

GREEN RESOURCES PUBLIC COMPANY LIMITED

AND SUBSIDIARIES

AUDITOR'S REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

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, 2018, 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, 2018, 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:

Buying electricity business from solar energy

As stated in Notes 12,17 and 33 in the financial statements, in 2018, the Company and its subsidiaries purchased assets that are solar energy power projects, which are energy business groups from many groups of companies which are different from The main business of the group of companies that are real estate business from the acquisition of such business results in the increase in the fixed assets value of the group of 591.07 million baht, whereby the acquisition of such businesses is different from the original and is complex in terms of contracts, commitments and relevant laws, including different accounting policies. Which the management must understand the matter and make reasonable judgments about the purchase of such property that there is significant content that is buying property or buying a business and that such matters are important to the new business operation for The group of companies has to assess the fair value of net assets acquired. I therefore consider that accounting records regarding business acquisitions are important in the audit.

I have obtained an assurance about the accuracy of accounting records regarding the acquisition by using the following methods

- Obtained an understanding of the principles of important content in the acquisition and related accounting principles.
- Ask the management about the nature and purpose of the transaction in the acquisition.
- Read the contract of sale, business transfer and related arrangements, including the acquisition analysis report.
- Assess key management discretion used in investing in energy business and acquiring characteristics.
- Review the appraisal report of the independent appraiser And reviewing financial advisory reports Assess the appropriateness of assumptions and methods of measurement used.
- Evaluate the appropriateness of using information from experts to use in the management of the measurement of the value of shares purchased.
- Examine the solar energy project location to understand the production process and the process of collecting the data of the production unit that is used to calculate income.
- Review the list of transactions and consider the adequacy of information disclosure in accordance with financial reporting standards.

Revenue recognition from electricity sales

As shown in the consolidated financial statements for the year ended 31 December 2018, the Group had revenue from electricity sales of 40.57 million baht which significantly increased from the previous year. Which caused the purchase of energy business as mentioned in the preceding paragraph The recognition of such income is in accordance with the conditions and agreements made with many counterparties. Which has a complex nature and has many binding conditions Management of the group Must exercise discretion in considering the recognition of items related to the contract that are in accordance with the relevant financial reporting standards.

I gained confidence About the accuracy of accounting records regarding revenue recognition from electricity sales by using the following methods

- Ask the management about the nature of the solar power business operation of the Group. To understand the nature of the related items.
- Read relevant contracts and commitments to understand the essence of the contract.
- Evaluate the appropriateness and correctness of the perception of the accounts used.
- Random test of accounting records with relevant evidence and documentation.
- Review the list of transactions and consider the adequacy of information disclosure in accordance with financial reporting standards.

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.

D I A International Audit Co., Ltd.

(Mrs. Suvimol Chrityakierne)

C.P.A. (Thailand)

Registration No. 2982

February 26, 2019

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

(Unit : Baht)

Assets	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Current assets					
Cash and cash equivalents	5	53,556,159.68	213,058,723.57	9,002,678.87	190,685,488.05
Trade and other other current receivables	6	63,417,809.99	12,375,097.93	10,495,098.99	7,821,727.44
Trade and other current receivables - related parties	7	2,454,627.21	0.00	4,197,438.41	183,868.34
Current portion of assets receivable from subsidiaries	14	0.00	0.00	0.00	1,474,302.89
Short-term borrowings	9,24	0.00	0.00	0.00	0.00
Deposit receivable and project guarantee	9	0.00	0.00	0.00	0.00
Costs of property development projects	10	111,326,326.91	211,822,117.50	24,206,928.66	64,525,496.56
Total current assets		230,754,923.79	437,255,939.00	47,902,144.93	264,690,883.28
Non-current assets					
Bank deposits with obligations		1,710,560.26	0.00	0.00	0.00
Investment in subsidiaries	11	0.00	0.00	223,975,765.36	179,598,166.93
Long-term investments	12	32,085,000.00	33,390,000.00	32,085,000.00	33,390,000.00
Assets receivable from subsidiaries	13,24	0.00	0.00	0.00	41,711,393.46
Long-term loans	14	74,904,921.54	0.00	298,500,000.00	0.00
Investment property	15	110,684,001.96	75,540,351.60	110,684,001.96	75,540,351.60
Property, plant and equipment	16	643,895,853.04	120,613,103.45	101,290,923.60	66,515,124.40
Other intangible assets	17	35,732,266.57	20,646.72	28,558.58	20,646.72
Deferred tax assets		186,517.96	0.00	0.00	0.00
Other non-current assets		830,798.33	931,598.33	12,995.00	62,995.00
Total non-current assets		900,029,919.66	230,495,700.10	766,577,244.50	396,838,678.11
Total assets		1,130,784,843.45	667,751,639.10	814,479,389.43	661,529,561.39

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, 2018

(Unit : Baht)

Liabilities and shareholders' equity	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Current liabilities					
Trade and other current payables	18	14,485,325.71	12,826,772.17	11,992,774.48	8,684,719.92
Trade accounts payable, related companies	19	40,300,000.00	0.00	58,000,000.00	0.00
Advance received under agreement to buy and to sell		1,579,558.00	3,492,770.79	193,338.00	118,831.79
Current portion of financial lease liabilities	20	345,545.77	328,438.62	345,545.77	328,438.62
Current portion of long-term borrowings from financial institutions	23	16,052,745.17	0.00	0.00	0.00
Accrued income tax		32,576.02	0.00	0.00	0.00
Total current liabilities		72,795,750.67	16,647,981.58	70,531,658.25	9,131,990.33
Non-current liabilities					
Financial lease liabilities	20	209,820.90	555,366.68	209,820.90	555,366.68
Long-term borrowings	21	9,000,000.00	0.00	0.00	0.00
Long-term borrowings from financial institutions	22	187,548,163.31	0.00	0.00	0.00
Employee benefit obligations	23	1,538,328.48	1,450,082.62	1,527,771.72	1,442,442.06
Total non-current liabilities		198,296,312.69	2,005,449.30	1,737,592.62	1,997,808.74
Total liabilities		271,092,063.36	18,653,430.88	72,269,250.87	11,129,799.07

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, 2018

(Unit : Baht)

Liabilities and shareholders' equity (Cont'd)	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Shareholders' equity					
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
818,024,729 common shares of Baht 1 each		818,024,729.00		818,024,729.00	
Issued and paid-up share capital					
715,020,835 common shares of Baht 1 each	27		715,020,835.00		715,020,835.00
818,024,729 common shares of Baht 1 each		818,024,729.00		818,024,729.00	
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		(702,783,843.76)	(699,985,110.76)	(709,874,168.46)	(698,680,650.70)
Total owners of the Company		749,300,463.26	649,095,302.26	742,210,138.56	650,399,762.32
Non-controlling interests		110,392,316.83	2,905.96	0.00	0.00
Total shareholders' equity		859,692,780.09	649,098,208.22	742,210,138.56	650,399,762.32
Total liabilities and shareholders' equity		1,130,784,843.45	667,751,639.10	814,479,389.43	661,529,561.39

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, 2018

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Revenues				
Revenues from sales	82,286,055.00	39,907,405.00	1,340,000.00	1,380,000.00
Revenues from rental and services	8,731,016.84	4,669,511.84	10,986,512.12	5,269,511.84
Revenues from electricity current distribution	40,565,933.97	1,421,974.40	1,549,979.20	0.00
Other income	9,186,523.94	7,058,420.67	13,297,151.85	17,137,186.50
Profit (loss) from discontinued operations	2,118,971.72	0.00	100,000.00	0.00
Reversal of impairment of investment	0.00	0.00	18,377,598.43	0.00
Reversal of doubtful debt	19,000,000.00	0.00	0.00	0.00
Total revenues	161,888,501.47	53,057,311.91	45,651,241.60	23,786,698.34
Expenses				
Cost of sales	61,449,967.32	34,587,714.09	1,131,087.10	1,152,130.60
Loss (reversed) on devaluation of costs of property project	608,736.79	(5,275,322.63)	608,736.79	(5,275,322.63)
Cost of rental and service	9,669,283.36	4,970,222.05	9,071,127.13	4,959,722.05
Cost of electricity current distribution	19,085,564.91	421,960.29	1,170,842.87	0.00
Cost of distribution	16,499,673.57	5,175,447.89	843,196.35	882,214.79
Administrative expenses	46,397,048.98	49,470,762.55	41,697,168.57	44,049,164.29
Impairment loss on investment	1,305,000.00	2,475,000.00	1,305,000.00	22,490,468.98
Doubtful accounts	0.00	19,371,505.00	0.00	0.00
Finance costs	4,825,092.10	53,641.28	1,017,600.55	53,641.28
Total expenses	159,840,367.03	111,250,930.52	56,844,759.36	68,312,019.36
Profit (loss) before income tax	2,048,134.44	(58,193,618.61)	(11,193,517.76)	(44,525,321.02)
Income tax expenses	(790,837.09)	0.00	0.00	0.00
Profit (loss) for the year	1,257,297.35	(58,193,618.61)	(11,193,517.76)	(44,525,321.02)
Discontinued operations				
Other comprehensive income				
Unrecognized items are subsequently included in profit or loss				
Loss on revaluation of defined benefit plan	0.00	1,680,848.35	0.00	1,667,810.94
Total comprehensive income (expense) for the year	1,257,297.35	(56,512,770.26)	(11,193,517.76)	(42,857,510.08)

