

**SPCG Public Company Limited
and its Subsidiaries**

Condensed interim financial statements
for the three-month and six-month periods ended
30 June 2019
and
Independent auditor's review report

Independent Auditor’s Report on Review of Interim Financial Information

To the Board of Directors of SPCG Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of SPCG Public Company Limited and its subsidiaries, and of SPCG Public Company Limited, respectively, as at 30 June 2019, the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2019, changes in equity and cash flows for the six-month period ended 30 June 2019; and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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

(Natthaphong Tantichattanon)
Certified Public Accountant
Registration No. 8829

KPMG Phoomchai Audit Ltd.
Bangkok
9 August 2019

SPCG Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June 2019 (Unaudited)	31 December 2018	30 June 2019 (Unaudited)	31 December 2018
<i>(in thousand Baht)</i>					
Assets					
Current assets					
Cash and cash equivalents		111,673	129,152	38,291	70,043
Current investments	4	3,484,444	1,857,065	3,405,516	1,701,953
Trade and other accounts receivable	3, 5	1,040,011	1,226,707	16,629	84,920
Short-term loan to related parties	3	-	-	43,000	101,000
Current portion of long-term loans to related parties	3	-	-	2,290,224	2,322,072
Inventories	6	786,712	906,265	-	-
Other current assets		144,496	138,077	585	445
Total current assets		5,567,336	4,257,266	5,794,245	4,280,433
Non-current assets					
Available-for-sale investments	4	29,022	681,816	29,022	681,816
Investments in subsidiaries	7	-	-	3,089,313	3,085,313
Other long-term investments	4	128,678	468,678	-	340,000
Long-term loans to related parties	3	-	-	5,449,344	6,568,372
Investment properties		39,231	37,864	27,748	28,292
Property, plant and equipment	8	16,124,641	16,458,438	25,954	30,072
Intangible assets		101,313	94,682	14,040	3,439
Deferred tax assets		157,514	157,340	-	-
Other non-current assets		614,738	641,540	1,519	1,519
Total non-current assets		17,195,137	18,540,358	8,636,940	10,738,823
Total assets		22,762,473	22,797,624	14,431,185	15,019,256

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

SPCG Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
Liabilities and equity		2019	2018	2019	2018
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
Current liabilities					
Short-term loans from financial institutions		7,083	99,021	-	-
Trade and other accounts payable	3, 10	395,724	544,989	52,033	137,474
Current portion of debentures	9	1,795,599	2,369,374	1,795,599	2,369,374
Current portion of finance lease liabilities		667	715	667	645
Income tax payable		11,127	29,197	694	526
Other current liabilities		60,090	66,148	2,761	5,102
Total current liabilities		2,270,290	3,109,444	1,851,754	2,513,121
Non-current liabilities					
Debentures	9	5,793,205	5,791,195	5,793,205	5,791,195
Finance lease liabilities		1,028	1,368	1,028	1,368
Deferred tax liabilities		4,126	399	4,107	343
Non-current provisions for employee benefits		14,914	14,264	7,764	7,475
Other non-current liabilities		300	300	-	-
Total non-current liabilities		5,813,573	5,807,526	5,806,104	5,800,381
Total liabilities		8,083,863	8,916,970	7,657,858	8,313,502
Equity					
Share capital					
Authorised share capital		1,016,389	1,016,389	1,016,389	1,016,389
Issued and paid-up share capital		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		101,639	101,639	101,639	101,639
Unappropriated		7,833,786	7,119,160	901,222	851,525
Other components of equity		14,020	(3,957)	13,683	(4,193)
Equity attributable to owners of the parent		12,968,358	12,235,755	6,773,327	6,705,754
Non-controlling interests		1,710,252	1,644,899	-	-
Total equity		14,678,610	13,880,654	6,773,327	6,705,754
Total liabilities and equity		22,762,473	22,797,624	14,431,185	15,019,256

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

SPCG Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Three-month period ended		Three-month period ended	
		30 June		30 June	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Revenue from sale and rendering of services	3, 12	1,265,245	1,540,259	-	-
Cost of sale and rendering of services	3	(373,863)	(582,681)	-	-
Gross profit		891,382	957,578	-	-
Other income	3, 13	18,289	22,140	779,132	696,765
Selling and distribution expenses	3	(4,350)	(23,306)	-	-
Administrative expenses	3	(62,008)	(71,372)	(32,123)	(30,573)
Finance costs		(95,327)	(130,770)	(73,559)	(102,332)
Total expenses		(161,685)	(225,448)	(105,682)	(132,905)
Profit before income tax expense		747,986	754,270	673,450	563,860
Tax expense	14	(10,841)	(17,426)	(2,936)	(1,230)
Profit for the period		737,145	736,844	670,514	562,630
Other comprehensive income (loss)					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Gain (loss) on remeasurement available-for-sale investments		11,166	(15,987)	11,617	(15,149)
Income tax relating to items that will be reclassified		(2,589)	1,964	(2,567)	1,900
Other comprehensive income (loss) for the period, net of tax		8,577	(14,023)	9,050	(13,249)
Total comprehensive income for the period		745,722	722,821	679,564	549,381
Profit attributable to:					
Owners of the parent		653,337	659,829	670,514	562,630
Non-controlling interests		83,808	77,015	-	-
Profit for the period		737,145	736,844	670,514	562,630
Total comprehensive income attributable to:					
Owners of the parent		661,986	645,852	679,564	549,381
Non-controlling interests		83,736	76,969	-	-
Total comprehensive income for the period		745,722	722,821	679,564	549,381
Basic earnings per share (in Baht)	15	0.67	0.68	0.69	0.58

