BANPU POWER PUBLIC COMPANY LIMITED

INTERIM CONSOLIDATED AND COMPANY FINANCIAL INFORMATION
(UNAUDITED)

30 SEPTEMBER 2016

pwc

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Banpu Power Public Company Limited

I have reviewed the accompanying consolidated and company statements of financial position as at 30 September 2016, the related consolidated and company statements of comprehensive income for the three-month and nine-month periods then ended, the related consolidated and company statements of changes in shareholders' equity and cash flows for the nine-month period then ended, and condensed notes to interim financial information of Banpu Power Public Company Limited and its subsidiaries, and of Banpu Power Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

*Scope of review*

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

*Conclusion*

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

*Emphasis of matter*

Without qualifying my conclusion, I draw attention to Note 24.4 to the interim financial information, which describes a litigation filed against the Company and its parent company and is currently going through the judicial processes.

Amornrat Pearmpoonvatanasuk
Certified Public Accountant (Thailand) No. 4599
PricewaterhouseCoopers ABAS Ltd.

Bangkok
8 November 2016

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| | | Consolidated | | Company | |
|---|---|---|---|---|---|
| | | Unaudited | Audited | Unaudited | Audited |
| | | 30 September | 31 December | 30 September | 31 December |
| | | 2016 | 2015 | 2016 | 2015 |
| | Notes | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| **Assets** | | | | | |
| **Current assets** | | | | | |
| Cash and cash equivalents | | 952,387 | 1,159,614 | 57,663 | 142,239 |
| Restricted deposits at financial institutions | 10 | - | 18,123 | - | - |
| Short-term investments | 7 | 39,039 | 1,775,580 | - | - |
| Trade accounts receivable and notes receivable | 8 | 865,842 | 1,169,884 | - | - |
| Amounts due from related parties | 22 | 28,649 | 7,334 | 26,875 | 7,871 |
| Current portion of dividend receivables from related parties | 22 | 1,601,267 | 1,446,393 | 1,601,267 | 1,446,393 |
| Advances to related parties | 22 | 17,221 | 26,853 | 29 | 1,827 |
| Short-term loans to related parties | 22 | 406,660 | 185,505 | 2,748,331 | 363,000 |
| Short-term loans to other companies | 9 | 1,236,639 | - | - | - |
| Fuel | | 268,814 | 355,464 | - | - |
| Spare parts and supplies | | 45,024 | 52,692 | - | - |
| Other current assets | | 407,013 | 135,441 | 89,158 | 88,813 |
| **Total current assets** | | 5,868,555 | 6,332,883 | 4,523,323 | 2,050,143 |
| **Non-current assets** | | | | | |
| Long-term loan to other company | 9 | 463,664 | - | - | - |
| Dividend receivables from related parties | 22 | 6,039,753 | 6,043,525 | 5,566,612 | 3,772,036 |
| Advances to related parties | 22 | 718,622 | 260,337 | - | - |
| Investments in subsidiaries | 10 | - | - | 17,216,807 | 16,953,657 |
| Investments in joint ventures | 10 | 16,043,343 | 8,823,890 | 13,093,370 | 6,048,273 |
| Other investments, net | 11 | 349,150 | 220,630 | - | - |
| Building and equipment, net | 12 | 8,017,811 | 5,912,990 | 980 | 1,223 |
| Deferred income tax assets, net | | 822,327 | 769,988 | 122,958 | 5,116 |
| Goodwill | | 48,231 | 58,469 | - | - |
| Other non-current assets | 13 | 1,005,980 | 777,117 | 81,343 | 76,261 |
| **Total non-current assets** | | 33,508,881 | 22,866,946 | 36,082,070 | 26,856,566 |
| **Total assets** | | 39,377,436 | 29,199,829 | 40,605,393 | 28,906,709 |

The notes to the interim financial information on pages 14 to 50 are an integral part of this interim financial information.