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, 2018

(Unit: Baht)					
	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit (loss) attributable to:					
Owners of the Company		(2,580,639.38)	(56,512,733.76)	(11,193,517.76)	(42,857,510.08)
Non-controlling interests		3,837,936.73	(36.50)	0.00	0.00
Profit from discontinued operations		0.00	0.00	0.00	0.00
		<u>1,257,297.35</u>	<u>(56,512,770.26)</u>	<u>(11,193,517.76)</u>	<u>(42,857,510.08)</u>
Total comprehensive income (expense) attributable to:					
Owners of the Company		(2,580,639.38)	(56,512,733.76)	(11,193,517.76)	(42,857,510.08)
Non-controlling interests		3,837,936.73	(36.50)	0.00	0.00
		<u>1,257,297.35</u>	<u>(56,512,770.26)</u>	<u>(11,193,517.76)</u>	<u>(42,857,510.08)</u>
Earnings per share	27				
Basic earnings (loss) per share		(0.003)	(0.079)	(0.014)	(0.060)
Weighted average number of common shares (unit : share)		818,024,729	715,020,835	818,024,729	715,020,835
Diluted earnings (loss) per share		(0.003)	(0.074)	(0.014)	(0.056)
Weighted average number of common shares (unit : share)		818,024,729	768,162,956	818,024,729	768,162,956

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, 2018

(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, 2017		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 :								
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 of subsidiary		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
Changes in shareholders' equity for the year :								
Share capital increase during the year	27	103,003,894.00	0.00	0.00	0.00	103,003,894.00	0.00	103,003,894.00
Non-controlling interests of subsidiary		0.00	0.00	0.00	0.00	0.00	106,551,416.93	106,551,416.93
Profit (loss) for discontinued operations		0.00	0.00	0.00	(218,093.62)	(218,093.62)	57.21	(218,036.41)
Total comprehensive income (expense)								
for the year		0.00	0.00	0.00	(2,580,639.38)	(2,580,639.38)	3,837,936.73	1,257,297.35
Balance as at December 31, 2018		818,024,729.00	624,225,739.00	9,833,839.02	(702,783,843.76)	749,300,463.26	110,392,316.83	859,692,780.09

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, 2018

(Unit: Baht)

Separate financial statements

	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings (Deficit)		Total shareholders' equity
				Appropriated	Unappropriated	
				Legal reserve		
Beginning balance as at January 1, 2017		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
Changes in shareholders' equity for the year :						
Share capital increase during the year	27	103,003,894.00	0.00	0.00	0.00	103,003,894.00
Total comprehensive expense for the year		0.00	0.00	0.00	(11,193,517.76)	(11,193,517.76)
Balance as at December 31, 2018		818,024,729.00	624,225,739.00	9,833,839.02	(709,874,168.46)	742,210,138.56

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, 2018

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit (Loss) for the year	2,048,134.44	(58,193,618.61)	(11,193,517.76)	(44,525,321.02)
Reconciliation of net profit (loss) to cash provided by (used in) from operating activities				
Doubtful accounts (reversed)	(19,000,000.00)	19,371,505.00	0.00	0.00
Doubtful accounts for loans to subsidiary	0.00	0.00	0.00	(5,250.00)
Loss (reversed) loss on devaluation of costs of property development projects	(878,290.99)	(5,275,322.63)	(878,290.99)	(5,275,322.63)
(Gain) loss on sales of assets	0.00	79,525.77	0.00	66,263.06
Impairment loss on investment - subsidiaries	0.00	0.00	(18,377,598.43)	20,015,468.98
Impairment loss on investment - other	1,305,000.00	2,475,000.00	1,305,000.00	2,475,000.00
(Gain) loss from disposal of investment	(2,018,971.72)	0.00	(100,000.00)	0.00
Write off assets	133,972.72	2,273,035.49	133,972.72	1,493,946.24
Write off liabilities	(2,054,347.73)	(923,597.81)	0.00	(120,915.00)
Depreciation and amortization	24,450,344.49	6,406,210.35	9,222,802.94	5,821,308.77
Employee benefit expenses	446,785.50	874,614.96	443,869.30	865,784.00
Interest expenses	6,865,083.87	53,641.28	1,017,600.55	53,641.28
Dividend income	0.00	0.00	0.00	(9,405,154.28)
Interest income	(3,905,343.36)	(3,954,497.84)	(9,802,329.42)	(4,141,317.88)
Profit (loss) from operating activities before changes in assets and liabilities	7,392,367.22	(36,813,504.04)	(28,228,491.09)	(32,681,868.48)
(Increase) Decrease in trade and other current receivables	(51,115,893.58)	(22,676,902.23)	44,886.91	(3,868,532.82)
(Increase) Decrease in trade accounts receivable - related parties	(2,454,627.21)	0.00	(796,273.79)	107,956.00
(Increase) Decrease in costs of property development projects	61,308,309.79	33,572,023.70	1,131,087.10	466,859.84
(Increase) Decrease in Other non-current receivables-related parties	0.00	0.00	3,660,239.13	(43,185,696.35)
(Increase) Decrease in other non-current assets	100,800.00	147,655.00	50,000.00	101,655.00
(Increase) Decrease in trade and other current payables	3,870,195.88	(3,282,952.10)	993,951.34	(352,291.00)
Increase (Decrease) in amounts received in advance under agreement to buy and to sell	141,134.94	(2,688,730.71)	74,506.21	118,831.79
Employee benefit paid - retirement	(358,539.64)	(140,626.00)	(358,539.64)	(140,626.00)
Interest paid	(6,865,083.87)	(53,641.28)	(627,518.36)	(53,641.28)
Income tax paid	(1,189,265.66)	(872,903.82)	(200,583.07)	(188,709.15)
Net cash provided by (used in) operating activities	10,829,397.87	(32,809,581.48)	(24,256,735.26)	(79,676,062.45)

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, 2018

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from investing activities				
(Increase) Decrease in current investment	0.00	100,250,000.00	0.00	100,000,000.00
Payments for investment in subsidiary	0.00	0.00	(51,000,000.00)	(29,499,800.00)
Proceeds from the sale of investments	0.00	0.00	100,000.00	0.00
Proceeds from investments in subsidiaries.	0.00	0.00	25,000,000.00	0.00
Proceeds from short-term loan from related parties	0.00	0.00	(1,757,667.82)	5,000,000.00
Loan to other companies	(65,724,921.54)	0.00	0.00	0.00
Loan to related parties	0.00	0.00	(298,500,000.00)	0.00
Pledged deposits at financial institution	(1,710,560.26)	0.00	0.00	0.00
Payments for property, plant and equipment acquisition	(426,079,493.07)	(1,873,532.31)	(304,832.43)	(20,814,677.21)
Payments for acquire solar energy business	0.00	(74,154,005.61)	0.00	0.00
Payments for other intangible assets acquisition	(36,127,868.45)	0.00	(41,730.00)	0.00
Proceeds from sales of assets	0.00	9,112.14	0.00	4,205.61
Proceeds from dividend income	0.00	0.00	0.00	9,405,154.28
Interest income	3,905,343.36	4,139,429.34	8,402,700.96	4,289,027.78
Net cash provided by (used in) investing activities	(525,737,499.96)	28,371,003.56	(318,101,529.29)	68,383,910.46
Cash flows from financing activities				
Repayments for short-term loans	0.00	(4,771,652.55)	0.00	0.00
Repayment for financial lease liabilities	0.00	(312,178.72)	0.00	(312,178.72)
Proceeds from short-term loans from related parties	60,700,000.00	0.00	65,000,000.00	0.00
Repayment of short-term loans from related parties	(20,400,000.00)	0.00	(7,000,000.00)	0.00
Proceeds from long-term loans from related parties.	12,000,000.00	0.00	0.00	0.00
Repayment of long-term loans from related parties.	(3,000,000.00)	0.00	0.00	0.00
Repayment of debt under financial lease agreement	(328,438.63)	0.00	(328,438.63)	0.00
Proceeds from long-term loans from financial institutions.	208,950,000.00	0.00	0.00	0.00
Repayment for long-term loans	(5,349,091.52)	0.00	0.00	0.00
Proceeds from share capital increase	103,003,894.00	0.00	103,003,894.00	0.00
Net cash provided by (used in) financing activities	355,576,363.85	(5,083,831.27)	160,675,455.37	(312,178.72)
Net increase (decrease) in cash and cash equivalents	(159,331,738.24)	(9,522,409.19)	(181,682,809.18)	(11,604,330.71)
Cash and cash equivalents at the beginning of the year	213,058,723.57	222,581,132.76	190,685,488.05	202,289,818.76
Cash and cash equivalents at the end of discontinued operations	(170,825.65)	0.00	0.00	0.00
Cash and cash equivalents at the end of the year	53,556,159.68	213,058,723.57	9,002,678.87	190,685,488.05

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, 2018

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.
Project location	
A Company I	: 242/1 Moo 4, Phatthana Nikhom Sub-district Phatthana Nikhom, Lopburi.
Subsidiary I	: 350-351 Khlong Muang, Pak Chong, Nakhon Ratchasima.
Subsidiary II	: Sakhwan, Muang Suakao, Sakao.
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 (%)	
		2018	2017
Subsidiaries directly held by the Company			
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
Green Plus Assets Company Limited	Non operating	99.99	99.99
Subsidiaries indirectly held by the Company			
Held by ACD Energy Co., Ltd.			
SK-1 Power Co., Ltd.	Produces and sells solar electricity.	29.40	0.00
Ventus Solar Co., Ltd.	Produces and sells solar electricity.	49.00	0.00

2.3 The Company and subsidiaries presumed the control the entity that is invested or the subsidiaries if the Company and subsidiaries have a right to receive or has share of returns of the entity that is invested and have a power in commanding the activities which have significant impacts on the amount of returns.

