

**SPCG Public Company Limited
and its Subsidiaries**

Interim financial statements
for the three-month and six-month period ended
30 June 2018

and

Independent auditor's report on review of interim financial
information

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 2018, the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2018, changes in equity and cash flows for the six-month period ended 30 June 2018; 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
10 August 2018

SPCG Public Company Limited and its Subsidiaries
Statement of financial position

| | Note | Consolidated | | Separate | |
|---|------|--------------------------------|---------------------|--------------------------------|---------------------|
| | | financial statements | | financial statements | |
| | | 30 June 2018 (Unaudited) | 31 December 2017 | 30 June 2018 (Unaudited) | 31 December 2017 |
| <i>(in thousand Baht)</i> | | | | | |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | | 160,671 | 345,897 | 105,938 | 40,050 |
| Current investments | 4 | 2,357,225 | 1,441,067 | 2,286,713 | 1,270,577 |
| Trade and other accounts receivable | 3, 5 | 1,627,989 | 1,525,866 | 20,903 | 16,308 |
| Short-term loan to related parties | 3 | - | - | 143,000 | 274,700 |
| Current portion of long-term loans to related parties | 3 | - | - | 2,192,526 | 2,114,912 |
| Inventories | 6 | 1,086,292 | 709,093 | - | - |
| Other current assets | | 169,030 | 149,614 | 269 | 235 |
| Total current assets | | 5,401,207 | 4,171,537 | 4,749,349 | 3,716,782 |
| Non-current assets | | | | | |
| Available-for-sale investments | 4 | 1,313,439 | 251,542 | 1,313,439 | 251,542 |
| Investments in joint venture | 3, 7 | - | 1,799 | - | 3,000 |
| Investments in subsidiaries | 3, 8 | - | - | 3,082,813 | 3,083,813 |
| Other long-term investments | 4 | 468,678 | 468,678 | 340,000 | 340,000 |
| Long-term loans to related parties | 3 | - | - | 7,739,568 | 8,890,444 |
| Investment properties | | 13,858 | 13,920 | 1,963 | 2,028 |
| Property, plant and equipment | 9 | 16,854,993 | 17,175,788 | 61,530 | 66,294 |
| Intangible assets | | 96,156 | 99,330 | 1,124 | 626 |
| Deferred tax assets | | 156,780 | 156,667 | - | - |
| Other non-current assets | | 667,623 | 687,377 | 1,520 | 1,351 |
| Total non-current assets | | 19,571,527 | 18,855,101 | 12,541,957 | 12,639,098 |
| Total assets | | 24,972,734 | 23,026,638 | 17,291,306 | 16,355,880 |

The accompanying notes are an integral part of these 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 | 2018 | 2017 | 2018 | 2017 | |
| | | (Unaudited) | | (Unaudited) | |
| | | <i>(in thousand Baht)</i> | | | |
| Current liabilities | | | | | |
| Bank overdraft and short-term loans from financial institutions | | 474,144 | 10,938 | - | - |
| Trade and other accounts payable | 3, 11 | 765,049 | 1,085,772 | 54,889 | 55,282 |
| Current portion of debentures | 10 | 2,942,392 | 2,940,485 | 2,942,392 | 2,940,485 |
| Current portion of finance lease liabilities | | 941 | 1,392 | 792 | 1,168 |
| Income tax payable | | 37,109 | 38,625 | 1,763 | 5,430 |
| Other current liabilities | | 60,482 | 62,266 | 4,707 | 7,087 |
| Total current liabilities | | 4,280,117 | 4,139,478 | 3,004,543 | 3,009,452 |
| Non-current liabilities | | | | | |
| Debentures | 10 | 7,588,601 | 7,661,014 | 7,588,601 | 7,661,014 |
| Finance lease liabilities | | 1,696 | 2,012 | 1,696 | 2,012 |
| Deferred tax liabilities | | 1,379 | 4,914 | 1,345 | 4,833 |
| Non-current provisions for employee benefits | | 11,526 | 11,020 | 7,542 | 7,150 |
| Total non-current liabilities | | 7,603,202 | 7,678,960 | 7,599,184 | 7,675,009 |
| Total liabilities | | 11,883,319 | 11,818,438 | 10,603,727 | 10,684,461 |
| Equity | | | | | |
| Share capital | 12 | | | | |
| Authorized share capital | | 1,016,389 | 1,016,389 | 1,016,389 | 1,016,389 |
| Issued and paid-up share capital | | 973,990 | 923,990 | 973,990 | 923,990 |
| Share premium on ordinary shares | 12 | 3,955,923 | 2,920,923 | 4,782,793 | 3,747,793 |
| Share premium from business combination | | 89,000 | 89,000 | - | - |
| Retained earnings | | | | | |
| Appropriated | | | | | |
| Legal reserve | | 101,639 | 101,639 | 101,639 | 101,639 |
| Unappropriated | | 6,400,209 | 5,672,623 | 832,956 | 891,748 |
| Other components of equity | | (3,654) | 6,636 | (3,799) | 6,249 |
| Equity attributable to owners of the parent | | 11,517,107 | 9,714,811 | 6,687,579 | 5,671,419 |
| Non-controlling interests | | 1,572,308 | 1,493,389 | - | - |
| Total equity | | 13,089,415 | 11,208,200 | 6,687,579 | 5,671,419 |
| Total liabilities and equity | | 24,972,734 | 23,026,638 | 17,291,306 | 16,355,880 |

The accompanying notes are an integral part of these 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 30 June | | Three-month period ended 30 June | |
| | | 2018 | 2017 | 2018 | 2017 |
| <i>(in thousand Baht)</i> | | | | | |
| Revenue from sale and rendering of services | 3, 14 | 1,540,259 | 1,249,105 | - | - |
| Cost of sale and rendering of services | 3 | (572,307) | (372,627) | - | - |
| Gross profit | | 967,952 | 876,478 | - | - |
| Other income | 3, 15 | 22,140 | 27,780 | 696,765 | 727,689 |
| Selling and distribution expenses | 3 | (23,306) | (6,613) | - | - |
| Administrative expenses | 3 | (81,746) | (67,452) | (30,573) | (29,224) |
| Share of profit of investment in joint venture | 7 | - | 254 | - | - |
| Finance costs | | (130,770) | (157,881) | (102,332) | (123,989) |
| Total expenses | | (235,822) | (231,692) | (132,905) | (153,213) |
| Profit before income tax expense | | 754,270 | 672,566 | 563,860 | 574,476 |
| Tax expense | 16 | (17,426) | (14,102) | (1,230) | (12,541) |
| Profit for the period | | 736,844 | 658,464 | 562,630 | 561,935 |
| Other comprehensive income (loss) | | | | | |
| <i>Items that will be reclassified subsequently to profit or loss</i> | | | | | |
| Losses on remeasurement available-for-sale investments | | (15,987) | (4,440) | (15,149) | (2,981) |
| Income tax relating to items that will be reclassified | | 1,964 | 907 | 1,900 | 596 |
| Other comprehensive income (loss) for the period, net of tax | | (14,023) | (3,533) | (13,249) | (2,385) |
| Total comprehensive income for the period | | 722,821 | 654,931 | 549,381 | 559,550 |
| Profit attributable to: | | | | | |
| Owners of the parent | | 659,829 | 581,370 | 562,630 | 561,935 |
| Non-controlling interests | | 77,015 | 77,094 | - | - |
| Profit for the period | | 736,844 | 658,464 | 562,630 | 561,935 |
| Total comprehensive income attributable to: | | | | | |
| Owners of the parent | | 645,852 | 578,042 | 549,381 | 559,550 |
| Non-controlling interests | | 76,969 | 76,889 | - | - |
| Total comprehensive income for the period | | 722,821 | 654,931 | 549,381 | 559,550 |
| Basic earnings per share (in Baht) | 18 | 0.68 | 0.63 | 0.58 | 0.61 |

