	(8,800,825)	(5,843,367)	(5,153,325)
Decreased in restricted fixed deposits		-	340,000	-	340,000
Acquisition of investment property		-	(2,264)	-	-
Acquisition of plant and equipment		(33,679)	(14,148)	(731)	(1,115)
Proceeds from sale of plant and equipment		12,694	14,077	-	1
Acquisition of intangible assets		(4,375)	(15,058)	(4,375)	(14,971)
Short-term loans to related party		-	-	-	(194,000)
Proceeds from repayment of short-term loans to related parties	5	-	-	22,000	273,000
Proceeds from repayment of long-term loans to related parties	5	-	-	2,620,261	2,072,859
Acquisition of investment in associate		-	(40,000)	-	(40,000)
Acquisition of investment in subsidiary		-	-	-	(4,000)
Dividends received		9,947	9,287	1,110,120	1,205,640
Interest received		437	17,803	211,646	324,004
Net cash from (used in) investing activities		(338,352)	241,765	3,793,549	3,774,717
<i>Cash flows from financing activities</i>					
Proceeds from short-term loans from financial institutions		24,000	53,862	-	-
Payment of short-term loans from financial institutions		(51,632)	(122,250)	-	-
Payment of debenture		(1,700,000)	(2,375,000)	(1,700,000)	(2,375,000)
Payment of lease liabilities <i>(2019: Payment by a lessee for reduction of the outstanding liability relating to a finance lease)</i>		(20,273)	(835)	(4,829)	(763)
Dividends paid		(1,477,431)	(1,319,482)	(1,236,944)	(1,120,063)
Interest paid		(263,033)	(357,585)	(203,496)	(272,336)
Net cash used in financing activities		(3,488,369)	(4,121,290)	(3,145,269)	(3,768,162)
Net increase (decrease) in cash and cash equivalents		275,400	330,915	643,662	(46,341)
Cash and cash equivalents at 1 January		460,067	129,152	23,702	70,043
Cash and cash equivalents at 31 December	6	735,467	460,067	667,364	23,702

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

SPCG Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2020

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These notes form an integral part of the financial statements.

The financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language financial statements, and were approved and authorized for issue by the Board of Directors on 25 February 2021.

1 General information

SPCG Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in March 2005. The Company’s registered office as follows:

Head office : 1 Capital Work Place Building, 10th floor, Soi Jamjan,
Klongton Nua, Wattana, Bangkok

Branch office 1st : 8/88 Moo 12 Rachathewa, Bangplee, Samutprakarn

Branch office 2nd : 8 Moo 15 Bangplee Yai, Bangplee, Samutprakarn

The Company’s major shareholder during the financial year was the Kunchornyakong family (47.81% shareholding).

The principal activity of the Company is holding company. The principal activities of the Group are summarised as follows:

- Production and distribution of electricity from solar energy;
- Trading and installation service of solar roof;
- Manufacture, trading and installation service of roof sheets and
- Distribution and providing service about inverter.

Details of the Company’s subsidiaries as at 31 December 2020 and 2019 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2020	2019
Direct subsidiaries				
Solar Power Company Limited	Holding company	Thailand	100	100
Steel Roof Company Limited	Manufacturing, trading and installation services for roof sheets	Thailand	100	100
Solar Power Engineering Company Limited	Distribution and providing service about inverter.	Thailand	100	100
Solar Power Roof Company Limited	Trading and installation services for solar roofing	Thailand	100	100
Solar Power Asset Company Limited	Holding company	Thailand	100	100
SET Energy Co., Ltd. (The Company has control since 16 November 2020)	Develop and invest in intelligent power network	Thailand	40	40

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Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2020	2019
Indirect subsidiaries				
Solar Power (Korat 1) Company Limited	Production and distribution of electricity from solar energy	Thailand	85	85
Solar Power (Korat 2) Company Limited	Production and distribution of electricity from solar energy	Thailand	56	56
Solar Power (Korat 3) Company Limited	Production and distribution of electricity from solar energy	Thailand	60	60
Solar Power (Korat 4) Company Limited	Production and distribution of electricity from solar energy	Thailand	60	60
Solar Power (Korat 5) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Korat 6) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Korat 7) Company Limited	Production and distribution of electricity from solar energy	Thailand	60	60
Solar Power (Korat 8) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Korat 9) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Khonkaen 1) Company Limited	Production and distribution of electricity from solar energy	Thailand	70	70
Solar Power (Khonkaen 2) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Khonkaen 3) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Khonkaen 4) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Khonkaen 5) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Khonkaen 6) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Khonkaen 7) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100

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Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2020	2019
Solar Power (Khonkaen 8) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Khonkaen 9) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Khonkaen 10) Company Limited	Production and distribution of electricity from solar energy	Thailand	75	75
Solar Power (Surin 1) Company Limited	Production and distribution of electricity from solar energy	Thailand	75	75
Solar Power (Surin 2) Company Limited	Production and distribution of electricity from solar energy	Thailand	75	75
Solar Power (Surin 3) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Bureerum 1) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Bureerum 2) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Bureerum 3) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Nakornphanom 1) Company Limited	Production and distribution of electricity from solar energy	Thailand	70	70
Solar Power (Nakornphanom 2) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Nakornphanom 3) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Sakonnakorn 1) Company Limited	Production and distribution of electricity from solar energy	Thailand	70	70
Solar Power (Sakonnakorn 2) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Loei 1) Company Limited	Production and distribution of electricity from solar energy	Thailand	56	56
Solar Power (Loei 2) Company Limited	Production and distribution of electricity from solar energy	Thailand	75	75

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Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2020	2019
Solar Power (Nongkai 1) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
Solar Power (Udonthani 1) Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100
AJ Technology Company Limited	Production and distribution of electricity from solar energy	Thailand	75	75
Tipayanarai Company Limited	Production and distribution of electricity from solar energy	Thailand	100	100

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2020. The initial application of these new and revised TFRS has resulted in changes in certain of the Group’s accounting policies.

The Group has initially applied TFRS - Financial instruments standards which comprise TFRS 9 *Financial Instruments* and relevant standards and interpretations and TFRS 16 *Leases* and disclosed impact from changes to significant accounting policies in note 3.

In addition, the Group has not early adopted a number of new and revised TFRS, which are not yet effective for the current period in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(b) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company’s functional currency

(c) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

SPCG Public Company Limited and its Subsidiaries
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3 Changes in accounting policies

From 1 January 2020, the Group has initially applied TFRS - Financial instruments standards and TFRS 16. Impact on changes in accounting policy to shareholder as follows:

		Consolidated financial statements		Separate financial statements	
		Retained earnings	Other components of equity <i>(in thousand Baht)</i>	Retained earnings	Other components of equity
At 31 December 2019 - as reported	<i>Note</i>	8,668,521	27,774	980,041	27,429
<i>Increase (decrease) due to:</i>					
Adoption of TFRS - Financial instruments standards					
Classification of financial instruments	<i>a</i>	(78,203)	(34,717)	86,844	(34,286)
Related tax		15,641	6,943	(17,368)	6,857
Net		(62,562)	(27,774)	69,476	(27,429)
Adoption of TFRS 16 - net of tax	<i>b</i>	-	-	-	-
At 1 January 2020 - restated		8,605,959	-	1,049,517	-

a TFRS - Financial instruments standards

The Group has adopted TFRS - Financial instruments standards by adjusting the cumulative effects to retained earnings and other components of equity on 1 January 2020. Therefore, the Group did not adjust the information presented for 2019. The disclosure requirements of TFRS for financial instruments have not generally been applied to comparative information.

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The details of accounting policies are disclosed in note 4(d) and 4(l). The impact from adoption of TFRS - Financial instruments standards are as follows:

(a.1) Classification and measurement of financial assets and financial liabilities

TFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The classification is based on the cash flow characteristics of the financial asset and the business model in which they are managed. However, the Group may, at initial recognition, irrevocably designate a financial asset as measured at FVTPL. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.