2.4 The Company taken the financial statements of subsidiaries to include in the consolidated financial statements since the Company has a power to control over subsidiaries until the controllable is ceased.

2.5 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.

2.6 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.

Consolidation of financial statements of subsidiaries which the Company and subsidiaries owned less than 50%

The management considered that the Company and ACD Energy Co., Ltd., a subsidiary has a power to control over SK-1Power Co., Ltd. and Ventus Solar Co., Ltd. event if it owned and has a right in voting at 29.40% and 49% respectively since the Company and subsidiary have ability to direct the significant activities other than the other shareholders of SK-1 Power Co., Ltd. who are minor shareholder. Therefore, SK-1 Power Co., Ltd. is presumed as a subsidiary of the Group and must take its financial statements to include in the consolidated financial statements preparation since the date of control over that company.

2.7 Transaction with related companies

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

2.8 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.

2.9 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.

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

The Federation of Accounting Professions issued accounting standards, financial reporting standards, standing interpretations committee and financial reporting interpretations committee which are effective for the financial statements beginning on or after January 1, 2018 as detailed below:

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

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

Thai Standing Interpretations Committee

TSIC 10 (Revised 2017)	Government Assistance – No Specific Relation to Operating Activities
TSIC 15 (Revised 2017)	Operating Leases - Incentives

Thai Standing Interpretations Committee (Cont'd)

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

During the period, the Company and subsidiaries have adopted the revised and new financial reporting standards and accounting guidance issued by the Federation of Accounting Professions. From aforementioned adoption, 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 financial statements of the Company and subsidiaries.

2.11 Financial reporting standards that will become effective in the future

During the year, the Company and subsidiaries have adopted the revised and new financial reporting standards Thai Financial Reporting Standards that relating to the Company and subsidiaries which are mandatorily effective for the financial statements for the accounting period beginning on or after January 1, 2019 and 2020 as detailed followings:

2.11.1 Amendments of Thai Financial Reporting Standards which are mandatorily effective for the financial statements for the accounting period beginning on or after January 1, 2019 and 2020 as detailed followings:

- 1) TAS 28 (Revised 2018) Investments in Associates and Joint Ventures, amendments clarify that the entity chooses the fair value model for measurement the value of investments in associates and joint ventures, recognized to profit or loss (directly or indirectly held by the entity, Joint Operations, Mutual Fund, Trust or Similar business characteristic including Unit Linked Insurance Policy), the entity should applied this methodology for each associate or joint venture as at the initial recognition of associates and joint ventures. Besides, this standard is clarified the determination in respect of impairment of investments in associates and joint ventures.
- 2) TAS 40 (Revised 2018) Investment Property, amendments clarify that transfer of investment property to or from the other accounts, only when, there is a change in use of those investment properties.

At present, the Management of the Company and subsidiaries has assessed that there is no impact of the above Thai Financial Reporting Standards on the financial statements which will become effective in the future.

2.11.2 New issued Thai Financial Reporting Standards

2.11.2.1 Thai Financial Reporting Standards which will become effective for the financial statements for the accounting period beginning on or after January 1, 2019.

IFRS 15 Revenue from Contracts with Customers, establishes the principles that the information about the nature, amount, timing and uncertainty of revenue and cash flows from a contract with a customer, is to be reported to the users of financial statements. The entity recognizes revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The entity applies a five-step model to account for revenue and exercise judgement, taking into consideration when applying each step of the model.

IFRS 15 Revenue from Contracts with Customers supersedes the Thai Accounting Standards, Thai Standing Interpretations Committee and Thai Financial Reporting Interpretations Committee as detailed below :

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

At present, the Management of the Company and subsidiaries has assessed that there is no impact of the above Thai Financial Reporting Standards on the financial statements which will become effective in the future.

2.11.2.2 Thai Financial Reporting Standards which will become effective for the financial statements for the accounting period beginning on or after January 1, 2020.

In during the year, the Federation of Accounting Professions has announced for adoption Thai Financial Reporting Standards relating to Financial Instruments which comprise five issues of accounting standards and interpretations as below:

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

The above set of Thai Financial Reporting Standards (TFRSs) sets out the requirements for the classification and measurement of financial instrument at the fair value or amortized cost by considering from the type of instruments, contractual cash flow characteristics and the entity's business model, including the impairment methodology by using the expected credit loss, and the general hedge accounting, as well as the presentation and disclosures of financial instrument. When this set of TFRSs are effective, as a result, some currently effective accounting standards, interpretations and guidance will be cancelled.

At present, the Management of the Company and subsidiaries is being assessed the impacts of those financial reporting standards which will be effective in the future on the financial statements.

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
Power plants expansion costs	24

Costs of power plant expansion are expenses surplus related to electricity generation, are recorded at cost and amortized by the straight-line method over the useful lives.

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.

On December 13, 2018, the National Legislative Assembly passed the resolution to approve the draft of new Labour Protection Act which determined the additional rate of severance pay in the case of termination of employment for a terminated employee who has worked for 20 consecutive years or more and shall be entitled to receive payment not less than the last rate of wages for 400 days. However, new Labour Protection Act is being announced in the Government Gazette. The Company and subsidiaries, therefore, shall record the effects of new Labour Protection Act when it becomes effective.

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. SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION

4.1 Acquisition of indirect investment in ordinary shares of subsidiary

In 2018, the subsidiary has additionally investment in two companies, SK-1 Power Co., Ltd. and Ventus Solar Co, Ltd. in the proportion of 29.40% and 49% respectively since the Company and subsidiaries have ability to direct the significant activities of that company, the financial statements of indirect subsidiary have been taken its financial statements to include in the consolidated financial statements since the control date by using fair value of each item of assets and liabilities. The excess of investment in subsidiary over fair value of net assets of subsidiary at investment date amount of Baht 0.79 million and Baht 27.68 million will present as part of net identifiable assets in the consolidated financial statements. The details of net cash outflows for acquisition are as follows :

(Unit : Baht)

	SK-1 Power	Ventus Solar	Consolidated
	Co., Ltd.	Co., Ltd.	financial statements
Cash and cash equivalents	123,457.63	253,265.52	376,723.15
Trade and other current receivable	37,866,079.50	23,916,130.22	61,782,209.72
Property, plant and equipment	301,765,448.60	208,733,000.00	510,498,448.60
Power plants expansion costs	0.00	36,086,138.45	36,086,138.45
Trade and other current payable	(193,144,824.19)	(965,923.54)	(194,110,747.73)
Long-term borrowings from related parties and persons	(45,909,584.47)	(198,500,000.00)	(244,409,584.47)
Carrying value of net assets before non-controlling interests	100,700,577.07	69,522,610.65	170,223,187.72
Non-controlling interests	(71,094,607.41)	(35,456,809.52)	(106,551,416.93)
Carrying value of net assets acquired	29,605,969.66	34,065,801.13	63,671,770.79
Excess of acquisition price over carrying value	794,030.34	27,683,898.87	28,477,929.21
Less Prepayment for share capital in 2017	(9,820,000.00)	0.00	(9,820,000.00)
Payments for acquire of subsidiary net of cash existed in subsidiary	20,580,000.00	61,749,700.00	82,329,700.00

4.2 Significant non-cash transaction

4.2.1 In the consolidated financial statements as at December 31, 2018, the subsidiary has transferred prepaid for share capital amount of Baht 19 million to investment in other companies amount of Baht 9.82 million and other long-term borrowings amount of Baht 9.18 million.

4.2.2 In the financial statement as at December 31, 2018, represented the increase in fixed assets amount of Baht 38.74 million arose from deduction of the outstanding debts of the subsidiary to be remitted to the Company.

5. CASH AND CASH EQUIVALENTS

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash	132,559.50	50,774.00	55,688.00	32,933.00
Current accounts	272,193.84	60,213.11	9,760.00	10,060.00
Savings deposit	53,138,225.02	198,027,628.28	8,937,230.87	190,642,495.05
Fixed deposits with 3 months maturity	13,181.32	14,920,108.18	0.00	0.00
Total	53,556,159.68	213,058,723.57	9,002,678.87	190,685,488.05

6. TRADE AND OTHER CURRENT RECEIVABLES

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
6.1 Trade accounts receivable	17,388,179.12	3,031,290.39	2,135,917.74	2,211,081.46
6.2 Other current receivables	46,029,630.87	9,343,807.54	8,359,181.25	5,610,645.98
Total	63,417,809.99	12,375,097.93	10,495,098.99	7,821,727.44

6.1 Trade accounts receivable

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade accounts receivable	47,296,180.26	33,517,203.33	31,353,918.88	29,429,082.60
Less Allowance for doubtful accounts	(29,908,001.14)	(30,485,912.94)	(29,218,001.14)	(27,218,001.14)
Trade accounts receivable	17,388,179.12	3,031,290.39	2,135,917.74	2,211,081.46

As at December 31, 2018 and, 2017, 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	
	2018	2017	2018	2017
Undue	17,388,179.12	3,031,290.39	2,135,917.74	2,211,081.46
Overdue exceed 12 months	29,908,001.14	30,485,912.94	29,218,001.14	27,218,001.14
Total	47,296,180.26	33,517,203.33	31,353,918.88	29,429,082.60

