

**SPCG Public Company Limited
and its Subsidiaries**

Condensed interim financial statements
for the three-month period ended
31 March 2020
and
Independent auditor's review report



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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 31 March 2020, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2020; 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 Tantichattanont)
Certified Public Accountant
Registration No. 8829

KPMG Phoomchai Audit Ltd.
Bangkok
11 May 2020

SPCG Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
Assets	Note	2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
(in thousand Baht)					
Current assets					
Cash and cash equivalents		1,565,066	460,067	1,473,904	23,702
Other current financial assets	15	1,945,523	2,644,396	1,216,691	2,600,694
Trade and other current receivables	4, 5	1,068,947	1,025,058	534,136	15,838
Short-term loan to related parties	4	-	-	6,000	22,000
Current portion of long-term loans to related parties	4	-	-	2,210,172	2,477,672
Inventories	6	636,192	762,581	-	-
Other current assets		123,600	122,490	1,854	428
Total current assets		5,339,328	5,014,592	5,442,757	5,140,334
Non-current assets					
Other non-current financial assets	15	834,547	158,472	776,616	29,794
Investments in associate	7	40,152	39,976	40,000	40,000
Investments in subsidiaries	8	-	-	3,089,313	3,089,313
Long-term loans to related parties	4	-	-	3,922,971	4,339,913
Investment properties		37,794	38,312	26,911	27,191
Property, plant and equipment	9	15,736,195	15,800,320	39,856	21,894
Intangible assets		98,867	101,361	18,079	18,329
Deferred tax assets		196,083	162,427	-	-
Prepaid warranty expense for inventors		570,172	583,150	-	-
Other non-current assets		4,665	4,691	1,519	1,519
Total non-current assets		17,518,475	16,888,709	7,915,265	7,567,953
Total assets		22,857,803	21,903,301	13,358,022	12,708,287

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

SPCG Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
Liabilities and equity	Note	2020	2019	2020	2019
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
Current liabilities					
Short-term loans from financial institutions		7,000	30,632	-	-
Trade and other current payables	4, 10	1,155,722	367,981	774,796	30,345
Current portion of debentures	15	2,196,319	1,696,189	2,196,319	1,696,189
Current portion of lease liabilities					
(2019: Current portion of finance lease liabilities)		18,634	691	4,169	691
Income tax payable		35,636	19,941	1,656	1,656
Other current financial liabilities	15	1,434	-	-	-
Other current liabilities		66,090	64,894	8,748	2,601
Total current liabilities		3,480,835	2,180,328	2,985,688	1,731,482
Non-current liabilities					
Debentures	15	3,596,088	4,095,219	3,596,088	4,095,219
Lease liabilities (2019: Finance lease liabilities)		76,499	677	17,225	677
Deferred tax liabilities		12,549	7,050	12,438	6,965
Non-current provisions for employee benefits		15,903	15,564	8,203	8,052
Other non-current financial liabilities	15	95,047	-	-	-
Other non-current liabilities		300	300	-	-
Total non-current liabilities		3,796,386	4,118,810	3,633,954	4,110,913
Total liabilities		7,277,221	6,299,138	6,619,642	5,842,395
Equity					
Share capital					
Authorised share capital					
(1,016,389,000 ordinary shares, par value at Baht 1 per share)		1,016,389	1,016,389	1,016,389	1,016,389
Issued and paid-up share capital					
(973,990,000 ordinary shares, par value at Baht 1 per share)		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		8,653,671	8,668,521	879,958	980,041
Other components of equity		-	27,774	-	27,429
Equity attributable to owners of the parent		13,774,223	13,816,847	6,738,380	6,865,892
Non-controlling interests		1,806,359	1,787,316	-	-
Total equity		15,580,582	15,604,163	6,738,380	6,865,892
Total liabilities and equity		22,857,803	21,903,301	13,358,022	12,708,287