Under TFRS 9, interest income and interest expenses recognised from all financial assets and financial liabilities measured at amortised cost shall be calculated using effective interest rate method. Previously, the Group recognised interest income and interest expenses at the rate specified in the contract.

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The following table shows measurement categories under previous standards and TFRS 9, including reconciliation of the carrying amounts of each class of the Group's financial assets and financial liabilities as at 1 January 2020.

Consolidated financial statements			
Classification under previous standards at 31 December 2019		Classification under TFRS 9 at 1 January 2020	
	Carrying amounts	Fair value through profit or loss <i>(in thousand Baht)</i>	Amortised cost - net
Cash and cash equivalents	460,067	-	460,067
Trade and other receivables	1,025,058	-	1,025,058
Other financial assets			
- Equity instruments available for sale	2,674,190	2,674,190	-
- Other non-marketable equity instruments	128,678	128,678	-
Total other financial assets	2,802,868	2,802,868	-
Total	4,287,993	2,802,868	1,485,125
Short-term loans from financial institutions	30,632	-	30,632
Trade and other payables	367,981	-	367,981
Debentures	5,791,408	-	5,791,408
Other financial liabilities - derivative liabilities	-	112,920	-
Total	6,190,021	112,920	6,190,021

Separate financial statements			
Classification under previous standards at 31 December 2019		Classification under TFRS 9 at 1 January 2020	
	Carrying amounts	Fair value through profit or loss <i>(in thousand Baht)</i>	Amortised cost - net
Cash and cash equivalents	23,702	-	23,702
Trade and other receivables	15,838	-	15,838
Loan to related parties	6,839,585	-	6,839,585
Other financial assets			
- Equity instruments available for sale	2,630,488	2,630,488	-
- Derivative assets	-	52,559	-
Total other financial assets	2,630,488	2,683,047	-
Total	9,509,613	2,683,047	6,879,125
Trade and other payables	30,345	-	30,345
Debentures	5,791,408	-	5,791,408
Total	5,821,753	-	5,821,753

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(a.2) Impairment – Financial assets and contract assets

TFRS 9 introduces the ‘expected credit loss’ (ECL) model whereas previously the Group estimated the allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which are determined on a probability-weighted basis. The Group has determined that the application of TFRS 9’s impairment requirements at 1 January 2020 have no material impact on allowance for impairment losses.

b TFRS 16 Leases

From 1 January 2020, the Group has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 *Leases* and TFRIC 4 *Determining whether an arrangement contains a lease* using the modified retrospective approach.

Previously, the Group, as a lessee, recognised payments made under operating leases in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Group assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Group allocates the consideration in the contract based on stand-alone selling price (transaction price). As at 1 January 2020, the Group recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Group recognised depreciation of right-of-use assets and interest expense on lease liabilities.

On transition, the Group also elected to use the following practical expedients:

- do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
- use hindsight when determining the lease term;
- apply a single discount rate to a portfolio of leases with similar characteristics;
- rely on previous assessments whether leases are onerous as an alternative to performing an impairment review; and
- exclude initial direct costs from measuring the right-of-use asset.

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Impact from the adoption of TFRS 16</i>		
<i>At 1 January 2020</i>		
Increase in property, plant and equipment	102,030	21,847
Increase in lease liabilities	(102,030)	(21,847)
	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Measurement of lease liability</i>		
Operating lease commitment as disclosed at 31 December 2019	7,621	3,437
Operating lease commitment with related parties at 31 December 2019	45,297	9,824
Recognition exemption for short-term leases	(2,121)	(105)
Recognition exemption for leases of low-value assets	(104)	-
Extension and termination options reasonably certain to be exercised	56,807	9,940
	107,500	23,096

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<i>Measurement of lease liability</i>	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Discounted using the incremental borrowing rate at 1 January 2020	102,030	21,847
Finance lease liabilities recognised as at 31 December 2019	1,368	1,368
Lease liabilities recognised at 1 January 2020	103,398	23,215
Weighted-average incremental borrowing rate (<i>% per annum</i>)	1.94	1.97

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associate and joint venture.

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiaries section, other than those with entities under common control.

The acquisition date is the date on which control is transferred to the acquirer.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognized in profit or loss immediately.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

Any contingent consideration is measured at fair value at the date of acquisition, and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

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In the case of a change in control of investments from associates to subsidiaries, the Group's previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in an associate.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associate are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

SPCG Public Company Limited and its Subsidiaries
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(b) *Investments in subsidiaries and associates*

Investments in subsidiaries and associates in the separate financial statements of the Company are measured at cost less allowance for impairment losses.

(c) *Foreign currencies*

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognized in profit or loss.

(d) *Financial instruments*

Accounting policies applicable from 1 January 2020

(d.1) Recognition and initial measurement

Trade receivables, debt securities issued and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

(d.2) Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

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A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment,

'principal' is defined as the fair value of the financial asset on initial recognition.

'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets - subsequent measurement and gains and losses

Financial assets at FVTPL These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

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Financial liabilities - classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(d.3) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(d.4) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d.5) Derivatives

Derivative are recognised at fair value. At the end of each reporting period the fair value is measured. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

Accounting policies applicable before 1 January 2020

Investments in other debt and equity securities

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

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Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

Derivatives

Derivatives were recognised when they were exercised.

(e) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances and call deposits.

(f) Trade, other current receivable and contract assets

A receivable is recognised when the Group has an unconditional right to receive consideration. If revenue has been recognised before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is measured at transaction price less allowance for expected credit loss (2019: allowance for doubtful accounts) which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

Contract assets are measured at the amount of consideration that the Group is entitled to, less impairment losses

(g) Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

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Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(h) *Investment properties*

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Any gains and losses on disposal of investment properties are determined by comparing the proceeds from disposal with the carrying amount of investment property, and are recognised in profit or loss.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Investment property	5 and 20 years
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No depreciation is provided on land.

(i) *Property, plant and equipment*

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

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Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings, building improvements and infrastructure	5 - 25 years
Solar modules	30 years
Inverters	20 years
Equipment and machinery	3 - 15 years
Office equipment	3 and 5 years
Vehicles	5 years

No depreciation is provided on land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) *Intangible assets*

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in note 4(a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Energy Industry License

Energy Industry license acquired in a business combination are recognised at fair value at the acquisition date. Energy Industry License have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line basis over their estimated useful lives of 25 years.

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

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Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisations

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

Computer software	5 - 10 years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(k) Leases

Accounting policies applicable from 1 January 2020

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in TFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

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The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable, amount under purchase option if the Group is reasonably certain to exercise option. Variable lease payments that do not depend on index or a rate are recognised as expenses in the accounting period in which they are incurred.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Accounting policies applicable before 1 January 2020

As a lessee, leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Assets held under other leases were classified as operating leases and lease payments are recognised in profit or loss on a straight-line basis over the term of the lease. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(l) *Impairment of financial assets*

Accounting policies applicable from 1 January 2020

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other receivables, loans to related parties).

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

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Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, the Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'.

The Group assumes that the credit risk on a financial asset has increased significantly. Significant deterioration in financial instruments's credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as more than 90 days past due, probable the debtor will enter bankruptcy.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

Accounting policies applicable before 1 January 2020

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

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When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

Reversal of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

(m) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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(n) Contract liabilities

A contract liability is the obligation to transfer goods or services to the customer. A contract liability is recognised when the Group receives or has an unconditional right to receive non-refundable consideration from the customer before the Group recognises the related revenue.

(o) Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed every 3 years by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(p) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

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(q) Fair value measurement

‘Fair value’ is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Group’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as ‘active’ if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1*: quoted prices in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- *Level 3*: inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

(r) Revenue

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax or other sales taxes and is after deduction of any trade discounts and volume rebates.

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Income from sale of electricity

Income from the sale of electricity is recognised in profit or loss in accordance with delivery units supplied as stipulated in the contract. Income from the sale of electricity for entities within Thailand is entitled to receive ADDER for a period of 10 years from the commencement of commercial sales. Thereafter, subsequent to this initial period income from sale of electricity is recognised at normal rates.

