

**GREEN RESOURCES PUBLIC COMPANY LIMITED**

**AND SUBSIDIARIES**

**AUDITOR'S REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

## **INDEPENDENT AUDITOR'S REPORT**

**To The Shareholders of GREEN RESOURCES PUBLIC COMPANY LIMITED**

### **Opinion**

I have audited the accompanying consolidated and separate financial statements of **GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group)** and of **GREEN RESOURCES PUBLIC COMPANY LIMITED (the Company)**, which comprise the consolidated and separate statements of financial position as at December 31, 2017, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of **GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES** and of **GREEN RESOURCES PUBLIC COMPANY LIMITED** as at December 31, 2017, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

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

### **Key Audit Matters**

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

**Key Audit Matters included Auditing Procedures are as follows:**

**Valuation of property development project held for sale presentation**

As stated in notes 10 to the financial statements, the subsidiary has a property project with a book value amount of Baht 142.46 million in the consolidated financial statements as at December 31, 2017, this is a significant amount in the financial statements and valuation is presented at the lower of cost and net realizable value. The condominium projects are many units, long lives project and the sales volume is minimum which may result to the valuation of inventories presentation at the lower of cost and net realizable value which required to use the significant judgments by the Management in valuation. Significant management judgment comprised set pricing, sales discounted estimates, or sale promotion methods to stimulate future sales.

The assumptions used by the Management in this regard will affect the value of inventories and expenses incurred in estimating the allowance for devaluation of inventories (if applicable) in the statement of comprehensive income.

**I have obtained an assurance in respect of valuation of property development project held for sale presentation**

- Obtained an understanding of the plans and pricing policy of the Management and sales promotion policy to stimulate the selling to be conformed to the expected target of the Management.
- Assessed the Management's judgment regarding the salable price in the future.
- Checked the pervious actual sales price of the project compared with the current sales price.
- Reviewed the reports of assets appraisal prepared by the experts for overseeing reasonableness of the assumptions and significant information used in fair value of assets assessment.
- Considered the competence, knowledge and independent of the experts.

**Allowance for doubtful accounts of retentions receivable and prepayments**

As stated in notes 9 to the financial statements, the Company and its subsidiaries recorded the allowance for doubtful accounts of project deposits and land acquisition deposits amounting to Baht 81 million and prepayments for shares capital in the subsidiary's accounts amount of Baht 19 million, total amount of Baht 100 million in the consolidated financial statements. The estimates of allowance for doubtful accounts is to use various assumptions. Therefore, the Management has to use a high level of judgment in taking consideration of such assumptions for estimating the possible loss when the receivable faced trouble in deposits payment. Allowance for doubtful accounts is material amount, nevertheless, it may expose to a risk in respect of valuation of allowance for doubtful accounts.

I have assessed and tested the internal control system relating to the calculation of allowance for doubtful accounts of the receivable by making enquiry from the responsible person and assessed the assumption and methodology used in calculating the allowance for doubtful accounts, by;

- Obtained an understand the basis used in taking consideration of allowance for doubtful accounts including a review of the consistency of such basis and the reasons for recognition of allowance for doubtful accounts of trade accounts receivable.
- Analysis information of an outstanding periods and trade accounts receivable movements to identify the group of receivable which there is indication that the receipt is delay.
- Review the receipt of debt repayment after the reporting date.
- Considered trade accounts receivables which had legal challenging and breach of relevant covenants and agreements.
- Send a letter for requesting opinion of the attorney who is responsible for prosecution such receivable, analysis the opportunity to receive the debt settlement.

#### **Solar energy business acquisition**

As stated in notes 11 and 32.1 to financial statements, in the year 2017, the Company has acquired assets in the form of solar energy project from a business group with had the acquired investment value amount of Baht 74.15 million. The acquisition of assets assumed as acquired business since the Company and subsidiaries have operated in solar energy and the rights of the electricity distribution from solar roof installation to the Provincial Authority by receiving the transfer of such entity for which had the acquisition price higher than the acquired assets amount of Baht 149,910.41, the Company presented as costs of core assets of solar energy business. The Management use the reasonably judgment relevant to assets acquisition with the significantly substance that the acquisition of assets or business and such matter had material meaning to the operation of new business for the Group.

#### **I have obtained an assurance in respect of the accuracy of the accounting for acquisitions, by;**

- Obtained an understanding in respect of the key substance basis of acquisitions, and related accounting principles. Checked the significant evidences for assets acquisition, any privileges transferring.
- Evaluated the significant decision for investment in energy business.
- Checked fair value of acquired assets with the independent appraiser reports.
- Reviewed the reports of asset appraisal prepared by the experts for overseeing the reasonableness of the assumptions and information used in fair value of the assets assessment.
- Checked on site of the solar energy project.

### **Other Information**

Management is responsible for the other information. The other information comprises information in the annual report of the Group, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

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

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

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

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

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

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

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

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

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

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

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

D I A International Audit Co., Ltd.

(Mrs. Suvimol Chrityakierne)

C.P.A. (Thailand)

Registration No. 2982

February 27, 2018

**GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT DECEMBER 31, 2017**

(Unit : Baht)

Assets	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Current assets</b>					
Cash and cash equivalents	4	213,058,723.57	222,581,132.76	190,685,488.05	202,289,818.76
Current investment	5	0.00	100,250,000.00	0.00	100,000,000.00
Trade and other other current receivables	6	12,375,097.93	6,699,425.91	7,821,727.44	5,443,363.21
Trade and other current receivables - related parties	7	0.00	0.00	183,868.34	226,750.00
Loans and accrued interest income from subsidiaries	8, 20	0.00	0.00	0.00	5,022,602.74
Deposit receivable and project guarantee	9	0.00	0.00	0.00	0.00
Costs of property development projects	10	211,822,117.50	324,153,397.22	64,525,496.56	143,751,612.42
<b>Total current assets</b>		<b>437,255,939.00</b>	<b>653,683,955.89</b>	<b>263,216,580.39</b>	<b>456,734,147.13</b>
<b>Non-current assets</b>					
Investment in subsidiaries	11	0.00	0.00	179,598,166.93	170,113,835.91
Long-term investments	12	33,390,000.00	35,865,000.00	33,390,000.00	35,865,000.00
Other non-current receivables - related parties	13, 20	0.00	0.00	43,185,696.35	0.00
Pledged bank deposits	14	75,540,351.60	0.00	75,540,351.60	0.00
Property, plant and equipment	15	120,613,103.45	43,357,227.60	66,515,124.40	43,070,550.72
Other intangible assets	16	20,646.72	48,093.58	20,646.72	48,093.58
Other non-current assets		931,598.33	1,450,178.54	62,995.00	164,650.00
Total non-current assets		230,495,700.10	80,720,499.72	398,312,981.00	249,262,130.21
<b>Total assets</b>		<b>667,751,639.10</b>	<b>734,404,455.61</b>	<b>661,529,561.39</b>	<b>705,996,277.34</b>

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2017

(Unit : Baht)

Liabilities and shareholders' equity	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Current liabilities</b>					
Trade and other current payables	17	12,657,243.44	12,800,914.51	8,684,719.92	9,037,010.92
Short-term loans		169,528.73	5,001,865.81	0.00	0.00
Advance received under agreement to buy and to sell		3,492,770.79	7,103,233.50	118,831.79	120,915.00
Current portion of financial lease liabilities	18	328,438.62	312,178.68	328,438.62	312,178.68
Accrued income tax		0.00	294,650.68	0.00	0.00
<b>Total current liabilities</b>		<b>16,647,981.58</b>	<b>25,512,843.18</b>	<b>9,131,990.33</b>	<b>9,470,104.60</b>
<b>Non-current liabilities</b>					
Financial lease liabilities	18	555,366.68	883,805.34	555,366.68	883,805.34
Employee benefit obligations	19	1,450,082.62	2,396,942.01	1,442,442.06	2,385,095.00
<b>Total non-current liabilities</b>		<b>2,005,449.30</b>	<b>3,280,747.35</b>	<b>1,997,808.74</b>	<b>3,268,900.34</b>
<b>Total liabilities</b>		<b>18,653,430.88</b>	<b>28,793,590.53</b>	<b>11,129,799.07</b>	<b>12,739,004.94</b>

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2017

(Unit : Baht)

Liabilities and shareholders' equity (Cont'd)	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Shareholders' equity</b>					
Share capital					
Authorized share capital					
1,149,760,250 common shares of Baht 1 each		1,149,760,250.00	1,149,760,250.00	1,149,760,250.00	1,149,760,250.00
Issued and paid-up share capital					
715,020,835 common shares of Baht 1 each		715,020,835.00	715,020,835.00	715,020,835.00	715,020,835.00
Premium on share capital		624,225,739.00	624,225,739.00	624,225,739.00	624,225,739.00
Retained earnings (Deficit)					
Appropriated					
Legal reserve		9,833,839.02	9,833,839.02	9,833,839.02	9,833,839.02
Unappropriated		(699,985,110.76)	(643,472,377.00)	(698,680,650.70)	(655,823,140.62)
<b>Total owners of the Company</b>		<b>649,095,302.26</b>	<b>705,608,036.02</b>	<b>650,399,762.32</b>	<b>693,257,272.40</b>
Non-controlling interests		2,905.96	2,829.06	0.00	0.00
<b>Total shareholders' equity</b>		<b>649,098,208.22</b>	<b>705,610,865.08</b>	<b>650,399,762.32</b>	<b>693,257,272.40</b>
<b>Total liabilities and shareholders' equity</b>		<b>667,751,639.10</b>	<b>734,404,455.61</b>	<b>661,529,561.39</b>	<b>705,996,277.34</b>

Note to financial statements are parts of these financial statements.

**GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF COMPREHENSIVE INCOME**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Revenues</b>				
Revenues from sales	39,907,405.00	427,530,505.00	1,380,000.00	7,301,000.00
Revenues from rental and services	4,669,511.84	0.00	5,269,511.84	0.00
Revenues from electricity current distribution	1,421,974.40	0.00	0.00	0.00
Other income	7,058,420.67	12,174,713.88	17,137,186.50	6,877,452.29
<b>Total revenues</b>	<b>53,057,311.91</b>	<b>439,705,218.88</b>	<b>23,786,698.34</b>	<b>14,178,452.29</b>
<b>Expenses</b>				
Cost of sales	34,587,714.09	385,886,797.01	1,152,130.60	6,198,286.44
Loss (reversed) on devaluation of costs of property project	(5,275,322.63)	28,873,492.84	(5,275,322.63)	28,873,492.84
Cost of rental and service	4,970,222.05	0.00	4,959,722.05	0.00
Cost of electricity current distribution	421,960.29	0.00	0.00	0.00
Cost of distribution	5,175,447.89	20,809,556.38	882,214.79	2,537,999.01
Administrative expenses	49,470,762.55	70,461,031.80	44,049,164.29	58,102,573.99
Impairment loss on investment	2,475,000.00	9,135,000.00	22,490,468.98	19,021,124.09
Doubtful accounts	19,371,505.00	35,183,738.41	0.00	35,229,479.60
Finance costs	53,641.28	4,434,910.42	53,641.28	542,742.50
<b>Total expenses</b>	<b>111,250,930.52</b>	<b>554,784,526.86</b>	<b>68,312,019.36</b>	<b>150,505,698.47</b>
<b>Profit (loss) before income tax</b>	<b>(58,193,618.61)</b>	<b>(115,079,307.98)</b>	<b>(44,525,321.02)</b>	<b>(136,327,246.18)</b>
<b>Income tax expenses</b>	<b>0.00</b>	<b>(4,498,790.66)</b>	<b>0.00</b>	<b>0.00</b>
<b>Profit (loss) for the year</b>	<b>(58,193,618.61)</b>	<b>(119,578,098.64)</b>	<b>(44,525,321.02)</b>	<b>(136,327,246.18)</b>
<b>Discontinued operations</b>				
<b>Profit (loss) from discontinued operations</b>	<b>0.00</b>	<b>13,386,230.32</b>	<b>0.00</b>	<b>0.00</b>
<b>Other comprehensive income</b>				
<b>Unrecognized items are subsequently included in profit or loss</b>				
Loss on revaluation of defined benefit plan	1,680,848.35	0.00	1,667,810.94	0.00
<b>Total comprehensive income (expense) for the year</b>	<b>(56,512,770.26)</b>	<b>(106,191,868.32)</b>	<b>(42,857,510.08)</b>	<b>(136,327,246.18)</b>

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Profit (loss) attributable to:</b>				
Owners of the Company	(56,512,733.76)	(119,578,420.77)	(42,857,510.08)	(136,327,246.18)
Non-controlling interests	(36.50)	322.13	0.00	0.00
Profit from discontinued operations	0.00	13,386,230.32	0.00	0.00
	<u>(56,512,770.26)</u>	<u>(106,191,868.32)</u>	<u>(42,857,510.08)</u>	<u>(136,327,246.18)</u>
<b>Total comprehensive income (expense) attributable to:</b>				
Owners of the Company	(56,512,733.76)	(106,192,190.45)	(42,857,510.08)	(136,327,246.18)
Non-controlling interests	(36.50)	322.13	0.00	0.00
	<u>(56,512,770.26)</u>	<u>(106,191,868.32)</u>	<u>(42,857,510.08)</u>	<u>(136,327,246.18)</u>
<b>Earnings per share</b>				
Basic earnings (loss) per share	(0.079)	(0.182)	(0.060)	(0.208)
Weighted average number of common shares (unit : share)	715,020,835	656,982,410	715,020,835	656,982,410
Diluted earnings (loss) per share	(0.074)	(0.175)	(0.056)	(0.200)
Weighted average number of common shares (unit : share)	768,162,956	682,906,275	768,162,956	682,906,275

Note to financial statements are parts of these financial statements.

**GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

**(Unit: Baht)**

**Consolidated financial statements**

**Equity of the Company**

	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings (Deficit)		Equity owners of the Company	Non-controlling interests	Total shareholders' equity
				Appropriated Legal reserve	Unappropriated			
Beginning balance as at January 1, 2016		585,496,058.00	624,225,739.00	9,833,839.02	(522,145,825.54)	697,409,810.48	(1,640,252.46)	695,769,558.02
Changes in shareholders' equity for the year :								
Changes in shareholders' equity for the year :								
Share capital increase during the year	21	129,524,777.00	0.00	0.00	0.00	129,524,777.00	0.00	129,524,777.00
Total comprehensive income (expense)								
for the year		0.00	0.00	0.00	(119,578,420.77)	(119,578,420.77)	322.13	(119,578,098.64)
Non-controlling interests	32.2	0.00	0.00	0.00	0.00	0.00	1,887.78	1,887.78
Profit (loss) discontinued operations		0.00	0.00	0.00	(1,748,130.69)	(1,748,130.69)	1,640,871.61	(107,259.08)
Balance as at December 31, 2016		715,020,835.00	624,225,739.00	9,833,839.02	(643,472,377.00)	705,608,036.02	2,829.06	705,610,865.08
Changes in shareholders' equity for the year :								
Total comprehensive income (expense)								
for the year		0.00	0.00	0.00	(56,512,733.76)	(56,512,733.76)	(36.50)	(56,512,770.26)
Non-controlling interests		0.00	0.00	0.00	0.00	0.00	113.40	113.40
Balance as at December 31, 2017		715,020,835.00	624,225,739.00	9,833,839.02	(699,985,110.76)	649,095,302.26	2,905.96	649,098,208.22

Note to financial statements are parts of these financial statements.

**GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

**(Unit: Baht)**

**Separate financial statements**

	<b>Issued and paid-up share capital</b>	<b>Premium on share capital</b>	<b>Retained earnings (Deficit)</b>		<b>Total shareholders' equity</b>
			<b>Appropriated</b>	<b>Unappropriated</b>	
			<b>Legal reserve</b>		
Beginning balance as at January 1, 2016	585,496,058.00	624,225,739.00	9,833,839.02	(519,495,894.44)	700,059,741.58
Changes in shareholders' equity for the year :					
Share capital increase during the year	129,524,777.00	0.00	0.00	0.00	129,524,777.00
Total comprehensive expense for the year	0.00	0.00	0.00	(136,327,246.18)	(136,327,246.18)
Balance as at December 31, 2016	715,020,835.00	624,225,739.00	9,833,839.02	(655,823,140.62)	693,257,272.40
Changes in shareholders' equity for the year :					
Total comprehensive expense for the year	0.00	0.00	0.00	(42,857,510.08)	(42,857,510.08)
Balance as at December 31, 2017	715,020,835.00	624,225,739.00	9,833,839.02	(698,680,650.70)	650,399,762.32

Note to financial statements are parts of these financial statements.

**GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Cash flows from operating activities</b>				
Profit (Loss) for the year	(58,193,618.61)	(115,186,567.06)	(44,525,321.02)	(136,327,246.18)
Loss on discontinued operations	0.00	107,259.08	0.00	0.00
<b>Reconciliation of net profit (loss) to cash provided by (used in)</b>				
<b>from operating activities</b>				
Doubtful accounts (reversed)	19,371,505.00	34,747,797.27	0.00	35,229,479.60
Doubtful accounts for loans to subsidiary	0.00	0.00	(5,250.00)	0.00
Loss (reversed) loss on devaluation of costs of property development projects	(5,275,322.63)	28,873,492.84	(5,275,322.63)	28,873,492.84
(Gain) loss on sales of assets	79,525.77	1,271,504.76	66,263.06	1,223,177.76
Impairment loss on investment - subsidiaries	0.00	0.00	20,015,468.98	9,886,124.09
Impairment loss on investment - other	2,475,000.00	9,135,000.00	2,475,000.00	9,135,000.00
Write off assets	2,273,035.49	1,158,930.42	1,493,946.24	0.00
Write off liabilities	(923,597.81)	(7,814,011.59)	(120,915.00)	0.00
Depreciation and amortization	6,406,210.35	3,472,821.56	5,821,308.77	3,229,604.55
Employee benefit expenses	874,614.96	1,372,936.01	865,784.00	1,245,193.00
Interest expenses	53,641.28	4,351,867.06	53,641.28	542,742.50
Dividend income	0.00	0.00	(9,405,154.28)	0.00
Interest income	(3,954,497.84)	(5,322,884.73)	(4,141,317.88)	(5,089,152.32)
<b>Profit (loss) from operating activities before changes in assets</b>				
<b>and liabilities</b>	(36,813,504.04)	(43,831,854.38)	(32,681,868.48)	(52,051,584.16)
(Increase) Decrease in trade and other current receivables	(22,676,902.23)	1,795,768.58	(3,868,532.82)	1,502,985.29
(Increase) Decrease in trade accounts receivable - related parties	0.00	0.00	107,956.00	(342,026.19)