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

SPCG Public Company Limited and its Subsidiaries
Statement of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Six-month period ended		Six-month period ended	
		30 June		30 June	
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Revenue from sale and rendering of services	3, 12	2,606,817	3,056,882	-	-
Cost of sale and rendering of services	3	(789,925)	(1,150,392)	-	-
Gross profit		1,816,892	1,906,490	-	-
Other income	3, 13	38,990	77,596	898,976	839,701
Selling and distribution expenses	3	(13,344)	(41,454)	-	-
Administrative expenses	3	(114,171)	(126,434)	(64,039)	(57,975)
Share of loss of investment in joint venture		-	(64)	-	-
Finance costs		(191,110)	(260,434)	(146,295)	(203,242)
Total expenses		(318,625)	(428,386)	(210,334)	(261,217)
Profit before income tax expense		1,537,257	1,555,700	688,642	578,484
Tax expense	14	(17,163)	(38,624)	(5,868)	(4,192)
Profit for the period		1,520,094	1,517,076	682,774	574,292
Other comprehensive income (loss)					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Gain (loss) on remeasurement available-for-sale investments		22,418	(12,855)	22,345	(12,558)
Income tax relating to items that will be reclassified		(4,431)	2,556	(4,469)	2,510
Other comprehensive income (loss) for the period, net of tax		17,987	(10,299)	17,876	(10,048)
Total comprehensive income for the period		1,538,081	1,506,777	700,650	564,244
Profit attributable to:					
Owners of the parent		1,347,703	1,360,670	682,774	574,292
Non-controlling interests		172,391	156,406	-	-
Profit for the period		1,520,094	1,517,076	682,774	574,292
Total comprehensive income attributable to:					
Owners of the parent		1,365,680	1,350,380	700,650	564,244
Non-controlling interests		172,401	156,397	-	-
Total comprehensive income for the period		1,538,081	1,506,777	700,650	564,244
Basic earnings per share (in Baht)	15	1.38	1.42	0.70	0.60

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

SPCG Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Consolidated financial statements								
		Issued and paid-up share capital	Share premium on ordinary shares	Shares premium from business combination	Retained earnings		Other components of equity	Equity		Total equity
					Legal reserve	Unappropriated	Available-for-sale investments	attributable to		
								owners of the parent	Non-controlling interests	
<i>(in thousand Baht)</i>										
Six-month period ended 30 June 2018										
Balance at 1 January 2018		923,990	2,920,923	89,000	101,639	5,672,623	6,636	9,714,811	1,493,389	11,208,200
Transactions with owners, recorded directly in equity										
<i>Contributions by and distributions to owners of the parent</i>										
Issue of ordinary shares		50,000	1,035,000	-	-	-	-	1,085,000	-	1,085,000
Dividends paid	16	-	-	-	-	(633,084)	-	(633,084)	(77,478)	(710,562)
Total contributions by and distributions to owners of the parent		50,000	1,035,000	-	-	(633,084)	-	451,916	(77,478)	374,438
Comprehensive income (loss) for the period										
Profit		-	-	-	-	1,360,670	-	1,360,670	156,406	1,517,076
Other comprehensive income (loss)		-	-	-	-	-	(10,290)	(10,290)	(9)	(10,299)
Total comprehensive income (loss) for the period		-	-	-	-	1,360,670	(10,290)	1,350,380	156,397	1,506,777
Balance at 30 June 2018		973,990	3,955,923	89,000	101,639	6,400,209	(3,654)	11,517,107	1,572,308	13,089,415