Sale of goods and services

Revenue from sales of goods is recognised when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore the amount of revenue recognised is adjusted for estimated returns, which are estimated based on the historical data.

Revenue for rendering of services is recognised over time based on stage of completion. The stage of completion is assessed based on cost-to-cost method. The related costs are recognised in profit or loss when they are incurred.

For bundled packages, the Group accounts for individual products and services separately if they are distinct (i.e. if a product or service is separately identifiable from other items and a customer can benefit from it) or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group sells the products and services in separate transactions.

Commission revenue

For the contracts that the Group is arranging for the provision of the goods or services on behalf of its customers and does not control the goods or services before the primary sellers or service providers will provide the goods or services to the customers. The Group acts in the capacity of an agent and recognises the net amount of consideration as commission revenue.

(s) Other income

Other income comprises dividend, interest income and others. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

(t) Interest

Accounting policies applicable from 1 January 2020

Effective Interest Rate (EIR)

Interest income or expense is recognised using the effective interest method. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

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In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Accounting policies applicable before 1 January 2020

Interest income is recognised in profit or loss at the rate specified in the contract.

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial periods of time to be prepared for its intended use or sale.

(u) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

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A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(v) *Earnings per share*

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

(w) *Related parties*

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

(x) *Segment reporting*

Segment results that are reported to the Group's president (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

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5 Related parties

Relationships with subsidiaries are described in note 9. Other related parties that the Group had significant transactions with during the year were as follows:

Name of entities	Country of incorporation	Nature of relationships
JPEN Co., Ltd.	Thailand	Common shareholders and some directors
Woracha Holding Co., Ltd.	Thailand	Common shareholders
Capital Work Place Co., Ltd.	Thailand	Common shareholders and some directors
SW PARTNERS INC.	Japan	Common some directors
Capital residence co.,Ltd	Thailand	Common shareholders and some directors
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sale of goods	Contractually agreed prices
Interest on loans	Contractually agreed rate with reference to market rate
Dividends income	Upon declaration
Management service income	Contractually agreed prices
Other income	Contractually agreed prices
Purchase of goods and services	Contractually agreed prices
Service expense for operation and maintenance	Contractually agreed prices
Building rental and utilities expense	Contractually agreed prices
Warehouse rental expense	Contractually agreed prices
Contractual installation service of solar roof	Contractually agreed prices
Consulting fee	Contractually agreed prices

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Significant transactions for the year ended 31 December with related parties were as follows:

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Subsidiaries				
Interest income	-	-	155,107	299,091
Dividends income	-	-	1,110,120	1,205,640
Management service income	-	-	118,355	116,981
Other income	-	-	2,644	8,644
Associate				
Consulting fee	3,000	-	3,000	-
Other related parties				
Sales of goods	1,657	30,785	-	-
Purchases of goods	25,820	31,306	-	-
Service expense for operation and maintenance	109,324	168,000	-	-
Building rental expense and utilities expense	12,985	20,340	5,807	8,673
Warehouse rental expense	699	11,509	-	115
Contractual installation service of solar roof	51,954	56,061	-	-
Consulting fee	6,696	15,186	6,696	15,186
Interest expense	1,635	-	311	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	46,993	41,694	31,690	37,352
Post-employment benefits	1,706	988	1,037	521
Total	48,699	42,682	32,727	37,873

Balances as at 31 December with related parties were as follows:

<i>Trade and other current receivables</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	2,089	11,078
Other related parties	548	4	-	-
Total	548	4	2,089	11,078
Less allowance for expected credit loss				
(2019: allowance for doubtful accounts)	-	-	-	-
Net	548	4	2,089	11,078
Expected credit losses (2019: Bad and doubtful debts expense) for the year				
	-	-	-	-

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Movements during the year ended 31 December of loans to were as follows:

	Interest rate		Separate financial statements			
	31 December 2019 (% per annum)	31 December 2020	31 December 2019	Increase	Decrease	31 December 2020
Short-term loans						
Subsidiary	3.50	-	22,000	-	(22,000)	-
Total short-term loans			22,000	-	(22,000)	-
Long-term loans						
Subsidiaries	THBFIX3M	THBFIX3M				
	+1.55	+1.55	5,072,672	-	(1,730,034)	3,342,638
	3.50	3.50	109,756	-	(55,963)	53,793
	5.65	3.50	1,635,157	-	(834,264)	800,893
Total			6,817,585	-	(2,620,261)	4,197,324
Less current portion due within one year			(2,477,672)	-	(38,572)	(2,516,244)
Total long-term loans			4,339,913	-	(2,658,833)	1,681,080
Total loans to			6,839,585	-	(2,642,261)	4,197,324

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Expected credit losses (2019: <i>Bad and doubtful debts expense</i>) for the year	-	-	-	-

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade and other current payables				
Subsidiaries	-	-	45	42
Other related parties	93,386	152,924	116	115
Total	93,386	152,924	161	157

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Lease liabilities				
Other related parties	86,568	-	15,641	-
Total	86,568	-	15,641	-

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Significant agreements with related parties

As at 31 December 2020, the Group has significant agreements with related parties as follows:

Operation, maintenance and monitoring agreement

A subsidiaries entered into operation, maintenance and monitoring agreement with a related party for service operation control, maintenance and monitoring each solar farm projects. The agreement is for a period of 2 years and 8 months, commencing from the effective date as specified in the agreement and expiring in December 2022 with the service charge as stipulated in the agreement.

Office rental agreement

The Company and various subsidiaries have entered into office rental agreement with a related party. The agreement term is for a period of 3 years, commencing from the effective date as specified in the agreement and expiring in December 2022 with the rental fee and condition are as stipulated in the agreement.

Warehouse rental agreement

Various subsidiaries have entered into warehouse rental agreement with a related party. The agreement term is for a period of 2 years and 6 months, commencing from the effective date as specified in the agreement and expiring in December 2022 with the rental fee and condition are as stipulated in the agreement.

Service agreement

The Company has entered into service agreement with various subsidiaries for general management service. The Company agreed to provide human resources to manage operation process in accordance with subsidiaries' condition. The agreement term is for a period of 1 year, commencing from the effective date as specified in the agreement and expiring in December 2021 with the service fee and condition are as stipulated in the agreement.

Consulting agreement

The Company has entered into consulting agreement with a related party for provide consultancy and advice on the Company's activities in Japan. The agreement term is for a period of 3 years from the effective date as specified in the agreement and expiring in March 2021 with the service fee and condition are as stipulated in the agreement.

Loan agreements

On 1 April 2015, the Company entered into a long-term loan agreement with related party totaling of Baht 3,120 million which has repayment period every 6 months with the last due date for repayments in 2022. The loans bear interest at the rate of 3.50% per annum, loans are unsecured.

On 29 July 2016, the Company entered into a long-term loan agreement with related party totaling of Baht 170 million which has repayment period every 6 months with the last due date for repayments in 2022. The loans bear interest at the rate of 3.50% per annum, loans are unsecured.

On 30 June 2017, the Company entered into a long-term loan agreement with related party totaling of Baht 267 million which has repayment period every 3 months with the last due date for repayments in 2022. The loans bear interest at the rate of THBFX3M + 1.55% per annum, loans are unsecured.

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On 30 June 2017, the Company entered into a long-term loan agreement with related party totaling of Baht 8,450 million which has repayment period every 3 months with the last due date for repayments in 2024. The loans bear interest at the rate of THBFIX3M + 1.55% per annum, loans are unsecured.

On 31 August 2017, the Company entered into a long-term loan agreement with related party totaling of Baht 679 million which has repayment period every 3 months with the last due date for repayments in 2025. The loans bear interest at the rate of THBFIX3M + 1.55% per annum, loans are unsecured.