| | | Consolidated | | Company | |
|---|---|---|---|---|---|
| | | Unaudited | Audited | Unaudited | Audited |
| | | 30 September | 31 December | 30 September | 31 December |
| | | 2016 | 2015 | 2016 | 2015 |
| | Notes | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| **Liabilities and shareholders' equity** | | | | | |
| **Current liabilities** | | | | | |
| Short-term loans from financial institutions | 14 | 101,397 | 449,624 | - | - |
| Trade accounts payable and notes payable | | 237,280 | 309,082 | - | - |
| Advances from and amounts due to related parties | 22 | 47,055 | 55,351 | 42,817 | 55,589 |
| Advances from other companies | | 37,801 | - | - | - |
| Short-term loans from related parties | 22 | 13,204,605 | 14,882,807 | 13,204,605 | 15,100,330 |
| Current portion of long-term loans | | | | | |
| from financial institutions | 16 | 34,700 | 39,697 | - | - |
| Income tax payable | | 60,832 | 129,396 | - | - |
| Other current liabilities | 15 | 2,159,424 | 1,609,639 | 32,618 | 28,626 |
| **Total current liabilities** | | 15,883,094 | 17,475,596 | 13,280,040 | 15,184,545 |
| **Non-current liabilities** | | | | | |
| Long-term loans from financial institutions, net | 16 | 138,800 | 173,225 | - | - |
| Deferred income tax liabilities, net | | 87,515 | 55,809 | - | - |
| Employee benefits obligation | | 27,876 | 25,578 | 27,876 | 25,578 |
| **Total non-current liabilities** | | 254,191 | 254,612 | 27,876 | 25,578 |
| **Total liabilities** | | 16,137,285 | 17,730,208 | 13,307,916 | 15,210,123 |

Banpu Power Public Company Limited
Statement of Financial Position
As at 30 September 2016

| | | Consolidated | | Company | |
|---|---|---|---|---|---|
| | | Unaudited | Audited | Unaudited | Audited |
| | | 30 September | 31 December | 30 September | 31 December |
| | | 2016 | 2015 | 2016 | 2015 |
| | Notes | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| Liabilities and shareholders' equity (continued) | | | | | |
| Shareholders' equity | | | | | |
| Share capital | 17 | | | | |
| Registered share capital | | | | | |
| 3,095,692,000 ordinary shares of Baht 10 each | | | | | |
| (2015: 1,995,692,000 ordinary shares | | | | | |
| of Baht 10 each) | | 30,956,920 | 19,956,920 | 30,956,920 | 19,956,920 |
| Issued and paid-up share capital | | | | | |
| 2,397,199,500 ordinary shares of Baht 10 each | | | | | |
| (2015: 1,297,199,500 ordinary shares | | | | | |
| of Baht 10 each) | | 23,971,995 | 12,971,995 | 23,971,995 | 12,971,995 |
| Premium on share capital | 17 | 307,850 | 307,850 | 307,850 | 307,850 |
| Surplus from business combination | | | | | |
| under common control | 23 | (1,978,582) | (1,978,582) | - | - |
| Retained earnings (deficits) | | | | | |
| Appropriated | | | | | |
| Legal reserve | 18 | 905,200 | 602,200 | 905,200 | 602,200 |
| Unappropriated | | 1,067,719 | (58,072) | 2,112,432 | (185,459) |
| Other components of shareholders' equity | | (1,715,293) | (1,000,192) | - | - |
| Total parent's shareholders' equity | | 22,558,889 | 10,845,199 | 27,297,477 | 13,696,586 |
| Non-controlling interests | | 681,262 | 624,422 | - | - |
| Total shareholders' equity | | 23,240,151 | 11,469,621 | 27,297,477 | 13,696,586 |
| Total liabilities and shareholders' equity | | 39,377,436 | 29,199,829 | 40,605,393 | 28,906,709 |

The notes to the interim financial information on pages 14 to 50 are an integral part of this interim financial information.