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

SPCG Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

Consolidated financial statements										
Other components										
	Note	Issued and paid-up share capital	Share premium on ordinary shares	Shares premium from business combination	Retained earnings		Other components of equity	Equity		
					Legal reserve	Unappropriated	Available-for-sale investments	attributable to owners of the parent	Non-controlling interests	Total equity
<i>(in thousand Baht)</i>										
Six-month period ended 30 June 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 parent</i>										
Dividends paid	16	-	-	-	-	(633,077)	-	(633,077)	(107,048)	(740,125)
Total distributions to owners of the parent		-	-	-	-	(633,077)	-	(633,077)	(107,048)	(740,125)
Comprehensive income for the period										
Profit		-	-	-	-	1,347,703	-	1,347,703	172,391	1,520,094
Other comprehensive income		-	-	-	-	-	17,977	17,977	10	17,987
Total comprehensive income for the period		-	-	-	-	1,347,703	17,977	1,365,680	172,401	1,538,081
Balance at 30 June 2019		973,990	3,955,923	89,000	101,639	7,833,786	14,020	12,968,358	1,710,252	14,678,610

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

SPCG Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

	Note	Separate financial statements				Other components of equity	Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings			
				Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>							
Six-month period ended 30 June 2018							
Balance at 1 January 2018		923,990	3,747,793	101,639	891,748	6,249	5,671,419
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owners of the parent</i>							
Issue of ordinary shares		50,000	1,035,000	-	-	-	1,085,000
Dividends paid	16	-	-	-	(633,084)	-	(633,084)
Total contributions by and distributions to owners of the parent		50,000	1,035,000	-	(633,084)	-	451,916
Comprehensive income (loss) for the period							
Profit		-	-	-	574,292	-	574,292
Other comprehensive income (loss)		-	-	-	-	(10,048)	(10,048)
Total comprehensive income (loss) for the period		-	-	-	574,292	(10,048)	564,244
Balance at 30 June 2018		973,990	4,782,793	101,639	832,956	(3,799)	6,687,579

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

SPCG Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Note	Separate financial statements				Other components of equity	Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings			
				Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>							
Six-month period ended 30 June 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 parent</i>							
Dividends paid	16	-	-	-	(633,077)	-	(633,077)
Total distributions to owners of the parent		-	-	-	(633,077)	-	(633,077)
Comprehensive income for the period							
Profit		-	-	-	682,774	-	682,774
Other comprehensive income		-	-	-	-	17,876	17,876
Total comprehensive income for the period		-	-	-	682,774	17,876	700,650
Balance at 30 June 2019		973,990	4,782,793	101,639	901,222	13,683	6,773,327

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

SPCG Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	1,520,094	1,517,076	682,774	574,292
<i>Adjustments</i>				
Depreciation and amortisation	336,133	322,506	5,200	5,737
Gain from sale of available-for-sale securities	(8,176)	(6,467)	(4,434)	(3,545)
Dividends income	(7,391)	(2,105)	(658,380)	(553,860)
Interest income	(7,578)	(18,716)	(173,295)	(225,216)
Bad and doubtful debts expenses	1,173	344	-	-
Gain from disposal of plant and equipment	(141)	(303)	-	-
Loss from liquidation of investments in joint venture and subsidiary	-	-	-	1,884
Finance costs	191,110	260,434	146,295	203,242
Unrealised (gain) loss on foreign exchange	1,710	(391)	1,712	(490)
Provisions for employee benefit	650	506	289	392
Share of loss of investment in joint venture	-	64	-	-
Tax expense	17,163	38,624	5,868	4,192
	<u>2,044,747</u>	<u>2,111,572</u>	<u>6,029</u>	<u>6,628</u>
<i>Changes in operating assets and liabilities</i>				
Trade and other accounts receivable	183,602	(97,881)	64,857	(554)
Inventories	119,553	(377,199)	-	-
Other current assets	2,928	(12,216)	(140)	(34)
Other non-current assets	26,802	19,754	-	(169)
Trade and other accounts payable	(147,714)	(323,569)	(84,591)	(4,686)
Other current liabilities	(6,058)	(1,784)	(2,341)	(2,380)
Net cash generated from (used in) operating	<u>2,223,860</u>	<u>1,318,677</u>	<u>(16,186)</u>	<u>(1,195)</u>
Taxes paid	(45,459)	(48,430)	(6,404)	(8,836)
Net cash from (used in) operating activities	<u>2,178,401</u>	<u>1,270,247</u>	<u>(22,590)</u>	<u>(10,031)</u>