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Cash on hand	181	181	20	20
Cash at financial institutions	735,286	459,886	667,344	23,682
Total	735,467	460,067	667,364	23,702

7 Trade and other current receivable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		<i>(in thousand Baht)</i>			
Related parties	5	548	4	2,089	11,078
Other parties					
Trade accounts receivable		561,781	558,095	-	-
Accrued income		438,763	474,110	46	-
Retention receivable		3,067	3,172	-	-
Others		51,649	14,012	7,897	4,760
		1,055,260	1,049,389	7,943	4,760
Total		1,055,808	1,049,393	10,032	15,838
<i>Less allowance for impairment (2019: allowance for doubtful accounts)</i>		<i>(27,048)</i>	<i>(24,208)</i>	-	-
Net		1,028,760	1,025,058	10,032	15,838
Impairment losses (2019: Bad and doubtful debts)		2,713	19,704	-	-

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Aging analyses for trade accounts receivable were as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Other parties				
Within credit terms	452,060	502,692	-	-
Overdue:				
Less than 3 months	74,997	23,659	-	-
3-6 months	3,899	4,244	-	-
6-12 months	5,284	1,657	-	-
Over 12 months	26,089	25,847	-	-
Total	562,329	558,099	-	-
Less allowance for doubtful accounts (2019: allowance for doubtful accounts)	(22,731)	(22,680)	-	-
Net	539,598	535,419	-	-

The normal credit term granted by the group ranges from 30 days to 120 days.

8 Inventories

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Finished goods	14,915	11,780	-	-
Work in progress	-	4,070	-	-
Raw materials	526,002	717,435	-	-
Goods in transit	-	32,818	-	-
Total	540,917	766,103	-	-
Less allowance for decline in value of inventories	(3,517)	(3,522)	-	-
Net	537,400	762,581	-	-
Inventories recognised in 'cost of sales of goods':				
- Cost of sales	391,969	483,464	-	-
- Reversal of write-down	(5)	-	-	-
Net	391,964	483,464	-	-

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9 Investment in subsidiaries

Investments in subsidiaries as at 31 December 2020 and 2019, and dividend income from those investments for the year then ended were as follows;

	Ownership interest		Paid-up capital		Separate financial statements				At cost - net		Dividend income for the year	
	2020	2019	2020	2019	Cost		Impairment		2020	2019	2020	2019
	(%)				2020	2019	2020	2019	(in thousand Baht)			
<i>Direct Subsidiaries</i>												
Solar Power Company Limited	100	100	1,500,000	1,500,000	2,301,000	2,301,000	-	-	2,301,000	2,301,000	1,053,000	1,149,000
Steel Roof Company Limited	100	100	57,373	57,373	57,373	57,373	-	-	57,373	57,373	-	-
Solar Power Engineering Company Limited	100	100	10,000	10,000	10,000	10,000	-	-	10,000	10,000	-	-
Solar Power Roof Company Limited	100	100	400,000	400,000	408,640	408,640	-	-	408,640	408,640	-	-
Solar Power Asset Company Limited	100	100	240,000	240,000	312,300	312,300	-	-	312,300	312,300	57,120	56,640
SET Energy Co., Ltd.	40	40	100,000	100,000	40,000	-	-	-	40,000	-	-	-
					<u>3,129,313</u>	<u>3,089,313</u>	<u>-</u>	<u>-</u>	<u>3,129,313</u>	<u>3,089,313</u>	<u>1,110,120</u>	<u>1,205,640</u>

All subsidiaries were incorporated and operate in Thailand.

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Changes in investment in subsidiary

On 16 November 2020, management has determined that the Group controls over SET Energy Co., Ltd. although the Group owns less than half of the shares and less than half of their voting rights power due to the Group controls SET Energy Co., Ltd. by virtue of the Memorandum of Understanding in relation to the cooperation and management with its other shareholder. As a result, the status changes from investment in associate to subsidiary. The Group has measured the interests of investments held by the Group in SET Energy Co., Ltd. at fair value as of the date of change control and recognised the profit arising in other income totalling of Baht 9,598.

10 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest.

	31 December 2020		
	Solar power group company	Other individually immaterial subsidiaries <i>(in thousand Baht)</i>	Total
Current assets	910,031		
Non-current assets	15,449,615		
Current liabilities	2,575,907		
Non-current liabilities	1,639,539		
Net assets	<u>12,144,200</u>		
Carrying amount of non-controlling interest	<u>1,839,355</u>	95,203	1,934,558
Revenue	4,135,913		
Profit	2,932,568		
Other comprehensive income	-		
Total comprehensive income	<u>2,932,568</u>		
Profit allocated to non-controlling interest	<u>319,512</u>	11,245	330,757
Other comprehensive income allocated to non-controlling interest	<u>-</u>	-	-
Net cash from operating activities	3,853,742		
Net cash from investing activities	(19,121)		
Net cash from financing activities	<u>(4,118,947)</u>		
Net decrease in cash and cash equivalents	<u>(284,326)</u>		

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	31 December 2019		
	Solar power group company	Other individually immaterial subsidiaries <i>(in thousand Baht)</i>	Total
Current assets	1,225,172		
Non-current assets	16,110,583		
Current liabilities	2,587,775		
Non-current liabilities	4,250,346		
Net assets	10,497,634		
Carrying amount of non-controlling interest	<u>1,752,845</u>	34,471	1,787,316
Revenue	4,367,279		
Profit	2,907,546		
Other comprehensive income	10		
Total comprehensive income	2,907,556		
Profit allocated to non-controlling interest	<u>331,124</u>	10,710	341,834
Other comprehensive income allocated to non-controlling interest	<u>2</u>	-	2
Net cash from operating activities	3,995,436		
Net cash from investing activities	14,715		
Net cash from financing activities	(3,741,672)		
Net increase in cash and cash equivalents	268,479		

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11 Property, plant and equipment

	Consolidated financial statements						
	Land	Buildings, building improvements and infrastructure	Solar modules, inverters, equipment and machinery	Office equipment	Vehicles	Asset under construction	Total
				<i>(in thousand Baht)</i>			
Cost							
At 1 January 2019	1,993,053	1,175,778	16,927,502	34,908	17,125	-	20,148,366
Additions	-	5,181	6,365	2,449	-	51	14,046
Transfers	-	(503)	542	12	-	(51)	-
Disposals	-	(7,280)	(17,970)	(1,131)	-	-	(26,381)
At 31 December 2019 and 1 January 2020	1,993,053	1,173,176	16,916,439	36,238	17,125	-	20,136,031
Recognition of right-of-use asset on initial application of TFRS 16 <i>(see note 3(b))</i>	-	96,952	-	274	4,804	-	102,030
At 1 January 2020 - as adjusted	1,993,053	1,270,128	16,916,439	36,512	21,929	-	20,238,061
Additions	-	28,599	23,780	1,649	-	4,757	58,785
Disposals	-	(27,176)	(26,370)	(4,060)	(693)	-	(58,299)
At 31 December 2020	1,993,053	1,271,551	16,913,849	34,101	21,236	4,757	20,238,547
Depreciation							
At 1 January 2019	-	322,754	3,333,866	21,289	12,019	-	3,689,928
Depreciation charge for the year	-	75,070	576,792	4,737	1,606	-	658,205
Transfers	-	(542)	542	-	-	-	-
Disposals	-	(6,358)	(5,588)	(476)	-	-	(12,422)
At 31 December 2019 and 1 January 2020	-	390,924	3,905,612	25,550	13,625	-	4,335,711
Depreciation charge for the year	-	81,624	574,747	4,766	2,906	-	664,043
Disposals	-	(11,254)	(9,582)	(3,558)	(323)	-	(24,717)
At 31 December 2020	-	461,294	4,470,777	26,758	16,208	-	4,975,037