6.2 Other current receivables

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Prepaid expenses	1,031,383.16	887,294.94	599,382.20	846,570.54
Prepaid income tax	979,027.33	566,296.00	544,354.13	477,743.78
Revenue Department receivable	43,467,294.47	0.00	6,860,750.76	3,918,041.51
Others	551,925.91	7,890,216.60	354,694.16	368,290.15
Total	46,029,630.87	9,343,807.54	8,359,181.25	5,610,645.98

7. TRADE AND OTHER CURRENT RECEIVABLES - RELATED PARTIES

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade accounts receivable	0.00	0.00	915,067.79	100,000.00
Other current receivables	2,454,627.21	0.00	3,282,370.62	83,868.34
Total	2,454,627.21	0.00	4,197,438.41	183,868.34
Less Allowance for doubtful accounts	0.00	0.00	0.00	0.00
Total	2,454,627.21	0.00	4,197,438.41	183,868.34

8. SHORT-TERM LOANS

	(Unit: Baht)	
	Separate financial statements	
	2018	2017
Loans	0.00	39,350,000.00
Accrued interest income	0.00	1,757,667.82
Total	0.00	41,107,667.82
Less Allowance for doubtful accounts	0.00	(41,107,667.82)
Loans and accrued interest income from subsidiaries	0.00	0.00

In 2018, the Company considered that the debtor in such subsidiary had no ability to make debts settlement since it incurred capital deficiency and ceased its business operations. Therefore, the net remaining after subsidiary transferred the right on claims in other receivables to make partial debts settlement in the amount of Baht 2 million. In addition, the Company has sold total investments in such subsidiary to the individuals in the amount of Baht 100,000 (as stated in note 11).

9. DEPOSIT RECEIVABLE AND PROJECT GUARANTEE

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
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	0.00	19,000,000.00	0.00	0.00
Total	81,000,000.00	100,000,000.00	81,000,000.00	81,000,000.00
Less Allowance for doubtful accounts	(81,000,000.00)	(100,000,000.00)	(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, 2018 and 2017, 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

The Company

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 and 2017, allowance for doubtful accounts is provided in full.

Indirect subsidiary

On July 12, 2017, an indirect subsidiary has paid a deposit for the project to a company which is entitle to received the right to distribute electricity current in the amount of Baht 30 million against the acquisition of electricity generating project from solar energy on the ground installation for government agencies and agricultural cooperatives, with capacity of 5 MW. And in 2018, indirect subsidiary have received the transfer of such projects and transferred deposit to be part of assets value.

9.3 Prepayment for share capital

As at December 31, 2018 and 2017, subsidiary has made prepayment for share capital to two investors who are invested in energy project in the amount of Baht 61.75 million and Baht 19 million respectively, the details are following :

9.3.1 On June 11, 2018, the subsidiary entered into three parties covenants in order to invest in solar energy project with two companies that the subsidiary has made deposit payment for guarantee the share capital payment in the amount of Baht 61.75 million and provided loans for another Baht 38.25 million totally Baht 100 million and the seller given ordinary shares as guarantee. Such loans have no interest bearing. On September 20, 2018, the subsidiary has received the transfer of share from the seller and operated to have a control in management of such entity which will be completed in October 2018. As at September 30, 2018, the Company had transferred the prepayment for such share capital as long-term investment (as stated in note 13) and after the period, the Company will record investment in indirect subsidiary whenever such company is governed to control.

9.3.2 As at December 31, 2017, subsidiary has made prepayment for share capital the in amount of Baht 19 million to an investor and cancelled investment including called for return the money caused by the subsidiary has not received the payment in due date, and then allowance for doubtful accounts is provided in full. Subsequent, at the resolution of the meeting passed to continue investment from the progressing of project. In the first quarter of 2018, subsidiary has transferred part of prepayment for share capital to be investment amount of Baht 9.82 million and loans amount of Baht 9.18 million, and allowance for doubtful accounts is reversed in full.

10. COSTS OF PROPERTY DEVELOPMENT PROJECTS

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Land and buildings	38,491,309.01	81,718,890.61	22,279,791.61	54,279,791.61
Construction and other costs	77,372,338.17	143,949,531.88	6,464,457.32	24,092,009.94
Total	115,863,647.18	225,668,422.49	28,744,248.93	78,371,801.55
Less Provision for decline in valuation	(4,537,320.27)	(13,846,304.99)	(4,537,320.27)	(13,846,304.99)
Net	111,326,326.91	211,822,117.50	24,206,928.66	64,525,496.56

Movements in cost of project developments for the year ended December 31, 2018 and 2017, are as follows :

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Beginning balance	211,822,117.50	324,153,397.22	64,525,496.56	143,751,612.42
Increase during the year	141,657.53	536,968.77	0.00	206,549.14
Decrease in sales of condominium units during the year	(61,449,967.32)	(34,582,852.09)	(1,131,087.10)	(1,147,268.60)
Transfer to assets for rent	(48,496,465.52)	(97,562,867.23)	(47,009,437.73)	(97,562,867.23)
Transfer to a product for service	0.00	0.00	(1,487,027.79)	0.00
Reversal of allowance for diminution in value	0.00	5,275,322.63	0.00	5,275,322.63
Return the allowance from the reduction of the asset value for rent	9,308,984.72	14,002,148.20	9,308,984.72	14,002,148.20
Ending balance of the period	<u>111,326,326.91</u>	<u>211,822,117.50</u>	<u>24,206,928.66</u>	<u>64,525,496.56</u>

In 2018, the Company has taken part of condominium projects which had the carrying value as at December 31, 2018, amounting to Baht 48.50 million. The Company has a previously policy to use this condominium for sell but changed to condominium for rent. Therefore, the Company has transferred costs of property development project to be investment properties in the amount of Baht 47.01 million (as stated in note 15) and assets for service amount of Baht 1.49 million (as stated in note 16).

11. INVESTMENTS IN SUBSIDIARIES

As at December 31, 2018 and 2017, the Company has investments in subsidiaries as follows:

	Paid-up capital		Company's shareholding proportion	
	2018	2017	2018	2017
	Thousand Baht	Thousand Baht	Percent	Percent
Green Plus Assets Company Limited	0.00	30,000.00	0.00	99.99
ACD Energy Co., Ltd.	86,000.00	35,000.00	99.99	99.99
Orin Property Co., Ltd.	125,000.00	150,000.00	99.99	99.99
JE Solar Lopburi Co., Ltd.	145,000.00	145,000.00	99.99	99.99
(Held by ACD Energy Company Limited)				
SK-1 Power Co., Ltd.	100,000.00	0.00	29.40	0.00
Ventus Solar Co., Ltd.	75,000.00	0.00	49.00	0.00

(Unit: Baht)

Separate financial statements

	Cost		Provision for impairment of investment		Net	
	2018	2017	2018	2017	2018	2017
	Green Plus Assets					
Company Limited	0.00	29,999,960.00	0.00	(29,999,960.00)	0.00	0.00
ACD Energy Co., Ltd.	85,999,960.00	34,999,960.00	(11,523,994.64)	(29,901,593.07)	74,475,965.36	5,098,366.93
Orin Property Co., Ltd.	135,000,000.00	160,000,000.00	0.00	0.00	135,000,000.00	160,000,000.00
JE Solar Lopburi Co., Ltd.	14,499,800.00	14,499,800.00	0.00	0.00	14,499,800.00	14,499,800.00
Total	235,499,760.00	239,499,720.00	(11,523,994.64)	(59,901,553.07)	223,975,765.36	179,598,166.93

In 2018, the Company has sold the investment in a subsidiary which has the cost amount of Baht 30 million to the individual at the price of Baht 100,000.00.

As at December 31, 2018 and 2017, the Company provided the provision for impairment of investment in another subsidiary amounting to Baht 11.52 million and Baht 29.90 million respectively which had the consecutive capital deficiency operation for consecutive years.

13. ASSETS RECEIVABLE FROM SUBSIDIARIES

	(Unit: Baht)	
	<u>Separate financial statements</u>	
	2018	2017
Assets receivable from subsidiaries	39,525,457.23	43,185,696.35
Less Current portion of assets receivable form subsidiaries	0.00	(1,474,302.89)
Less Debt for purchase of assets	<u>(39,525,457.23)</u>	<u>0.00</u>
Total	<u>0.00</u>	<u>41,711,393.46</u>

On 1 November 2018, the Company entered into a purchase agreement with a subsidiary company in accordance with Note 16 and has sold the said assets. To deduct with outstanding long-term debts of Baht 39.53 million, remaining amount of Baht 1.92 million, the Company has recorded as a creditor in the financial statements

14. LONG-TERM LOANS

	(Unit: Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2018	2017	2018	2017
14.1 Long-term loans to subsidiaries	0.00	0.00	90,000,000.00	0.00
14.2 Long-term loans to related companies	68,850,300.00	0.00	208,000,000.00	0.00
14.3 Long-term loans to other parties	<u>6,054,621.54</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total	<u>74,904,921.54</u>	<u>0.00</u>	<u>298,000,000.00</u>	<u>0.00</u>

The Company

14.1 Long-term loans to subsidiaries

As at December 31, 2018, the Company has loans to three subsidiaries and indirect subsidiaries amounting to Baht 13 million, Baht 90 million and Baht 195 million respectively, which charged interest at the rate of 4.5-5% per annum. The loan amount of Baht 13 million will be repayable within 10 years from the agreement date (on March 19, 2018), Baht 90 million will be repayable within 3 years from the agreement date (on June 20, 2018) and Baht 195 million will be repayable within 10 years from the agreement date (on September 20, 2018).

14.2 Long-term loans to related companies

Subsidiary

As at December 31, 2018, the subsidiary has loans to two related parties totaling Baht 68.85 million.