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
(Increase) Decrease in costs of property development projects	33,572,023.70	362,793,045.42	466,859.84	(9,733,567.88)
(Increase) Decrease in other current assets	0.00	169,916.00	0.00	169,916.00
(Increase) Decrease in Other non-current receivables-related parties	0.00	0.00	(43,185,696.35)	0.00
(Increase) Decrease in other non-current assets	147,655.00	1,208,335.00	101,655.00	5,535.00
(Increase) Decrease in trade and other current payables	(3,282,952.10)	(20,295,738.37)	(352,291.00)	(9,603,053.19)
Increase (Decrease) in amounts received in advance				
under agreement to buy and to sell	(2,688,730.71)	(42,257,401.00)	118,831.79	(196,000.00)
Employee benefit paid - retirement	(140,626.00)	(249,460.00)	(140,626.00)	(34,000.00)
Interest paid	(53,641.28)	(5,565,655.33)	(53,641.28)	(542,742.50)
Income tax paid	(872,903.82)	(4,364,941.47)	(188,709.15)	(155,061.91)
<b>Net cash provided by (used in) operating activities</b>	<b>(32,809,581.48)</b>	<b>249,402,014.45</b>	<b>(79,676,062.45)</b>	<b>(70,979,599.54)</b>
<b>Cash flows from investing activities</b>				
(Increase) Decrease in current investment	100,250,000.00	(30,250,000.00)	100,000,000.00	(30,000,000.00)
Payments for investment in subsidiary	0.00	(36,329,900.16)	(29,499,800.00)	(38,000,000.00)
Proceeds from short-term loan from related parties	0.00	0.00	5,000,000.00	80,000,000.00
Loan to related parties	0.00	0.00	0.00	(85,000,000.00)
Pledged deposits at financial institution	0.00	100,000,000.00	0.00	100,000,000.00
Payments for property, plant and equipment acquisition	(1,873,532.31)	(1,032,712.50)	(20,814,677.21)	(856,806.50)
Payments for acquire solar energy business	(74,154,005.61)	0.00	0.00	0.00
Payments for other intangible assets acquisition	0.00	(44,512.00)	0.00	(44,512.00)
Proceeds from sales of assets	9,112.14	4,674,766.36	4,205.61	4,674,766.36
Proceeds from dividend income	0.00	0.00	9,405,154.28	0.00
Interest income	4,139,429.34	5,742,473.78	4,289,027.78	5,486,138.63
<b>Net cash provided by (used in) investing activities</b>	<b>28,371,003.56</b>	<b>42,760,115.48</b>	<b>68,383,910.46</b>	<b>36,259,586.49</b>

Note to financial statements are parts of these financial statements.

**GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS (CONTINUED)**

**FOR THE YEAR ENDED DECEMBER 31, 2017**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Cash flows from financing activities</b>				
Repayments for short-term loans	(4,771,652.55)	(9,026,052.29)	0.00	0.00
Repayment for financial lease liabilities	(312,178.72)	(4,798,272.69)	(312,178.72)	(4,798,272.69)
Repayment for long-term loans	0.00	(360,033,801.31)	0.00	(48,274,801.31)
Proceeds from share capital increase	0.00	129,524,777.00	0.00	129,524,777.00
<b>Net cash provided by (used in) financing activities</b>	<b>(5,083,831.27)</b>	<b>(244,333,349.29)</b>	<b>(312,178.72)</b>	<b>76,451,703.00</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(9,522,409.19)</b>	<b>47,828,780.64</b>	<b>(11,604,330.71)</b>	<b>41,731,689.95</b>
Cash and cash equivalents at the beginning of the year	222,581,132.76	174,752,499.87	202,289,818.76	160,558,128.81
Cash and cash equivalents at the end of discontinued operations	0.00	(147.75)	0.00	0.00
<b>Cash and cash equivalents at the end of the year</b>	<b>213,058,723.57</b>	<b>222,581,132.76</b>	<b>190,685,488.05</b>	<b>202,289,818.76</b>

Note to financial statements are parts of these financial statements.

# GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2017

### 1. GENERAL INFORMATION

- Registration : The Company has listed in The Stock Exchange of Thailand on April 17, 2005, registration No. 0107548000587
- Head office : 405 Soi 13 Bond Street Road, Bang Pood Subdistrict, Pak Kret District, Nonthaburi.
- Type of business : The Company engaged in business of real estate development.

### 2. FINANCIAL STATEMENTS PREPARATION BASIS

#### 2.1 Financial statements preparation basis

The Group's financial statements have been prepared in conformity with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions (FAP) and the regulation of The Stock Exchange of Thailand (SET) dated January 22, 2001 regarding the preparation and submission of financial statements and reports for the financial performance of the listed companies B.E. 2544. The format of presentation of the financial statements is not significantly different from the Notification of the Department of Business Development regarding the condensed from should be included in the financial statements (No. 2) B.E. 2559 dated October 11, 2016.

The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

2.2 These financial statements are consolidated by including the financial statements of Green Resources Public Company Limited and subsidiaries as below :

Name of Companies	Type of business	Percentage of Shareholding (%)	
		2017	2016
Green Plus Assets Company Limited	Non operating	99.99	99.99
ACD Energy Co., Ltd.	Initiate and develop projects concerning energy	99.99	99.99
Orin Property Co., Ltd.	Real estate development	99.99	99.99
Je Solar Lopburi Co., Ltd.	Generate and distribution of electricity fro	99.99	0.00

On November 2, 2017, the Company invested in ordinary shared of JE Solar Lopburi Co., Ltd., a subsidiary in the proportion of 99.99 % . The Company taken assets and liabilities of such subsidiary to include in the consolidated financial statements by using the book value as at investment date The difference between the acquisition price and book value of assets and liabilities is presented as an excess of cost over the book value from investment in a subsidiary

2.2.1 Transaction between the Company and subsidiaries have been eliminated under the equity method and investment in subsidiaries was eliminated with the subsidiaries shareholders' equity in preparing consolidated financial statements.

2.2.2 The consolidated financial statements have been prepared in conformity with the same accounting policy for the accounts and accounting events of the Company and subsidiaries.

### 2.3 Transaction with related companies

Inter-company transactions have been eliminated in the consolidated financial statements.

2.4 The consolidated financial statements have been presented the consolidated financial position and results of operations of Green Resources Public Company Limited and its subsidiaries. The usefulness of transaction of consolidated financial statements for other purposes may be limited due to the difference business of those consolidated companies.

### 2.5 Measurement of fair values

A number of the Company and subsidiaries' accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company and subsidiaries have an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuation should be classified.

Significant valuation issues are reported to the Company and subsidiaries Audit Committee.

When measuring the fair value of an asset or a liability, the Company and subsidiaries use market observable data as fair as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

The Company and subsidiaries recognized transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

## 2.6 Financial reporting standards issued and revised which became effective during the year

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016 ) and new accounting treatment guidance which are effective for fiscal years beginning on or after January 1, 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

## 2.7 Financial reporting standards in issue and revise which are effective in the future

The Company has not adopted the following new and revised financial reporting standards that have been issued as at the reporting date but are not yet effective. The new and revised financial reporting standards are expected to become effective for annual financial statements period beginning on or after January 1, 2018 as following :

### Contents

#### Thai Accounting Standards

TAS 1 (Revised 2017)	Presentation of Financial Statements
TAS 2 (Revised 2017)	Inventories
TAS 7 (Revised 2017)	Statement of Cash Flows
TAS 8 (Revised 2017)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2017)	Events After the Reporting Period
TAS 11 (Revised 2017)	Construction Contracts
TAS 12 (Revised 2017)	Income Taxes
TAS 16 (Revised 2017)	Property, Plant and Equipment
TAS 17 (Revised 2017)	Leases
TAS 18 (Revised 2017)	Revenue
TAS 19 (Revised 2017)	Employee Benefits
TAS 20 (Revised 2017)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2017)	The Effects of Changes in Foreign Exchange Rates

Contents

Thai Accounting Standards (cont'd)

TAS 23 (Revised 2017)	Borrowing Costs
TAS 24 (Revised 2017)	Related Party Disclosures
TAS 26 (Revised 2017)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2017)	Separate Financial Statements
TAS 28 (Revised 2017)	Investments in Associates and Joint Venture
TAS 29 (Revised 2017)	Financial Reporting in Hyperinflationary Economics
TAS 33 (Revised 2017)	Earnings per Share
TAS 34 (Revised 2017)	Interim Financial Reporting
TAS 36 (Revised 2017)	Impairment of Assets
TAS 37 (Revised 2017)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2017)	Intangible Assets
TAS 40 (Revised 2017)	Investment Property
TAS 41 (Revised 2017)	Agriculture

Thai Financial Reporting Standards

TFRS 2 (Revised 2017)	Share-Based Payments
TFRS 3 (Revised 2017)	Business Combinations
TFRS 4 (Revised 2017)	Insurance Contracts
TFRS 5 (Revised 2017)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2017)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2017)	Operating Segments
TFRS 10 (Revised 2017)	Consolidated Financial Statements
TFRS 11 (Revised 2017)	Joint Arrangements
TFRS 12 (Revised 2017)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2017)	Fair Value Measurement

Contents

Thai Standing Interpretations Committee

TSIC 10 (Revised 2017)	Government Assistance – No Specific Relation to Operating Activities
TSIC 15 (Revised 2017)	Operating Leases - Incentives
TSIC 25 (Revised 2017)	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (Revised 2017)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (Revised 2017)	Service Concession Arrangements: Disclosures
TSIC 31 (Revised 2017)	Revenue – Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2017)	Intangible Assets - Web Site Costs

Thai Financial Reporting Interpretations Committee

TFRIC 1 (Revised 2017)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2017)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (Revised 2017)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2017)	Applying the Restatement Approach under TAS 29 (Revised 2017) <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10 (Revised 2017)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2017)	Service Concession Arrangements
TFRIC 13 (Revised 2017)	Customer Loyalty Programmers
TFRIC 14 (Revised 2017)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction for TAS 19 (Revised 2017) <i>Employee Benefits</i>
TFRIC 15 (Revised 2017)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2017)	Distributions of Non – cash Assets to Owners
TFRIC 18 (Revised 2017)	Transfers of Assets from Customers
TFRIC 20 (Revised 2017)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (Revised 2017)	Levies

The Company has no a plan to adopt those financial reporting standards earlier application date and expects that they will have no material impacts on the financial statements in the period of initial application.