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	Consolidated financial statements						
	Land	Buildings, building improvements and infrastructure	Solar modules, inverters, equipment and machinery	Office equipment	Vehicles	Asset under construction	Total
				<i>(in thousand Baht)</i>			
<i>Net book value</i>							
At 31 December 2019							
Owned assets	1,993,053	782,252	13,010,827	10,688	1,446	-	15,798,266
Assets under finance leases	-	-	-	-	2,054	-	2,054
	<u>1,993,053</u>	<u>782,252</u>	<u>13,010,827</u>	<u>10,688</u>	<u>3,500</u>	<u>-</u>	<u>15,800,320</u>
At 31 December 2020							
Owned assets	1,993,053	724,318	12,443,072	7,168	689	4,757	15,173,057
Right-of-use assets	-	85,939	-	175	4,339	-	90,453
	<u>1,993,053</u>	<u>810,257</u>	<u>12,443,072</u>	<u>7,343</u>	<u>5,028</u>	<u>4,757</u>	<u>15,263,510</u>

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	Separate financial statements			
	Buildings and building improvements	Office equipment <i>(in thousand Baht)</i>	Vehicles	Total
Cost				
At 1 January 2019	31,879	10,879	11,239	53,997
Additions	-	1,115	-	1,115
Disposals	-	(108)	-	(108)
At 31 December 2019 and 1 January 2020	31,879	11,886	11,239	55,004
Recognition of right-of-use asset on initial application of TFRS 16 <i>(see note 3(b))</i>	18,655	204	2,988	21,847
At 1 January 2020 - as adjusted	50,534	12,090	14,227	76,851
Additions	-	731	-	731
Disposals	(14)	(564)	-	(578)
At 31 December 2020	50,520	12,257	14,227	77,004
Depreciation				
At 1 January 2019	10,268	6,179	7,478	23,925
Depreciation charge for the year	6,375	1,662	1,255	9,292
Disposals	-	(107)	-	(107)
At 31 December 2019 and 1 January 2020	16,643	7,734	8,733	33,110
Depreciation charge for the year	9,512	1,898	1,732	13,142
Disposals	-	(548)	-	(548)
At 31 December 2020	26,155	9,084	10,465	45,704
Net book value				
At 31 December 2019				
Owned assets	15,236	4,152	452	19,840
Assets under finance leases	-	-	2,054	2,054
	15,236	4,152	2,506	21,894
At 31 December 2020				
Owned assets	8,849	3,021	101	11,971
Right-of-use assets	15,516	152	3,661	19,329
	24,365	3,173	3,762	31,300

The gross amount of the Group and the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2020 amounted to Baht 102.97 million and Baht 9.14 million, respectively. (2019: Baht 107.90 million and Baht 9.28 million).

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12 Intangible assets

	Consolidated financial statements			
	License for Energy Industry	Goodwill	Computer software	Total
	<i>(in thousand Baht)</i>			
Cost				
At 1 January 2019	57,895	11,286	62,293	131,474
Additions	-	-	15,058	15,058
Disposals	-	-	(37)	(37)
At 31 December 2019 and 1 January 2020	57,895	11,286	77,314	146,495
Additions	-	-	4,434	4,434
Disposals	-	-	(808)	(808)
At 31 December 2020	57,895	11,286	80,940	150,121
Amortisation				
At 1 January 2019	11,577	-	25,215	36,792
Amortisation for the year	2,388	-	5,960	8,348
Disposals	-	-	(6)	(6)
At 31 December 2019 and 1 January 2020	13,965	-	31,169	45,134
Amortisation for the year	2,754	-	8,426	11,180
Disposals	-	-	(681)	(681)
At 31 December 2020	16,719	-	38,914	55,633
Net book value				
At 31 December 2019	43,930	11,286	46,145	101,361
At 31 December 2020	41,176	11,286	42,026	94,488
			Separate financial statements	
			<i>Computer software (in thousand Baht)</i>	
Cost				
At 1 January 2019			4,167	
Additions			14,971	
At 31 December 2019 and 1 January 2020			19,138	
Additions			4,375	
Disposals			(137)	
At 31 December 2020			23,376	
Amortisation				
At 1 January 2019			728	
Amortisation for the year			81	
At 31 December 2019 and 1 January 2020			809	
Amortisation for the year			2,103	
Disposals			(56)	
At 31 December 2020			2,856	
Net book value				
At 31 December 2019			18,329	
At 31 December 2020			20,520	

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13 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Current				
Short-term loans from financial institutions				
- Secured	3,000	30,632	-	-
Current portion of debentures				
- Unsecured	2,197,353	1,696,189	2,197,353	1,696,189
	<u>2,197,353</u>	<u>1,696,189</u>	<u>2,197,353</u>	<u>1,696,189</u>
Current portion of finance lease liabilities (2019: Current portion finance lease liabilities)	21,100	691	4,417	691
Total current	<u>2,221,453</u>	<u>1,727,512</u>	<u>2,201,770</u>	<u>1,696,880</u>
Non-current				
Debentures				
- Unsecured	1,898,084	4,095,219	1,898,084	4,095,219
	<u>1,898,084</u>	<u>4,095,219</u>	<u>1,898,084</u>	<u>4,095,219</u>
Finance lease liabilities (2019: Finance lease liabilities)	69,346	677	14,394	677
Total non-current	<u>1,967,430</u>	<u>4,095,896</u>	<u>1,912,478</u>	<u>4,095,896</u>
Total	<u>4,188,883</u>	<u>5,823,408</u>	<u>4,114,248</u>	<u>5,792,776</u>

Debentures

Detail of debentures as at 31 December 2020 and 2019 were as follows;

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Debentures	4,100,000	5,800,000	4,100,000	5,800,000
Less Unamortised deferred expenses on debentures	(4,563)	(8,592)	(4,563)	(8,592)
	<u>4,095,437</u>	<u>5,791,408</u>	<u>4,095,437</u>	<u>5,791,408</u>
Less Current portion due within one year	(2,197,353)	(1,696,189)	(2,197,353)	(1,696,189)
Total	<u>1,898,084</u>	<u>4,095,219</u>	<u>1,898,084</u>	<u>4,095,219</u>

On 10 January 2018, the Company issued the name-registered, unsubordinated and unsecured debentures, the repayment date is the same with maturity date with no debentureholders' representative to investors in an amount of Baht 500 million. The debentures have maturity period 3 years which interest is payable on semi-annual basis with the maturity date in January 2021.

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On 16 December 2015, the Company issued the name-registered, unsubordinated and unsecured debentures, the repayment date is the same with maturity date with no debentureholders' representative to institutional investors and high net worth investors in an amount of Baht 12,500 million with 8 series which interest is payable on semi-annual basis. The maturity dates from December 2021 to 2023.

Details debentures as at 31 December 2020 were as follow:

Amount (in million Baht)	Interest rates (%) p.a.	Term (years)	Maturity dates
1,700	3.62	6 years	16 December 2021
1,250	3.80	7 years	16 December 2022
650	3.94	8 years	16 December 2023
500	2.20	3 years	10 December 2021

Movements during the year ended 31 December 2020 and 2019 of debentures which included current portion were as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
At 1 January	5,791,408	8,160,569	5,791,408	8,160,569
Repayment of debentures	(1,700,000)	(2,375,000)	(1,700,000)	(2,375,000)
Adjusted debentures per effective interest rate method	4,029	5,839	4,029	5,839
At 31 December	<u>4,095,437</u>	<u>5,791,408</u>	<u>4,095,437</u>	<u>5,791,408</u>

Short-term loan from financial institution as at 31 December were secured on the following asset:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Land	45,000	-	-	-

As at 31 December 2020, the Group had unutilised credit facilities totalling Baht 1,407 million and US dollar 35 million (2019: Baht 1,350 million and US dollar 35 million).

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14 Trade and other current payable

		Consolidated financial statements		Separate financial statements	
	<i>Note</i>	2020	2019	2020	2019
		<i>(in thousand Baht)</i>			
Related parties	5	93,386	152,924	161	157
Other parties					
Trade accounts payable		38,731	69,512	-	-
Accrued expense		35,070	98,519	8,783	9,855
Unearned revenues		11,333	13,702	-	-
Accrued interest expense		11,695	14,374	11,167	13,688
Others		12,714	18,950	6,350	6,645
		109,543	215,057	26,300	30,188
Total		202,929	367,981	26,461	30,345

15 Reserve

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other components of equity

Fair value reserve of 2019

The fair value changes in available-for-sale investments comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

16 Segment information and disaggregation of revenue

Management determined that the Group has three reportable segments which are the Group’s strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group’s reportable segments.