The accompanying notes are an integral part of these 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 30 June | | Six-month period ended 30 June | |
| | | 2018 | 2017 | 2018 | 2017 |
| <i>(in thousand Baht)</i> | | | | | |
| Revenue from sale and rendering of services | 3, 14 | 3,056,882 | 2,516,785 | - | - |
| Cost of sale and rendering of services | 3 | (1,130,479) | (696,745) | - | - |
| Gross profit | | 1,926,403 | 1,820,040 | - | - |
| Other income | 3, 15 | 77,596 | 61,787 | 839,701 | 912,204 |
| Selling and distribution expenses | 3 | (41,454) | (7,611) | - | - |
| Administrative expenses | 3 | (146,347) | (129,567) | (57,975) | (51,416) |
| Share of profit (loss) of investment in joint venture | 7 | (64) | 8 | - | - |
| Finance costs | | (260,434) | (315,319) | (203,242) | (246,584) |
| Total expenses | | (448,299) | (452,489) | (261,217) | (298,000) |
| Profit before income tax expense | | 1,555,700 | 1,429,338 | 578,484 | 614,204 |
| Tax expense | 16 | (38,624) | (14,116) | (4,192) | (11,870) |
| Profit for the period | | 1,517,076 | 1,415,222 | 574,292 | 602,334 |
| Other comprehensive income (loss) | | | | | |
| <i>Items that will be reclassified subsequently to profit or loss</i> | | | | | |
| Losses on remeasurement available-for-sale investments | | (12,855) | (21,026) | (12,558) | (21,106) |
| Income tax relating to items that will be reclassified | | 2,556 | 4,216 | 2,510 | 4,221 |
| Other comprehensive income (loss) for the period, net of tax | | (10,299) | (16,810) | (10,048) | (16,885) |
| Total comprehensive income for the period | | 1,506,777 | 1,398,412 | 564,244 | 585,449 |
| Profit attributable to: | | | | | |
| Owners of the parent | | 1,360,670 | 1,256,706 | 574,292 | 602,334 |
| Non-controlling interests | | 156,406 | 158,516 | - | - |
| Profit for the period | | 1,517,076 | 1,415,222 | 574,292 | 602,334 |
| Total comprehensive income attributable to: | | | | | |
| Owners of the parent | | 1,350,380 | 1,239,883 | 564,244 | 585,449 |
| Non-controlling interests | | 156,397 | 158,529 | - | - |
| Total comprehensive income for the period | | 1,506,777 | 1,398,412 | 564,244 | 585,449 |
| Basic earnings per share (in Baht) | 18 | 1.42 | 1.36 | 0.60 | 0.65 |

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

SPCG Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

| Consolidated financial statements | | | | | | | | | |
|--|--|--|--|------------------|------------------|---------------------------------------|--|------------------------------|-------------------|
| Other components | | | | | | | | | |
| Retained earnings | | | | | | | | | |
| of equity | | | | | | | | | |
| Equity | | | | | | | | | |
| attributable to | | | | | | | | | |
| owners of | | | | | | | | | |
| the parent | | | | | | | | | |
| Non-controlling | | | | | | | | | |
| interests | | | | | | | | | |
| Total | | | | | | | | | |
| equity | | | | | | | | | |
| <i>Note</i> | Issued and paid-up share capital | Share premium on ordinary shares | Shares premium from business combination | Legal reserve | Unappropriated | Available- for-sale investments | Equity attributable to owners of the parent | Non-controlling interests | Total equity |
| <i>(in thousand Baht)</i> | | | | | | | | | |
| Six-month period ended 30 June 2017 | | | | | | | | | |
| | 923,990 | 2,920,923 | 89,000 | 86,984 | 4,247,596 | 26,127 | 8,294,620 | 1,471,270 | 9,765,890 |
| Balance at 1 January 2017 | | | | | | | | | |
| Transactions with owners, recorded directly in equity | | | | | | | | | |
| <i>Distributions to owners of the parent</i> | | | | | | | | | |
| | - | - | - | - | (646,793) | - | (646,793) | (83,292) | (730,085) |
| <i>17</i> | - | - | - | - | (646,793) | - | (646,793) | (83,292) | (730,085) |
| <i>Total distributions to owners of the parent</i> | | | | | | | | | |
| | - | - | - | - | - | (16,823) | (16,823) | 13 | (16,810) |
| Comprehensive income (loss) for the period | | | | | | | | | |
| | - | - | - | - | 1,256,706 | - | 1,256,706 | 158,516 | 1,415,222 |
| | - | - | - | - | - | (16,823) | (16,823) | 13 | (16,810) |
| Total comprehensive income (loss) for the period | | | | | | | | | |
| | - | - | - | - | 1,256,706 | (16,823) | 1,239,883 | 158,529 | 1,398,412 |
| | 923,990 | 2,920,923 | 89,000 | 86,984 | 4,857,509 | 9,304 | 8,887,710 | 1,546,507 | 10,434,217 |
| Balance at 30 June 2017 | | | | | | | | | |

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

SPCG Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

| Consolidated financial statements | | | | | | | | | |
|--|--|--|--|------------------|------------------|-------------------------|--|------------------------------|-------------------|
| Other components | | | | | | | | | |
| Retained earnings | | | | | | | | | |
| of equity | | | | | | | | | |
| Equity | | | | | | | | | |
| attributable to | | | | | | | | | |
| owners of | | | | | | | | | |
| the parent | | | | | | | | | |
| Non-controlling | | | | | | | | | |
| interests | | | | | | | | | |
| Total | | | | | | | | | |
| equity | | | | | | | | | |
| <i>Note</i> | Issued and paid-up share capital | Share premium on ordinary shares | Shares premium from business combination | Legal reserve | Unappropriated | for-sale investments | Equity attributable to owners of the parent | Non-controlling interests | Total equity |
| <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</i> | | | | | | | | | |
| <i>to owners of the parent</i> | | | | | | | | | |
| Issue of ordinary shares | 12 50,000 | 1,035,000 | - | - | - | - | 1,085,000 | - | 1,085,000 |
| Dividends paid | 17 - | - | - | - | (633,084) | - | (633,084) | (77,478) | (710,562) |
| Total contributions by and distributions | | | | | | | | | |
| <i>to owners of the parent</i> | 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 are an integral part of these 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 | | | | Available- for-sale investments |
| | | | | Legal reserve | Unappropriated | | | |
| <i>(in thousand Baht)</i> | | | | | | | | |
| Six-month period ended 30 June 2017 | | | | | | | | |
| Balance at 1 January 2017 | | 923,990 | 3,747,793 | 92,399 | 1,009,223 | 25,684 | 5,799,089 | |
| Transactions with owners, recorded directly in equity | | | | | | | | |
| <i>Distributions to owners of the parent</i> | | | | | | | | |
| Dividends paid | 17 | - | - | - | (646,793) | - | (646,793) | |
| Total distributions to owners of the parent | | - | - | - | (646,793) | - | (646,793) | |
| Comprehensive income (loss) for the period | | | | | | | | |
| Profit | | - | - | - | 602,334 | - | 602,334 | |
| Other comprehensive income (loss) | | - | - | - | - | (16,885) | (16,885) | |
| Total comprehensive income (loss) for the period | | - | - | - | 602,334 | (16,885) | 585,449 | |
| Balance at 30 June 2017 | | 923,990 | 3,747,793 | 92,399 | 964,764 | 8,799 | 5,737,745 | |

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

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

| | <i>Note</i> | Separate financial statements | | | | Other components of equity | Total equity | |
|--|-------------|--|--|-------------------|------------------|-------------------------------|------------------|---------------------------------------|
| | | Issued and paid-up share capital | Share premium on ordinary shares | Retained earnings | | | | Available- for-sale investments |
| | | | | Legal reserve | Unappropriated | | | |
| <i>(in thousand Baht)</i> | | | | | | | | |
| 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 | <i>12</i> | 50,000 | 1,035,000 | - | - | - | 1,085,000 | |
| Dividends paid | <i>17</i> | - | - | - | (633,084) | - | (633,084) | |
| <i>Total contributions by and distributions to owners of the parent</i> | | 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 are an integral part of these 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 | |
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Cash flows from operating activities</i> | | | | |
| Profit for the period | 1,517,076 | 1,415,222 | 574,292 | 602,334 |
| <i>Adjustments</i> | | | | |
| Depreciation and amortization | 322,506 | 315,428 | 5,737 | 2,869 |
| Gain from sale of available-for-sale securities | (6,467) | (42,173) | (3,545) | (36,806) |
| Dividends income | (2,105) | - | (553,860) | (555,120) |
| Interest income | (18,716) | (16,757) | (225,216) | (263,481) |
| (Reversal of) bad and doubtful debts expenses | 344 | (260) | - | - |
| Gain from disposal of plant and equipment | (303) | (365) | - | (742) |
| Loss from liquidation of investments in joint venture and subsidiary | - | - | 1,884 | - |
| Finance costs | 260,434 | 315,319 | 203,242 | 246,584 |
| Unrealised gain on foreign exchange | (391) | (10,875) | (490) | - |
| Provisions for employee benefit | 506 | 524 | 392 | 376 |
| Share of (profit) loss of investment in joint venture | 64 | (8) | - | - |
| Tax expense | 38,624 | 14,116 | 4,192 | 11,870 |
| | <u>2,111,572</u> | <u>1,990,171</u> | <u>6,628</u> | <u>7,884</u> |
| <i>Changes in operating assets and liabilities</i> | | | | |
| Trade and other accounts receivable | (97,881) | (63,500) | (554) | (4,482) |
| Inventories | (377,199) | (136,259) | - | - |
| Other current assets | (12,216) | (30,407) | (34) | 2,968 |
| Other non-current assets | 19,754 | 12,406 | (169) | 287 |
| Trade and other accounts payable | (323,569) | (501,642) | (4,686) | (18,731) |
| Other current liabilities | (1,784) | (5,732) | (2,380) | (1,162) |
| Net cash generated from (used in) operating | <u>1,318,677</u> | <u>1,265,037</u> | <u>(1,195)</u> | <u>(13,236)</u> |
| Taxes paid | (48,430) | (10,596) | (8,836) | (3,999) |
| Net cash from (used in) operating activities | <u>1,270,247</u> | <u>1,254,441</u> | <u>(10,031)</u> | <u>(17,235)</u> |