Banpu Power Public Company Limited

Statement of Comprehensive Income

For the three-month period ended 30 September 2016 (Unaudited)

| | | Consolidated | | Company | |
|---|---|---|---|---|---|
| | | 2016 | 2015 | 2016 | 2015 |
| | Note | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| Sales | | 1,044,720 | 1,170,940 | - | - |
| Cost of sales | | (731,722) | (793,922) | - | - |
| Gross profit | | 312,998 | 377,018 | - | - |
| Administrative expenses | | (268,579) | (200,455) | (90,530) | (35,875) |
| Dividend income from subsidiaries | | - | - | 4,607,633 | - |
| Dividend income from other company | | 6,627 | - | - | - |
| Losses from financial derivatives | | (215) | - | - | - |
| Management fee and others | | 129,243 | 120,571 | 9,191 | 14,280 |
| Interest income | | 19,478 | 12,420 | 21,484 | 366 |
| Net gains (losses) on exchange rate | | (8,826) | (106,716) | (15,193) | (71,766) |
| Interest expenses | | (130,039) | (49,488) | (127,227) | (45,339) |
| Share of profit from joint ventures | | 511,784 | 172,429 | - | - |
| Profit (loss) before income taxes | | 572,471 | 325,779 | 4,405,358 | (138,334) |
| Income taxes | 21 | (62,578) | (81,046) | (1,521) | 61 |
| Profit (loss) for the period | | 509,893 | 244,733 | 4,403,837 | (138,273) |
| Other comprehensive income (expense), net of taxes: | | | | | |
| Items that will be reclassified to profit or loss | | | | | |
| - Losses on remeasuring on available-for-sale investments | | - | (34) | - | (34) |
| - Share of other comprehensive income (expense) of joint ventures | | 23,829 | (218,254) | - | - |
| - Translation differences | | (142,113) | 915,102 | - | - |
| Total items that will be reclassified to profit or loss, net of taxes | | (118,284) | 696,814 | - | (34) |
| Other comprehensive income (expense) for the period, net of taxes | | (118,284) | 696,814 | - | (34) |
| Total comprehensive income (expense) for the period | | 391,609 | 941,547 | 4,403,837 | (138,307) |

The notes to the interim financial information on pages 14 to 50 are an integral part of this interim financial information.

| | | Consolidated | | Company | |
|---|---|---|---|---|---|
| | | 2016 | 2015 | 2016 | 2015 |
| | Note | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| Profit (loss) attributable to: | | | | | |
| Owners of the parent | | 488,650 | 96,116 | 4,403,837 | (138,273) |
| Non-controlling interests | | 21,243 | 148,617 | - | - |
| | | 509,893 | 244,733 | 4,403,837 | (138,273) |
| Total comprehensive income (expense) attributable to: | | | | | |
| Owners of the parent | | 381,834 | 606,078 | 4,403,837 | (138,307) |
| Non-controlling interests | | 9,775 | 335,469 | - | - |
| | | 391,609 | 941,547 | 4,403,837 | (138,307) |
| Earnings (losses) per share (Baht) | | | | | |
| Basic earnings (losses) per share | 20 | 0.204 | 0.112 | 1.837 | (0.161) |

Banpu Power Public Company Limited

Statement of Comprehensive Income

For the nine-month period ended 30 September 2016 (Unaudited)