The 1st party : issued two issues of promissory notes total amount of Baht 30.60 million, at the interest rate of 7% per annum that No. 1 amount of Baht 9.18 million has been transferred rights in promissory notes from the individuals and No. 2, amount of Baht 21.42 million are matured on demand or 3 years from November 30, 2017 and March 19, 2018 respectively, whichever is earlier.

The 2nd party: On 11 June 2018, the subsidiary entered into a memorandum of agreement for three parties to invest in solar power projects with two companies, in which the subsidiary paid deposit for guarantee the payment of share capital in the amount of Baht 61.75 million and provided another loan amount of Baht 38.25 million, charged the interest at the rate of 5% per annum. The loan is repayable within 2 years from the agreement date (on June 25, 2018), total amount of Baht 100 million. The loan is guaranteed by preferred shares in the amount of Baht 38.20 million held by the borrower in the lender company.

14.3 Long-term loans to other parties

On April 10, 2018, the subsidiary entered into loans agreement with a co-operative for acquisition of land to structure project of electricity from solar energy that the subsidiary entire the transfer right of claiming on such loans receivable from the existing right holder of land with the debt balance at the transferring date amount of Baht 6.90 million. The agreement determined the borrower to make payment for 60 months in the amount of Baht 121,092.43 each.

15. INVESTMENT PROPERTY

	(Unit: Baht)
	Consolidated and Separate
	<u>financial statements</u>
	<u>Condominium</u>
Cost :-	
Beginning of 2017	0.00
Transfer in	<u>91,159,636.20</u>
As at December 31, 2017	91,159,636.20
Transfer in	<u>47,009,437.73</u>
As at December 31, 2018	<u>138,169,073.93</u>

	(Unit: Baht)
	Consolidated and Separate
	financial statements
	<u>Condominium</u>
Accumulated depreciation :-	
Beginning of 2017	0.00
Depreciation for the year	<u>(1,617,136.40)</u>
As at December 31, 2017	(1,617,136.40)
Depreciation for the year	<u>(3,435,093.64)</u>
As at December 31, 2018	<u><u>(5,052,230.04)</u></u>
Provision for impairment of assets: -	
Beginning of 2017	0.00
Depreciation for the year	<u>(14,002,148.20)</u>
As at December 31, 2017	(14,002,148.20)
Depreciation for the year	<u>(8,430,693.73)</u>
As at December 31, 2018	<u>(22,432,841.93)</u>
Net book value	
As at December 31, 2018	<u><u>110,684,001.96</u></u>
As at December 31, 2017	<u><u>75,540,351.60</u></u>
Depreciation presented in statements of comprehensive income	
For the year ended December 31, 2018	3,435,093.64
For the year ended December 31, 2017	1,617,136.40

16. PROPERTY, PLANT AND EQUIPMENT (Cont'd)

(Unit : Baht)

	Separate financial statements									
	Land	Building and improvement	Furniture, fixture and office equipment	Equipment	Electricity , communication system and air conditioning	Solar power plant	Vehicles	Solar power plant	Other assets	Total
Cost :-										
Beginning of 2017	12,000,000.00	28,385,630.00	4,946,113.00	8,427,791.01	443,386.50	0.00	2,698,000.00	0.00	0.00	56,900,920.51
Acquisition	2,000,000.00	18,302,068.47	276,138.74	0.00	236,470.00	0.00	0.00	0.00	0.00	20,814,677.21
Transfer in	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,877,090.65	6,877,090.65
Disposal/write off	0.00	0.00	(300,421.49)	0.00	0.00	0.00	0.00	0.00	0.00	(300,421.49)
As at December 31, 2017	14,000,000.00	46,687,698.47	4,921,830.25	8,427,791.01	679,856.50	0.00	2,698,000.00	0.00	6,877,090.65	84,292,266.88
Acquisition	0.00	0.00	113,663.33	0.00	0.00	38,738,150.74	0.00	0.00	190,848.50	39,042,662.57
Transfer in	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,487,027.79	1,487,027.79
Disposal/write off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at December 31, 2018	14,000,000.00	46,687,698.47	5,035,493.58	8,427,791.01	679,856.50	38,738,150.74	2,698,000.00	0.00	8,554,966.94	124,821,957.24
Accumulated depreciation :-										
Beginning of 2017	0.00	(1,971,506.85)	(2,402,988.63)	(8,427,714.01)	(274,018.39)	0.00	(754,141.91)	0.00	0.00	(13,830,369.79)
Depreciation for the year	0.00	(1,742,830.68)	(851,804.42)	0.00	(127,532.89)	0.00	(536,643.29)	0.00	(917,913.80)	(4,176,725.08)
Disposal/write off	0.00	0.00	229,952.39	0.00	0.00	0.00	0.00	0.00	0.00	229,952.39
As at December 31, 2017	0.00	(3,714,337.53)	(3,024,840.66)	(8,427,714.01)	(401,551.28)	0.00	(1,290,785.20)	0.00	(917,913.80)	(17,777,142.48)
Depreciation for the year	0.00	(2,334,384.94)	(823,072.48)	0.00	(135,971.31)	0.00	(320,842.86)	(539,600.00)	(1,600,019.57)	(5,753,891.16)
Disposal/write off	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
As at December 31, 2018	0.00	(6,048,722.47)	(3,847,913.14)	(8,427,714.01)	(537,522.59)	0.00	(1,611,628.06)	(539,600.00)	(2,517,933.37)	(23,531,033.64)
Net book value :-										
As at December 31, 2018	14,000,000.00	40,638,976.00	1,187,580.44	77.00	142,333.91	38,738,150.74	1,086,371.94	(539,600.00)	6,037,033.57	101,290,923.60
As at December 31, 2017	14,000,000.00	42,973,360.94	1,896,989.59	77.00	278,305.22	0.00	1,407,214.80	0.00	5,959,176.85	66,515,124.40
Depreciation presented in statements of comprehensive income										
For the year ended December 31, 2018										5,753,891.16
For the year ended December 31, 2017										4,176,725.08

In November 2018, the Company entered into acquisition agreement and received the transfer the right on the solar energy generating project which comprise total system and equipment in solar energy on rooftop installation from subsidiary with the carrying value amount of Baht 38.74 million by receiving the transfer of right from electricity current distribution and tax privilege granted in accordance with the Board of Investment (BOI) from the subsidiary's payment. The business transferring is made payment by offsetting inter-company debts.

17. OTHER INTANGIBLE ASSETS

	Consolidated financial statements			Separate financial statements
	Computer software	Power plant extension cost	Total	Computer software
(Unit : Baht)				
Cost :				
Beginning of 2017	115,765,037.00	0.00	115,765,037.00	115,765,037.00
Acquisition	0.00	0.00	0.00	0.00
As at December 31, 2017	115,765,037.00	0.00	115,765,037.00	115,765,037.00
Acquisition	41,730.00	36,545,055.00	36,586,785.00	41,730.00
As at December 31, 2018	<u>115,806,767.00</u>	<u>36,545,055.00</u>	<u>152,351,822.00</u>	<u>115,806,767.00</u>
Accumulated amortization :				
Beginning of 2017	(96,352,328.88)	0.00	(96,352,328.88)	(96,352,328.88)
Amortization for the year	(27,446.86)	0.00	(27,446.86)	(27,446.86)
As at December 31, 2017	(96,379,775.74)	0.00	(96,379,775.74)	(96,379,775.74)
Depreciation for the year	(33,818.14)	(841,347.01)	(875,165.15)	(33,818.14)
As at December 31, 2018	<u>(96,413,593.88)</u>	<u>(841,347.01)</u>	<u>(97,254,940.89)</u>	<u>(96,413,593.88)</u>
Provision for impairment of assets:				
Beginning of 2017	(19,364,614.54)	0.00	(19,364,614.54)	(19,364,614.54)
Acquisition	0.00	0.00	0.00	0.00
As at December 31, 2017	(19,364,614.54)	0.00	(19,364,614.54)	(19,364,614.54)
Acquisition	0.00	0.00	0.00	0.00
As at December 31, 2018	<u>(19,364,614.54)</u>	<u>0.00</u>	<u>(19,364,614.54)</u>	<u>(19,364,614.54)</u>
Net book value :				
As at December 31, 2018	<u>28,558.58</u>	<u>35,703,707.99</u>	<u>35,732,266.57</u>	<u>28,558.58</u>
As at December 31, 2017	<u>20,646.72</u>	<u>0.00</u>	<u>20,646.72</u>	<u>20,646.72</u>
Amortization presented in statement of comprehensive income				
For the year ended December 31, 2018			875,165.15	33,818.14
For the year ended December 31, 2017			27,446.86	27,446.86

18. TRADE AND OTHER CURRENT PAYABLES

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade accounts payable	9,321.42	7,480.15	9,321.42	7,480.15
Other current payables				
Accrued expenses	2,644,506.37	3,622,427.91	1,411,008.19	1,019,360.30
Retention	5,772,571.36	5,950,332.58	5,019,260.00	5,118,477.50
Others	6,058,926.57	3,246,531.53	5,553,184.87	2,539,401.97
Total	14,485,325.72	12,826,772.17	11,992,774.48	8,684,719.92

19. SHORT-TERM BORROWINGS

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Borrowings from subsidiaries	300,000.00	0.00	18,000,000.00	0.00
Loans from related persons	40,000,000.00	0.00	40,000,000.00	0.00
Total	40,300,000.00	0.00	58,000,000.00	0.00

The Company

On September 19, 2018, the Company entered into agreement for borrowings from subsidiary in the amount of Baht 18 million at the interest rate of 4.5 % per annum. The principal and interest is repayable to be completed within six month from the agreement date. The Company has accrued interest amount of Baht 0.23 million.