The accompanying notes are an integral part of these 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 | |
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Cash flows from investing activities</i> | | | | |
| Increased in short term deposits at financial institutions | - | (90,000) | - | (90,000) |
| Proceeds from sale of available-for-sale securities | 5,937,586 | 6,394,310 | 3,799,113 | 4,124,356 |
| Acquisition of available-for-sale securities | (7,921,539) | (6,557,792) | (5,885,669) | (4,486,442) |
| Decreased in investments in debt securities held to maturity | 340,000 | - | 340,000 | - |
| Increased in restricted fixed deposits | (340,000) | - | (340,000) | - |
| Acquisition of plant and equipment | (7,636) | (61,100) | (861) | (32,594) |
| Proceeds from sale of plant and equipment | 10,268 | 17,410 | 25 | 1,568 |
| Acquisition of intangible assets | (822) | (90) | (572) | - |
| Short-term loans to related parties | - | - | (418,000) | (155,000) |
| Long-term loans to related parties | - | - | - | (8,716,505) |
| Proceeds from repayment of short-term loans to related parties | - | - | 549,700 | - |
| Proceeds from repayment of long-term loans to related parties | - | - | 1,073,262 | 9,766,763 |
| Process from sale of investment in subsidiary | - | - | 381 | - |
| Dividends received | 2,105 | - | 553,860 | 555,120 |
| Interest received | 15,865 | 11,114 | 222,910 | 258,831 |
| Net cash from (used in) investing activities | (1,964,173) | (286,148) | (105,851) | 1,226,097 |
| <i>Cash flows from financing activities</i> | | | | |
| Increase in bank overdrafts and short-term loans | | | | |
| from financial institutions | 463,206 | 5,770 | - | - |
| 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) | (340,000) | (575,000) | (340,000) |
| Payment of finance lease liabilities | (874) | (752) | (793) | (478) |
| Dividends paid | (710,562) | (730,085) | (633,084) | (646,793) |
| Interest paid | (252,430) | (308,072) | (193,713) | (241,065) |
| Net cash from (used in) financing activities | 508,700 | (1,373,139) | 181,770 | (1,228,336) |
| Net increase (decrease) in cash and cash equivalents | (185,226) | (404,846) | 65,888 | (19,474) |
| Cash and cash equivalents at beginning of period | 345,897 | 454,974 | 40,050 | 31,405 |
| Cash and cash equivalents at ending of period | 160,671 | 50,128 | 105,938 | 11,931 |

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

SPCG Public Company Limited and its Subsidiaries
Notes to the interim financial statements
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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 10 August 2018.

1 General information

SPCG Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office as follows:

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

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

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

The Company was listed on the Stock Exchange of Thailand in March 2005, namely Steel Intertech Public Company Limited. Subsequently, the Company has changed its registered name to SPCG Public Company Limited on 17 June 2011.

The Company’s major shareholder during the financial period was the Khunchornyakong family (46.51% shareholding).

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

- Production and distribution of electricity from solar energy;
- Trading and installation service of solar roof;
- Manufacture, trading and installation service of roof sheets and
- Engineering, procurement and construction for solar farms.

Details of the Company’s subsidiaries as at 30 June 2018 and 31 December 2017 were as follows:

| Name of the entity | Type of business | Country of incorporation | Ownership interest direct/ indirect (%) | |
|---|--|--------------------------|---|------------------|
| | | | 30 June 2018 | 31 December 2017 |
| Direct subsidiaries | | | | |
| Solar Power Company Limited | Holding company | Thailand | 100 | 100 |
| Steel Roof Company Limited (Formerly Steel and Solar Roof Company Limited) | Manufacturing, trading and installation services for roof sheets | Thailand | 100 | 100 |
| Solar Power Engineering Company Limited | Engineering, Procurement and Construction for solar farms | Thailand | 100 | 100 |
| Solar Power Roof Company Limited | Trading and installation services for solar roofing | Thailand | 100 | 100 |

SPCG Public Company Limited and its Subsidiaries
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| Name of the entity | Type of business | Country of incorporation | Ownership interest direct/ indirect (%) | |
|---|--|--------------------------|---|------------------|
| | | | 30 June 2018 | 31 December 2017 |
| Solar Power Asset Company Limited | Holding company | Thailand | 100 | 100 |
| SPCG Leasing Company Limited (Completed the liquidation process on 2 March 2018) | Leasing company | Thailand | - | 100 |
| Indirect subsidiaries | | | | |
| Solar Power (Korat 1) Company Limited | Production and distribution of electricity from solar energy | Thailand | 85 | 85 |
| Solar Power (Korat 2) Company Limited | Production and distribution of electricity from solar energy | Thailand | 56 | 56 |
| Solar Power (Korat 3) Company Limited | Production and distribution of electricity from solar energy | Thailand | 60 | 60 |
| Solar Power (Korat 4) Company Limited | Production and distribution of electricity from solar energy | Thailand | 60 | 60 |
| Solar Power (Korat 5) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Korat 6) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Korat 7) Company Limited | Production and distribution of electricity from solar energy | Thailand | 60 | 60 |
| Solar Power (Korat 8) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Korat 9) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Khonkaen 1) Company Limited | Production and distribution of electricity from solar energy | Thailand | 70 | 70 |
| Solar Power (Khonkaen 2) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Khonkaen 3) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Khonkaen 4) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |

SPCG Public Company Limited and its Subsidiaries
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| Name of the entity | Type of business | Country of incorporation | Ownership interest direct/ indirect (%) | |
|--|--|--------------------------|---|------------------|
| | | | 30 June 2018 | 31 December 2017 |
| Solar Power (Khonkaen 5) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Khonkaen 6) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Khonkaen 7) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Khonkaen 8) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Khonkaen 9) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Khonkaen 10) Company Limited | Production and distribution of electricity from solar energy | Thailand | 75 | 75 |
| Solar Power (Surin 1) Company Limited | Production and distribution of electricity from solar energy | Thailand | 75 | 75 |
| Solar Power (Surin 2) Company Limited | Production and distribution of electricity from solar energy | Thailand | 75 | 75 |
| Solar Power (Surin 3) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Bureerum 1) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Bureerum 2) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Bureerum 3) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Nakornphanom 1) Company Limited | Production and distribution of electricity from solar energy | Thailand | 70 | 70 |
| Solar Power (Nakornphanom 2) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Nakornphanom 3) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Sakonnakorn 1) Company Limited | Production and distribution of electricity from solar energy | Thailand | 70 | 70 |

SPCG Public Company Limited and its Subsidiaries
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| Name of the entity | Type of business | Country of incorporation | Ownership interest direct/ indirect (%) | |
|---|--|--------------------------|---|------------------|
| | | | 30 June 2018 | 31 December 2017 |
| Solar Power (Sakonnakorn 2) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Loei 1) Company Limited | Production and distribution of electricity from solar energy | Thailand | 56 | 56 |
| Solar Power (Loei 2) Company Limited | Production and distribution of electricity from solar energy | Thailand | 75 | 75 |
| Solar Power (Nongkai 1) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| Solar Power (Udonthani 1) Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |
| AJ Technology Company Limited | Production and distribution of electricity from solar energy | Thailand | 75 | 75 |
| Tipayanarai Company Limited | Production and distribution of electricity from solar energy | Thailand | 100 | 100 |

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2017) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); 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 2017. 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 2017.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2017 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2018. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group.

In addition to the above new and revised TFRS, The FAP has issued TFRS 15 *Revenue from Contracts with Customers* which is effective for annual periods beginning on or after 1 January 2019. The Group has not early adopted this standard in preparing these interim financial statements.

SPCG Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2018 (Unaudited)

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled. It replaces existing revenue recognition standards as follows:

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

Management is presently considering the potential impact of adopting and initially applying TFRS 15 on the consolidated and separate financial statements.