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

SPCG Public Company Limited and its Subsidiaries
Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2019	2018	2019	2018
	<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 available-for-sale securities	4,385,822	5,937,586	2,460,624	3,799,113
Acquisition of available-for-sale securities	(5,081,525)	(7,921,539)	(3,236,325)	(5,885,669)
Decreased in investments in debt securities held to maturity	-	340,000	-	340,000
Increased in restricted fixed deposits	-	(340,000)	-	(340,000)
Acquisition of investment properties	(2,242)	-	-	-
Acquisition of plant and equipment	(6,856)	(7,636)	(500)	(861)
Proceeds from sale of plant and equipment	9,532	10,268	-	25
Acquisition of intangible assets	(10,728)	(822)	(10,642)	(572)
Short-term loans to related parties	-	-	(143,000)	(418,000)
Proceeds from repayment of short-term loans to related parties	-	-	201,000	549,700
Proceeds from repayment of long-term loans to related parties	-	-	1,150,876	1,073,262
Process from sale of investment in subsidiary	-	-	-	381
Payment of investment in subsidiary	-	-	(4,000)	-
Dividends received	7,391	2,105	658,380	553,860
Interest received	9,439	15,865	176,729	222,910
Net cash from (used in) investing activities	(599,167)	(1,964,173)	1,343,142	(105,851)
<i>Cash flows from financing activities</i>				
Decreased in bank overdraft from financial institutions	-	(1,938)	-	-
Proceeds from short-term loans from financial institutions	7,083	492,144	-	-
Payment of short-term loans from financial institutions	(99,021)	(27,000)	-	-
Proceeds from issue of ordinary shares	-	1,085,000	-	1,085,000
Proceeds from issue of debenture	-	499,360	-	499,360
Payment of debenture	(575,000)	(575,000)	(575,000)	(575,000)
Payment of finance lease liabilities	(454)	(874)	(382)	(793)
Dividends paid	(740,125)	(710,562)	(633,077)	(633,084)
Interest paid	(189,196)	(252,430)	(143,845)	(193,713)
Net cash from (used in) financing activities	(1,596,713)	508,700	(1,352,304)	181,770
Net increase (decrease) in cash and cash equivalents	(17,479)	(185,226)	(31,752)	65,888
Cash and cash equivalents at 1 January	129,152	345,897	70,043	40,050
Cash and cash equivalents at 30 June	111,673	160,671	38,291	105,938

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

SPCG Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

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SPCG Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim 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 authorised for issue by the Board of Directors on 9 August 2019.

1 General information

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;
- Distribution and installation service of solar roof;
- Manufacture, trading and installation service of roof sheets and
- Distribution and providing service about inverter.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The condensed interim primary financial statements are presented in the same format as the annual financial statements and prepared its notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions; and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2018. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2018.

(b) Use of judgements, estimates and accounting policies

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2018, except for revenue recognition which requires additional judgement in determining the timing of the transfer of control - at a point in time or over time - according to the requirements of TFRS 15 *Revenue from Contracts with Customers* (“TFRS 15”) which the Group has initially adopted to replace TAS 18 *Revenue* (“TAS 18”), TAS 11 *Construction Contracts* (“TAS11”) and related interpretations.

SPCG Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2019 (Unaudited)

Under TFRS 15, the Group recognises revenue 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 to. In addition, judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. Whereas, under TAS 18, the Group recognises revenue from sale of goods when the significant risks and rewards of ownership of the goods have been transferred to the buyer, and recognises revenue from rendering of services by reference to the stage of completion of the transaction at the end of the reporting period. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due. Such changes in accounting policies have no material impacts on the financial statements.

In addition, the Group has not early adopted a number of new and revised TFRSs which are not yet effective for current period in preparing these interim financial statements. Those new and revised TFRSs that are relevant to the Group's operations are disclosed in note 18.

3 Related parties

Significant transactions for the three-month and six-month periods ended 30 June with related parties were as follows:

<i>Three-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries				
Interest income	-	-	79,821	84,218
Dividends income	-	-	658,380	553,860
Other income	-	-	32,906	28,263
Other related parties				
Sale of goods	575	21,843	-	-
Purchases of goods	5,383	13,771	-	-
Service expense for operation and maintenance	42,000	42,000	-	-
Building rental and utilities expense	5,112	5,054	2,172	2,132
Warehouse rental expense	2,878	2,744	29	-
Contractual installation service of solar roof	2,321	39,536	-	-
Consulting fee	3,678	3,328	3,678	3,328
Key management personnel				
Key management personnel compensation				
Short-term employee benefit	10,109	8,128	7,278	4,826
Post-employment benefits	255	184	134	91
Total	10,364	8,312	7,412	4,917

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<i>Six-month period ended 30 June</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries				
Interest income	-	-	163,600	157,886
Dividends income	-	-	658,380	553,860
Other income	-	-	62,812	56,526
Other related parties				
Sale of goods	29,723	25,636	-	-
Purchases of goods	13,401	21,423	-	-
Service expense for operation and maintenance	84,000	84,000	-	-
Building rental and utilities expense	10,163	10,061	4,328	4,257
Warehouse rental expense	5,755	5,488	58	-
Contractual installation service of solar roof	24,975	137,602	-	-
Consulting fee	8,235	3,328	8,235	3,328
Key management personnel				
Key management personnel compensation				
Short-term employee benefit	18,502	16,266	12,769	9,657
Post-employment benefits	505	368	260	182
Total	19,007	16,634	13,029	9,839

Balances as at 30 June 2019 and 31 December 2018 with related parties were as follows:

<i>Trade and other accounts receivable</i> <i>- related parties</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	30	31	30	31
	June	December	June	December
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	4,301	71,611
Other related parties	15,780	572	-	-
Total	15,780	572	4,301	71,611

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Movements during the six-month period ended 30 June 2019 of loans to related parties were as follows:

	Interest rate		Separate financial statements			
	31 December 2018 (% per annum)	30 June 2019	31 December 2018	Increase	Decrease	30 June 2019
Short-term loans						
Subsidiaries	3.50	3.50	101,000	143,000	(201,000)	43,000
Total short-term loans			101,000	143,000	(201,000)	43,000
Long-term loans						
Subsidiaries	THBFIX3M +1.55	THBFIX3M +1.55	6,896,319	-	(901,663)	5,994,656
	3.50	3.50	125,375	-	(15,619)	109,756
	5.65	5.65	1,868,750	-	(233,594)	1,635,156
Total			8,890,444	-	(1,150,876)	7,739,568
Less current portion due within one year			(2,322,072)	-	31,848	(2,290,224)
Total long-term loans			6,568,372	-	(1,119,028)	5,449,344
Total loans to related parties			8,991,444	143,000	(1,351,876)	7,782,568
Trade and other accounts payable - related parties						
			Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>					
Subsidiaries	-	7	118	65,778		
Other related parties	183,989	242,083	121	87		
Total	183,989	242,090	239	65,865		

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4 Other investments

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<i>Current investments</i>				
Short-term deposits at financial institutions (Private fund)	-	90,000	-	90,000
Equity securities available for sale (Short-term fixed income fund)	3,144,444	1,671,579	3,065,516	1,516,467
Debt securities available for sale (Private fund)	-	95,486	-	95,486
Fixed deposit at financial institutions	340,000	-	340,000	-
	<u>3,484,444</u>	<u>1,857,065</u>	<u>3,405,516</u>	<u>1,701,953</u>
<i>Long-term investments</i>				
<i>- Available-for-sale securities</i>				
Debt securities available for sale (Private fund)	-	654,191	-	654,191
Equity securities available for sale (Equity fund)	29,022	27,625	29,022	27,625
	<u>29,022</u>	<u>681,816</u>	<u>29,022</u>	<u>681,816</u>
<i>- Other long-term investments</i>				
Non-marketable equity securities	128,678	128,678	-	-
Restricted fixed deposit	-	340,000	-	340,000
	<u>128,678</u>	<u>468,678</u>	<u>-</u>	<u>340,000</u>
	<u>157,700</u>	<u>1,150,494</u>	<u>29,022</u>	<u>1,021,816</u>
Total	<u>3,642,144</u>	<u>3,007,559</u>	<u>3,434,538</u>	<u>2,723,769</u>

Movements during the six-month period ended 30 June 2019 of marketable equity and debt securities were as follows:

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Available-for-sale securities		
At 31 December 2018	2,448,881	2,293,769
Purchases during the period	5,081,525	3,236,325
Sales during the period	(4,385,822)	(2,460,624)
Gain on sale of investments	8,176	4,434
Valuation adjustment	22,418	22,346
Exchange rates adjustment	(1,712)	(1,712)
At 30 June 2019	<u>3,173,466</u>	<u>3,094,538</u>

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5 Trade and others accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		<i>(in thousand Baht)</i>			
Related parties	3	15,780	572	4,301	71,611
Other parties					
Trade accounts receivable		535,042	592,746	1,403	1,403
Accrued income		452,625	607,753	-	-
Retention receivable		3,089	2,994	-	-
Others		39,152	27,146	12,328	13,309
		1,029,908	1,230,639	13,731	14,712
Total		1,045,688	1,231,211	18,032	86,323
Less allowance for doubtful accounts		(5,677)	(4,504)	(1,403)	(1,403)
Net		1,040,011	1,226,707	16,629	84,920

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Bad and doubtful debt expenses				
- for the three-month period ended 30 June	873	429	-	-
- for the six-month period ended 30 June	<u>1,173</u>	<u>344</u>	<u>-</u>	<u>-</u>

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Within credit terms	442,362	502,347	-	-
Overdue:				
Less than 3 months	18,775	52,315	-	-
3-6 months	26,586	4,264	-	-
6-12 months	30,374	24,523	-	-
Over 12 months	32,725	9,869	1,403	1,403
	<u>550,822</u>	<u>593,318</u>	<u>1,403</u>	<u>1,403</u>
Less allowance for doubtful accounts	(5,677)	(4,504)	(1,403)	(1,403)
Total	545,145	588,814	-	-

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

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6 Inventories

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	June	December	June	December
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Finished goods	16,001	18,059	-	-
Work in progress	4,993	13,494	-	-
Raw materials	769,240	878,234	-	-
Total	790,234	909,787	-	-
<i>Less allowance for decline in value</i>				
of inventories	(3,522)	(3,522)	-	-
Net	786,712	906,265	-	-