| | | Consolidated | | Company | |
|---|---|---|---|---|---|
| | | 2016 | 2015 | 2016 | 2015 |
| | Notes | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| Sales | | 3,859,121 | 3,898,707 | - | - |
| Cost of sales | | (2,340,540) | (2,550,634) | - | - |
| Gross profit | | 1,518,581 | 1,348,073 | - | - |
| Administrative expenses | | (685,363) | (555,423) | (211,361) | (85,838) |
| Dividend income from subsidiaries | | - | - | 4,607,633 | 2,072,555 |
| Dividend income from other company | | 15,885 | 554 | - | 554 |
| Losses from financial derivatives | | (215) | - | - | - |
| Management fee and others | | 423,851 | 403,750 | 27,667 | 33,801 |
| Interest income | | 74,202 | 40,477 | 38,147 | 1,323 |
| Net gains (losses) on exchange rate | | 110,070 | (103,505) | (12,292) | (73,648) |
| Interest expenses | | (368,731) | (71,323) | (360,622) | (50,270) |
| Share of profit from joint ventures | 10 | 2,344,867 | 1,097,989 | - | - |
| Profit before income taxes | | 3,433,147 | 2,160,592 | 4,089,172 | 1,898,477 |
| Income taxes | 21 | (290,549) | (355,779) | 117,842 | 184 |
| Profit for the period | | 3,142,598 | 1,804,813 | 4,207,014 | 1,898,661 |
| Other comprehensive income (expense), net of taxes: | | | | | |
| Items that will not be reclassified to profit or loss | | | | | |
| - Share of other comprehensive expense of joint ventures | 10 | (9,098) | - | - | - |
| Total items that will not be reclassified to profit or loss, net of taxes | | (9,098) | - | - | - |
| Items that will be reclassified to profit or loss | | | | | |
| - Losses on remeasuring on available-for-sale investments | | - | (4,023) | - | (4,023) |
| - Share of other comprehensive (expense) of joint ventures | 10 | (188,959) | (6,746) | - | - |
| - Translation differences | | (567,888) | 1,294,865 | - | - |
| Total items that will be reclassified to profit or loss, net of taxes | | (756,847) | 1,284,096 | - | (4,023) |
| Other comprehensive income (expense) for the period, net of taxes | | (765,945) | 1,284,096 | - | (4,023) |
| Total comprehensive income for the period | | 2,376,653 | 3,088,909 | 4,207,014 | 1,894,638 |

The notes to the interim financial information on pages 14 to 50 are an integral part of this interim financial information.

| | Note | Consolidated 2016 Baht'000 | Consolidated 2015 Baht'000 | Company 2016 Baht'000 | Company 2015 Baht'000 |
|---|---|---|---|---|---|
| **Profit attributable to:** | | | | | |
| Owners of the parent | | 3,044,012 | 998,708 | 4,207,014 | 1,898,661 |
| Non-controlling interests | | 98,586 | 806,105 | - | - |
| | | 3,142,598 | 1,804,813 | 4,207,014 | 1,898,661 |
| **Total comprehensive income attributable to:** | | | | | |
| Owners of the parent | | 2,319,813 | 1,710,936 | 4,207,014 | 1,894,638 |
| Non-controlling interests | | 56,840 | 1,377,973 | - | - |
| | | 2,376,653 | 3,088,909 | 4,207,014 | 1,894,638 |
| **Earnings per share (Baht)** | | | | | |
| Basic earnings per share | 20 | 1.378 | 1.450 | 1.905 | 2.757 |

The notes to the interim financial information on pages 14 to 50 are an integral part of this interim financial information.

Banpu Power Public Company Limited

Statement of Changes in Shareholders' Equity

For the nine-month period ended 30 September 2016 (Unaudited)