(b) Functional and presentation currency

The interim financial statements are prepared and presented in Thai Baht, which is the Company's functional currency.

(c) Use of judgements and estimates

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2017.

3 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries, and joint venture are described in note 1, 7 and 8 Relationship with key managements and other related parties were as follows;

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

SPCG Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2018 (Unaudited)

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

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

Significant transactions for the three-month and six-month periods ended 30 June 2018 and 2017 with related parties were as follows:

| | Consolidated | | Separate | |
|--|-----------------------------|--------------|-----------------------------|--------------|
| | financial statements | | financial statements | |
| <i>Three-month period ended 30 June</i> | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| Subsidiaries | | | | |
| Interest income | - | - | 84,218 | 111,441 |
| Dividends income | - | - | 553,860 | 555,120 |
| Other income | - | - | 28,263 | 27,971 |
| Other related parties | | | | |
| Sale of goods | 21,843 | 1,139 | - | - |
| Purchases of goods | 13,771 | 3,269 | - | - |
| Service expense for operation and maintenance | 42,000 | 42,000 | - | - |
| Building rental and utilities expense | 5,054 | 5,267 | 2,132 | 2,276 |
| Warehouse rental expense | 2,744 | 2,744 | - | - |
| Contractual installation service of solar roof | 39,536 | 19,940 | - | - |
| Consulting fee | 3,328 | - | 3,328 | - |
| Key management personnel | | | | |
| Key management personnel compensation | | | | |
| Short-term employee benefit | 8,128 | 7,032 | 4,826 | 4,486 |
| Post-employment benefits | 184 | 179 | 91 | 87 |
| Total | 8,312 | 7,211 | 4,917 | 4,573 |

SPCG Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2018 (Unaudited)

| <i>Six-month period ended 30 June</i> | Consolidated | | Separate | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | financial statements | financial statements | financial statements | financial statements |
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| Subsidiaries | | | | |
| Interest income | - | - | 157,886 | 217,905 |
| Dividends income | - | - | 553,860 | 555,120 |
| Other income | - | - | 56,526 | 55,941 |
| Other related parties | | | | |
| Sale of goods | 25,636 | 18,587 | - | - |
| Purchases of goods | 21,423 | 8,063 | - | - |
| Service expense for operation and maintenance | 84,000 | 84,000 | - | - |
| Building rental and utilities expense | 10,061 | 10,073 | 4,257 | 4,291 |
| Warehouse rental expense | 5,488 | 5,337 | - | - |
| Contractual installation service of solar roof | 137,602 | 36,056 | - | - |
| Consulting fee | 3,328 | - | 3,328 | - |
| Key management personnel | | | | |
| Key management personnel compensation | | | | |
| Short-term employee benefit | 16,266 | 14,811 | 9,657 | 9,255 |
| Post-employment benefits | 368 | 359 | 182 | 175 |
| Total | 16,634 | 15,170 | 9,839 | 9,430 |

Balances as at 30 June 2018 and 31 December 2017 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 |
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| Subsidiaries | - | - | 4,331 | 6,364 |
| Other related party | 22,805 | - | - | - |
| Total | 22,805 | - | 4,331 | 6,364 |

SPCG Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2018 (Unaudited)

| <i>Loans to related parties</i> | Interest Rate 2018 2017 (%) | | Consolidated | | Separate | |
|--|--|----------|-----------------------------|------------------------|-----------------------------|------------------------|
| | | | financial statements | | financial statements | |
| | | | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 |
| <i>(in thousand Baht)</i> | | | | | | |
| Short-term loans | | | | | | |
| Subsidiaries | 3.50 | 3.50 | - | - | 138,000 | 269,700 |
| | 4.00 | 4.00 | - | - | 5,000 | 5,000 |
| Total short-term loans | | | <u>-</u> | <u>-</u> | <u>143,000</u> | <u>274,700</u> |
| Long-term loans | | | | | | |
| Subsidiaries | THBFIX3M | THBFIX3M | | | | |
| | +1.55 | +1.55 | - | - | 7,790,919 | 8,717,131 |
| | 3.50 | 3.50 | - | - | 134,300 | 143,225 |
| | 5.65 | 5.65 | - | - | 2,006,875 | 2,145,000 |
| Total | | | <u>-</u> | <u>-</u> | <u>9,932,094</u> | <u>11,005,356</u> |
| Less current portion due within one year | | | - | - | (2,192,526) | (2,114,912) |
| Total long-term loans | | | <u>-</u> | <u>-</u> | <u>7,739,568</u> | <u>8,890,444</u> |
| Total loans to related parties | | | <u>-</u> | <u>-</u> | <u>10,075,094</u> | <u>11,280,056</u> |

Movements during the six-month periods ended 30 June 2018 and 2017 of loans to related parties were as follows:

| <i>Six-month period ended 30 June</i> | Consolidated | | Separate | |
|--|-----------------------------|--------------|-----------------------------|-------------------|
| | financial statements | | financial statements | |
| | 2018 | 2017 | 2018 | 2017 |
| <i>(in thousand Baht)</i> | | | | |
| Short-term loans | | | | |
| Subsidiaries | | | | |
| At 1 January | - | - | 274,700 | 7,000 |
| Increase | - | - | 418,000 | 155,000 |
| Decrease | - | - | (549,700) | - |
| At 30 June | <u>-</u> | <u>-</u> | <u>143,000</u> | <u>162,000</u> |
| Long-term loans | | | | |
| Subsidiaries | | | | |
| At 1 January | - | - | 11,005,356 | 13,112,826 |
| Increase | - | - | - | 8,716,505 |
| Decrease | - | - | (1,073,262) | (9,766,763) |
| At 30 June | <u>-</u> | <u>-</u> | <u>9,932,094</u> | <u>12,062,568</u> |
| <i>(in thousand Baht)</i> | | | | |
| Investments in subsidiaries (Note 8) | <u>-</u> | <u>-</u> | <u>3,082,813</u> | <u>3,083,813</u> |
| Investments in joint venture (Note 7) | <u>-</u> | <u>1,799</u> | <u>-</u> | <u>3,000</u> |

SPCG Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2018 (Unaudited)

| <i>Trade and other accounts payable - related parties</i> | Consolidated | | Separate | |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | financial statements | financial statements | financial statements | financial statements |
| | 30 | 31 | 30 | 31 |
| | June | December | June | December |
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| Subsidiaries | - | - | 41 | 41 |
| Other related parties | 247,992 | 259,064 | 81 | 57 |
| Total | 247,992 | 259,064 | 122 | 98 |

Significant agreements with related parties

As at 30 June 2018, the Group has significant agreements with related parties as follows:

Operation, maintenance and monitoring agreement

A subsidiary entered into operation, maintenance and monitoring agreements with a related party for service operation control, maintenance and monitoring each solar farm projects. The agreement is for a period of 5 years, commencing from the effective date as specified in the agreement and expiring in December 2020 with the service charge as stipulated in the agreement.

Office rental agreement

The Company and various subsidiaries have entered into office rental agreement with a related party. The agreement term is for a period of 3 years, commencing from the effective date as specified in the agreement and expiring in November 2019 with the rental fee and condition are as stipulated in the agreement.

Warehouse rental agreement

Various subsidiaries have entered into warehouse rental agreement with a related party. The agreement term is for a period of 3 years, commencing from the effective date as specified in the agreement and expiring in December 2018 with the rental fee and condition are as stipulated in the agreement.

Service agreement

The Company has entered into service agreement with various subsidiaries for general management service. The Company agreed to provide human resources to manage operation process in accordance with subsidiaries' condition. The agreement term is for a period of 1 year, commencing from the effective date as specified in the agreement and expiring in December 2018 with the service fee and condition are as stipulated in the agreement.

Consulting agreement

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

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Loan agreements

On 1 April 2015, the Company entered into a long-term loan agreement with related party totaling of Baht 3,120 million which has repayment period every 6 months with the last due date for repayments in 2022. The loans bear interest at the rate of 5.65% per annum, loans are unsecured.

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

On 30 June 2017, the Company entered into a long-term loan agreement with related party totaling of Baht 267 million which has repayment period every 3 months with the last due date for repayments in 2022. The loans bear interest at the rate of THBFIX3M + 1.55% per annum, loans are unsecured.

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

On 31 July 2017, the Company entered into a long-term loan agreement with related party totaling of Baht 151 million which has repayment period every 3 months with the last due date for repayments in 2020. The loans bear interest at the rate of THBFIX3M + 1.55% per annum, loans are unsecured.