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

SPCG Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Three-month period ended		Three-month period ended	
		31 March		31 March	
		2020	2019	2020	2019
<i>(in thousand Baht)</i>					
Revenue from sale and rendering of services	4, 11	1,454,732	1,341,572	-	-
Cost of sale and rendering of services	4	(449,265)	(416,062)	-	-
Gross profit		1,005,467	925,510	-	-
Other income	4, 12	6,955	18,864	620,479	119,362
Selling and distribution expenses	4	(16,092)	(8,994)	-	-
Administrative expenses	4	(63,922)	(52,163)	(29,835)	(31,916)
Gain on derivatives		16,439	-	18,189	-
Gain (loss) on financial assets		(29,530)	1,837	(30,560)	482
Profit from operating activities		919,317	885,054	578,273	87,928
Share of profit of associate accounted for using equity method		176	-	-	-
Finance costs		(69,123)	(95,783)	(51,598)	(72,736)
Profit before income tax expense		850,370	789,271	526,675	15,192
Tax expense (income)	13	(12,603)	(6,322)	5,039	(2,932)
Profit for the period		837,767	782,949	531,714	12,260
Other comprehensive income					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Gain on measurement of financial assets		-	11,252	-	10,728
Income tax relating to items that will be reclassified		-	(1,842)	-	(1,902)
Other comprehensive income for the period, net of tax		-	9,410	-	8,826
Total comprehensive income for the period		837,767	792,359	531,714	21,086
Profit attributable to:					
Owners of the parent		748,985	694,366	531,714	12,260
Non-controlling interests		88,782	88,583	-	-
Profit for the period		837,767	782,949	531,714	12,260
Total comprehensive income attributable to:					
Owners of the parent		748,985	703,694	531,714	21,086
Non-controlling interests		88,782	88,665	-	-
Total comprehensive income for the period		837,767	792,359	531,714	21,086
Basic earnings per share (in Baht)		0.77	0.71	0.55	0.01

The accompanying notes form an 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						Total equity
	Retained earnings		of equity		Equity attributable to owners of the parent		
	Issued and paid-up share capital	Share premium on ordinary shares	Share premium from business combination	Legal reserve	Unappropriated investments for-sale	Non-controlling interests	
(in thousand Baht)							
Three-month period ended 31 March 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
Comprehensive income for the period							
Profit	-	-	-	-	694,366	-	694,366
							88,583
Other comprehensive income	-	-	-	-	-	9,328	9,328
							82
Total comprehensive income for the period	-	-	-	-	694,366	9,328	703,694
							88,665
							792,359
Balance at 31 March 2019	973,990	3,955,923	89,000	101,639	7,813,526	5,371	12,939,449
							1,733,564
							14,673,013

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

SPCG Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

Consolidated financial statements										
Note		Other components								
		Retained earnings			of equity		Equity			
		Issued and paid-up share capital	Share premium on ordinary shares	Share premium from business combination	Legal reserve	Unappropriated investments	Available-for-sale investments	attributable to owners of the parent	Non-controlling interests	Total equity
(in thousand Baht)										
Three-month period ended 31 March 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
3	Impact of changes in accounting policies	-	-	-	-	(62,562)	(27,774)	(90,336)	-	(90,336)
	Balance at 1 January 2020 - restated	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										
Distributions to owners of the company										
14	Dividends	-	-	-	-	(701,273)	-	(701,273)	(69,739)	(771,012)
	Total distributions to owners of the company	-	-	-	-	(701,273)	-	(701,273)	(69,739)	(771,012)
Comprehensive income for the period										
	Profit	-	-	-	-	748,985	-	748,985	88,782	837,767
	Other comprehensive income	-	-	-	-	-	-	-	-	-
	Total comprehensive income for the period	-	-	-	-	748,985	-	748,985	88,782	837,767
	Balance at 31 March 2020	973,990	3,955,923	89,000	101,639	8,653,671	-	13,774,223	1,806,359	15,580,582

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

SPCG Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Separate financial statements				
	Retained earnings			Other components of equity	
	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated investments	Available-for-sale equity
			<i>(in thousand Baht)</i>		
Three-month period ended 31 March 2019					
Balance at 1 January 2019	973,990	4,782,793	101,639	851,525	(4,193)
					6,705,754
Comprehensive income for the period					
Profit	-	-	-	12,260	-
Other comprehensive income	-	-	-	-	8,826
Total comprehensive income for the period	-	-	-	12,260	8,826
					21,086
Balance at 31 March 2019	973,990	4,782,793	101,639	863,785	4,633
					6,726,840