Consolidated

Baht'000

| | | Attributable to owners of the parent | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Other components of shareholders' equity | | | | | |
| | | | | | | | Other comprehensive income (expense) | | | | | |
| | | | | | Retained earnings (deficits) | | | | | | | |
| | Notes | Issued and paid-up share capital | Premium on share capital | Surplus from business combination under common control | Legal reserve | Unappropriated | Fair value reserve of available-for-sale investments | Share of other comprehensive expense of a joint venture | Translation differences | Total other components of shareholders' equity | Non-controlling interests | Total shareholders' equity |
| Opening balance as at 1 January 2016 | | 12,971,995 | 307,850 | (1,978,582) | 602,200 | (58,072) | - | (853,290) | (146,902) | (1,000,192) | 624,422 | 11,469,621 |
| Proceeds from shares issued | 17 | 11,000,000 | - | - | - | - | - | - | - | - | - | 11,000,000 |
| Legal reserve | 18 | - | - | - | 303,000 | (303,000) | - | - | - | - | - | - |
| Dividend paid | 19 | - | - | - | - | (1,606,123) | - | - | - | - | - | (1,606,123) |
| Total comprehensive income (expense) for the period | | - | - | - | - | 3,034,914 | - | (4,877) | (710,224) | (715,101) | 56,840 | 2,376,653 |
| Closing balance as at 30 September 2016 | | 23,971,995 | 307,850 | (1,978,582) | 905,200 | 1,067,719 | - | (858,167) | (857,126) | (1,715,293) | 681,262 | 23,240,151 |
| Opening balance as at 1 January 2015 | | 6,021,995 | 307,850 | - | 602,200 | 276,111 | 4,023 | (1,152,687) | (557,556) | (1,706,220) | 8,264,049 | 13,765,985 |
| Proceeds from shares issued | | 6,950,000 | - | - | - | - | - | - | - | - | - | 6,950,000 |
| Dividend paid | | - | - | - | - | (2,408,798) | - | - | - | - | - | (2,408,798) |
| Effect of business combination under common control | | - | - | (1,978,582) | - | - | - | - | - | - | (8,707,433) | (10,686,015) |
| Dividend paid of a subsidiary | | - | - | - | - | - | - | - | - | - | (152,680) | (152,680) |
| Total comprehensive income (expense) for the period | | - | - | - | - | 998,708 | (4,023) | (6,746) | 722,997 | 712,228 | 1,377,973 | 3,088,909 |
| Closing balance as at 30 September 2015 | | 12,971,995 | 307,850 | (1,978,582) | 602,200 | (1,133,979) | - | (1,159,433) | 165,441 | (993,992) | 781,909 | 10,557,401 |

The notes to the interim financial information on pages 14 to 50 are an integral part of this interim financial information.

Banpu Power Public Company Limited

Statement of Changes in Shareholders' Equity

For the nine-month period ended 30 September 2016 (Unaudited)

Company

Baht'000

| | Notes | Issued and paid-up share capital | Premium on share capital | Retained earnings (deficits) Legal reserve | Retained earnings (deficits) Unappropriated | Other components of shareholders' equity - fair value reserve of available-for-sale investments | Total shareholders' equity |
|---|---|---|---|---|---|---|---|
| Opening balance as at 1 January 2016 | | 12,971,995 | 307,850 | 602,200 | (185,459) | - | 13,696,586 |
| Proceeds from shares issued | 17 | 11,000,000 | - | - | - | - | 11,000,000 |
| Legal reserve | 18 | - | - | 303,000 | (303,000) | - | - |
| Dividend paid | 19 | - | - | - | (1,606,123) | - | (1,606,123) |
| Total comprehensive income for the period | | - | - | - | 4,207,014 | - | 4,207,014 |
| Closing balance as at 30 September 2016 | | 23,971,995 | 307,850 | 905,200 | 2,112,432 | - | 27,297,477 |
| | | | | | | | |
| Opening balance as at 1 January 2015 | | 6,021,995 | 307,850 | 602,200 | 459,104 | 4,023 | 7,395,172 |
| Proceeds from shares issued | | 6,950,000 | - | - | - | - | 6,950,000 |
| Dividend paid | | - | - | - | (2,408,798) | - | (2,408,798) |
| Total comprehensive income (expense) for the period | | - | - | - | 1,898,661 | (4,023) | 1,894,638 |
| Closing balance as at 30 September 2015 | | 12,971,995 | 307,850 | 602,200 | (51,033) | - | 13,831,012 |

The notes to the interim financial information on pages 14 to 50 are an integral part of this interim financial information.