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

4 Other investments

| | Consolidated | | Separate | |
|---|-----------------------------|------------------|-----------------------------|------------------|
| | financial statements | | financial statements | |
| | 30 | 31 | 30 | 31 |
| | June | December | June | December |
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Current investments</i> | | | | |
| Short-term deposits at financial institutions (Private fund) | 171,000 | 171,000 | 171,000 | 171,000 |
| Equity securities available for sale (Short-term fixed income fund) | 1,811,148 | 1,223,372 | 1,740,636 | 1,052,882 |
| Debt securities available for sale (Private fund) | 375,077 | 46,695 | 375,077 | 46,695 |
| | <u>2,357,225</u> | <u>1,441,067</u> | <u>2,286,713</u> | <u>1,270,577</u> |

SPCG Public Company Limited and its Subsidiaries
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| | Consolidated | | Separate | |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | financial statements | financial statements | financial statements | financial statements |
| | 30 | 31 | 30 | 31 |
| | June | December | June | December |
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| Long-term investments | | | | |
| - Available-for-sale securities | | | | |
| Debt securities available for sale (Private fund) | 1,280,518 | 212,149 | 1,280,518 | 212,149 |
| Equity securities available for sale (Equity fund) | 32,921 | 39,393 | 32,921 | 39,393 |
| | <u>1,313,439</u> | <u>251,542</u> | <u>1,313,439</u> | <u>251,542</u> |
| - Other long-term investments | | | | |
| Non-marketable equity securities | 128,678 | 128,678 | - | - |
| Restricted fixed deposit | 340,000 | - | 340,000 | - |
| Debt securities held to maturity | - | 340,000 | - | 340,000 |
| | <u>468,678</u> | <u>468,678</u> | <u>340,000</u> | <u>340,000</u> |
| | <u>1,782,117</u> | <u>720,220</u> | <u>1,653,439</u> | <u>591,542</u> |
| Total | <u>4,139,342</u> | <u>2,161,287</u> | <u>3,940,152</u> | <u>1,862,119</u> |

During the first quarter of 2017, the Company established private fund and engaged independent assets management company for the purpose of cash balance management of the Company. These private fund has invested in debt securities which has high liquidity and credit quality. As at 30 June 2018, the value of private fund outstanding totalling Baht 1,839 million. (31 December 2017: Baht 434 million)

Other long-term investments in non-marketable equity security is investment in ordinary share capital of an entity in Japan.

Restricted fixed deposit is fixed deposit for the period 18 months with a financial institution and bear interest rate at 1.60% per annum. The fixed deposit is used as collateral for the Company's debentures (note 10).

Movements during the six-month periods ended 30 June 2018 and 2017 of marketable equity and debt securities were as follows:

| | Consolidated | | Separate | |
|--------------------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | financial statements | financial statements | financial statements | financial statements |
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| Available-for-sale securities | | | | |
| At 1 January | 1,521,609 | 2,904,750 | 1,351,119 | 2,643,586 |
| Purchases during the period | 7,921,539 | 6,557,792 | 5,885,669 | 4,486,442 |
| Sales during the period | (5,937,586) | (6,394,310) | (3,799,113) | (4,124,356) |
| Gain on sale of investments | 6,467 | 42,173 | 3,545 | 36,806 |
| Valuation adjustment | (12,855) | (21,026) | (12,558) | (21,106) |
| Exchange rates adjustment | 490 | - | 490 | - |
| At 30 June | <u>3,499,664</u> | <u>3,089,379</u> | <u>3,429,152</u> | <u>3,021,372</u> |

SPCG Public Company Limited and its Subsidiaries
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For the three-month and six-month periods ended 30 June 2018 (Unaudited)

5 Trade and others accounts receivable

| | <i>Note</i> | Consolidated financial statements | | Separate financial statements | |
|---|-------------|--|------------------------|--|------------------------|
| | | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 |
| | | <i>(in thousand Baht)</i> | | | |
| Related parties | 3 | 22,805 | - | 4,331 | 6,364 |
| Other parties | | | | | |
| Trade accounts receivable | | 568,184 | 540,962 | 1,403 | 1,403 |
| Accrued income | | 983,780 | 948,239 | - | - |
| Retention receivable | | 3,028 | 11,024 | - | - |
| Others | | 54,063 | 29,168 | 16,572 | 9,944 |
| | | 1,609,055 | 1,529,393 | 17,975 | 11,347 |
| Total | | 1,631,860 | 1,529,393 | 22,306 | 17,711 |
| <i>Less</i> allowance for doubtful accounts | | (3,871) | (3,527) | (1,403) | (1,403) |
| Net | | 1,627,989 | 1,525,866 | 20,903 | 16,308 |

| | Consolidated financial statements | | Separate financial statements | |
|--|--|-------|--|------|
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| (Reversal of) bad and doubtful debt expenses | | | | |
| - for the three-month period ended 30 June | 429 | (85) | - | - |
| - for the six-month period ended 30 June | 344 | (260) | - | - |

Aging analyses for trade accounts receivable were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---|--|------------------------|--|------------------------|
| | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 |
| | <i>(in thousand Baht)</i> | | | |
| Other parties | | | | |
| Within credit terms | 502,104 | 507,565 | - | - |
| Overdue: | | | | |
| Less than 3 months | 33,687 | 24,356 | - | - |
| 3-6 months | 23,718 | 1,139 | - | - |
| 6-12 months | 2,030 | 4,158 | - | - |
| Over 12 months | 6,645 | 3,744 | 1,403 | 1,403 |
| | 568,184 | 540,962 | 1,403 | 1,403 |
| <i>Less</i> allowance for doubtful accounts | (3,871) | (3,527) | (1,403) | (1,403) |
| Total | 564,313 | 537,435 | - | - |

The normal credit term granted by the Group ranges from 30 days to 90 days.

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6 Inventories

| | Consolidated | | Separate | |
|--|-----------------------------|----------------|-----------------------------|----------|
| | financial statements | | financial statements | |
| | 30 | 31 | 30 | 31 |
| | June | December | June | December |
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| Finished goods | 15,094 | 14,258 | - | - |
| Work in progress | 13,997 | 1,029 | - | - |
| Raw materials | 1,057,053 | 691,199 | - | - |
| Goods in transit | 3,655 | 6,114 | - | - |
| Total | 1,089,799 | 712,600 | - | - |
| <i>Less</i> allowance for decline in value of inventories | (3,507) | (3,507) | - | - |
| Net | 1,086,292 | 709,093 | - | - |

7 Investment in joint venture

| | Consolidated | | Separate | |
|--|-----------------------------|--------------|-----------------------------|--------------|
| | financial statements | | financial statements | |
| <i>Six-month period ended 30 June</i> | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| At 1 January | 1,799 | 2,718 | 3,000 | 3,000 |
| Share of profit (loss) of investment in joint venture | (64) | 8 | - | - |
| Decrease | (1,735) | - | (3,000) | - |
| At 30 June | - | 2,726 | - | 3,000 |

At the extraordinary meeting of shareholders of Enegate (Thailand) Co., Ltd., a joint venture, held on 12 October 2017, the shareholders approved the dissolution of the company. The Company registered its dissolution with the Ministry of Commerce on 6 December 2017. The Company was completed the liquidation process on 7 March 2018.

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Investment in joint venture as at 30 June 2018 and 31 December 2017 and dividend income for the six-month periods ended 30 June 2018 and 2017 were as follows:

Consolidated financial statements

| | Ownership interest | | Paid-up capital | | Cost method | | Equity method | | Impairment | | Equity method - net | | Dividend income for the six-month period ended | |
|---|--------------------|------------------|-----------------|------------------|--------------|------------------|---------------------------|------------------|--------------|------------------|---------------------|------------------|--|------------------|
| | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 |
| | (%) | | | | | | <i>(in thousand Baht)</i> | | | | | | | |
| Enegate (Thailand) Co., Ltd. (Completed the liquidation process on 7 March 2018) | - | 30.00 | - | 10,000 | - | 3,000 | - | 1,799 | - | - | - | 1,799 | - | - |
| Total | | | | | - | 3,000 | - | 1,799 | - | - | - | 1,799 | - | - |

Separate financial statements

| | Ownership interest | | Paid-up capital | | Cost method | | Impairment | | Cost method - net | | Dividend income for the six-month period ended | |
|---|--------------------|------------------|-----------------|------------------|--------------|------------------|---------------------------|------------------|-------------------|------------------|--|------------------|
| | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 |
| | (%) | | | | | | <i>(in thousand Baht)</i> | | | | | |
| Enegate (Thailand) Co., Ltd. (Completed the liquidation process on 7 March 2018) | - | 30.00 | - | 10,000 | - | 3,000 | - | - | - | 3,000 | - | - |
| Total | | | | | - | 3,000 | - | - | - | 3,000 | - | - |

None of the Group's joint venture is publicly listed and consequently does not have published price quotations.