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Income and expenses recognition

##### 3.1.1 Revenue from sales of property

Revenue from sales of inventory (condominium and land and house) are recognized as income when the construction is completed and the significant risk and rewards of ownership have been transferred to the buyer that the Company retains neither continuing managerial involvement nor effective control over the inventory sold. The recognized amount and cost incurred in respect of the transaction can be measured reliably. The ownership is completely transferred to the buyers.

##### 3.1.2 Revenues from rental

Rental income is recognized on a straight-line basis over the terms of the lease at the rate as stipulated in agreement.

##### 3.1.3 Revenues from services

Revenues from services are recognized as income when the services are rendered and conformed to the services contract.

##### 3.1.4 Revenues from electricity distribution

Revenues from electricity distribution when the electricity current is distributed by calculating with the rate indicated in electricity trading contracts.

##### 3.1.5 Interest income

Interest income is recognized on a time proportion basis by reference to the effective rate of the assets.

##### 3.1.6 Other income and expenses are recognized on an accrual basis.

#### 3.2 Cash and cash equivalents

Cash and cash equivalents include cash on hand and all highly liquid bank deposits and readily convertible to known amount of cash and are not subject to risk of changes in value.

#### 3.3 Temporary investment

Temporary investment consist of fixed deposit which the maturity is less than 1 year are stated at fair value.

#### 3.4 Trade and other current receivables

Trade and other current receivables are stated at the invoice amount less allowance for doubtful accounts.

The Company and its subsidiaries provided allowances for doubtful accounts for the estimated losses that may incur in collection of receivables. The allowances are generally based on collection experiences and analysis of debtor aging, and the possible of settlement of debt, on specific accounts.

### 3.5 Cost of property development projects

Costs of real estate development project are stated at the lower of cost or net realizable value.

Cost of property development projects are stated at costs or net realizable value whichever is lower. Costs of property development include land cost, construction costs and expenses directly related to the development projects, including interest expense incurred from related loan interest.

The Company recognizes real estate development cost as cost of sale when the transfer of the ownership to the buyer.

### 3.6 Investments

#### 3.6.1 Investment in subsidiaries

Investments in subsidiaries in the separate financial statement of the Company are accounted for using the cost method. Impairment of investment in subsidiaries is recorded as provision for impairment of investment when there is an impairment indication (if any).

#### 3.6.2 Other long-term investments

Marketable equity securities held for trading are classified as general investment and are stated at cost less provision on impairment (if any).

### 3.7 Investment properties

Investment properties are properties held to earn rental or for capital appreciation or both, is measured at cost less accumulated depreciation and provision for impairment (if any).

Cost is included the estimated costs of dismantlement, removal the item and restoration the site on which it is located, the obligations for which the Company incurs. The residual value and the useful life of an asset is required to review at least at the financial year-end. Depreciation is calculated on a straight-line basis at the rate as follows:

	<u>Number of years</u>
Condominium (Office building and residence)	30

### 3.8 Property, plant and equipment

Property, plant and equipment are stated at cost. Cost is measured by the cash or cash equivalents of obtaining the asset to bring it to the location and condition necessary for its intended use.

Building and equipment are stated at costs less accumulated depreciation and provision for impairment of assets (if any).

The Company and subsidiaries depreciated building and equipment by the straight-line method over the estimated useful lives of assets by determining separately for each significant parts of assets and various of useful lives. Estimated useful lives of the assets are as follows :

	<u>Number of years</u>
Building and building improvement	20
Equipment	5
Furniture, fixtures and office equipment	3-5
Electricity system, air conditioner and communication systems	5
Vehicles	5
Solar energy project systems and equipment	21

Expenditures for expansion, renewal and betterment are capitalized. Repair and maintenance costs are recognized as expense when incurred.

### 3.9 Other intangible Assets

Intangible assets with finite lives are amortized on a systematic basis on a straight-line method over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired.

A summary of the intangible assets with finite useful lives is as follows :

	<u>Number of years</u>
Computer program	3

### 3.10 Cost of property development for sale

Cost of property development for sale consists of cost of land, land improvement, design fees, public utilities, construction and direct related interest and expense cost.

In determining the cost of residential condominium unit sold, the anticipated total development costs (taking into actual costs) are attributed to total costs on the area and selling price basis.

Selling expenses directly associated with projects, such as specific business tax and transfer fee are recognized when sale incurred.

### 3.11 Impairment of assets

The Company and its subsidiaries regularly assess the possible impairment of assets. If any such indication exists, the Company and its subsidiaries make an estimate of the asset recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the statement of comprehensive income and other comprehensive income. An asset recoverable amount is the higher of fair value less costs to sell and value in use.

### 3.12 Leases

Leases of assets where the Company and subsidiaries assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalized at the fair value of leases of assets or estimated present value of the underlying lease payments whichever is lower. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the outstanding lease payment. Lease payments, net of financial charges, are recognized as liabilities under financial lease agreements. The interest expense is charged to statement of comprehensive income and other comprehensive income over the lease period. Assets acquired under finance lease agreements are depreciated over the useful lives of the assets. Leases of asset, under which all the risks and benefits of ownership are effectively retained by the lessor, are classified as operating leases. Payments made under operating leases are charged to statements of comprehensive income on a straight-line basis over the lease period. When an operating lease is terminated before expiry date of the lease period, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

### 3.13 Provident fund and employee benefits

#### 3.13.1 Provident fund

The Company has established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Company and employees made contribution into such provident fund. The Company's contribution to the provident fund were recorded as expenses in statements of comprehensive income in the period in which they are incurred.

### 3.13.2 Employee benefits

The Company and its subsidiaries have obligation in respect of the severance payment they must make to employees upon retirement under the labour law. The Company and subsidiaries treat these severance payment obligation as a defined benefit plan.

The Company and subsidiaries account for the obligation for the post - employment benefits by actuary based on actuarial techniques, using the projected unit credit method.

The Company recognizes this obligation in the statement of financial position based on present value of their obligation at the reporting date together with adjustments for actuarial gains or losses and past service costs. Actuarial gains or losses would be recognized in other comprehensive income.

### 3.14 Basic earnings per share

Basic earning per share is determined by dividing profit (loss) for the year by the weighted average number of common shares outstanding during the year.

### 3.15 Diluted earnings per share

Diluted earnings per share is calculated by dividing net profit for the year by the sum of number of ordinary shares and the number of ordinary shares issued on the conversion of all the dilutive potential ordinary shares (warrants) into ordinary shares, by the weighted average number according to the period to be deemed the conversion at the date of the issue of the potential ordinary shares.

In determining the number of potential ordinary shares if there are exercises of warrants that the Company calculated and taken the amounts from the exercise of remaining warrants to repurchase ordinary shares at their average market price to determine the additional ordinary share issuance. The potential ordinary shares included the existed ordinary shares were not adjusted in statement of comprehensive income and other comprehensive income.

### 3.16 Income tax expenses

Income tax expenses for the accounting period comprises current tax and deferred tax.

#### 3.16.1 Current tax

The Company and subsidiaries recorded income tax to be paid in each period as expenses in that period and calculated income tax in conditions as prescribed by the Revenue Code.

#### 3.16.2 Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax is recognized directly to shareholders' equity, except to the extent that it relates to items recognized directly in equity.

### 3.17 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly, or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers the Company the planning and directing the Company's operations.

### 3.18 Foreign currencies transactions

Transactions in foreign currencies are translated into Baht at the foreign exchange rate ruling at date of transaction. Balances of monetary assets and liabilities, dominated in foreign currencies, at the reporting date are translated into Thai Baht at the foreign exchange rate ruling at that date. Gain or loss arising from translation is recognized in the statement of comprehensive income and other comprehensive income.

### 3.19 Segment reporting

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

### 3.20 Accounting estimates

Preparation of financial statements in conformity with Thai Financial Reporting Standards required the management to make several estimation and assumption which affect the reported amounts in the financial statements and notes related thereto. Consequent actual results may differ from these estimates.

The estimates and assumptions may have a risk of causing an adjustment to the assets in the next financial year related to provisions for employee benefits which is estimated by the actuary based on actuarial method and certified by the management at the statement of financial position date. It is probable that the estimates may have uncertain since the project's nature is to be long-term (note 3.13.2). Other estimates are further described in the corresponding disclosures.

### 3.21 Provisions

Provisions are recognized in the financial statement when the Company and its subsidiaries have legal or constructive obligation as a result of past events with probable outflow of resources to settle the obligation and where a reliable estimate of the amount can be made. The contingent asset will be recognized as separate asset only when the realization is virtually certain. The amount recognized should not exceed the amount of the provision.