| | | Consolidated | | Company | |
|---|---|---|---|---|---|
| | | 2016 | 2015 | 2016 | 2015 |
| | Notes | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| **Cash flows from operating activities** | | | | | |
| Profit (loss) for the period before income taxes | | 3,433,147 | 2,160,592 | 4,089,172 | 1,898,477 |
| Adjustment to reconcile profit for cash receipts (payments) from operations | | | | | |
| - Depreciation and amortisation | | 275,685 | 432,567 | 399 | 252 |
| - Interest income | | (74,202) | (40,477) | (38,147) | (1,323) |
| - Interest expenses | | 368,731 | 71,323 | 360,622 | 50,270 |
| - Share of profit from joint ventures | 10 | (2,344,867) | (1,097,989) | - | - |
| - Dividend income from a subsidiary | | - | - | (4,607,633) | (2,072,555) |
| - Dividend income from other companies | | (15,885) | (554) | - | (554) |
| - Net losses on disposal of building and equipment | | 148 | 288 | 24 | 52 |
| - Write-off building and equipment | 12 | 41,540 | 4,523 | - | - |
| - Write-off other investments | | 3,820 | 7,714 | - | - |
| - Gains on disposal of other investments | | - | (4,857) | - | (4,857) |
| - Unrealised losses from financial derivatives | | 215 | - | - | - |
| - Net unrealised (gains) losses on exchange rate | | (69,697) | 123,211 | 14,529 | 73,938 |
| Cash flow before changes in working capital | | 1,618,635 | 1,656,341 | (181,034) | (56,300) |
| Changes in working capital (net of effects from acquisition and disposal of subsidiaries) | | | | | |
| - Trade accounts receivable and notes receivable | | 396,451 | 509,886 | - | - |
| - Amounts due from related parties | | (21,315) | (5,177) | (1,210) | 1,629 |
| - Advances to related parties | | (448,653) | 56,737 | 1,797 | 542 |
| - Fuel and spare part and supplies | | 94,318 | 211,664 | - | - |
| - Other current assets | | (92,180) | (26,590) | (345) | (745) |
| - Other non-current assets | | (49,945) | (6,156) | (5,082) | 10 |
| - Trade accounts payable and notes payable | | (1,419,228) | 89,155 | - | - |
| - Advances from and amounts due to related parties | | 178 | (26,667) | (2,753) | (9,316) |
| - Advances from other companies | | 37,801 | - | - | - |
| - Employee benefits obligation | | 2,298 | 921 | 2,298 | 921 |
| - Other current liabilities | | (197,262) | (495,504) | 3,993 | (2,869) |
| Cash generated (payment) from operations | | (78,902) | 1,964,610 | (182,336) | (66,128) |
| - Interest paid | | (377,205) | (33,009) | (370,636) | (12,563) |
| - Income tax paid | | (445,655) | (396,868) | - | - |
| Net cash receipts (payments) from operating activities | | (901,762) | 1,534,733 | (552,972) | (78,691) |

The notes to the interim financial information on pages 14 to 50 are an integral part of this interim financial information.