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8 Investments in subsidiaries

| <i>Six-month period ended 30 June</i> | Separate financial statements | |
|---------------------------------------|--|-------------------------|
| | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | |
| At 1 January | 3,083,813 | 2,979,173 |
| Decrease | (1,000) | - |
| At 30 June | <u>3,082,813</u> | <u>2,979,173</u> |

At the extraordinary meeting of shareholders of SPCG Leasing Company Limited, a subsidiary, held on 22 November 2017, the shareholders approved the dissolution of the company. The Company registered its dissolution with the Ministry of Commerce on 6 December 2017. The Company was completed the liquidation process on 2 March 2018.

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Investments in subsidiaries as at 30 June 2018 and 31 December 2017, and dividend income from those investments for the six-month periods ended 30 June 2018 and 2017 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 | 2018 | 2017 |
| | (%) | | | | | | (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 | 532,500 | 534,000 |
| Steel Roof Company Limited (Formerly Steel and Solar Roof Company Limited) | 100 | 100 | 57,373 | 57,373 | 57,373 | 57,373 | - | - | 57,373 | 57,373 | - | - |
| Solar Power Engineering Company Limited | 100 | 100 | 3,500 | 3,500 | 3,500 | 3,500 | - | - | 3,500 | 3,500 | - | - |
| 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 | 21,360 | 21,120 |
| SPCG Leasing Company Limited (Completed the liquidation process on 2 March 2018) | - | 100 | - | 1,000 | - | 1,000 | - | - | - | 1,000 | - | - |
| | | | | | 3,082,813 | 3,083,813 | - | - | 3,082,813 | 3,083,813 | 553,860 | 555,120 |

All subsidiaries were incorporated in Thailand.

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9 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month periods ended 30 June 2018 and 2017 were as follows:

| <i>Six-month period ended 30 June</i> | Consolidated financial statements | | | |
|---|--|---|---|--|
| | 2018 | | 2017 | |
| | 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 |
| Land | - | - | 331 | - |
| Buildings, building improvements and infrastructure | 1,187 | (1,304) | 49,993 | - |
| Solar modules, inverters, equipment and machinery | 2,106 | (7,985) | 3,770 | (14,166) |
| Office equipment | 3,127 | (26) | 7,131 | (1,793) |
| Vehicles | 299 | (858) | 28 | (767) |
| Assets under construction | 1,107 | - | - | - |
| Total | 7,826 | (10,173) | 61,253 | (16,726) |

| <i>Six-month period ended 30 June</i> | Separate financial statements | | | |
|---------------------------------------|---|---|---|--|
| | 2018 | | 2017 | |
| | 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 and building improvements | 105 | - | 30,084 | - |
| Office equipment | 755 | (26) | 2,103 | (59) |
| Vehicles | - | - | - | (767) |
| Total | 860 | (26) | 32,187 | (826) |

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10 Debentures

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------|--|--------------------------|--|--------------------------|
| | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 |
| | <i>(in thousand Baht)</i> | | | |
| Current | | | | |
| Current portion of debentures | | | | |
| - secured | 1,147,918 | 1,146,556 | 1,147,918 | 1,146,556 |
| - unsecured | 1,794,474 | 1,793,929 | 1,794,474 | 1,793,929 |
| Total current | <u>2,942,392</u> | <u>2,940,485</u> | <u>2,942,392</u> | <u>2,940,485</u> |
| Non-current | | | | |
| Debentures | | | | |
| - secured | - | 574,338 | - | 574,338 |
| - unsecured | 7,588,601 | 7,086,676 | 7,588,601 | 7,086,676 |
| Total non-current | <u>7,588,601</u> | <u>7,661,014</u> | <u>7,588,601</u> | <u>7,661,014</u> |
| Total | <u>10,530,993</u> | <u>10,601,499</u> | <u>10,530,993</u> | <u>10,601,499</u> |

Details debentures as at 30 June 2018 were as follow:

| Amount <i>(in million Baht)</i> | Interest rates <i>(%) p.a.</i> | Term <i>(years)</i> | Maturity dates |
|------------------------------------|-----------------------------------|------------------------|------------------|
| 4,000 | 5.55 | 5 years 1 month | 30 June 2019 |
| 1,800 | 2.66 | 3 years | 16 December 2018 |
| 1,800 | 2.97 | 4 years | 16 December 2019 |
| 1,700 | 3.37 | 5 years | 16 December 2020 |
| 1,700 | 3.62 | 6 years | 16 December 2021 |
| 1,250 | 3.80 | 7 years | 16 December 2022 |
| 650 | 3.94 | 8 years | 16 December 2023 |
| 500 | 2.20 | 3 years | 10 January 2021 |

Movements during the six-month periods ended 30 June 2018 and 2017 of debentures which included current portion were as follows:

| | Consolidated financial statements | | Separate financial statements | |
|---|--|--------------------------|--|--------------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | |
| Six-month period ended 30 June | | | | |
| At 1 January | 10,601,499 | 13,303,769 | 10,601,499 | 13,303,769 |
| Issue of debentures | 499,360 | - | 499,360 | - |
| Repayment of debentures | (575,000) | (340,000) | (575,000) | (340,000) |
| Adjusted debentures per effective interest rate method | 5,134 | 6,452 | 5,134 | 6,452 |
| At 30 June | <u>10,530,993</u> | <u>12,970,221</u> | <u>10,530,993</u> | <u>12,970,221</u> |

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

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11 Trade and other accounts payable

| | Note | Consolidated financial statements | | Separate financial statements | |
|--------------------------|----------|--------------------------------------|------------------------|----------------------------------|------------------------|
| | | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 |
| | | <i>(in thousand Baht)</i> | | | |
| Related parties | 3 | 247,992 | 259,064 | 122 | 98 |
| Other parties | | | | | |
| Trade accounts payable | | 215,942 | 562,255 | - | - |
| Accrued expense | | 173,017 | 131,829 | 7,606 | 8,960 |
| Unearned revenues | | 69,263 | 71,090 | - | - |
| Accrued interest expense | | 19,028 | 16,264 | 17,411 | 13,118 |
| Others | | 39,807 | 45,270 | 29,750 | 33,106 |
| | | 517,057 | 826,708 | 54,767 | 55,184 |
| Total | | 765,049 | 1,085,772 | 54,889 | 55,282 |

12 Share capital

| | Par value per share <i>(in Baht)</i> | 2018 | | 2017 | |
|---------------------------|--|--|------------------|------------------|------------------|
| | | Number | Baht | Number | Baht |
| | | <i>(thousand shares / thousand Baht)</i> | | | |
| Authorised | | | | | |
| At 1 January | | | | | |
| - ordinary shares | 1 | 1,016,389 | 1,016,389 | 923,990 | 923,990 |
| Increase of new shares | 1 | - | - | 92,399 | 92,399 |
| At 30 June | | | | | |
| - ordinary shares | 1 | 1,016,389 | 1,016,389 | 1,016,389 | 1,016,389 |
| Issued and paid-up | | | | | |
| At 1 January | | | | | |
| - ordinary shares | 1 | 923,990 | 923,990 | 923,990 | 923,990 |
| Increase of new shares | | 50,000 | 50,000 | - | - |
| At 30 June | | | | | |
| - ordinary shares | 1 | 973,990 | 973,990 | 923,990 | 923,990 |

At the Extraordinary General Meeting held on 6 June 2017, the Shareholders approved of increase of the Company's registered share capital under the general mandate for the offering of the newly issued ordinary shares of the Company by way of private placement from the existing registered capital of Baht 923.99 million to Baht 1,016.39 million, by issuing of new shares of Baht 92.40 million (divided into 92,399,000 shares at Baht 1 par value). The Company registered an increase of registered share capital with the Ministry of Commerce on 9 June 2017.

At the Board of Directors' meeting of the Company held on 31 January 2018, the Board approved the offering and allocation of the newly issued ordinary shares by way of private placement under the general mandate as previously approved by the Extraordinary General Meeting of Shareholders held on 6 June 2017 by approved the offering and allocation of 50 million newly issued ordinary shares of the Company under the general mandate to the specific person, at the offering price of Baht 21.70 per share (par value of Baht 1 and premium on ordinary shares of Baht 20.70), totaling Baht 1,085 million. The Company registered an increase of paid-up capital with the Ministry of Commerce on 16 February 2018.