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7 Investments in subsidiaries

Investments in subsidiaries as at 30 June 2019 and 31 December 2018, and dividend income from those investments for the six-month period ended 30 June were as follows;

	Separate financial statements										Dividend income for the six-month period ended	
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		30	30
	30	31	30	31	30	31	30	31	30	31	June	June
	June	December	June	December	June	December	June	December	June	December	2019	2018
	(%)						(in thousand Baht)					
Direct Subsidiaries												
Solar Power												
Company Limited	100	100	1,500,000	1,500,000	2,301,000	2,301,000	-	-	2,301,000	2,301,000	631,500	532,500
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	6,000	10,000	6,000	-	-	10,000	6,000	-	-
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	26,880	21,360
					3,089,313	3,085,813	-	-	3,089,313	3,085,813	658,380	553,860

All subsidiaries were incorporated in Thailand.

Changes in investment in subsidiaries

At the Board of Director's Meeting of Solar Power Engineering Company Limited held on 8 January 2019, the Board of Director approved an additional called-up share capital of 40% of the registered share capital totalling of Baht 4 million (divided into 1,000,000 shares at Baht 4 per share). The Company fully received the called-up share capital in January 2019.

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8 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month period ended 30 June 2019 were as follows:

	Consolidated financial statements		Separate financial statements	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value <i>(in thousand Baht)</i>	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Buildings, building improvements and infrastructure	3,687	(698)	-	-
Solar modules, inverters, equipment and machinery	1,858	(8,043)	-	-
Office equipment	1,712	(619)	499	-
Assets under construction	51	(12)	-	-
Total	7,308	(9,372)	499	-

9 Debentures

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Current				
Current portion of debentures				
- secured	-	574,337	-	574,337
- unsecured	1,795,599	1,795,037	1,795,599	1,795,037
Total current	1,795,599	2,369,374	1,795,599	2,369,374
Non-current				
Debentures - unsecured	5,793,205	5,791,195	5,793,205	5,791,195
Total non-current	5,793,205	5,791,195	5,793,205	5,791,195
Total	7,588,804	8,160,569	7,588,804	8,160,569

Movements during the six-month period ended 30 June 2019 of debentures which included current portion were as follows:

	Consolidate d financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
At 31 December 2018	8,160,569	8,160,569
Repayment of debentures	(575,000)	(575,000)
Adjusted debentures per effective interest rate method	3,235	3,235
At 30 June 2019	7,588,804	7,588,804

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10 Trade and other accounts payable

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		<i>(in thousand Baht)</i>			
Related parties	3	183,989	242,090	239	65,865
Other parties					
Trade accounts payable		35,014	37,181	-	-
Accrued expense		83,032	158,939	8,149	8,516
Unearned revenues		37,933	30,598	-	-
Accrued interest expense		16,328	17,717	15,268	16,119
Others		39,428	58,464	28,377	46,974
		211,735	302,899	51,794	71,609
Total		395,724	544,989	52,033	137,474

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11 Operating segments

Information about reportable segments for the three-month and six-month periods ended 30 June were as follow:

<i>For three-month period ended 30 June</i>	Manufacture, trading, and installation service of roof sheets and solar roof		Production and distribution of electricity from solar energy		Others		Eliminations		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	<i>(in thousand Baht)</i>									
Revenue from operations	148,999	464,638	1,123,138	1,087,371	11,397	10,390	-	-	1,283,534	1,562,399
Revenue from inter-segment	-	-	-	-	776,528	687,900	(776,528)	(687,900)	-	-
Total revenue and other income	<u>148,999</u>	<u>464,638</u>	<u>1,123,138</u>	<u>1,087,371</u>	<u>787,925</u>	<u>698,290</u>	<u>(776,528)</u>	<u>(687,900)</u>	<u>1,283,534</u>	<u>1,562,399</u>
Operating profit (loss)	<u>(6,739)</u>	<u>73,832</u>	<u>838,421</u>	<u>799,001</u>	<u>1,951</u>	<u>653</u>	<u>(66)</u>	<u>(96)</u>	<u>833,567</u>	<u>873,390</u>
Interest income	24	87	153	139	83,859	111,695	(81,681)	(102,376)	2,355	9,545
Finance costs	(754)	(3,235)	(102,602)	(127,579)	(73,652)	(102,332)	81,681	102,376	(95,327)	(130,770)
Finance costs, net	<u>(730)</u>	<u>(3,148)</u>	<u>(102,449)</u>	<u>(127,440)</u>	<u>10,207</u>	<u>9,363</u>	<u>-</u>	<u>-</u>	<u>(95,972)</u>	<u>(121,225)</u>
Profit (loss) before income tax expense	(7,469)	70,684	743,363	673,666	670,538	563,876	(658,446)	(553,956)	747,986	754,270
Tax (expense) income	68	(14,557)	(7,995)	(1,643)	(2,936)	(1,229)	22	3	(10,841)	(17,426)
Profit (loss) for the period	<u>(7,401)</u>	<u>56,127</u>	<u>735,368</u>	<u>672,023</u>	<u>667,602</u>	<u>562,647</u>	<u>(658,424)</u>	<u>(553,953)</u>	<u>737,145</u>	<u>736,844</u>