| | | Consolidated | | Company | |
|---|---|---|---|---|---|
| | | 2016 | 2015 | 2016 | 2015 |
| | Notes | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| **Cash flows from investing activities** | | | | | |
| Cash receipts from restricted deposits at financial institutions, net | | 18,123 | - | - | - |
| Cash receipts (payments) from short-term investments, net | | 1,736,541 | (704,431) | - | - |
| Cash receipts from short-term loans to related parties | 22 | - | 334,539 | 60,000 | - |
| Cash payments for short-term loans to related parties | 22 | (198,749) | (362,661) | (2,464,809) | (120,000) |
| Cash payments for short-term loans to other companies | 9 | (1,272,478) | - | - | - |
| Cash payments for long-term loans to other companies | 9 | (470,222) | - | - | - |
| Cash payments for addition of investments in subsidiaries | 10 | - | - | (263,150) | (261,250) |
| Cash payments for addition of investments in joint ventures | 10 | (7,882,347) | (3,537,359) | (7,045,097) | (3,131,075) |
| Net cash and cash equivalent received from business combination | | - | 11,470 | - | - |
| Net cash and cash equivalent payment for business combination | | (15,135) | - | - | - |
| Cash receipts from disposal other investments | | 42,294 | - | - | - |
| Cash payments for addition of other investments | | (128,423) | - | - | - |
| Cash payments for purchase of building and equipment | | (1,143,758) | (320,713) | (191) | (567) |
| Cash receipts from disposal of building and equipment | | 176 | 290 | 12 | 20 |
| Cash payment for advance for purchasing investment | | (10,889) | - | - | - |
| Cash payment for advance for project development of power plant | | - | (465,054) | - | - |
| Cash receipts from dividends from subsidiaries and joint ventures | 10 | 2,658,602 | 1,500,000 | 2,658,183 | 1,497,249 |
| Cash receipts from dividends from other companies | | 15,885 | 554 | - | 554 |
| Interest received | | 50,275 | 43,318 | 18,929 | 1,229 |
| Net cash (payments) from investing activities | | (6,600,105) | (3,500,047) | (7,036,123) | (2,013,840) |
| **Cash flows from financing activities** | | | | | |
| Cash receipts from short-term loans from financial institutions | | 276,057 | 18,061 | - | - |
| Cash payments for short-term loans from financial institutions | | (628,636) | (231,330) | - | - |
| Cash receipts from short-term loans from related parties | 22 | 11,307,023 | 9,332,164 | 11,307,023 | 9,332,164 |
| Cash payments for short-term loans from related parties | 22 | (12,985,225) | (260,000) | (13,196,381) | (490,000) |
| Cash payments for short-term loans from other company | | (2,825) | - | - | - |
| Cash payments for long-term loans from financial institutions | 16 | (32,100) | (10,116) | - | - |
| Cash receipts from issue of additional share capital | 17 | 11,000,000 | - | 11,000,000 | - |
| Dividend paid to non-controlling interests of a subsidiary | | - | (150,618) | - | - |
| Dividend paid to shareholders of the Company | | (1,606,123) | (6,730,809) | (1,606,123) | (6,730,809) |
| Net cash receipts from financing activities | | 7,328,171 | 1,967,352 | 7,504,519 | 2,111,355 |

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 2016 | 2015 | 2016 | 2015 |
| | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| Net increase (decrease) in cash and cash equivalents | (173,696) | 2,038 | (84,576) | 18,824 |
| Exchange differences on cash and cash equivalents | (33,531) | 177,995 | - | - |
| Cash and cash equivalents at beginning of the period | 1,159,614 | 766,913 | 142,239 | 89,614 |
| Cash and cash equivalents at end of the period | 952,387 | 946,946 | 57,663 | 108,438 |

Non-cash transactions

Significant non-cash transactions as at 30 September

| | | | | |
|---|---|---|---|---|
| Decrease in other investments for increase in short-term loans from a related party | - | 92,903 | - | 92,903 |
| Other payables for purchase of building and equipment | 388,277 | 671,400 | - | - |
| Net purchase consideration for business combination | | | | |
| - Advances to related parties | - | 60,396 | - | - |
| - Short-term loans to other company and interest receivable | - | 72,347 | - | - |
| - Payable for purchase of investments | 100,405 | - | - | - |

## 1 General information

Banpu Power Public Company Limited ("the Company") is a public company which is incorporated and resident in Thailand. The address of the Company's registered office is 1550, Thanapoom Tower 26th Floor, New Petchburi Road, Makkasan, Ratchathewi, Bangkok.

The Company is a subsidiary of Banpu Public Company Limited ("the parent company") who holds 99.99% of the Company's shares.

For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The Group is engaged in power businesses in Thailand and overseas.

This interim consolidated and company financial information was authorised for issue by the Audit Committee whom are assigned by the Board of Directors on 8 November 2016.

This interim consolidated and company financial information has been reviewed, not audited.

## 2 Basis of preparation of the interim financial information

This interim consolidated and company financial information (referred to as "interim financial information") is prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial information, which is the statements of financial position, comprehensive income, changes in shareholders' equity and cash flows, is prepared in the full format as required by the Securities and Exchange Commission. The notes to the interim financial information are prepared in a condensed format according to Thai Accounting Standard 34 "Interim Financial Reporting" and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

This interim financial information should be read in conjunction with the financial statements for the year ended 31 December 2015.