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13 Operating segments

The Group has reportable segments, as described below, which are the Group strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The Group has reviewed business segments and the operations in each of the Group's reportable segments have 3 reportable segments as follow;

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

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

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Information about reportable segments for the three-month and six-month periods ended 30 June 2018 and 2017 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 | |
|---|--|----------------------|--|-----------------------|-----------------------|-----------------------|-------------------------|-------------------------|-----------------------|-----------------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht)</i> | | | | | | | | | |
| Revenue from operations | 464,638 | 189,217 | 1,087,371 | 1,069,002 | 10,390 | 18,666 | - | - | 1,562,399 | 1,276,885 |
| Revenue from inter-segment | - | - | - | - | 687,900 | 709,031 | (687,900) | (709,031) | - | - |
| Total revenue and other income | <u>464,638</u> | <u>189,217</u> | <u>1,087,371</u> | <u>1,069,002</u> | <u>698,290</u> | <u>727,697</u> | <u>(687,900)</u> | <u>(709,031)</u> | <u>1,562,399</u> | <u>1,276,885</u> |
| Operating profit | <u>73,832</u> | <u>19,953</u> | <u>799,001</u> | <u>787,792</u> | <u>653</u> | <u>9,440</u> | <u>(96)</u> | <u>1,518</u> | <u>873,390</u> | <u>818,703</u> |
| Interest income | 87 | 102 | 139 | 150 | 111,695 | 133,776 | (102,376) | (122,538) | 9,545 | 11,490 |
| Finance costs | <u>(3,235)</u> | <u>(690)</u> | <u>(127,579)</u> | <u>(155,741)</u> | <u>(102,332)</u> | <u>(123,988)</u> | <u>102,376</u> | <u>122,538</u> | <u>(130,770)</u> | <u>(157,881)</u> |
| Finance costs, net | <u>(3,148)</u> | <u>(588)</u> | <u>(127,440)</u> | <u>(155,591)</u> | <u>9,363</u> | <u>9,788</u> | <u>-</u> | <u>-</u> | <u>(121,225)</u> | <u>(146,391)</u> |
| Share of profit of investment in joint venture | - | - | - | - | - | 254 | - | - | - | 254 |
| Profit before income tax expense | 70,684 | 19,365 | 673,666 | 632,201 | 563,876 | 574,602 | (553,956) | (553,602) | 754,270 | 672,566 |
| Tax (expense) income | <u>(14,557)</u> | <u>(2,652)</u> | <u>(1,643)</u> | <u>1,139</u> | <u>(1,229)</u> | <u>(12,541)</u> | <u>3</u> | <u>(48)</u> | <u>(17,426)</u> | <u>(14,102)</u> |
| Profit for the period | <u>56,127</u> | <u>16,713</u> | <u>672,023</u> | <u>633,340</u> | <u>562,647</u> | <u>562,061</u> | <u>(553,953)</u> | <u>(553,650)</u> | <u>736,844</u> | <u>658,464</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 | |
|--|--|----------------------|--|-------------------------|---------------------------|-----------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| <i>For six-month period ended 30 June</i> | | | | | <i>(in thousand Baht)</i> | | | | | |
| Revenue from operations | 922,447 | 317,755 | 2,196,160 | 2,213,461 | 15,871 | 47,356 | - | - | 3,134,478 | 2,578,572 |
| Revenue from inter-segment | - | - | - | - | 823,917 | 864,862 | (823,917) | (864,862) | - | - |
| Total revenue and other income | <u>922,447</u> | <u>317,755</u> | <u>2,196,160</u> | <u>2,213,461</u> | <u>839,788</u> | <u>912,218</u> | <u>(823,917)</u> | <u>(864,862)</u> | <u>3,134,478</u> | <u>2,578,572</u> |
| Operating profit | <u>196,411</u> | <u>18,385</u> | <u>1,625,746</u> | <u>1,664,827</u> | <u>2,650</u> | <u>41,790</u> | <u>(29,430)</u> | <u>2,890</u> | <u>1,795,377</u> | <u>1,727,892</u> |
| Interest income | 87 | 102 | 139 | 150 | 225,216 | 263,482 | (206,726) | (246,977) | 18,716 | 16,757 |
| Finance costs | (4,945) | (762) | (258,973) | (314,950) | (203,242) | (246,584) | 206,726 | 246,977 | (260,434) | (315,319) |
| Finance costs, net | <u>(4,858)</u> | <u>(660)</u> | <u>(258,834)</u> | <u>(314,800)</u> | <u>21,974</u> | <u>16,898</u> | <u>-</u> | <u>-</u> | <u>(241,718)</u> | <u>(298,562)</u> |
| Share of profit (loss) of investment in joint venture | - | - | - | - | (64) | 8 | - | - | (64) | 8 |
| Profit before income tax expense | 191,553 | 17,725 | 1,369,017 | 1,350,027 | 578,420 | 613,816 | (583,290) | (552,230) | 1,555,700 | 1,429,338 |
| Tax (expense) income | (39,115) | (3,341) | (1,640) | 1,152 | (4,191) | (11,870) | 6,322 | (57) | (38,624) | (14,116) |
| Profit for the period | <u>152,438</u> | <u>14,384</u> | <u>1,367,377</u> | <u>1,351,179</u> | <u>574,229</u> | <u>601,946</u> | <u>(576,968)</u> | <u>(552,287)</u> | <u>1,517,076</u> | <u>1,415,222</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 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 |
| | <i>(in thousand Baht)</i> | | | | | | | | | |
| Segment assets as at | | | | | | | | | | |
| Property, plant and equipment | 50,050 | 52,024 | 16,777,865 | 17,094,227 | 62,883 | 66,294 | (35,805) | (36,757) | 16,854,993 | 17,175,788 |
| Investments in joint venture | - | - | - | - | - | 1,799 | - | - | - | 1,799 |
| Current investments | 15,000 | 102,044 | 54,693 | 66,137 | 2,287,532 | 1,272,886 | - | - | 2,357,225 | 1,441,067 |
| Available-for-sale investments | - | - | - | - | 1,313,439 | 251,542 | - | - | 1,313,439 | 251,542 |
| Other long-term investments | - | - | 128,678 | 128,678 | 340,000 | 340,000 | - | - | 468,678 | 468,678 |
| Unallocated assets | | | | | | | | | 3,978,399 | 3,687,764 |
| Total assets | | | | | | | | | <u>24,972,734</u> | <u>23,026,638</u> |
| Segment liabilities as at | | | | | | | | | | |
| Borrowings | 617,144 | 285,638 | 9,932,094 | 11,005,356 | - | - | (10,075,094) | (11,280,056) | 474,144 | 10,938 |
| Debentures | - | - | - | - | 10,530,993 | 10,601,499 | - | - | 10,530,993 | 10,601,499 |
| Unallocated liabilities | | | | | | | | | 878,182 | 1,206,001 |
| Total liabilities | | | | | | | | | <u>11,883,319</u> | <u>11,818,438</u> |

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14 Revenue from sale and rendering of services

| | Consolidated financial statements | | Separate financial statements | |
|---|--|------------------|--|----------|
| | 2018 | 2017 | 2018 | 2017 |
| <i>Three-month period ended 30 June</i> | <i>(in thousand Baht)</i> | | | |
| Revenue from sale of electricity distribution | 305,899 | 289,403 | - | - |
| Revenue from subsidy of adders | 771,852 | 771,171 | - | - |
| Revenue from sales and installation service of roof sheets and solar roof | 416,705 | 150,508 | - | - |
| Revenue from sales of goods | 45,803 | 38,023 | - | - |
| Total | 1,540,259 | 1,249,105 | - | - |
| | | | | |
| | Consolidated financial statements | | Separate financial statements | |
| | 2018 | 2017 | 2018 | 2017 |
| <i>Six-month period ended 30 June</i> | <i>(in thousand Baht)</i> | | | |
| Revenue from sale of electricity distribution | 621,124 | 607,789 | - | - |
| Revenue from subsidy of adders | 1,557,056 | 1,592,442 | - | - |
| Revenue from sales and installation service of roof sheets and solar roof | 803,306 | 225,287 | - | - |
| Revenue from sales of goods | 75,396 | 91,267 | - | - |
| Total | 3,056,882 | 2,516,785 | - | - |

15 Other income

| | Consolidated financial statements | | Separate financial statements | |
|---|--|---------------|--|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| <i>Three-month period ended 30 June</i> | <i>(in thousand Baht)</i> | | | |
| Dividends income | 2,105 | - | 553,860 | 555,120 |
| Income from import duty refund | 2,840 | - | - | - |
| Interest income | 9,545 | 11,490 | 111,695 | 133,775 |
| Gain on sale of other investments | 4,297 | 14,828 | 2,395 | 10,718 |
| Management service income | - | - | 27,631 | 27,339 |
| Others | 3,353 | 1,462 | 1,184 | 737 |
| Total | 22,140 | 27,780 | 696,765 | 727,689 |
| | | | | |
| | Consolidated financial statements | | Separate financial statements | |
| | 2018 | 2017 | 2018 | 2017 |
| <i>Six-month period ended 30 June</i> | <i>(in thousand Baht)</i> | | | |
| Dividends income | 2,105 | - | 553,860 | 555,120 |
| Income from import duty refund | 43,180 | - | - | - |
| Interest income | 18,716 | 16,757 | 225,216 | 263,481 |
| Gain on sale of other investments | 6,467 | 42,173 | 3,545 | 36,806 |
| Management service income | - | - | 55,263 | 54,678 |
| Others | 7,128 | 2,857 | 1,817 | 2,119 |
| Total | 77,596 | 61,787 | 839,701 | 912,204 |

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16 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.