- Segment 1 Manufacture, trading, and installation service of roof sheets and solar roof
- Segment 2 Production and distribution of electricity from solar energy
- Segment 3 Others

Each segment's performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group’s CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm’s length basis.

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Information about reportable segments

For the year ended at 31 December	Consolidated financial statements							
	Manufacture, trading, and installation service of roof sheets and solar roof		Production and distribution of electricity from solar energy		Others		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	<i>(in thousand Baht)</i>							
Information about reportable segments								
External revenue	615,530	728,022	4,254,960	4,482,471	49,664	36,045	4,920,154	5,246,538
Total Revenue	615,530	728,022	4,254,960	4,482,471	49,664	36,045	4,920,154	5,246,538
Type of goods or services								
Revenue from sale electricity distribution	-	-	1,231,503	1,297,595	-	-	1,231,503	1,297,595
Revenue from subsidy of adders	-	-	3,022,698	3,178,130	-	-	3,022,698	3,178,130
Revenue from sales and installation service of roof sheets and solar roof	509,190	587,453	-	-	-	-	509,190	587,453
Revenue from sales of goods and other services	106,340	140,569	759	6,746	49,664	36,045	156,763	183,360
Total	615,530	728,022	4,254,960	4,482,471	49,664	36,045	4,920,154	5,246,538
Timing of revenue recognition								
At a point in time	495,543	512,121	759	6,746	4,021	3,343	500,323	522,210
Over time	119,987	215,901	4,254,201	4,475,725	45,643	32,702	4,419,831	4,724,328
Total	615,530	728,022	4,254,960	4,482,471	49,664	36,045	4,920,154	5,246,538

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Consolidated financial statements

	Manufacture, trading, and installation service of roof sheets and solar roof		Production and distribution of electricity from solar energy		Others		Eliminations		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Operating profit (loss)	<u>(4,429)</u>	<u>(30,933)</u>	<u>3,402,087</u>	<u>3,416,480</u>	<u>5,475</u>	<u>4,365</u>	<u>(65)</u>	<u>(400)</u>	<u>3,403,068</u>	<u>3,389,512</u>
Interest income	20	86	145	340	202,268	320,704	(201,901)	(311,827)	532	9,303
Finance costs	<u>(1,322)</u>	<u>(2,103)</u>	<u>(261,123)</u>	<u>(393,611)</u>	<u>(205,620)</u>	<u>(276,314)</u>	<u>201,901</u>	<u>311,827</u>	<u>(266,164)</u>	<u>(360,201)</u>
Finance costs, net	<u>(1,302)</u>	<u>(2,017)</u>	<u>(260,978)</u>	<u>(393,271)</u>	<u>(3,352)</u>	<u>44,390</u>	<u>-</u>	<u>-</u>	<u>(265,632)</u>	<u>(350,898)</u>
Share of loss of associate accounted for using equity method	-	-	-	-	(2,004)	(24)	-	-	(2,004)	(24)
Profit (loss) before income tax expense	(5,731)	(32,950)	3,151,056	3,032,496	1,110,239	1,254,371	(1,110,185)	(1,206,040)	3,145,379	3,047,877
Tax expense	-	(37)	(71,840)	(31,383)	(665)	(10,225)	(10,501)	5,026	(83,006)	(36,619)
Profit (loss) for the year	<u>(5,731)</u>	<u>(32,987)</u>	<u>3,079,216</u>	<u>3,001,113</u>	<u>1,109,574</u>	<u>1,244,146</u>	<u>(1,120,686)</u>	<u>(1,201,014)</u>	<u>3,062,373</u>	<u>3,011,258</u>

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<i>As at 31 December</i>	Manufacture, trading, and installation service of roof sheets and solar roof		Production and distribution of electricity from solar energy		Others		Eliminations		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	<i>(in thousand Baht)</i>									
Segment assets										
Property, plant and equipment	94,700	41,425	15,127,027	5,732,910	39,747	24,064	2,036	1,921	15,263,510	15,800,320
Investments in associate	-	-	-	-	-	39,976	-	-	-	39,976
Other financial assets	187,034	3,057	169,034	169,323	2,847,844	2,630,488	-	-	3,203,912	2,802,868
Unallocated assets									3,250,773	3,260,137
Total assets									<u>21,718,195</u>	<u>21,903,301</u>
Segment liabilities										
Loans	3,000	30,632	4,197,324	6,568,372	-	22,000	(4,197,324)	(6,590,372)	3,000	30,632
Debentures	-	-	-	-	4,095,437	5,791,408	-	-	4,095,437	5,791,408
Unallocated liabilities									464,017	477,098
Total liabilities									<u>4,562,454</u>	<u>6,299,138</u>

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Promotional privileges

The Group has been granted promotional certificates by the Office of the Board of Investment for production and distribution of electricity from solar energy. The Group has been granted several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates.

Summary of revenue from promoted and non-promoted and non-promoted business:

	Consolidated financial statements					
	2020			2019		
	Promoted businesses	Non- promoted businesses	Total	Promoted businesses	Non- promoted businesses	Total
	<i>(in thousand Baht)</i>					
Domestic sales	4,254,201	765,055	5,019,256	4,475,726	1,087,232	5,562,958
Oversea sales	-	48,038	48,038	-	34,808	34,808
Eliminate	-	(147,140)	(147,140)	-	(351,228)	(351,228)
Total	<u>4,254,201</u>	<u>665,953</u>	<u>4,920,154</u>	<u>4,475,726</u>	<u>770,812</u>	<u>5,246,538</u>

17 Other income

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Dividends income	9,947	9,287	1,110,120	1,205,640
Interest income	531	9,303	202,266	320,696
Management service income	-	-	118,356	116,981
Compensations for damage	24,352	13,853	-	-
Others	20,632	13,570	6,079	8,930
Total	<u>55,462</u>	<u>46,013</u>	<u>1,436,821</u>	<u>1,652,247</u>

18 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Salaries and wages	82,646	82,894	42,730	42,456
Overtime and bonus	13,879	13,618	10,292	8,817
Defined contribution plan	1,644	1,660	824	853
Defined benefit plans	975	1,269	383	577
Others	7,189	7,038	3,699	3,321
Total	<u>106,333</u>	<u>106,479</u>	<u>57,928</u>	<u>56,024</u>

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Defined contribution plans

The defined contribution plans comprise provident funds established by the various Companies within the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 3% to 6% of their basic salaries and by the Group at rates ranging from 3% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Manager.

19 Expense by nature

The statements of comprehensive income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Changes in inventories	225,186	143,684	-	-
Raw materials and consumables used	166,778	339,780	-	-
Depreciation and amortisation	677,247	668,369	16,371	10,473
Management and utilities fee	199,413	293,622	7,285	10,166
Contractual installation service of solar roof	77,151	106,693	-	-
Employee benefit expenses	106,333	106,479	57,928	56,024
Warranty expense for invertors	53,065	46,643	-	-
Commission expenses	17,170	5,770	-	-
Others	111,424	203,424	43,263	63,715
Total cost of sale of goods, selling and distribution expenses and administrative expenses	<u>1,633,767</u>	<u>1,914,464</u>	<u>124,847</u>	<u>140,378</u>

20 Income tax expense

<i>Income tax recognised in profit or loss</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	74,568	43,037	3,351	11,510
Over provided in prior years	(37)	(48)	(37)	(2)
	<u>74,531</u>	<u>42,989</u>	<u>3,314</u>	<u>11,508</u>
Deferred tax expense				
Movements in temporary differences	8,475	(6,370)	(2,990)	(1,283)
	<u>8,475</u>	<u>(6,370)</u>	<u>(2,990)</u>	<u>(1,283)</u>
Total income tax expense	<u>83,006</u>	<u>36,619</u>	<u>324</u>	<u>10,225</u>

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Reconciliation of effective tax rate