On September 19, 2018, the Company entered into agreement for borrowings from related persons in the amount of Baht 60 million at the interest rate of 4.5 % per annum, the repayment is matured within six month from the agreement date.

Indirect subsidiary

An indirect subsidiary has borrowings from a shareholder in the amount of Baht 700,000 at the interest rate of 4.5% per annum. During the year, the principal repayment is made for the amount of Baht 400,000 and the remaining amount of Baht 300,000 will repay on demand.

20. FINANCIAL LEASE LIABILITIES

Details of leased assets under financial lease are as follows :

	(Unit: Baht)	
	Consolidated and Separate	
	financial statements	
	2018	2017
Vehicles	2,698,000.00	2,698,000.00
Accumulated depreciation	(1,830,385.20)	(1,290,785.20)
Net book value	<u>867,614.80</u>	<u>1,407,214.80</u>

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

	(Unit: Baht)	
	Consolidated and Separate	
	financial statements	
	2018	2017
Within 1 year	365,820.00	365,820.00
Over 1 year less than 3 years	213,395.00	579,215.00
Total	579,215.00	945,035.00
Less Future interest of financial lease	(23,848.33)	(61,229.70)
Total	555,366.67	883,805.30

Financial lease liabilities excluding future interest are as follows :

	(Unit: Baht)	
	Consolidated and Separate	
	financial statements	
	2018	2017
Financial lease liabilities	555,366.67	883,805.30
Less Current portion of financial lease liabilities	(345,545.77)	(328,438.62)
Financial lease liabilities	209,820.90	555,366.68

21. LONG-TERM BORROWINGS

On March 19, 2018, an indirect subsidiary entered into a borrowings agreement with a shareholder amounting to Baht 12 million, bearing interest at a fixed rate of 5 % per annum. The borrowings have no any collateral and will be repay within 10 years. During the year, the repayment is made for the amount of Baht 3 million.

22. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

	(Unit: Baht)
	Consolidated
	financial statements
	2018
Long-term borrowings from financial institutions	204,600,000.00
Deferred borrowings management fee under effective rate	(999,091.52)
<u>Less</u> Current portion of long-tem borrowings	(16,052,745.17)
Long-term borrowings from financial institutions	187,548,163.31

Indirect subsidiary

On July 10, 2018, the Company entered into borrowings agreement with a local bank for credit line amount of Baht 210 million for the payment electricity from solar energy project from a company. Such borrowings had the fee from management at the rate of 0.5% of borrowings amount, at the interest rate of MLR-1.50 % per annum for the first five years and MLR-1.25% per annum thereafter. The interest is payable on a monthly basis, the principal is repayable on a monthly basis through 143 installments, commenced in September 2018 by the various amount as below: 1st - 24th installment is repayable in the amount of Baht 1.35 million each, Baht 1.40 million for the 25th-60th installment, Baht 1.50 million for 61st-108th installment, Baht 1.50 million for 109th-142 installment and the remaining for the 143th installment.

Such borrowings are guaranteed by buildings, power generation and equipment, and the right on land in solar energy projects, bank deposits, and ordinary shares and preferred shares of the Company held by related companies.

23. 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	
	2018	2017	2018	2017
Employee benefit beginning of the year	1,450,082.62	2,396,942.01	1,442,442.06	2,385,095.00
Current costs of service	408,892.38	819,213.96	406,232.90	810,848.00
Interest costs	37,893.12	55,401.00	37,636.40	54,936.00
Add Changes in provisions of the Actuary	0.00	(1,680,848.35)	0.00	(1,667,810.94)
Less Decrease from employees resignation	(358,539.64)	(140,626.00)	(358,539.64)	(140,626.00)
Employee benefit obligations recorded				
in statements of financial position	<u>1,538,328.48</u>	<u>1,450,082.62</u>	<u>1,527,771.72</u>	<u>1,442,442.06</u>

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

	<u>Parent Company</u>		<u>Subsidiaries</u>	
	2018	2017	2018	2017
Discount rate (per annum)	2.81	2.81	3.36	3.36
Mortality rate	According to TMO 2017 and 2008 male and female tables			
Salary increase rate of of 2018 and 2017 (per annum)	3		5	
Retirement age	60 years			
Number of employee (person)	40	40	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>	
	2018	2017	2018	2017
Discount rate				
Increase (0.50% movement)	(58,804.00)	(58,804.00)	(57,692.00)	(57,692.00)
Decrease (0.50% movement)	63,416.00	63,416.00	62,109.00	62,109.00
Salary increase rates				
Increase (0.50% movement)	0.00	0.00	0.00	0.00
Increase (1 % movement)	130,248.00	130,248.00	127,484.00	127,484.00
Decrease (0.50% movement)	0.00	0.00	0.00	0.00
Decrease (1 % movement)	(114,230.00)	(114,230.00)	(112,183.00)	(112,183.00)
Turnover rates				
Increase (0.50% movement)	0.00	0.00	0.00	0.00
Increase (20 % movement)	(96,681.00)	(9,509.00)	(95,846.00)	(95,846.00)
Decrease (0.50% movement)	0.00	0.00	0.00	0.00
Decrease (20% movement)	119,148.00	9,602.00	114,762.00	114,762.00

As discussed in Note 3.21.2 to the financial statements, the Company and its subsidiaries will record the impact of the new Labor Protection Act when it is announced in the Royal Gazette. The Company and the subsidiaries expects that the additional employee benefit to be paid amount of Baht 1.91 million (Separate: Baht 1.90 million) will be provided when it becomes effective.

24. 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.

Related parties	Type of business	Relationship
Green Plus Assets Company Limited	Real estate	Subsidiary and co-director
ACD Energy Co., Ltd.	Install electricity production and distribution systems for renewable energy, invest in other businesses	Subsidiary and co-director
Orin Property Co., Ltd.	Real estate	Subsidiary and co-director
JE Solar Lopburi Co., Ltd.	Production and distribution of electricity from solar energy	Subsidiary and co-director
SK-1 Power Co., Ltd.	Production and distribution of electricity from solar energy	Indirect subsidiaries and directors
Metlink Info Co., Ltd.	Energy	Held preferred shares in indirect subsidiary
Ventus Solar Co., Ltd.	Production and distribution of electricity from solar energy	Associate of subsidiary
Astronergy Solar (Thailand) Co., Ltd.	Production and distribution of electricity from solar energy	Held preferred shares in indirect subsidiary
Nortis Energy Co., Ltd.	Energy	Shareholder indirect subsidiary
Mr.Phichit Wiriyamethakul		Major shareholder

The Company has pricing policy as follows :

<u>Type of transaction</u>	<u>Pricing policy</u>
Rental and service income	As agreed
Interest income	4.5-7 % per annum
Dividend income	3-5 % per annum

Significant transactions with related parties as at December 31, 2018 and 2017, are as follows :

	(Unit: Baht)	
	Separate financial statements	
	2018	2017
Trade accounts receivable		
Orin Property Co., Ltd.	100,000.00	100,000.00
Total	<u>100,000.00</u>	<u>100,000.00</u>
Other current receivables		
ACD Energy Co., Ltd.	0.00	5,000.00
JE Solar Lopburi Co., Ltd.	815,067.79	13,794.00
Total	<u>815,067.79</u>	<u>18,794.00</u>
Less Allowance for doubtful accounts	0.00	0.00
Net	<u>815,067.79</u>	<u>18,794.00</u>
Trade payables		
ACD Energy Co., Ltd.	53,500.00	0.00
JE Solar Lopburi Co., Ltd.	1,924,364.08	0.00
Total	<u>1,977,864.08</u>	<u>0.00</u>

	(Unit: Baht)			
	Separate financial statements			
	2017	Increase	Decrease	2018
Green Plus Assets Company Limited				
Loans	39,350,000.00	0.00	(39,350,000.00)	0.00
Accrued interest income	1,757,667.82	0.00	(1,757,667.82)	0.00
Total	<u>41,107,667.82</u>	<u>0.00</u>	<u>(41,107,667.82)</u>	<u>0.00</u>
Less Allowance for doubtful accounts for loans to subsidiaries and accrued interest income	(41,107,667.82)	0.00	41,107,667.82	0.00
Loans	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

(Unit: Baht)

	Separate financial statements			
	2017	Increase	Decrease	2018
SK-1 Power Co., Ltd.				
Short-term loans	0.00	18,000,000.00	(4,500,000.00)	13,500,000.00
Long-term loans	0.00	0.00	0.00	0.00
Accrued interest income	0.00	2,204,342.48	(2,184,000.01)	20,342.47
Total	0.00	20,204,342.48	(6,684,000.01)	13,520,342.47
ACD Energy Co., Ltd.				
Long-term loans	0.00	90,000,000.00	0.00	90,000,000.00
Accrued interest income	0.00	2,391,780.82	0.00	2,391,780.82
Total	0.00	92,391,780.82	0.00	92,391,780.82
Ventus Solar Co., Ltd.				
Long-term loans	0.00	210,000,000.00	(15,000,000.00)	195,000,000.00
Accrued interest income	0.00	2,486,280.82	(1,741,006.85)	745,273.97
Total	0.00	212,486,280.82	(16,741,006.85)	195,745,273.97
JE Solar Lopburi Co., Ltd.				
Other non-current receivables-related parties	43,185,696.35	0.00	(43,185,696.35)	0.00
Accrued interest income	65,074.34	1,739,659.88	(1,739,760.87)	64,973.35
Total	43,250,770.69	1,739,659.88	(44,925,457.22)	64,973.35
Orin Property Co., Ltd.				
Short-term borrowings	0.00	43,000,000.00	(25,000,000.00)	18,000,000.00
Accrued interest expense	0.00	323,095.89	(94,520.55)	228,575.34
Total	0.00	43,323,095.89	(25,094,520.55)	18,228,575.34
Metlink Info Co.,Ltd.				
Long-term borrowings	9,180,000.00	21,420,000.00	0.00	30,600,000.00
Accrued interest expense	98,590.68	1,821,580.27	0.00	1,920,170.95
Total	9,278,590.68	23,241,580.27	0.00	32,520,170.95
Astronergy Solar (Thailand) Co., Ltd.				
Long-term borrowings	0.00	38,250,300.00	0.00	38,250,300.00
Accrued interest expense	0.00	534,456.25	0.00	534,456.25
Total	0.00	38,784,756.25	0.00	38,784,756.25