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

SPCG Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

		Separate financial statements					
		Retained earnings			Other components of equity		
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated investments	Available-for-sale investments	Total equity
	Note				(in thousand Baht)		
Three-month period ended 31 March 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 - restated		973,990	4,782,793	101,639	1,049,517	-	6,907,939
Transactions with owners, recorded directly in equity							
Distributions to owners of the company							
Dividends	14	-	-	-	(701,273)	-	(701,273)
Total distributions to owners of the company		-	-	-	(701,273)	-	(701,273)
Comprehensive income for the period							
Profit		-	-	-	531,714	-	531,714
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	531,714	-	531,714
Balance at 31 March 2020		973,990	4,782,793	101,639	879,958	-	6,738,380

The accompanying notes form an 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	
		Three-month period ended		Three-month period ended	
		31 March		31 March	
	Note	2020	2019	2020	2019
		(in thousand Baht)			
Cash flows from operating activities					
Profit for the period		837,767	782,949	531,714	12,260
Adjustments to reconcile profit (loss) to cash receipts (payments)					
Tax expense (income)		12,603	6,322	(5,039)	2,932
Depreciation and amortisation		170,433	168,202	3,993	2,612
Dividend income	12	-	-	(525,000)	-
Interest income	12	(38)	(5,223)	(62,837)	(89,439)
Bad and doubtful debts expenses		-	300	-	-
Impairment (gain) loss recognised in profit or loss		13,202	(1,837)	12,371	(482)
Gain from disposal of plant and equipment		-	(57)	-	-
Finance costs		69,123	95,783	51,598	72,736
Unrealised (gain) loss on foreign exchange		(2,821)	660	(2,536)	640
Provisions for employee benefit		339	325	151	145
Share of profit of associate accounted for using equity method, net of tax		(176)	-	-	-
		1,100,432	1,047,424	4,415	1,404
Changes in operating assets and liabilities					
Trade and other current receivables		(43,412)	60,098	(2,719)	53,979
Inventories		126,389	55,117	-	-
Other current assets		3,442	(3,164)	53	187
Prepaid warranty expense for inventors		12,978	13,289	-	-
Other non-current assets		26	514	-	-
Trade and other current payables		(28,184)	(105,040)	(1,735)	(96,943)
Other current liabilities		1,196	550	6,147	(3,074)
Net cash generated from (used in) operating		1,172,867	1,068,788	6,161	(44,447)
Taxes paid		(7,033)	(9,162)	(1,478)	(4,079)
Net cash from (used in) operating activities		1,165,834	1,059,626	4,683	(48,526)

The accompanying notes form an 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	
	Three-month period ended		Three-month period ended	
	31 March		31 March	
	2020	2019	2020	2019
	(in thousand Baht)			
<i>Cash flows from investing activities</i>				
Proceeds from sale of other financial assets	2,932,992	937,539	2,590,292	254,439
Acquisition of other financial assets	(2,937,188)	(1,887,446)	(1,910,388)	(771,946)
Acquisition of investment property	-	(1,071)	-	-
Acquisition of plant and equipment	(6,865)	(3,562)	(116)	(27)
Proceeds from sale of plant and equipment	2,409	1,720	-	-
Acquisition of intangible assets	(252)	(2,264)	(216)	(2,195)
Acquisition of short-term loans to related party	-	-	-	(137,000)
Proceeds from repayment of short-term loans to related parties 4	-	-	16,000	141,000
Proceeds from repayment of long-term loans to related parties 4	-	-	684,442	446,211
Payment of investment in subsidiary	-	-	-	(4,000)
Interest received	66	4,489	72,258	90,054
Net cash from (used in) investing activities	(8,838)	(950,595)	1,452,272	16,536
<i>Cash flows from financing activities</i>				
Proceeds from short-term loans from financial institutions	7,000	-	-	-
Payment of short-term loans from financial institutions	(30,632)	(99,021)	-	-
Payment of lease liabilities (2019: Payment by a lessee for reduction of the outstanding liability relating to a finance lease)	(5,379)	(233)	(1,208)	(192)
Interest paid	(22,986)	(36,979)	(5,545)	(13,414)
Net cash used in financing activities	(51,997)	(136,233)	(6,753)	(13,606)
Net increase (decrease) in cash and cash equivalents	1,104,999	(27,202)	1,450,202	(45,596)
Cash and cash equivalents at 1 January	460,067	129,152	23,702	70,043
Cash and cash equivalents at 31 March	1,565,066	101,950	1,473,904	24,447
<i>Non-cash transactions</i>				
Dividend receivable	-	-	525,000	-
Dividend payable	771,012	-	701,273	-