#### 4. CASH AND CASH EQUIVALENTS

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash	50,774.00	54,505.00	32,933.00	45,738.00
Current accounts	60,213.11	446,307.71	10,060.00	10,000.00
Savings deposit	198,027,628.28	222,080,320.05	190,642,495.05	202,234,080.76
Fixed deposits with 3 months maturity	14,920,108.18	0.00	0.00	0.00
<b>Total</b>	<b>213,058,723.57</b>	<b>222,581,132.76</b>	<b>190,685,488.05</b>	<b>202,289,818.76</b>

#### 5. CURRENT INVESTMENT

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Fixed deposits with 5 months maturity	0.00	100,250,000.00	0.00	100,000,000.00

#### 6. TRADE AND OTHER CURRENT RECEIVABLES

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
6.1 Trade accounts receivable	3,031,290.39	2,392,677.15	2,211,081.46	2,392,677.15
6.2 Other current receivables	9,343,807.54	4,306,748.76	5,610,645.98	3,050,686.06
<b>Total</b>	<b>12,375,097.93</b>	<b>6,699,425.91</b>	<b>7,821,727.44</b>	<b>5,443,363.21</b>

### 6.1 Trade accounts receivable

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Trade accounts receivable	33,517,203.33	46,256,979.03	29,429,082.60	42,989,067.23
Less Allowance for doubtful accounts	(30,485,912.94)	(43,864,301.88)	(27,218,001.14)	(40,596,390.08)
Trade accounts receivable	<u>3,031,290.39</u>	<u>2,392,677.15</u>	<u>2,211,081.46</u>	<u>2,392,677.15</u>

As at December 31, 2017 and, 2016, the Company and subsidiaries have outstanding trade accounts receivable separated on aging, counting from the due date as follows :

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Undue	3,031,290.39	2,392,677.15	2,211,081.46	2,392,677.15
Overdue exceed 12 months	30,485,912.94	43,864,301.88	27,218,001.14	40,596,390.08
Total	<u>33,517,203.33</u>	<u>46,256,979.03</u>	<u>29,429,082.60</u>	<u>42,989,067.23</u>

### 6.2 Other current receivables

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Prepaid expenses	887,294.94	814,523.05	846,570.54	787,152.51
Prepaid income tax	566,296.00	1,605,297.00	180,660.00	1,605,297.00
Others	7,890,216.60	1,886,928.71	4,583,415.44	658,236.55
Total	<u>9,343,807.54</u>	<u>4,306,748.76</u>	<u>5,610,645.98</u>	<u>3,050,686.06</u>

**7. TRADE AND OTHER CURRENT RECEIVABLES - RELATED PARTIES**

(Unit: Baht)

	Separate financial statements	
	2017	2016
Trade accounts receivable	100,000.00	226,750.00
Other current receivables	83,868.34	375,286.08
<b>Total</b>	<b>183,868.34</b>	<b>602,036.08</b>
Less Allowance for doubtful accounts	0.00	(375,286.08)
<b>Total</b>	<b>183,868.34</b>	<b>226,750.00</b>

**8. LOANS AND ACCRUED INTEREST INCOME FROM SUBSIDIARIES**

(Unit: Baht)

	Separate financial statements	
	2017	2016
Loans	39,350,000.00	44,350,000.00
Accrued interest income	1,757,667.82	1,785,520.56
<b>Total</b>	<b>41,107,667.82</b>	<b>46,135,520.56</b>
Less Allowance for doubtful accounts	(41,107,667.82)	(41,112,917.82)
<b>Loans and accrued interest income from subsidiaries</b>	<b>0.00</b>	<b>5,022,602.74</b>

As at December 31, 2017 and 2016, the Company has loans to 3 subsidiaries as detailed following :

Loan 1 Loan and accrued interest amount of Baht 41.11 million since the subsidiary has operating loss and ceased its business. The Company has provided the allowance for doubtful accounts in full amount and stopped interest bearing.

Loan 2 Loan and accrued interest amount of Baht 5.02 million are borrowed in 2016, charged interest rate at 3-5 % per annum. In the first quarter of 2017, the principal and interest were fully paid.

## 9. DEPOSIT RECEIVABLE AND PROJECT GUARANTEE

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
9.1 Deposit for land acquisition receivable	46,000,000.00	46,000,000.00	46,000,000.00	46,000,000.00
9.2 Project study guarantee	35,000,000.00	35,000,000.00	35,000,000.00	35,000,000.00
9.3 Prepayment for share capital	19,000,000.00	0.00	0.00	0.00
Total	100,000,000.00	81,000,000.00	81,000,000.00	81,000,000.00
Less Allowance for doubtful accounts	(100,000,000.00)	(81,000,000.00)	(81,000,000.00)	(81,000,000.00)
Deposit receivable and project guarantee	0.00	0.00	0.00	0.00

### 9.1 Deposit for land acquisition receivable

As at December 31, 2017 and 2016, the Company has deposit receivable amount of Baht 46 million arose from the transfer of right to claim deposit of land to a company which is matured in June 2015. Such company did not settle debt on due and negotiated with the Company for changing the repayment condition to be made by installment with interest as concerned by relevant company. At present, the Company has not yet received the repayment. In 2015, the Company has provided allowance for doubtful accounts in full amount. In 2016, the Company entered into the prosecution. At present, the case is still pending the Court's trial.

### 9.2 Project study guarantee

On July 29, 2015, the Company entered into covenant with a project owner to study the residence building for rent in Chiang Mai Province. On August 3, 2015, the Company has paid deposit against such project amount of Baht 35 million. The project owner has to return deposit in full amount where the Company intended not to joint investment. According to minutes of Board of directors' meeting held on February 9, 2016, passed the resolution to deny the joint investment in such project and the Company has sued for calling the return of guarantee. As at December 31, 2016, allowance for doubtful accounts is provided in full.

### 9.3 Prepayment for share capital

On November 27, 2017, the subsidiary entered into agreement to sell and to buy share capital and made prepayment for investment to an individual in the amount of Baht 19 million for investing in share capital of a company which is being negotiated for investment in solar cell electricity plant project (solar farm) in accordance with the Board of directors' meeting No.2/2017 held on November 23, 2017. Under the conditions, such company will receive the business transferring from the existing owner within 2017 and when the conditions terminated, such company will unable to receive the transferring from the existing owner. At the Board of directors' meeting of the Parent company, passed the resolution to cancel the investment caused by the delay of business transferring which do not conform to the conditions. On December 29, 2017, the Company made notice to cancel investment and called for returned the amount of Baht 19 million. Up to present, subsidiary did not receive the returned money yet. At present, the Company is still pending the legal procedures and provided allowance for doubtful accounts in full.

## 10. COSTS OF PROPERTY DEVELOPMENT PROJECTS

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Land and buildings	81,718,890.61	151,938,667.61	54,279,791.61	118,279,791.61
Construction and other costs	143,949,531.88	205,338,505.43	24,092,009.94	58,595,596.63
Total	225,668,422.49	357,277,173.04	78,371,801.55	176,875,388.24
Less Provision for decline in valuation	(13,846,304.99)	(33,123,775.82)	(13,846,304.99)	(33,123,775.82)
Net	211,822,117.50	324,153,397.22	64,525,496.56	143,751,612.42

Since the second quarter of 2017, the Company taken partial of condominium project which had the carrying value as at December 31, 2017 amount of Baht 97.56 million to let instead of to sell. Therefore, the Company has transferred cost of investment properties development project to investment properties amount of Baht 91.16 million (note 14) and assets for service rendering amount of Baht 6.83 million (note 15).

Movements in cost of project developments for the year ended December 31, 2017 and 2016, are as follows :

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Beginning balance	324,153,397.22	162,891,537.38	143,751,612.42	162,891,537.38
Increase during the year	536,968.77	22,685,812.09	206,549.14	15,523,914.82
Increase in acquire of investment in subsidiary	0.00	552,928,398.10	0.00	0.00
Decrease in sales of condominium units during the year	(34,582,852.09)	(385,478,857.51)	(1,147,268.60)	(5,790,346.94)
Decrease from transfer to assets for lease	(97,562,867.23)	0.00	(97,562,867.23)	0.00
Less (reversed) Provision for decline in valuation	5,275,322.63	(28,873,492.84)	5,275,322.63	(28,873,492.84)
Transfer allowance for devaluation to assets for lease	14,002,148.20	0.00	14,002,148.20	0.00
Ending balance of the period	<u>211,822,117.50</u>	<u>324,153,397.22</u>	<u>64,525,496.56</u>	<u>143,751,612.42</u>

Since the second quarter of 2017, the Company taken partial of condominium project which had the carrying value as at December 31, 2017 amount of Baht 97.56 million to let instead of to sell. Therefore, the Company has transferred cost of investment properties development project to investment properties amount of Baht 91.16 million (note 14) and assets for service rendering amount of Baht 6.83 million (note 15).

## 11. INVESTMENTS IN SUBSIDIARIES

As at December 31, 2017 and 2016, the Company has investments in subsidiaries as follows:

	Paid-up capital		Company's shareholding proportion	
	2017	2016	2017	2016
	Thousand Baht	Thousand Baht	Percent	Percent
Green Plus Assets Company Limited	30,000.00	30,000.00	99.99	99.99
ACD Energy Co., Ltd.	20,000.00	20,000.00	99.99	99.99
Orin Property Co., Ltd.	150,000.00	150,000.00	99.99	99.99
JE Solar Lopburi Co., Ltd.	145,000.00	0.00	99.99	0.00

(Unit: Baht)

	Separate financial statements					
	Cost		Provision for impairment of investment		Net	
	2017	2016	2017	2016	2017	2016
Green Plus Assets						
Company Limited	29,999,960.00	29,999,960.00	(29,999,960.00)	(29,999,960.00)	0.00	0.00
ACD Energy Co., Ltd.	34,999,960.00	19,999,960.00	(29,901,593.07)	(9,886,124.09)	5,098,366.93	10,113,835.91
Orin Property Co., Ltd.	160,000,000.00	160,000,000.00	0.00	0.00	160,000,000.00	160,000,000.00
JE Solar Lopburi Co., Ltd.	14,499,800.00	0.00	0.00	0.00	14,499,800.00	0.00
<b>Total</b>	<b>239,499,720.00</b>	<b>209,999,920.00</b>	<b>(59,901,553.07)</b>	<b>(39,886,084.09)</b>	<b>179,598,166.93</b>	<b>170,113,835.91</b>

In 2017, the Company has additional investment in subsidiary, JE Solar Lopburi Co., Ltd. which engages in solar energy by acquisition total business of subsidiary as stated in note 32.1.