	Consolidated financial statements			
	2020		2019	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		3,145,379		3,047,877
Income tax using the Thai corporation tax rate	20	629,076	20	609,575
Income not subject to tax		(553,502)		(583,435)
Expenses not deductible for tax purposes		6,197		6,110
Tax losses for which no deferred income tax asset was recognised		1,272		4,417
Over provided in prior years		(37)		(48)
Total	2.6	83,006	1.2	36,619

Reconciliation of effective tax rate

	Separate financial statements			
	2020		2019	
	<i>Rate (%)</i>	<i>(in thousand Baht)</i>	<i>Rate (%)</i>	<i>(in thousand Baht)</i>
Profit before income tax expense		1,105,536		1,258,804
Income tax using the Thai corporation tax rate	20	221,107	20	251,761
Income not subject to tax		(222,845)		(241,919)
Expenses not deductible for tax purposes		2,099		385
Over provided in prior years		(37)		(2)
Total	0.03	324	0.8	10,225

Deferred tax

	Consolidated financial statements			
	Assets		Liabilities	
	2020	2019	2020	2019
	(in million Baht)			
Total	184,246	164,039	(14,760)	(8,662)
Set off of tax	(145)	(1,612)	145	1,612
Net deferred tax assets (liabilities)	184,101	162,427	(14,615)	(7,050)

Deferred tax

	Separate financial statements			
	Assets		Liabilities	
	2020	2019	2020	2019
	(in million Baht)			
Total	145	1,611	(14,631)	(8,576)
Set off of tax	(145)	(1,611)	145	1,611
Net deferred tax liabilities	-	-	(14,486)	(6,965)

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<i>Deferred tax</i>	Consolidated financial statements (Charged) / Credited to:			At 31 December 2020
	At 1 January 2020	Profit or loss (in thousand Baht)	Equity	
<i>Deferred tax assets</i>				
Property, plant and equipment	156,085	114	-	156,199
Provisions for employee benefits	3,113	(2,711)	-	402
Allowance for doubtful accounts	4,841	1	-	4,842
Derivatives	-	(10,423)	33,095	22,672
Right-of-use assets	-	131	-	131
Total	164,039	(12,888)	33,095	184,246
<i>Deferred tax liabilities</i>				
Other financial assets	6,943	(4,868)	-	2,075
Debentures	1,719	(807)	-	912
Derivatives	-	1,262	10,511	11,773
Total	8,662	(4,413)	10,511	14,760
Net	155,377	(8,475)	22,584	169,486

<i>Deferred tax</i>	Consolidated financial statements (Charged) / Credited to:			At 31 December 2019
	At 1 January 2019	Profit or loss (in thousand Baht)	Other comprehensive income	
<i>Deferred tax assets</i>				
Property, plant and equipment	155,983	102	-	156,085
Provisions for employee benefits	2,853	260	-	3,113
Available-for-sale investments	991	-	(991)	-
Allowance for doubtful accounts	-	4,841	-	4,841
Total	159,827	5,203	(991)	164,039
<i>Deferred tax liabilities</i>				
Available-for-sale investments	-	-	6,943	6,943
Debentures	2,886	(1,167)	-	1,719
Total	2,886	(1,167)	6,943	8,662
Net	156,941	6,370	(7,934)	155,377

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<i>Deferred tax</i>	Separate financial statements			At 31 December 2020
	At 1 January 2020	(Charged) / Credited to:		
		Profit or loss <i>(in thousand Baht)</i>	Equity	
<i>Deferred tax assets</i>				
Right-of-use assets	-	30	-	30
Provisions for employee benefits	1,611	(1,496)	-	115
Total	1,611	(1,466)	-	145
<i>Deferred tax liabilities</i>				
Other financial assets	6,857	(4,912)	-	1,945
Debentures	1,719	(806)	-	913
Derivatives	-	1,262	10,511	11,773
Total	8,576	(4,456)	10,511	14,631
Net	(6,965)	2,990	(10,511)	(14,486)

<i>Deferred tax</i>	Separate financial statements			At 31 December 2019
	At 1 January 2019	(Charged) / Credited to:		
		Profit or loss <i>(in thousand Baht)</i>	Other comprehensive income	
<i>Deferred tax assets</i>				
Provisions for employee benefits	1,495	116	-	1,611
Available-for-sale investments	1,048	-	(1,048)	-
Total	2,543	116	(1,048)	1,611
<i>Deferred tax liabilities</i>				
Available-for-sale investments	-	-	6,857	6,857
Debentures	2,886	(1,167)	-	1,719
Total	2,886	(1,167)	6,857	8,576
Net	(343)	1,283	(7,905)	(6,965)

<i>Unrecognised deferred tax assets</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Tax losses	122,500	225,206	-	-

The tax losses expire during 2020 to 2025. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the can utilise the benefits therefrom.

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21 Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2020 and 2019 were based on the profit for the years attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(thousand shares / thousand Baht)</i>			
Profit for the year attributable to ordinary shareholders of the Company	<u>2,731,616</u>	<u>2,669,424</u>	<u>1,105,212</u>	<u>1,248,579</u>
Number of ordinary shares by weighted average method (basic)	<u>973,990</u>	<u>973,990</u>	<u>973,990</u>	<u>973,990</u>
Basic earnings per share (in Baht)	<u>2.80</u>	<u>2.74</u>	<u>1.13</u>	<u>1.28</u>

22 Dividends

The shareholders of the Group have approved dividends as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in thousand Baht)
2020				
Interim dividend	7 August 2020	September 2020	0.55	535,684
Interim dividend	30 March 2020	April 2020	0.72	<u>701,260</u>
Total				<u>1,236,944</u>

23 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

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	Consolidated financial statement						
	Carrying amount			Fair value			
	Financial instruments measured at FVTPL	Amortised cost - net	Total	Level 1 <i>(in thousand Baht)</i>	Level 2	Level 3	Total
<i>At 31 December 2020</i>							
Financial assets							
Other financial assets							
Equity instruments	3,203,912	-	3,203,912	-	1,813,348	1,390,564	3,203,912
Total financial assets	3,203,912	-	3,203,912				
Financial liabilities							
Debentures	-	4,095,437	4,095,437	-	4,217,273	-	4,217,273
Other financial liabilities							
Interest rate swaps	54,497	-	54,497	-	54,497	-	54,497
Total financial liabilities	54,497	4,095,437	4,149,934				
	Separate financial statements						
	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised cost - net	Total	Level 1 <i>(in thousand Baht)</i>	Level 2	Level 3	Total
<i>At 31 December 2020</i>							
Financial assets							
Other financial assets							
Equity instruments	2,788,450	-	2,788,450	-	1,523,133	1,265,317	2,788,450
Interest rate swaps	58,864	-	58,864	-	58,864	-	58,864
Total financial assets	2,847,314	-	2,847,314				
Financial liabilities							
Debentures	-	4,095,437	4,095,437	-	4,217,273	-	4,217,273
Total financial liabilities	-	4,095,437	4,095,437				

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	Carrying amount	Consolidated financial statements			
		Fair value			
		Level 1	Level 2	Level 3	Total
31 December 2019					
<i>Financial assets measured at fair value</i>					
Equity instruments available for sale (Short-term debt securities fund)	2,644,396	-	2,644,396	-	2,644,396
Equity instruments available for sale (Equity securities fund)	29,794	-	29,794	-	29,794
<i>Financial liabilities measured at fair value</i>					
Debentures	(5,791,408)	-	(5,993,595)	-	(5,993,595)
Interest rate swaps	-	-	(112,920)	-	(112,920)

	Carrying amount	Separate financial statements			
		Fair value			
		Level 1	Level 2	Level 3	Total
31 December 2019					
<i>Financial assets measured at fair value</i>					
Equity instruments available for sale (Short-term debt securities fund)	2,600,694	-	2,600,694	-	2,600,694
Equity instruments available for sale (Equity securities fund)	29,794	-	29,794	-	29,794
<i>Financial liabilities measured at fair value</i>					
Debentures	(5,791,408)	-	(5,993,595)	-	(5,993,595)
Interest rate swaps	-	-	52,559	-	52,559