The accompanying notes form an 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 period ended 31 March 2020 (Unaudited)

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SPCG Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2020 (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 11 May 2020.

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 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 2019.

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

(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 described in the financial statements for the year ended 31 December 2019, except for the new significant judgements and key sources of estimation uncertainty related to the application of new TFRS as described in note 3.

Due to the COVID-19 outbreak at the beginning of 2020, Thailand and many other countries have enacted several protective measures against the outbreak. At 31 March 2020, the situation of COVID-19 outbreak is still ongoing, resulting in estimation uncertainty on the potential impact, therefore, the Group elected to apply accounting guidance on temporary accounting relief measures for additional accounting options in response to impact from the situation of COVID-19 outbreak on fair value measurement. The Group elected to measure investment in non-marketable equity securities at 31 March 2020 using fair values at 1 January 2020.

SPCG Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2020 (Unaudited)

3 Changes in accounting policies

From 1 January 2020, the Group has initially applied TFRS - Financial instruments standards and TFRS 16. Impact of changes in accounting policies on shareholders' equity are as follows:

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Retained earnings	Other components of equity (in thousand Baht)	Retained earnings	Other components of equity
At 31 December 2019 - as reported		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	A	(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	B	-	-	-	-
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.

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 impact from adoption of TFRS - Financial instruments standards are as follows:

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 to other comprehensive income (FVOCI) and fair value to profit or loss (FVTPL). The classification under TFRS 9 is based on the cash flow characteristics of the financial asset and the business model in which they are managed. 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, derivatives are measured at FVTPL. Previously, the Group recognised the derivatives when they were exercised.

SPCG Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2020 (Unaudited)

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 (in thousand Baht)	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 (in thousand Baht)	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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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* 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	98,587	21,093
Increase in lease liabilities	(98,587)	(21,093)
	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
Discounted using the incremental borrowing rate at 1 January 2020	98,587	21,093
Finance lease liabilities recognised as at 31 December 2019	1,368	1,368
Lease liabilities recognised at 1 January 2020	99,955	22,461
Weighted-average incremental borrowing rate (% per annum)	3.23	3.01

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4 Related parties

Relationships with associate and subsidiaries are described in notes 7 and 8. Other related parties and pricing policies have no material change during the three-month period ended 31 March 2020.

Significant transactions for the three-month period ended 31 March with related parties were as follows:

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Subsidiaries				
Interest income	-	-	54,594	83,779
Dividends income	-	-	525,000	-
Management service income	-	-	29,245	29,245
Other income	-	-	661	661
Other related parties				
Sales of goods	276	29,148	-	-
Purchases of goods	15,828	8,018	-	-
Service expense for operation and maintenance	42,005	42,000	-	-
Office rental expense and utilities expense	3,192	5,051	1,369	2,156
Warehouse rental expense	-	2,877	-	29
Contractual installation service of solar roof	14,281	22,654	-	-
Consulting fee	3,114	4,557	3,114	4,557
Interest expense	504	-	97	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits	10,081	8,393	6,658	5,491
Post-employment benefits	247	250	131	126
Total	10,328	8,643	6,789	5,617