As at December 31, 2017 and 2016, the Company has the provision for impairment of investment in two and three subsidiaries respectively since such companies have capital deficiency and temporary ceased their business.

## 12. OTHER LONG-TERM INVESTMENTS

As at December 31, 2017 and 2016, investment in other companies consist of investments in ordinary shares of other companies as following :

	Paid-up share capital		Company's shareholding proportion	
	2017	2016	2017	2016
	Thousand Baht	Thousand Baht	Percent	Percent
Phuket Peninsula Company Limited	600,000.00	600,000.00	20.00	20.00
Aura Dream Company Limited	500,000.00	500,000.00	9.00	9.00
Medalist Vision Company Limited	0.00	17,800.00	0.00	89.00

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cost of investment :-				
Phuket Peninsula Company Limited	140,000,000.00	140,000,000.00	140,000,000.00	140,000,000.00
Aura Dream Company Limited	45,000,000.00	45,000,000.00	45,000,000.00	45,000,000.00
Medalist Vision Company Limited (equity method )	0.00	0.00	0.00	17,800,000.00
Total	185,000,000.00	185,000,000.00	185,000,000.00	202,800,000.00
Less Provision for impairment	(151,610,000.00)	(149,135,000.00)	(151,610,000.00)	(166,935,000.00)
Long-term investments in other companies - net	33,390,000.00	35,865,000.00	33,390,000.00	35,865,000.00

As at December 31, 2016, a subsidiary has registered the dissolution on December 27, 2016. The Company recorded to transfer investment in such subsidiary amount of Baht 17.80 million to be long-term investment in other companies to other company which recognized as equity method in the consolidated financial statements. The difference of changes in such investment policy amount of Baht 13.39 million presented as profit from discontinued operations in statement of comprehensive income.

## 13. OTHER NON-CURRENT RECEIVABLE - RELATED PARTIES

On November 2, 2017, the Company entered into resold assets agreement which comprise solar energy system and accessories on rooftop with a related company in the amount of Baht 43.50 million, the Company used to acquire such assets since August 2017 (note 15) since such company was unable to make debt settlement for assets in maturity period, therefore, it entered into compromise agreement to make monthly installment including interest at the rate of 5% per annum, the principal included interest is repayable not less than Baht 300,000 per month.

**14. INVESTMENT PROPERTY**

	(Unit: Baht)
	<u>Consolidated and Separate</u>
	<u>financial statements</u>
	<u>Computer software</u>
Cost :-	
As at January 1, 2016	0.00
Acquisition	0.00
As at December 31, 2016	0.00
Transfer in	91,159,636.20
As at December 31, 2017	<u>91,159,636.20</u>
Accumulated depreciation :-	
As at January 1, 2016	0.00
Depreciation for the year	0.00
As at December 31, 2016	0.00
Depreciation for the year	(1,617,136.40)
As at December 31, 2017	<u>(1,617,136.40)</u>
Provision for impairment of assets :-	
As at January 1, 2016	0.00
(Increase)Decrease	0.00
As at December 31, 2016	0.00
(Increase)Decrease	(14,002,148.20)
As at December 31, 2017	<u>(14,002,148.20)</u>
Net book value	
As at December 31, 2017	<u>75,540,351.60</u>
As at December 31, 2016	<u>0.00</u>
Depreciation for the year ended December 31, 2017	1,617,136.40
Depreciation for the year ended December 31, 2016	0.00





**16. OTHER INTANGIBLE ASSETS**

	(Unit : Baht)
	Consolidated and Separate
	<u>financial statements</u>
	<u>Computer software</u>
Cost :	
Beginning of 2016	115,720,525.00
Acquisition	44,512.00
As at December 31, 2016	<u>115,765,037.00</u>
Acquisition	0.00
As at December 31, 2017	<u>115,765,037.00</u>
Accumulated amortization :	
Beginning of 2016	(96,270,071.52)
Amortization for the year	(82,257.36)
As at December 31, 2016	<u>(96,352,328.88)</u>
Depreciation for the year	(27,446.86)
As at December 31, 2017	<u>(96,379,775.74)</u>
Provision on impairment of asset	
Beginning of 2016	(19,364,614.54)
Acquisition	0.00
As at December 31, 2016	<u>(19,364,614.54)</u>
Acquisition	0.00
As at December 31, 2017	<u>(19,364,614.54)</u>
Net book value :	
As at December 31, 2017	<u>20,646.72</u>
As at December 31, 2016	<u>48,093.58</u>
Amortization presented in statement of comprehensive income	
For the year ended December 31, 2017	27,446.86
For the year ended December 31, 2016	82,257.36

**17. TRADE AND OTHER CURRENT PAYABLES**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Trade accounts payable	7,480.15	428,733.95	7,480.15	428,733.95
Other current payables				
Accrued expenses	3,622,427.91	3,118,170.97	1,019,360.30	506,550.92
Retention	5,950,332.58	6,712,997.76	5,118,477.50	5,912,215.00
Others	3,077,002.80	2,541,011.83	2,539,401.97	2,189,511.05
Total	<u>12,657,243.44</u>	<u>12,800,914.51</u>	<u>8,684,719.92</u>	<u>9,037,010.92</u>

**18. FINANCIAL LEASE LIABILITIES**

Details of leased assets under financial lease are as follows :

(Unit: Baht)

	Consolidated and Separate financial statements	
	2017	2016
Vehicles	2,698,000.00	2,698,000.00
Accumulated depreciation	<u>(1,290,785.20)</u>	<u>(754,141.92)</u>
Net book value	<u>1,407,214.80</u>	<u>1,943,858.08</u>

The minimum amounts to be paid under financial lease are as follows :

(Unit: Baht)

	Consolidated and Separate financial statements	
	2017	2016
Within 1 year	365,820.00	365,820.00
Over 1 year less than 3 years	579,215.00	731,640.00
Over 3 years	0.00	213,395.00
Total	<u>945,035.00</u>	<u>1,310,855.00</u>
Less Future interest of financial lease	<u>(61,229.70)</u>	<u>(114,870.98)</u>
Total	<u>883,805.30</u>	<u>1,195,984.02</u>

Financial lease liabilities excluding future interest are as follows :

(Unit: Baht)

	Consolidated and Separate	
	financial statements	
	2017	2016
Financial lease liabilities	883,805.30	1,195,984.02
Less Current portion of financial lease liabilities	(328,438.62)	(312,178.68)
Financial lease liabilities	<u>555,366.68</u>	<u>883,805.34</u>

#### 19. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

The Company has obligations on payment the post-employment benefits, retirement benefits and pension in accordance with regulation of the Labor Protection Act B.E. 2541. The employee is entitled retirement benefits and other long-term benefits base on right and length of services.

#### Employee obligations presented in statements of financial position

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Employee benefit beginning of the year	2,396,942.01	1,273,466.00	2,385,095.00	1,173,902.00
Current costs of service	819,213.96	1,312,209.00	810,848.00	1,188,495.00
Interest costs	55,401.00	60,727.01	54,936.00	56,698.00
Add Changes in provisions of the Actuary	(1,680,848.35)	0.00	(1,667,810.94)	0.00
Less Decrease from employees resignation	(140,626.00)	(249,460.00)	(140,626.00)	(34,000.00)
Employee benefit obligations recorded				
in statements of financial position	<u>1,450,082.62</u>	<u>2,396,942.01</u>	<u>1,442,442.06</u>	<u>2,385,095.00</u>

Significant assumption used for calculation of the Company can be summarized as follow :

	<u>Parent Company</u>		<u>Subsidiary</u>	
	2017	2016	2017	2016
Discount rate (per annum)	2.81%	2.40%	3.36%	2.30%
Mortality rate	According to TMO 2017 and 2008 male and female tables			
Salary increase rate of of 2007 and 2016 (per annum)			3 and 5	
Retirement			60 years	
Number of employee (person)	40	44	2	2

### Sensitivity analysis

Reasonable possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

	(Unit : Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2017	2016	2017	2016
<b>Discount rate</b>				
Increase (0.50% movement)	(58,804.00)	(337,720.00)	(57,692.00)	(332,095.00)
Decrease (0.50% movement)	63,416.00	39,387.00	62,109.00	33,607.00
<b>Salary increase rates</b>				
Increase (0.50% movement)	0.00	47,070.00	0.00	39,791.00
Increase (1 % movement)	130,248.00	0.00	127,484.00	0.00
Decrease (0.50% movement)	0.00	(45,486.00)	0.00	(38,354.00)
Decrease (1 % movement )	(114,185.00)	0.00	(112,183.00)	0.00
<b>Turnover rates</b>				
Increase (0.50% movement )	0.00	(51,978.00)	0.00	(43,911.00)
Increase (20 % movement )	(9,509.00)	0.00	(9,295.00)	0.00
Decrease (0.50% movement)	0.00	54,170.00	0.00	45,904.00
Decrease (20% movement)	9,602.00	0.00	9,383.00	0.00

## 20. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company's assets, liabilities, revenues, and expenses of the Company was derived from its related parties. These companies are related to the Company through the co-shareholders and/or co-directors. The financial statements are reflected the effects of these transactions on the basis determined by the normal course of business with related parties at the same rate applicable to other parties.