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	Manufacture, trading, and installation service of roof sheets and solar roof		Production and distribution of electricity from solar energy		Others		Eliminations		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<i>For six-month period ended 30 June</i>					<i>(in thousand Baht)</i>					
Revenue from operations	341,831	922,447	2,282,030	2,196,160	21,946	15,871	-	-	2,645,807	3,134,478
Revenue from inter-segment	-	-	-	-	894,206	823,917	(894,206)	(823,917)	-	-
Total revenue and other income	<u>341,831</u>	<u>922,447</u>	<u>2,282,030</u>	<u>2,196,160</u>	<u>916,152</u>	<u>839,788</u>	<u>(894,206)</u>	<u>(823,917)</u>	<u>2,645,807</u>	<u>3,134,478</u>
Operating profit (loss)	<u>(9,238)</u>	<u>165,289</u>	<u>1,723,203</u>	<u>1,625,746</u>	<u>(405)</u>	<u>2,650</u>	<u>(162)</u>	<u>1,692</u>	<u>1,713,398</u>	<u>1,795,377</u>
Interest income	24	87	153	139	173,299	225,216	(165,898)	(206,726)	7,578	18,716
Finance costs	(1,354)	(4,945)	(209,243)	(258,973)	(146,411)	(203,242)	165,898	206,726	(191,110)	(260,434)
Finance costs, net	<u>(1,330)</u>	<u>(4,858)</u>	<u>(209,090)</u>	<u>(258,834)</u>	<u>26,888</u>	<u>21,974</u>	<u>-</u>	<u>-</u>	<u>(183,532)</u>	<u>(241,718)</u>
Share of loss of investment in joint venture	-	-	-	-	-	(64)	-	-	-	(64)
Profit (loss) before income tax expense	(10,568)	160,431	1,521,504	1,369,017	684,863	578,420	(658,542)	(552,168)	1,537,257	1,555,700
Tax expense	(10)	(32,890)	(11,429)	(1,640)	(5,867)	(4,191)	143	97	(17,163)	(38,624)
Profit (loss) for the period	<u>(10,578)</u>	<u>127,541</u>	<u>1,510,075</u>	<u>1,367,377</u>	<u>678,996</u>	<u>574,229</u>	<u>(658,399)</u>	<u>(552,071)</u>	<u>1,520,094</u>	<u>1,517,076</u>

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	Manufacture, trading, and installation service of roof sheets and solar roof		Production and distribution of electricity from solar energy		Others		Eliminations		Total	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>									
Segment assets as at										
Property, plant and equipment	44,286	47,794	16,050,148	16,377,111	28,463	31,985	1,744	1,548	16,124,641	16,458,438
Current investments	29,749	104,476	49,179	50,637	3,405,516	1,701,952	-	-	3,484,444	1,857,065
Available-for-sale investments	-	-	-	-	29,022	681,816	-	-	29,022	681,816
Other long-term investments	-	-	128,678	128,678	-	340,000	-	-	128,678	468,678
Unallocated assets									2,995,688	3,331,627
Total assets									22,762,473	22,797,624
Segment liabilities as at										
Borrowings	34,083	200,021	7,739,568	8,890,444	16,000	-	(7,782,568)	(8,991,444)	7,083	99,021
Debentures	-	-	-	-	7,588,804	8,160,569	-	-	7,588,804	8,160,569
Unallocated liabilities									487,976	657,380
Total liabilities									8,083,863	8,916,970

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12 Revenue from sale and rendering of services

	Consolidated		Separate	
	financial statements		financial statements	
<i>Three-month period ended 30 June</i>	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Revenue from electricity distribution	319,130	305,899	-	-
Revenue from subsidy of adders	787,686	771,852	-	-
Revenue from sales and installation service of roof sheets and solar roof	126,947	416,705	-	-
Revenue from sales of goods and other services	31,482	45,803	-	-
Total	1,265,245	1,540,259	-	-

	Consolidated		Separate	
	financial statements		financial statements	
<i>Six-month period ended 30 June</i>	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Revenue from electricity distribution	650,374	621,124	-	-
Revenue from subsidy of adders	1,598,258	1,557,056	-	-
Revenue from sales and installation service of roof sheets and solar roof	264,167	803,306	-	-
Revenue from sales of goods and other services	94,018	75,396	-	-
Total	2,606,817	3,056,882	-	-