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Balances as at 31 March 2020 and 31 December 2019 with related parties were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in thousand Baht)</i>			
Trade and other current receivables				
Subsidiaries	-	-	526,684	11,078
Other related parties	8	4	-	-
	<u>8</u>	<u>4</u>	<u>526,684</u>	<u>11,078</u>
Less allowance for impairment (2019: allowance for doubtful accounts)	-	-	-	-
Net	<u>8</u>	<u>4</u>	<u>526,684</u>	<u>11,078</u>

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Impairment losses (2019: Bad and doubtful debts) for the:				
Three-month period ended 31 March	-	-	-	-

	Interest rate		Consolidated financial statements			
	31 December 2019	31 March 2020	31 December 2019	Increase	Decrease	31 March 2020
	<i>(% per annum)</i>			<i>(in thousand Baht)</i>		
Loans to						
Short-term loan						
Subsidiaries	3.50	3.50	22,000	-	(16,000)	6,000
Total short-term loan			<u>22,000</u>	<u>-</u>	<u>(16,000)</u>	<u>6,000</u>
Long-term loans						
Subsidiaries	THBFIX3M	THBFIX3M				
	+1.55	+1.55	5,072,672	-	(435,229)	4,637,443
	3.50	3.50	109,756	-	(15,619)	94,137
	5.65	5.65	1,635,157	-	(233,594)	1,401,563
Total			<u>6,817,585</u>	<u>-</u>	<u>(684,442)</u>	<u>6,133,143</u>
Less Current portion long-term loans			(2,477,672)	-	267,500	(2,210,172)
Total long-term loans			<u>4,339,913</u>	<u>-</u>	<u>(416,942)</u>	<u>3,922,971</u>
Total loans			<u>6,839,585</u>	<u>-</u>	<u>(700,442)</u>	<u>6,139,143</u>

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Impairment losses (2019: Bad and doubtful debts) for the:				
Three-month period ended 31 March	-	-	-	-

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	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
<i>Trade and other current payables</i>				
				<i>(in thousand Baht)</i>
Subsidiaries	-	-	47	42
Other related parties	173,487	152,924	108	115
Total	173,487	152,924	155	157

	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
<i>Lease liabilities</i>				
				<i>(in thousand Baht)</i>
Other related parties	89,359	-	17,229	-
Total	89,359	-	17,229	-

5 Trade and other current receivables

		Consolidated financial statements		Separate financial statements	
		31 March 2020	31 December 2019	31 March 2020	31 December 2019
<i>Related parties</i>					
					<i>(in thousand Baht)</i>
Related parties	<i>Note</i> 4	8	4	526,684	11,078
Other parties					
Trade accounts receivable		530,672	558,095	-	-
Accrued income		537,778	474,110	-	-
Retention receivable		3,049	3,045	-	-
Others		21,758	14,012	7,452	4,760
		1,093,257	1,049,262	7,452	4,760
Total		1,093,265	1,049,266	534,136	15,838
<i>Less allowance for impairment (2019: allowance for doubtful accounts)</i>		<i>(24,318)</i>	<i>(24,208)</i>	<i>-</i>	<i>-</i>
Net		1,068,947	1,025,058	534,136	15,838

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
<i>Impairment losses (2019: Bad and doubtful debts) for the:</i>				
Three-month period ended 31 March	110	300	-	-

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	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in thousand Baht)</i>			
Trade accounts receivable				
Within credit terms	480,344	502,692	-	-
Overdue:				
Less than 3 months	18,273	23,659	-	-
3-6 months	3,965	4,244	-	-
6-12 months	1,410	1,657	-	-
Over 12 months	26,688	25,847	-	-
	<u>530,680</u>	<u>558,099</u>	<u>-</u>	<u>-</u>
<i>Less allowance for impairment (2019; allowance for doubtful accounts)</i>	<u>(22,840)</u>	<u>(22,680)</u>	<u>-</u>	<u>-</u>
Net	<u>507,840</u>	<u>535,419</u>	<u>-</u>	<u>-</u>

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

6 Inventories

	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in thousand Baht)</i>			
Finished goods	13,486	11,780	-	-
Work in progress	182	4,070	-	-
Raw materials	626,037	717,435	-	-
Goods in transit	9	32,818	-	-
Total	<u>639,714</u>	<u>766,103</u>	<u>-</u>	<u>-</u>
<i>Less allowance for decline in value of inventories</i>	<u>(3,522)</u>	<u>(3,522)</u>	<u>-</u>	<u>-</u>
Net	<u>636,192</u>	<u>762,581</u>	<u>-</u>	<u>-</u>