<u>Relate parties</u>	<u>Relationship</u>
Green Plus Assets Company Limited	Subsidiary and co-director
ACD Energy Co., Ltd.	Subsidiary and co-director
Orin Property Co., Ltd.	Subsidiary and co-director
JE Solar Lopburi Co., Ltd.	Subsidiary and co-director

The Company has pricing policy as follows :

<u>Type of transaction</u>	<u>Pricing policy</u>
Rental and service income	As agreed
Interest income	3-5% per annum
Dividend income	Baht 62.70 Per share

Significant transactions with related parties as at December 31, 2017 and 2016, are as follows :

	(Unit: Baht)	
	<u>Separate financial statements</u>	
	2017	2016
Trade accounts receivable		
Orin Property Co., Ltd.	100,000.00	226,750.00
Total	<u>100,000.00</u>	<u>226,750.00</u>
Other current receivables		
Green Plus Assets Company Limited	0.00	375,286.08
Orin Property Co., Ltd.	5,000.00	0.00
JE Solar Lopburi Co., Ltd.	13,794.00	0.00
Total	<u>18,794.00</u>	<u>375,286.08</u>
Less Allowance for doubtful accounts	0.00	(375,286.08)
Net	<u>18,794.00</u>	<u>0.00</u>

(Unit: Baht)

	Separate financial statements			2017
	2016	Increase	Decrease	
<b>Green Plus Assets Company Limited</b>				
Loans	39,350,000.00	0.00	0.00	39,350,000.00
Accrued interest income	1,762,917.82	0.00	(5,250.00)	1,757,667.82
<b>Orin Property Co., Ltd.</b>				
Loans	5,000,000.00	0.00	(5,000,000.00)	0.00
Accrued interest income	22,602.74	6,849.32	(29,452.06)	0.00
Total	46,135,520.56	6,849.32	(5,034,702.06)	41,107,667.82
Less Allowance for doubtful accounts for loans to subsidiaries and accrued interest income	(41,112,917.82)	0.00	5,250.00	(41,107,667.82)
Loans	5,022,602.74	6,849.32	(5,029,452.06)	0.00
<b>JE Solar Lopburi Co., Ltd.</b>				
Other non-current receivables-related parties	43,500,000.00	0.00	(314,303.65)	43,185,696.35
Accrued interest income	0.00	350,770.69	(285,696.35)	65,074.34
Loans	43,500,000.00	350,770.69	(600,000.00)	43,250,770.69

Significant revenues and expenses in statements of comprehensive income for the year ended December 31, 2017 and 2016, are as follows :

(Unit: Baht)

	Separate financial statements	
	2017	2016
<b>ACD Energy Co., Ltd.</b>		
Other income - rental	240,000.00	240,000.00
<b>Orin Property Co., Ltd.</b>		
Other income - rental	240,000.00	80,000.00
Service income	1,775,700.93	1,121,495.32
Interest income	6,849.32	1,162,191.78
Dividend income	9,405,154.28	0.00
<b>Je Solar Lopburi Company Limited</b>		
Other income - rental	120,000.00	0.00
Interest income	350,770.69	0.00

## 21. SHARE CAPITAL AND WARRANTS

### Share capital

In 2016, there are exerciser of warrants to purchase increase ordinary shares for 100,542,552 shares at the existing ratio at 1 unit of warrant for 1 ordinary share changed to 1 unit of warrant for 1.28826 ordinary shares of Baht 1 each, equally Baht 129.52 million which was registered with the Department of Business Development on June 13, 2016.

### Warrants

As at December 31, 2017 and 2016, the Company has warrants issued for serving the increase share capital which registered in 2015, there are the remaining unexercised and unexpired warrants, comprise:

	(Unit: Baht)	
	Separate financial statements	
	2017	2016
Number of exercise warrants		
Warrants No. 4	165,974,332	165,974,332
Total	165,974,332	165,974,332

In 2017 and 2016, there is no exercise of warrants to purchase ordinary shares, the maturity is detailed as follows:

Warrants No. 4, the exercise ratio of 1 unit of warrant can be purchased 1 ordinary shares in the price of Baht 1 each, the exercise period is 3 years from June 19, 2015 to June 19, 2018.

## 22. BASIC LOSS PER SHARE AND DILUTED LOSS PER SHARE

Loss per share and diluted loss per share for the year ended December 31, 2017 and 2016 are as follow:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Loss attributable to ordinary share holders of the Company (basic)	(56,512,733.76)	(119,578,420.77)	(42,857,510.08)	(136,327,246.18)
Weighted average number of ordinary shares (basic)	715,020,835	656,982,410	715,020,835	656,982,410
Basic loss per share	(0.079)	(0.182)	(0.060)	(0.208)
				(Unit: Baht)
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Loss attributable to ordinary share holders of the Company (diluted which not differ from basic)	(56,512,733.76)	(119,578,420.77)	(42,857,510.08)	(136,327,246.18)
Weighted average number of ordinary shares (basic)	715,020,835	656,982,410	715,020,835	656,982,410
Potential ordinary shares from convertible of warrants	53,142,121.46	25,923,864.54	53,142,121.46	25,923,864.54
Weighted average number of ordinary shares	768,162,956.46	682,906,274.54	768,162,956.46	682,906,274.54
Diluted loss per share	(0.074)	(0.175)	(0.056)	(0.200)

### 23. PRESENTATION OF FINANCIAL INFORMATION BY SEGMENT

Operating segment information is reported in a manner consistent with the internal reports of the Company and subsidiaries that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker of the Company and subsidiaries have been identified as the Company's Board of directors.

The Company and subsidiaries have revenues from sales and services of real estate only in two condominium projects which had financial information by segment for the year ended December 31, 2017 and 2016, as follows:

	Consolidated financial statements						(Unit : Million Baht)	
	<u>Real estate</u>		<u>Rental and services</u>		<u>Energy generating from solar cell</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues from sales and services	39.91	427.53	4.67	0.00	1.42	0.00	46.00	427.53
Gross profit	5.32	41.64	(0.30)	0.00	1.00	0.00	6.02	41.64
(Loss) reversed from devaluation								
of cost of property							5.27	(28.87)
Other income							7.06	12.17
Cost of distribution							(5.18)	(20.81)
Administrative expenses							(49.47)	(70.46)
Loss on impairment							(2.48)	(9.14)
Doubtful accounts							(19.37)	(35.18)
Finance costs							(0.05)	(4.43)
Income tax expenses							0.00	(4.50)
Profit (loss) for the year							<u>(58.20)</u>	<u>(119.58)</u>

	Separate financial statements						(Unit : Million Baht)	
	<u>Real estate</u>		<u>Rental and services</u>		<u>Energy generating from solar cell</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues from sales and services	1.38	7.30	5.27	0.00	0.00	0.00	6.65	7.30
Gross profit	0.23	1.10	0.31	0.00	0.00	0.00	0.54	1.10
(Loss) reversed from devaluation								
of cost of property							5.27	(28.87)
Other income							17.14	6.88
Cost of distribution							(0.88)	(2.54)
Administrative expenses							(44.05)	(58.10)
Loss on impairment							(22.49)	(19.02)
Doubtful accounts							0.00	(35.23)
Finance costs							(0.05)	(0.54)
Profit (loss) for the year							<u>(44.52)</u>	<u>(136.32)</u>

As at December 31, 2017 and 2016, the Company has not presented assets by business segment since those assets were commonly used as follow :

(Unit : Million Baht)

Consolidated financial statements

	<u>Real estate</u>		<u>Rental and services</u>		<u>Energy generating from solar cell</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	Fixed assets	53.91	43.35	0.00	0.00	66.70	0.00	120.61
Fixed assets for rent	0.00	0.00	75.54	0.00	0.00	0.00	75.54	0.00
Other assets	0.00	0.00	0.00	0.00	0.00	0.00	471.60	691.05
Total assets	53.91	43.35	75.54	0.00	66.70	0.00	667.75	734.40

(Unit : Million Baht)

Separate financial statements

	<u>Real estate</u>		<u>Rental and services</u>		<u>Energy generating from solar cell</u>		<u>Total</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	Fixed assets	47.52	43.07	0.00	0.00	19.00	0.00	66.52
Fixed assets for rent	0.00	0.00	75.54	0.00	0.00	0.00	75.54	0.00
Other assets	0.00	0.00	0.00	0.00	0.00	0.00	519.47	662.93
Total assets	47.52	43.07	75.54	0.00	19.00	0.00	661.53	706.00

## 24. COMMITMENT AND CONTINGENT LIABILITIES

### The Company

As at December 31, 2017 and 2016, the Company has commitment on construction agreement, commitment on payment under assets rental and other service agreements with the amount of Baht 1.45 million and Baht 5.10 million respectively.

### Subsidiary

The Company has acquired the solar energy business from a business group and acquired shares in subsidiary in the same group which has a right to distribute electricity current on rooftop installation with the Provincial Electricity Authority in accordance with the agreement No. PV-PEA 0065/2556 dated September 6, 2013 of which PEA acquired the power at 995 kilowatt for a period of 25 years, commenced on December 30, 2013 to December 30, 2038 with the rate of generating capacity at Baht 6.16 per unit.

## 25. LITIGATION

As at December 31, 2017 and 2016, the Company and subsidiaries were sued in the various cases, the significant are as follows :

### The Company

As at December 31, 2017 and , 2016 the Company was sued by one ex-employee for claiming indemnity from unjustified lay-off in the total amount of Baht 22.60 million and Baht 4.68 million. The Company has already made payment for lay-off employees in accordance with the Labour law, therefore, the Company has filed to contend the plaint. At present, Labour Court has judged and ordered the Company to make indemnity for the amount of Baht 0.35 million, the case is still pending the appeal. The case in which two ex-managing directors charges is still pending the Court's trial and taking of evidence of the plaintiff.