13 Other income

	Consolidated		Separate	
	financial statements		financial statements	
<i>Three-month period ended 30 June</i>	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Dividends income	7,391	2,105	658,380	553,860
Income from import duty refund	-	2,840	-	-
Interest income	2,355	9,545	83,856	111,695
Gain on sale of other investments	6,339	4,297	3,952	2,395
Management service income	-	-	29,245	27,631
Others	2,204	3,353	3,699	1,184
Total	18,289	22,140	779,132	696,765

	Consolidated		Separate	
	financial statements		financial statements	
<i>Six-month period ended 30 June</i>	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Dividends income	7,391	2,105	658,380	553,860
Income from import duty refund	-	43,180	-	-
Interest income	7,578	18,716	173,295	225,216
Gain on sale of other investments	8,176	6,467	4,434	3,545
Management service income	-	-	58,490	55,263
Others	15,845	7,128	4,377	1,817
Total	38,990	77,596	898,976	839,701

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14 Income tax expense

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year multiplied by the pre-tax income of the interim reporting period. The difference between effective tax rate and the amount determined by applying the Thai corporation tax rate to the accounting profit for the period principally was caused mainly by a significant portion of the Group's profit was derived from promoted activities for which concessionary tax rates apply which are not subject to tax.

15 Basic earnings per share

The calculation of basic earnings per share for the three-month and six-month periods ended 30 June were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>Three-month period ended 30 June</i>	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company	653,337	659,829	670,514	562,630
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>0.67</u>	<u>0.68</u>	<u>0.69</u>	<u>0.58</u>
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>Six-month period ended 30 June</i>	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company	<u>1,347,703</u>	<u>1,360,670</u>	<u>682,774</u>	<u>574,292</u>
Number of ordinary shares as at 1 January	973,990	923,990	973,990	923,990
Effect from issued shares	<u>-</u>	<u>37,569</u>	<u>-</u>	<u>37,569</u>
Number of ordinary shares by weighted average method (basic)	<u>973,990</u>	<u>961,559</u>	<u>973,990</u>	<u>961,559</u>
Basic earnings per share (in Baht)	<u>1.38</u>	<u>1.42</u>	<u>0.70</u>	<u>0.60</u>

16 Dividends

At the Annual General Meeting of the shareholders of the Company held on 12 April 2019, the shareholders approved the appropriation of dividend for the year 2018 and the Company's unappropriated retained earnings of Baht 1.20 per share, amounting to Baht 1,168.79 million. The Company had paid interim dividend at the rate of Baht 0.55 per share, amounting to Baht 535.69 million. The remaining dividend will be paid at the rate of Baht 0.65 per share, amounting to Baht 633.10 million. The dividend was paid to shareholders during May 2019.

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At the Annual General Meeting of the shareholders of the Company held on 20 April 2018, the shareholders approved the appropriation of dividend for the year 2017 and the Company's unappropriated retained earnings of Baht 1.15 per share, amounting to Baht 1,095.09 million. The Company had paid interim dividend at the rate of Baht 0.50 per share, amounting to Baht 462 million. The remaining dividend will be paid at the rate of Baht 0.65 per share, amounting to Baht 633.08 million. The dividend was paid to shareholders during May 2018.

17 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<i>Future minimum lease payments under non-cancellable operating leases</i>				
Within one year	3,181	3,358	255	409
After one year but within five years	1,786	1,932	53	105
Total	4,967	5,290	308	514
<i>Future minimum payments under service contracts</i>				
Within one year	58,022	60,397	2,051	928
After one year but within five years	27,895	53,381	338	360
Total	85,917	113,778	2,389	1,288
<i>Other commitments</i>				
Purchase orders for goods	294,329	184,119	-	-
Bank guarantees	129,157	152,720	-	-
Total	423,486	336,839	-	-

18 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS which are relevant to the Group's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS which become effective for annual financial reporting periods beginning on or after 1 January 2020 are as follows:

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments

* TFRS - Financial instruments standards

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(a) TFRS - Financial instruments standards

These TFRSs establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRSs are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

(b) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

Management is presently considering the potential impact of adopting and initially applying those TFRSs on the financial statements.

19 Events after the reporting period

At the Board of Director's Meeting of the Company held on 9 August 2019, the Board approved the appropriation of interim dividends of Baht 0.50 per share amounting to Baht 487 million. The dividend will be paid to the shareholders in September 2019.

On 22 July 2019, the Company entered into a Memorandum of Understanding (MOU) with Mitsubishi UFJ Lease & Finance Co.,Ltd, PEA ENCOM International Co.,Ltd and KYOCERA Corporation for joint cooperation in undertaking of design, permitting, financing, operating and installation of rooftop solar energy system. The investment is a joint venture.