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7 Investments in associate

Investments in associate as at 31 March 2020 and 31 December 2019, and dividend income from those investments for the three-month period ended 31 March were as follows;

Consolidated financial statements											
Type of business	Ownership interest	Paid-up capital		Cost		Equity		Impairment		Equity - Net	
		31 March 2019	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019
		(in thousand Baht)									
SET Energy Co.,Ltd. Develop and invest in intelligent power network	40	100,000	100,000	40,000	40,000	40,152	39,976	-	-	40,152	39,976
Total				40,000	40,000	40,152	39,976	-	-	40,152	39,976
										Dividend income for the three-month periods ended	
										31 March 2020	31 March 2019

Separate financial statements

Type of business	Ownership interest	Paid-up capital		Cost		Impairment		Equity - Net		Dividend income for the three-month periods ended	
		31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 March 2019
		(in thousand Baht)									
SET Energy Co.,Ltd. Develop and invest in intelligent power network	40	100,000	100,000	40,000	40,000	-	-	40,000	40,000	-	-
Total				40,000	40,000	-	-	40,000	40,000	-	-

Associate was incorporated and mainly operate in Thailand. None of the Group's associate is publicly listed and consequently does not have published price quotations.

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8 Investments in subsidiaries

Investments in subsidiaries as at 31 March 2020 and 31 December 2019, and dividend income from those investments for the three-month period ended 31 March were as follows;

Separate financial statements												
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the three-month periods ended	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 March 2020		31 March 2019
(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	525,000	-
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	6,000	-	-	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	-	-
			3,089,313	3,089,313	3,089,313	3,089,313	-	-	3,089,313	3,089,313	525,000	-

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9 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the three-month period ended 31 March 2020 were as follows:

	Consolidated financial statements		Separate financial statements	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
	<i>(in thousand Baht)</i>			
Buildings, building improvements and infrastructure	4,637	(366)	-	-
Solar modules, inverters, equipment and machinery	1,337	(1,647)	-	-
Office equipment	891	(359)	116	-
Total	6,865	(2,372)	116	-

10 Trade and other current payables

	Consolidated financial statements		Separate financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Related parties	173,487	152,924	155	157
Other parties				
Trade accounts payable	21,978	69,512	-	-
Accrued expense	116,503	98,519	12,502	9,855
Unearned revenues	527	13,702	-	-
Accrued interest expense	58,955	14,374	58,601	13,688
Dividend payable	771,012	-	701,273	-
Others	13,260	18,950	2,265	6,645
	982,235	215,057	774,641	30,188
Total	1,155,722	367,981	774,796	30,345

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11 Segment information and disaggregation of revenue

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
	(in thousand Baht)							
Information about reportable segments	292,100	190,651	1,152,695	1,142,538	9,937	8,383	1,454,732	1,341,572
	292,100	190,651	1,152,695	1,142,538	9,937	8,383	1,454,732	1,341,572
Type of goods or services								
	-	-	338,019	331,244	-	-	338,019	331,244
	-	-	814,623	810,572	-	-	814,623	810,572
	272,512	137,220	-	-	-	-	272,512	137,220
	19,588	53,431	53	722	9,937	8,383	29,578	62,536
Total	292,100	190,651	1,152,695	1,142,538	9,937	8,383	1,454,732	1,341,572
Timing of revenue recognition								
	244,001	173,845	53	722	663	516	244,717	175,083
	48,099	16,806	1,152,642	1,141,816	9,274	7,867	1,210,015	1,166,489
	292,100	190,651	1,152,695	1,142,538	9,937	8,383	1,454,732	1,341,572