Type	Valuation technique
Investments in marketable unit trusts classified as financial assets measured at FVTPL	Net asset value as of the reporting date
Debentures	Bid prices from the Thai Bond Market Association as of the reporting date
Interest rate swaps	Fair value based on broker quotes
Investments in the non-marketable of the equity investments.	Net asset value per latest report, include consideration of reliability and appropriateness of factors in the assessment

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(b) Movement of marketable equity and debt securities

<i>Marketable equity and debt securities</i>	Consolidated financial statements				At 31 December
	At 1 January	Increase	Decrease (in thousand Baht)	Fair value adjustment	
2020					
Current financial assets					
Equity securities measured at - FVTPL	<u>2,644,396</u>	<u>8,462,417</u>	<u>(9,319,990)</u>	<u>(8,968)</u>	<u>1,777,855</u>
Non-current financial assets					
Equity securities measured at - FVTPL	<u>29,794</u>	<u>-</u>	<u>-</u>	<u>5,699</u>	<u>35,493</u>
2019					
Current investments					
Available-for-sale securities	<u>2,421,256</u>	<u>8,800,825</u>	<u>(8,642,893)</u>	<u>65,208</u>	<u>2,644,396</u>
Other long-term investments					
Available-for-sale securities	<u>27,625</u>	<u>-</u>	<u>-</u>	<u>2,169</u>	<u>29,794</u>
Separate financial statements					
<i>Marketable equity and debt securities</i>	At 1 January	Increase	Decrease (in thousand Baht)	Fair value adjustment	At 31 December
2020					
Current financial assets					
Equity securities measured at - FVTPL	<u>2,600,694</u>	<u>4,578,050</u>	<u>(5,677,995)</u>	<u>(13,109)</u>	<u>1,487,640</u>
Non-current financial assets					
Equity securities measured at - FVTPL	<u>29,794</u>	<u>-</u>	<u>-</u>	<u>5,699</u>	<u>35,493</u>
2019					
Current investments					
Available-for-sale securities	<u>2,266,144</u>	<u>5,153,325</u>	<u>(4,876,624)</u>	<u>57,849</u>	<u>2,600,694</u>
Other long-term investments					
Available-for-sale securities	<u>27,625</u>	<u>-</u>	<u>-</u>	<u>2,169</u>	<u>29,794</u>

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(c) *Financial risk management policies*

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(c.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(c.1.1) Trade accounts receivables and contract assets

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group has concentrations of credit risk since most of its revenues are contracted under long-term agreements with a small number of parties. However counterparties are generally government authorities and large public or private corporations and the risk perceived is low.

(c.1.2) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions with a minimum credit rating.

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(c.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Consolidated financial statements					
Contractual cash flows					
<i>At 31 December 2020</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>					
Non-derivative financial liabilities					
Loans from financial institutions	3,000	3,000	-	-	3,000
Trade and other current payables	202,929	202,929	-	-	202,929
Debentures	4,095,437	2,340,215	1,998,720	-	4,338,935
Lease liabilities	90,446	22,664	71,690	-	94,354
	<u>4,391,812</u>	<u>2,568,808</u>	<u>2,070,410</u>	<u>-</u>	<u>4,639,218</u>
Separate financial statements					
Contractual cash flows					
<i>At 31 December 2020</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years	More than 5 years	Total
<i>(in thousand Baht)</i>					
Non-derivative financial liabilities					
Trade and other current payables	26,461	26,461	-	-	26,461
Debentures	4,095,437	2,340,215	1,998,720	-	4,338,935
Lease liabilities	18,811	4,764	14,952	-	19,716
	<u>4,140,709</u>	<u>2,371,440</u>	<u>2,013,672</u>	<u>-</u>	<u>4,385,112</u>

(c.3) Market risk

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivatives for speculative or trading purposes.

(c.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases goods which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

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(c.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly fixed. The Group is primarily exposed to interest rate risk from its borrowing (see note 13). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates and uses derivatives, principally interest rate swaps, to manage exposure to fluctuations in interest rates on some borrowings.

The Group and the Company entered into interest rate swap agreements for long-term loan and debenture with financial institutions swapping a floating interest rate to fixed interest rate, with settlement every quarter since July 2012 to August 2025 with condition as stipulated in the agreements.

24 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

25 Commitments with non-related parties

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<i>Capital commitments</i>				
Land	595,066	-	-	-
<i>Future minimum payments under service contracts</i>				
Within 1 year	40,234	57,432	-	791
1-5 years	-	2,100	-	-
Total	40,234	59,532	-	791
<i>Other commitments</i>				
Purchase orders for goods	1,690	271,668	-	-
Bank guarantees	28,470	90,080	-	-
Letters of credit for goods	8,805	-	-	-
Total	38,965	361,748	-	-

Investment in "Ukujima Mega Solar Project"

During the year 2020, the Company jointly invested in the Solar Farm development "Ukujima Mega Solar Project", the total capacity 480 Megawatt which is located on Ukujima Island, Nagasaki, Japan. Total project investment is Yen 178,759 million. The Company has investment holding of 17.92%, totalling of Yen 9,000 million. The Company paid for the first injection amount Yen 2,317 million on 26 March 2020 and the second injection amount Yen 1,924 million on 18 May 2020. The Company will pay for the remaining installment within September 2021.

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26 Lawsuits

On 14 September 2019, the Group received a civil complaint from the Central Intellectual Property and International Trade Court between ICONICS Inc. by EDA International Ltd., power of attorney (plaintiff) and Solar Power (Korat 1) Co., Ltd., the first defendant and 37 companies within the Group in violation of copyright infringement using the SCADA system and claiming damages totalling Baht 50 million. The federal court and the appeal court dismissed the request for injunction that the plaintiff banned the defendant from using the program. The federal court dismissed the plaintiff in the hearing of the case.

On 28 September 2019, the Company received a criminal complaint from the Central Intellectual Property and International Trade Court between ICONICS Inc. by EDA International Ltd., power of attorney (plaintiff) and SPCG Public Company Limited, the first defendant and Ms. Wandee Kunchornyakong, the second defendant in the base offense, copyright infringement, the use of SCADA programs for profit and public disclosure. The federal court dismissed the plaintiff in the hearing of the case. However, the plaintiff appealed to the court for a retrial. The outcome of the case is still uncertain and under the process of the court.

27 Events after the reporting period

On 15 January 2021, the Extraordinary General Meeting of shareholders approved an acquisition of assets, the entire business transfer, the capital reduction and the capital increase for the share allotment of private placement, the significant detail as follow:

- The investment of solar farm project for the new city area of Eastern Economic Corridor special development zone which has a production capacity not less than 500 MW through SET Energy Co., Ltd. and the entire business transfer of Mitsu Power Group Co., Ltd. which holds 40% of the total shares in SET Energy Co., Ltd.
- The capital reduction of the Company by eliminating 42,399,000 unissued ordinary shares with par value of Baht 1.00 per share and the amendment to the Company's Memorandum of Association.
- The capital increase of the Company by issuing increased ordinary shares, amount of 179,199,000 shares with par value of Baht 1.00 per share and the amendment to the Company's Memorandum of Association.
- The share allotment of private placement in the amount not exceeding 81,800,000 shares with par value of Baht 1.00 per share, offered to Mitsu Power Co., Ltd. with value of Baht 22.00 per share for the payment of entire business transfer.

At the Board of Directors' meeting held on 25 February 2021, the Board approved to submit for approval at the Annual General Meeting of the Shareholders, a full year 2020 dividend payment at the rate of Baht 1.20 per share, totaling Baht 1,168.79 million, of which Baht 0.55 per share was paid as an interim dividend on 7 August 2020 as disclosed in note 22. Thus, the remaining dividend will be at the rate of Baht 0.65 per share payable to the shareholders entitled to receive dividends. This dividend is subject to the approval of the Shareholders at the Annual General Meeting to be held on 19 April 2021.