(Unit: Baht)

	Separate financial statements			2018
	2017	Increase	Decrease	
Mr.Phichit Wiriyamethakul				
Short-term borrowings	0.00	60,000,000.00	(20,000,000.00)	40,000,000.00
Accrued interest expense	0.00	657,123.29	(495,616.44)	161,506.85
Total	0.00	60,657,123.29	(20,495,616.44)	40,161,506.85

Significant revenues and expenses in statements of comprehensive income for the year ended December 31, 2018 and 2017, are as follows :

	Separate financial statements	
	2018	2017
ACD Energy Co., Ltd.		
Other income - rental	234,000.00	240,000.00
Service income	100,000.00	0.00
Interest income	2,391,780.82	0.00
Orin Property Co., Ltd.		
Other income - rental	240,000.00	240,000.00
Service income	1,121,495.28	1,775,700.93
Interest expense	323,095.89	6,849.32
Dividend income	0.00	9,405,154.28
Je Solar Lopburi Co., Ltd.		
Acquire of assets	38,734,000.75	0.00
Other income - rental	600,000.00	120,000.00
Interest income	1,739,659.88	350,770.69
SK-1 Power Co., Ltd.		
Interest income	2,204,342.47	0.00
Ventus Solar Co., Ltd.		
Interest income	2,486,280.82	0.00
Mr.Phichit Wiriyamethakul		
Interest expense	657,123.29	0.00

25. WARRANTS

As at December 31, 2018 and 2017, 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	
	2018	2017
Number of exercise warrants		
Warrants No. 4	0	165,974,332
Total	0	165,974,332

In the second quarter of 2018, the warrants to purchase ordinary shares were exercise and the first quarter of 2017, 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.

26. BASIC EARNINGS (LOSS) PER SHARE AND DILUTED EARNINGS (LOSS) PER SHARE

Earnings (Loss) per share and diluted earnings (loss) per share for the year ended December 31, 2018 and 2017 are as follow:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Earnings (Loss) attributable to ordinary share holders				
of the Company (basic)	(2,580,639.38)	(56,512,733.76)	(11,193,517.76)	(42,857,510.08)
Weighted average number of				
ordinary shares (basic)	818,024,729	715,020,835	818,024,729	715,020,835
Basic earnings (loss) per share	(0.003)	(0.079)	(0.014)	(0.060)

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Loss attributable to ordinary share holders of the Company (diluted which not differ from basic)	(2,580,639.38)	(56,512,733.76)	(11,193,517.76)	(42,857,510.08)
Weighted average number of ordinary shares (basic)	818,024,729	715,020,835	818,024,729	715,020,835
Potential ordinary shares from convertible of warrants	53,142,121.46	53,142,121.46	53,142,121.46	53,142,121.46
Weighted average number of ordinary shares	871,166,850.46	768,162,956.46	871,166,850.46	768,162,956.46
Diluted loss per share	(0.003)	(0.074)	(0.013)	(0.056)

27. SHARE CAPITAL

The Company

According to the Board of directors' meeting No. 8/2018, held on June 21, 2018, passed the resolution to decrease the registered capital and amend the Memorandum of Association to be the registered capital to the amount of Baht 818,024,729 for 818,024,729 shares at par value of Baht 1 each. The warrants were exercised to purchase ordinary shares in the second quarter of 2018, amounting to Baht 103.00 million. The Company has registered the decrease with the Ministry of Commerce on June 22, 2018.

Subsidiaries

1st company

According to the minutes of the shareholders' extraordinary meeting of subsidiary No. 2/2018 held on April 19, 2018, unanimously passed the resolution to increase registered share capital from Baht 135 million to Baht 177 million (17,700,000 shares) by issuing 4,200,000 new ordinary shares at a par value of Baht 10 each. The subsidiary has registered the increase share capital with the Ministry of Commerce on April 30, 2018

According to the minutes of the shareholders' extraordinary meeting of subsidiary No. 1/2018 held on April 19, 2018, the subsidiary has registered the increase share capital by issuing 8.5 million ordinary shares of Baht 10 each (Baht 85 million), as a result, the registered share capital is increased to Baht 135 million (Baht 85 million). 135 million. The resolution was registered with the Ministry of Commerce on February 28, 2018. The partial paid-up is made in the amount of Baht 3 per share. In addition, the subsidiary has also called for the payment of share capital in full of value for another Baht 15 million (4 million shares at Baht 3.75 each).

2nd company

According to the minutes of shareholders' extraordinary meeting No. 1/2018 held on May 25, 2018, a subsidiary unanimously passed the resolution to decrease share capital for 25,000 shares of Baht 1,000 each (Baht 25 million). After decreasing share capital remained 125,000 ordinary shares of Baht 1,000 each. The subsidiary has registered the decrease share capital with the Ministry of Commerce on July 5, 2018.

28. 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 managing director.

The Company and subsidiaries have revenues from three core businesses which had financial information by segment for the year ended December 31, 2018 and 2017, as follows:

(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>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues from sales and services	82.29	39.91	9.53	4.67	40.57	1.42	132.39	46.00
Gross profit	20.84	5.32	(0.14)	(0.30)	21.48	1.00	42.18	6.02
Other income							11.31	7.06
Reversed from devaluation of cost of property							(0.61)	5.27
Distribution costs							(16.50)	(5.18)
Administrative expenses							(48.50)	(49.47)
Loss on impairment of investment							0.00	(2.48)
Doubtful accounts							19.00	(19.37)
Finance costs							(4.83)	(0.05)
Tax expenses							(0.79)	0.00
Profit (loss) for the year							1.26	(58.20)

(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>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues from sales and services	1.34	1.38	10.99	5.27	1.55	0.00	13.88	6.65
Gross profit	0.21	0.23	1.92	0.31	0.38	0.00	2.51	0.54
Other income							13.40	17.14
Reversed (loss) on impairment of investment							18.38	0.00
Reversed from devaluation of cost of property							(0.61)	5.27
Distribution costs							(0.84)	(0.88)
Administrative expenses							(43.00)	(44.05)
Loss on impairment of investment							0.00	(22.49)
Doubtful accounts							0.00	0.00
Finance costs							(1.02)	(0.05)
Profit (loss) for the year							(11.19)	(44.52)

As at December 31, 2018 and 2017, the Company has presented assets by business segment based on type of business as detailed following :

(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>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Fixed assets	45.06	53.91	0.00	0.00	634.53	66.70	679.59	120.61
Fixed assets for rent	0.00	0.00	110.68	75.54	0.00	0.00	110.68	75.54
Other assets	0.00	0.00	0.00	0.00	0.00	0.00	340.50	471.60
Total assets	<u>45.06</u>	<u>53.91</u>	<u>110.68</u>	<u>75.54</u>	<u>634.53</u>	<u>66.70</u>	<u>1,130.77</u>	<u>667.75</u>

(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>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Fixed assets	45.01	47.52	0.00	0.00	56.28	19.00	101.29	66.52
Fixed assets for rent	0.00	0.00	110.68	75.54	0.00	0.00	110.68	75.54
Other assets	0.00	0.00	0.00	0.00	0.00	0.00	602.51	519.47
Total assets	<u>45.01</u>	<u>47.52</u>	<u>110.68</u>	<u>75.54</u>	<u>56.28</u>	<u>19.00</u>	<u>814.48</u>	<u>661.53</u>

29. FINANCIAL INSTRUMENTS

Financial risk management and policies

The Company and subsidiaries are exposed to risk from changes in market interest rates and from non-performance of contractual obligations by counterparties. The Company and subsidiaries do not hold or issue derivative instruments for speculative or trading purposes.

Interest rate risk

The Company and subsidiaries have borrowings from financial institution at the floating rate in which may fluctuate by market circumstances and may have risk from the higher rate. Information of interest rate have been disclosed in note 23.

Credit risk

The Company and subsidiaries are exposed to credit risk in respect of related companies. However, the Company and subsidiaries have borrowings which bear fixed interest rate. Therefore, the Company has no a risk from the fluctuation of such interest rate.

Fair value of financial assets and liabilities

The Company and subsidiaries used the following methods and assumptions in estimating fair value of financial instruments as disclosed herein :

- Cash and cash at banks and current investments are stated at fair value based on the amount in statements of financial position.
- Trade and other current receivables are stated at faire value based on the amount in statements of financial position.
- Loans to, are stated at the estimated faire value based on the amount in statements of financial position.
- Trade and other current payables are stated at faire value based on the amount in statements of financial position.
- Sort-term and long-term borrowings with floating rate and some part with fixed interest rate had the rate close to interest rate in the current money market. The carrying value of borrowings equal to their fair value.