17 Dividends

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.

At the Annual General Meeting of the shareholders of the Company held on 21 April 2017, the shareholders approved the appropriation of dividend for the year 2016 and the Company's unappropriated retained earnings of Baht 1.10 per share, amounting to Baht 1,016.39 million. The Company had paid interim dividend at the rate of Baht 0.40 per share, amounting to Baht 369.60 million. The remaining dividend will be paid at the rate of Baht 0.70 per share, amounting to Baht 646.79 million. The dividend was paid to shareholders during May 2017.

18 Basic earnings per share

The calculation of basic earnings per share for the three-month and six-month periods ended 30 June 2018 and 2017 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 by weighted average method as follows:

| <i>Three-month period ended 30 June</i> | Consolidated | | Separate | |
|--|---|-----------------------------|-----------------------------|-----------------------------|
| | financial statements | financial statements | financial statements | financial statements |
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht/thousand shares)</i> | | | |
| Profit attributable to ordinary shareholders of the Company | <u>659,829</u> | <u>581,370</u> | <u>562,630</u> | <u>561,935</u> |
| Number of ordinary shares as at 1 April | 973,990 | 923,990 | 973,990 | 923,990 |
| Effect from issued shares | - | - | - | - |
| Number of ordinary shares by weighted average method (basic) | <u>973,990</u> | <u>923,990</u> | <u>973,990</u> | <u>923,990</u> |
| Basic earnings per share (in Baht) | <u>0.68</u> | <u>0.63</u> | <u>0.58</u> | <u>0.61</u> |

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| <i>Six-month period ended 30 June</i> | Consolidated financial statements | | Separate financial statements | |
|--|--|--------------------|--|--------------------|
| | 2018 | 2017 | 2018 | 2017 |
| | <i>(in thousand Baht/thousand shares)</i> | | | |
| Profit attributable to ordinary shareholders of the Company | <u>1,360,670</u> | <u>1,256,706</u> | <u>574,292</u> | <u>602,334</u> |
| Number of ordinary shares as at 1 January | 923,990 | 923,990 | 923,990 | 923,990 |
| Effect from issued shares | <u>37,569</u> | <u>-</u> | <u>37,569</u> | <u>-</u> |
| Number of ordinary shares by weighted average method (basic) | <u>961,559</u> | <u>923,990</u> | <u>961,559</u> | <u>923,990</u> |
| Basic earnings per share (in Baht) | <u>1.42</u> | <u>1.36</u> | <u>0.60</u> | <u>0.65</u> |

19 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.

| | Carrying amount | Consolidated financial statements | | | Total |
|---|-----------------|--|-------------|---------|-------------|
| | | Fair value | | | |
| | | Level 1 | Level 2 | Level 3 | |
| <i>(in million Baht)</i> | | | | | |
| 30 June 2018 | | | | | |
| <i>Financial assets measured at fair value</i> | | | | | |
| Equity securities available for sale (Short-term fixed income fund) | 1,811.15 | - | 1,811.15 | - | 1,811.15 |
| Debt securities available for sale (Private fund) | 1,655.60 | - | 1,655.60 | - | 1,655.60 |
| Equity securities available for sale (Equity fund) | 32.92 | - | 32.92 | - | 32.92 |
| <i>Financial liabilities not measured at fair value</i> | | | | | |
| Debentures | (10,530.99) | - | (11,411.34) | - | (11,411.34) |
| Interest rate swap contract | - | - | (246.06) | - | (246.06) |
| 31 December 2017 | | | | | |
| <i>Financial assets measured at fair value</i> | | | | | |
| Equity securities available for sale (Short-term fixed income fund) | 1,223.37 | - | 1,223.37 | - | 1,223.37 |
| Debt securities available for sale (Private fund) | 258.84 | - | 258.84 | - | 258.84 |
| Equity securities available for sale (Equity fund) | 39.39 | - | 39.39 | - | 39.39 |

SPCG Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month and six-month periods ended 30 June 2018 (Unaudited)

| | Carrying amount | Consolidated financial statements | | | |
|---|-----------------|-----------------------------------|-------------|---------|-------------|
| | | Fair value | | | |
| | | Level 1 | Level 2 | Level 3 | Total |
| <i>(in million Baht)</i> | | | | | |
| <i>Financial assets and Financial liabilities not measured at fair value</i> | | | | | |
| Debt securities held to maturity | 340.00 | - | 342.13 | - | 342.13 |
| Debentures | (10,601.50) | - | (11,550.34) | - | (11,550.34) |
| Interest rate swap contract | - | - | (300.31) | - | (300.31) |
| Forward exchange contract | 0.08 | - | (0.08) | - | (0.08) |

| | Carrying amount | Separated financial statements | | | |
|--------------------------|-----------------|--------------------------------|---------|---------|-------|
| | | Fair value | | | |
| | | Level 1 | Level 2 | Level 3 | Total |
| <i>(in million Baht)</i> | | | | | |

30 June 2018

Financial assets measured at fair value

| | | | | | |
|---|----------|---|----------|---|----------|
| Equity securities available for sale (Short-term fixed income fund) | 1,740.64 | - | 1,740.64 | - | 1,740.64 |
| Debt securities available for sale (Private fund) | 1,655.60 | - | 1,655.60 | - | 1,655.60 |
| Equity securities available for sale (Equity fund) | 32.92 | - | 32.92 | - | 32.92 |

Financial assets and Financial liabilities not measured at fair value

| | | | | | |
|-----------------------------|-------------|---|-------------|---|-------------|
| Debentures | (10,530.99) | - | (11,411.34) | - | (11,411.34) |
| Interest rate swap contract | - | - | 2.63 | - | 2.63 |

31 December 2017

Financial assets measured at fair value

| | | | | | |
|---|----------|---|----------|---|----------|
| Equity securities available for sale (Short-term fixed income fund) | 1,052.88 | - | 1,052.88 | - | 1,052.88 |
| Debt securities available for sale (Private fund) | 258.84 | - | 258.84 | - | 258.84 |
| Equity securities available for sale (Equity fund) | 39.39 | - | 39.39 | - | 39.39 |

Financial assets and Financial liabilities not measured at fair value

| | | | | | |
|----------------------------------|-------------|---|-------------|---|-------------|
| Debt securities held to maturity | 340.00 | - | 342.13 | - | 342.13 |
| Debentures | (10,601.50) | - | (11,550.34) | - | (11,550.34) |
| Interest rate swap contract | - | - | 47.75 | - | 47.75 |

Measurement of fair values

Level 2 fair values for equity securities available for sale are based on the net asset value as of the reporting date, for debt securities are based on the yield rate quoted by the Thai Bond Market Association as of the reporting date and for derivatives the fair value are based on broker quotes. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group and counterparty when appropriate.

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20 Commitments with non-related parties

| | Consolidated financial statements | | Separate financial statements | |
|--|--|------------------------|--|------------------------|
| | 30 June 2018 | 31 December 2017 | 30 June 2018 | 31 December 2017 |
| | <i>(in thousand Baht)</i> | | | |
| <i>Future minimum lease payments under non-cancellable operating leases</i> | | | | |
| Within one year | 4,198 | 2,134 | 433 | - |
| After one year but within five years | 3,234 | 2,170 | 308 | - |
| Total | 7,432 | 4,304 | 741 | - |
| <i>Future minimum payments under service contracts</i> | | | | |
| Within one year | 55,228 | 66,158 | 2,187 | 784 |
| After one year but within five years | 73,274 | 102,456 | 35 | 285 |
| Total | 128,502 | 168,614 | 2,222 | 1,069 |
| <i>Other commitments</i> | | | | |
| Unused letters of credit for goods and supplies | 9,890 | 60,690 | - | - |
| Purchase orders for goods | 275,410 | 110,604 | - | - |
| Bank guarantees | 144,289 | 132,616 | - | - |
| Total | 429,589 | 303,910 | - | - |

21 Events after the reporting period

At the Board of Director's Meeting of the Company held on 10 August 2018, the Board approved the appropriation of interim dividends of Baht 0.55 per share amounting to Baht 535.69 million. The dividend will be paid to the shareholders in September 2018.