As at December 31, 2017 and , 2016, the Company has sued the counterparty for claiming indemnity against return of guarantee as stated in note 10 and on August 17, 2016, the Company was sued for counterclaim in the amount of Baht 50 million by such counterparty. At present, the prosecution is still pending the Court's trial.

As at December 31, 2017 and , 2016, the Company was sued by existing shareholders of a subsidiary for claiming indemnity against the remaining shares amount of Baht 5 million as the Company has deducted for guarantee of damage or expense for condominium project that the Company has acquisition from purchasing all shares in subsidiary. At present, the Company was sued to contend the plaint amount of Baht 44.04 million. At present, the case is still pending the Court's trial.

### **Subsidiaries**

As at December 31, 2017 and 2016, a subsidiary has sued a company for claiming indemnity from an agent providing the Korean Superstar to show in the concert of which subsidiary has already made some portion of payment in the amount of Baht 1.88 million. Since the political mob issue that the concert could not be performed. Such company filed the counter-claim since it fully conducted in accordance with agreement without breach of agreement and the Korean Superstar cancelled the show caused by the careless concerned. Beside, the counterparty has not returned the money and also claimed the remaining performance expenses for another Baht 1.90 million. The Court of First Instance has judged the subsidiary to make payment, thus, the subsidiary provide the additional of performance expenses in full. At present, the Company is awaiting for the judgment of the Supreme Court.

As at December 31, 2017 and 2016, another subsidiary was sued by two receivables relating to the breach of conditions of ownership transferring under agreement to buy and to sell of condominium and called for subscription payment including interest for the amount of Baht 1.62 million. The subsidiary has returned the subscription money total amount of Baht 0.97 million and revoked the case, and the remaining amount of Baht 0.65 million is still pending the Court's trial.

As at December 31, 2017 and 2016, the Company was sued by an ex-employee for claiming indemnity from unjustified lay-off in total amount of Baht 10.53 million. At present, the case is still pending the Court's trial.

## **26. FINANCIAL INSTRUMENTS**

### **Risk on exchange rate**

Exchange rates risk exposed to the Company and subsidiaries have the long-past outstanding overseas trade accounts receivable which denominated in foreign currencies. As at December 31, 2016, the Company and subsidiaries assets and liabilities denominated in foreign currencies were not entered into the forward contract to hedge against exchange rates risk. However, such trade accounts receivable was provided allowance for doubtful accounts in full.

#### Consolidated and Separate financial statements

	<u>Trade accounts receivable</u>		<u>Trade accounts payable</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
JPY	0.00	45,128,500.00	0.00	0.00

**27. EXPENSES ANALYZED BY NATURE**

The significant expenses analyzed by nature for the year ended December 31, 2017 and 2016 as follow :

	(Unit : Baht)	
	2017	
	Consolidated financial statements	Separate financial statements
Changes in costs of property project	36,353,731.07	4,300,554.12
Depreciation and amortization	6,406,210.35	5,821,308.77
Doubtful accounts	19,371,505.00	0.00
(Reversed) loss on devaluation of costs of property project	(5,275,322.63)	(5,275,322.63)
Management benefit expenses	11,175,775.00	11,175,775.00
Employees benefit expenses	17,340,473.18	16,398,951.36
Specific business tax	1,322,391.00	49,794.00
		(Unit : Baht)
	2016	
	Consolidated financial statements	Separate financial statements
Changes in costs of property project	385,478,857.51	5,790,346.94
Depreciation and amortization	3,472,821.56	3,229,604.55
Doubtful accounts	34,951,929.91	35,229,479.60
(Reversed) loss on devaluation of costs of property project	28,873,492.84	28,873,492.84
Management benefit expenses	14,502,800.00	13,592,380.00
Employees benefit expenses	22,919,696.48	19,902,736.61
Specific business tax	14,113,508.00	240,933.42

## 28. DIRECTORS' REMUNERATION

Directors' remuneration represent the benefits paid to the Company's directors in accordance with section 90 of the Public Companies Act, excluding salaries and related benefits payable to executive directors.

For the year ended December 31, 2017 and 2016, directors' remuneration amounted to Baht 0.51 million and Baht 2.07 million respectively.

## 29. MANAGEMENT BENEFIT EXPENSES

Management benefit expenses relating salaries, remunerations and other benefits paid to the directors and management, in accordance with the definitions of the Office of Securities and Exchange Commission. Management under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels including all persons in positions comparable to management in accounting and finance function. .

## 30. Capital Management

The objective of capital management of the Company and subsidiaries is to prepare the financial structure to be properly appropriated and preserve the ability to continue their operations as a going concern.

As at December 31, 2017 and 2016 the Company and subsidiaries have debt to equity ratio as summarized below :

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Debt to equity ratio	0.03	0.04	0.02	0.02

## 31. PRIVILEGES FROM INVESTMENT CERTIFICATE

### Subsidiaries

As at December 31, 2017, subsidiaries were granted the privileges from the Board of Investment in accordance with the Investment Promotion Act B.E. 2520 as follows:

- The subsidiaries were granted certain rights and privileges from the Board of Investment Promotion for investment activities in generating of electricity from solar energy on rooftop installation in type No. 7.1.1.2 electricity generating business or electricity energy and steam from renewable energy except refuse and refuse derived fuel dated June 2, 2015 which is effective on April 27, 2015.

**The tax incentives derived of the subsidiaries are as follows:**

- Exemption from payment of customs duties for imported machineries as approved by the Board of Investment.
- Exemption from payment of corporate income tax on net profit derived from the promoted activity for the period of 8 years from the date of income earnings and the comply with the promotion certificate must be met. In the case where a loss has been incurred during the period of receiving exemption of corporate income tax. The promoted entity is granted permission to deduct such annual loss from the net profits accrued after the expiration of the period of exemption of corporate income tax for a period of not more than 5 years from the expiry of such period.

**32. SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION**

32.1 Solar energy business acquisition

In 2017, the Company has acquired solar energy business on rooftop installation (Solar PA Rooftop) with the maximum power at 995 kilowatt from a business group in the price of Baht 73.20 million by paying the land and building acquisition from directors and entity in a group total amount of Baht 19 million and acquired assets for using in solar energy business comprise solar cell and accessories system total amount of Baht 54.21 million for another entity which has a right to distribute electricity current from the Provincial Electricity Authority. But the acquired assets do not conform to the criteria of the Electricity Authority relating to the rights of electricity distribution transferring. Therefore, the Company has resold such right to the existing entity at the cost of Baht 54.21 million and made payment for acquisition shares from the existing shareholders for another Baht 948,398.13. As a result, the Company has the proportion of shareholding at 99.99% and the subsidiary has further operated in solar energy business under the lease of land and building of the Company.

Details of acquired assets and payments for business acquisition are as follows:

<b>Acquired assets</b>	(Unit : Baht)
Land	2,000,000.00
Building	17,000,000.00
Solar energy system and accessories	54,205,607.48
Total fair value of assets of solar energy project	<u>73,205,607.48</u>
Other assets - net	<u>798,487.72</u>
Total value of acquired assets	74,004,095.20
Payments for solar energy business acquisition	<u>74,154,005.61</u>
Acquisition price over than fair value of acquired assets allocated to cost of solar energy system	<u><u>149,910.41</u></u>
Payments for business acquisition consist of :	
Payments for assets acquisition	73,205,607.48
Payments for share capital acquisition from existing shareholders	<u>948,398.13</u>
Total payments for solar energy business acquisition	<u><u>74,154,005.61</u></u>

32.2 Investment in ordinary shares of subsidiary

On January 14, 2016, the Company has acquired investment in a subsidiary, Orin Property Co., Ltd. in the proportion of 99.99%. Such investment represented as assets acquisition which are not subject to business acquisition since such acquisition did not incur as business. The financial statements of subsidiary are taken to include in the consolidated financial statements since the acquisition date. Identifiable assets acquired and liabilities assumed at their acquisition date are recognized at the carrying value closed to fair value of each item of assets and liability other than the excess of the value of investment in subsidiary over than fair value of net assets of subsidiary amount of Baht 18.42 million as at the acquisition date will be allocated to property project in the consolidated financial statements. The details of cash flows used in net acquisition are as follows :

	(Unit: Baht)
	Consolidated
	<u>financial statements</u>
Cash and cash equivalents	6,670,099.84
Trade and other receivables	263,500.58
Costs of property development projects	534,510,834.21
Property, plant and equipment	127,340.00
Other non-current assets	1,741,023.54
Trade and other payables	(20,125,352.18)
Short-term loans from related persons	(14,027,918.10)
Amounts received in advance under agreement to buy and to sell	(55,816,204.00)
Long-term loans	<u>(311,759,000.00)</u>
Net carrying value of net assets before non-controlling interests	141,584,323.89
Non-controlling interests	<u>(1,887.78)</u>
Net carrying value of net assets acquired	141,582,436.11
Excess of acquisition price over then carrying value allocated to costs of property development project	18,417,563.89
Less Cash and cash equivalents existed in subsidiary at the acquisition date	(6,670,099.84)
Less Share subscription paid in advance in 2015	<u>(117,000,000.00)</u>
Payments for acquisition of identifiable assets and liabilities of subsidiary net of by cash existed in subsidiary	<u><u>36,329,900.16</u></u>

### 32.3 Significant non-cash transaction

In the separate financial statements as at December 31, 2016, the Company has increased of retentions in the amount of Baht 5 million derived from deducting acquisition price of investment in subsidiary from the seller in order to guarantee the completion of subsidiary's condominium project to be transferred to customers.

### **33. Approval of financial statements**

These financial statements were approved and authorized for issue by the Company's Board of directors on February 27, 2018.