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, 2018 and 2017, the Company and subsidiaries have debt to equity ratio as summarized below :

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	2018	2017	2018	2017
Debt to equity ratio	0.32	0.03	0.10	0.02

31. PRIVILEGES FROM INVESTMENT CERTIFICATE

Subsidiaries

3.1 The Company and two indirect subsidiaries have received the rights and benefits from the Board of Investment in the promotion of electricity generation from solar energy for 3 issues, with the following tax incentives.

- Exemption from import duty on machinery as approved by the Board.
- 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 subsidiary 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.

The subsidiaries must strictly comply with the conditions specified in the investment promotion certificate.

The Company has income and expenses derived from the investment promotion for the year ended 31 December 2018 as follows:

	Consolidated (Unit : Million Baht)		
	2018		
	Promoted	Non-promoted	Total
Revenue from sales and services	75,612,065.33	55,970,940.48	131,583,005.81
Other income	4,395.29	30,301,100.37	30,305,495.66
Total income	75,616,460.62	86,272,040.85	161,888,501.47
Cost of sale	31,903,861.10	58,909,691.28	90,813,552.38
Distribution costs and administrative expenses	4,162,213.51	60,039,509.04	64,201,722.55
Finance costs	10,783,290.90	(5,958,198.80)	4,825,092.10
Total expenses	46,849,365.51	112,991,001.52	159,840,367.03
Profit (loss) before income tax expense	28,767,095.11	(26,718,960.67)	2,048,134.44

On February 4, 2019, subsidiaries have received the notice to approve the transfer of business including privilege from investment certificate to the transferee (the Parent) which received the approval for transferring such right since January 21, 2019.

32. EVENTS AFTER THE REPORTING PERIOD

Subsidiary

According to the shareholders' extraordinary meeting of subsidiary No. 2/2018 held on December 4, 2018, the meeting unanimously passed the resolution to decrease the registered capital from Baht 125 million (125,000 shares) to Baht 45 million (45,000 shares at Baht 1,000 per share) by decreasing registered share capital amount of Baht 80 million (80,000 shares). The subsidiary has registered the resolution to decrease share capital with the Ministry of Commerce on January 8, 2019.

Indirect subsidiary

On January 25, 2019, the Company entered into borrowings agreement with a local bank for credit amount of Baht 180 million to be used in supporting the 5 megawatt electricity current generating plants project in the type of solar power plant installed on the ground. The borrowings have a management fee of 0.25% of the borrowings and bear interest at the rate of BBL's MLR-2.15% per annum. At the agreement date, BBL's MLR is equal to 6.25% per annum. Interest is payable every end of month. The principal is repayable within 10 years from the first withdrawal date, (as at the date of agreement, the withdrawal is not made), the principal will be paid by 120 monthly installments in the amount of Baht 1.84 million each for 1st-119th installment and the remaining for the 120th installment, commenced from the first withdrawal month.

The borrowings are guaranteed by construction of electricity generating sets and equipment, and rights on land in solar power projects (note 16), the issued and paid-up 750,000 shares issued, bank deposits and rights to receive payments under the electricity current distribution agreement as well as the parent company's guarantee.

33. COMMITMENT AND CONTINGENT LIABILITIES

33.1 As at December 31, 2018 and 2017, the Company and its subsidiaries are liable on the future payment in respect of lease and services agreements in the amount of Baht 9.5 million and Baht 1.45 million respectively.

33.2 The Company and subsidiaries entered into agreements with many counterparties regarding the acquisition of the right to distribute electricity from solar energy as follows:

The Company

On August 23, 2018, the Company entered into the third-party agreement between the Company (transferee), Provincial Electricity Authority (counterparty) and its subsidiaries (transferor) to amend in the Power Purchase Agreement for the purchase of electricity from solar power generation installed on the roof in order to transfer all rights and obligations under the agreement to the Company. And on November 1, 2018, the Company has acquired the solar power generation project assets from the parent company at the net bookvalue of Baht 38.74 million as stated in note 16. On January 21, 2019, the Company also received the approval for transfer the tax privilege from investment promotional to the parent company as stated in note 31. From transferring of such project, The Company taken the inter-company outstanding debt from acquisition of project which incurred in 2017 as stated in note 13 to be partially paid for assets acquisition in the project, the remaining is recorded as subsidiary payable amount of Baht 1.92 million in the financial statements.

Subsidiary

In 2017, the subsidiary purchased solar power from a group of companies and purchased shares in a subsidiary in the same group that received the rights to distribute solar electricity current installed on the roof with the Provincial Electricity Authority according to the contract No. PV-PEA 0065/2556 dated September 6, 2013, in which PEA purchases 995 kilowatts of electricity for a period of 25 years, starting from December 30, 2013 to December 30, 2038 at the determined rate according to the production volume, which is Baht 6.16 per unit. In November 2018, the subsidiary has sold electricity energy project including any rights to the Company. The Company, thus has the further obligations against the counterparty instead of subsidiary as described in the preceding paragraph.

Indirect subsidiary 1

-The Company has entered into an amendment of the power purchase agreement for the purchase of electricity from solar power generation with a company that has been granted rights to the Provincial Electricity Authority to receive the rights to generate and distribute electricity current according to the same conditions in which the transferor made with the PEA for the project period of 25 years.

-The Company has entered into an agreement to be a sponsor of the solar power plant project, installed on the ground, to use rights from the project owner. The Company will pay the project subsidy to the project owner on a yearly basis amount of Baht 3.3 million each by making after the sponsor distributed the electricity current project for 1 year (the right payment will be paid by monthly). The Company has to pay subsidy until the termination of the contract (April 2041), total amount of Baht 76.45 million.

Indirect subsidiary 2

-The Company entered into agreements with several parties relating to the acquisition of rights to distribute electricity current from solar energy as follows.

33.2.1 On January 20, 2017, entered into an agreement to purchase a solar power project on the ground, located in Pak Chong Dairy Cooperative from a related company, which has been granted the right to distribute electricity current from the Provincial Electricity Authority with the agreement value is Baht 294.99 million. On February 20, 2017, the Company entered into an amendment to receive the transfer the rights in the Power Purchase Agreement with the Provincial Electricity Authority from the existing counterparty in accordance with the power purchase agreement No. PVF2-PEA-018/2559 in the maximize 5.0 MW of the electricity energy by determining the distribution date to commercial system within April 30, 2017 for a period of 25 years.

33.2.2 On 3 April 3, 2017, the Company entered into a joint development agreement for the solar power generation project with Pak Chong Dairy Cooperative Limited, for which the project owner has to provide land to be used as the project address and the Company is a project sponsor and entered into agreement with the Provincial Electricity Authority and applied for licenses and others by sharing the returns as indicated in agreement.

33.2.3 On April 18, 2018, the Company and dairy cooperative have jointly entered into agreement to lease land with a land owner for use as project address of the electricity generation project starting from December 1, 2016 to December 1, 2041 (the existing issue dated July 14, 2016) for an agreement period of 25 years. As at December 31, 2018, total rental is Baht 38.40 million, the cooperative has made the payment for the amount of Baht 26.40 million on a monthly basis amount of Baht 88,008 each. The Company has to pay total amount of Baht 12.00 million on monthly basis of Baht 40,008 each.

The Company is liable on payment the future rental the rent until termination of agreement, summarized as follows:

	2018	2017
Within 1 year	480,096.00	480,096.00
Over 1 year but less than 5 years	2,400,480.00	2,400,480.00
Over 5 years	8,121,624.00	8,601,720.00

34. LITIGATION

As at December 31, 2018 and 2017, the Company and subsidiaries were sued in the many cases, the significant matters are as follows :

The Company

34.1 The Company has a lawsuit from an ex-employee and former managing director claim indemnity from inaccuracy lay-off for total amount of Baht 22.60 million, the case is still pending the Court's trial.

34.2 The Company has filed a claim indemnity from the counterparty for recovery deposits as stated in note 10.2 and on August 17, 2016, the Company was filed a counterclaim by the counterparty for claiming amount of Baht 50 million. At present, the case is still pending the Supreme Court's trial.

34.3 The Company was sued by the former shareholder of a subsidiary for claiming the remain amount of Baht 5 million which the Company deducted as damages insurance or expenses for the condominium project that the Company acquired from total share capital of subsidiaries. At present, the Company has filed a counterclaim to claim damages from the plaintiff in the amount of Baht 44.04 million. At present, the case is still pending the Court' trial.

35. EXPENSES ANALYZED BY NATURE

The significant expenses analyzed by nature for the year ended December 31, 2018 and 2017 as follow :

	(Unit : Baht)	
	2018	
	Consolidated	Separate
	financial statements	financial statements
Changes in costs of property project	61,930,063.32	1,131,087.10
Depreciation and amortization	19,757,078.59	9,015,592.28
Doubtful accounts	(18,991,195.00)	8,805.00
(Reversed) loss on devaluation of costs of property project	608,736.79	608,736.79
Management benefit expenses	11,518,769.00	11,518,769.00
Employees benefit expenses	20,704,444.56	17,318,129.20
Specific business tax	2,725,184.00	46,134.00
		(Unit : Baht)
	2017	
	Consolidated	Separate
	financial statements	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

36. 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, 2018 and 2017, directors' remuneration amounted to Baht 2.27 million and Baht 0.51 million respectively.

37. 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.

38. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved and authorized for issue by the Company's Board of directors on February 26, 2019.