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	Manufacture, trading, and installation service of roof sheets and solar roof		Production and distribution of electricity from solar energy		Others (in thousand Baht)		Eliminations		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Operating profit (loss)	44,427	(2,499)	885,009	884,782	(8,566)	(2,356)	(1,591)	(96)	919,279	879,831
Interest income	-	-	-	-	62,837	89,440	(62,799)	(84,217)	38	5,223
Finance costs	(157)	(600)	(79,654)	(106,641)	(51,694)	(72,759)	62,382	84,217	(69,123)	(95,783)
Finance costs, net	(157)	(600)	(79,654)	(106,641)	11,143	16,681	(417)	-	(69,085)	(90,560)
Share of profit of associate	-	-	-	-	176	-	-	-	176	-
Profit (loss) before income tax expense	44,270	(3,099)	805,355	778,141	527,753	14,325	(527,008)	(96)	850,370	789,271
Tax (expense) income	(5,458)	(78)	(12,705)	(3,434)	5,039	(2,931)	521	121	(12,603)	(6,322)
Profit (loss) for the period	38,812	(3,177)	792,650	774,707	532,792	11,394	(526,487)	25	837,767	782,949

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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
	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020 December 2019
	<i>(in thousand Baht)</i>								
Segment assets									
Property, plant and equipment	40,722	41,425	15,577,961	15,732,910	41,856	24,064	75,656	1,921	15,736,195
Investments in associate	-	-	-	-	40,152	39,976	-	-	40,152
Other financial assets	110,229	3,057	747,281	169,323	1,922,560	2,630,488	-	-	2,780,070
Unallocated assets									4,301,386
Total assets									22,857,803
Segment liabilities									
Loans	7,000	30,632	6,133,142	6,817,584	6,000	22,000	(6,139,142)	(6,839,584)	7,000
Debentures	-	-	-	-	5,792,407	5,791,408	-	-	5,792,407
Unallocated liabilities									1,477,814
Total liabilities									7,277,221
									6,299,138

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12 Other income

<i>Three-month period ended 31 March</i>	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Dividends income	-	-	525,000	-
Interest income	38	5,223	62,837	89,439
Management service income	-	-	29,245	29,245
Others	6,917	13,641	3,397	678
Total	6,955	18,864	620,479	119,362

13 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.

14 Dividends

The dividends paid by the Group to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
<i>2020</i>				
Interim dividend	30 March 2020	April 2020	0.72	701.27

15 Financial instruments

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 for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

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		Consolidated financial statements			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2019					
<i>Financial assets measured at fair</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</i>					
Debentures	(5,791,407)	-	(5,993,595)	-	(5,993,595)
Interest rate swaps	-	-	(112,920)	-	(112,920)

		Separate financial statements			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2019					
Financial assets measured at fair					
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
Financial liabilities measured at fair					
Debentures	(5,791,407)	-	(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	The 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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16 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in thousand Baht)</i>			
<i>Future minimum payments under service contracts</i>				
Within 1 year	48,363	57,432	572	791
1-5 years	1,575	2,100	-	-
Total	49,938	59,532	572	791
<i>Other commitments</i>				
Purchase orders for goods	6,974	271,668	-	-
Bank guarantees	87,259	90,080	-	-
Total	94,233	361,748	-	-

17 Events after the reporting period

On 28 April 2020, the Company announced the information of 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 proportion of the Company sharing 17.92% or Yen 9,000 million. The first injection is Yen 2,317 million on 26 March 2020 and the second injection is 1,924 million within May 2020.

At the Annual General Meeting of the shareholders of the Company held on 11 May 2020, the shareholders approved the following;

- Approved the appropriation of dividend for the year 2019 and the Company’s unappropriated retained earnings of Baht 1.22 per share, amounting to Baht 1,188.27 million. The Company had paid the first interim dividend at the rate of Baht 0.50 per share, amounting to Baht 487 million in September 2019 and the second interim dividend at the rate of Baht 0.72 per share, amounting to Baht 701.27 million in April 2020. Therefore, the Company has paid full amount of dividend and no additional dividend will be paid.
- Approved the issuance and offering of debentures of the Company in the amount not exceeding Baht 10,000 million with the objective to refinance loans and/or operation and/or expansion of business and/or as working capital and/or for other purposes as deemed appropriate by the board of directors of the Company.