## 4 Estimates

The preparation of interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2015, excepted the reconsideration of useful lives of assets where the Group has reviewed the estimated useful lives of power plants and components of power plants of the subsidiaries in the People's Republic of China and therefore, revised the estimated useful lives of these assets which were previously based on the business licenses' period to be in line with actual technical specifications of these assets. The Group's management consider that the change better represents economic substance and benefits expected from the use of the assets. Therefore, commencing from 1 January 2016, useful lives of assets of the Group have been changed to be as following.

| | |
|---|---|
| Power plant and components of power plant | 30 years |
| Building and building improvements | 30 years |
| Machinery and equipment | 30 years |

The effect of the change results in the decrease in depreciation charge on the consolidated statement of comprehensive income for the three-month and nine-month periods ended 30 September 2016 by CNY 14.96 million or equivalent to Baht 78.22 million and CNY 43.17 million or equivalent to Baht 231.13 million, respectively, and the increase in net profit by the same amount over the remaining useful lives of the power plants.

## 5 Financial position

As at 30 September 2016, the Group and the Company had current liabilities in excess of current assets amounting to Baht 10,014.54 million and Baht 8,756.72 million, respectively (31 December 2015: Baht 11,142.71 million and Baht 13,134.40 million). The current liabilities mainly are the related party transactions that the shareholder provides financial support in the form of extended credit terms for short-term loans.

In addition, refer to Note 25(a), the Company will use some of proceeds from the initial public offering of its shares to repay short-term loans from the parent company. It significantly improves the financial position of the Group and the Company by reducing current liabilities by approximately Baht 12 billion.

## 6 Segment information

The Group has one operating segment which is power business. Therefore, the Group presents the segment information based on geographical segment and considers the net profit (loss) from operating before interest expense and income taxes for each segment.

The segment information are as follow:

| | Power business | | | | | | | Consolidated Baht'000 |
|---|---|---|---|---|---|---|---|---|
| | People's Republic of China | Thailand | Laos People's Democratic Republic | Japan | Head office | Total | Eliminated entries | Total |
| **For the three-month period ended 30 September 2016** | | | | | | | | |
| Sales | 1,044,708 | 12 | - | - | - | 1,044,720 | - | 1,044,720 |
| Cost of sales | (731,713) | (9) | - | - | - | (731,722) | - | (731,722) |
| Gross profit | 312,995 | 3 | - | - | - | 312,998 | - | 312,998 |
| Gross profit margin (%) | 30% | 25% | | | | 30% | | 30% |
| Share of profit from joint ventures | - | 316,074 | 67,910 | 127,800 | - | 511,784 | - | 511,784 |
| Administrative expenses | (152,214) | (25) | - | (59) | (65,975) | (218,273) | - | (218,273) |
| Interest income | 35,592 | 3 | - | - | 30,108 | 65,703 | (46,225) | 19,478 |
| Profit (loss) from operating before interest expenses and income taxes | 196,373 | 316,055 | 67,910 | 127,741 | (35,867) | 672,212 | (46,225) | 625,987 |
| Net losses on exchange rate | | | | | | | | (8,826) |
| Net losses from financial derivatives | | | | | | | | (215) |
| Others | | | | | | | | 85,564 |
| Interest expenses | | | | | | | | (130,039) |
| Income taxes | | | | | | | | (62,578) |
| Non-controlling interests | | | | | | | | (21,243) |
| Profit for the period - owner of the parent | | | | | | | | 488,650 |

## 6 Segment information (continued)

| | Power business | | | | | | | Consolidated Baht'000 |
|---|---|---|---|---|---|---|---|---|
| | People's Republic of China | Thailand | Lao People's Democratic Republic | Japan | Head Office | Total | Eliminated entries | Total |
| For the three-month period ended 30 September 2015 | | | | | | | | |
| Sales | 1,170,940 | - | - | - | - | 1,170,940 | - | 1,170,940 |
| Cost of sales | (793,922) | - | - | - | - | (793,922) | - | (793,922) |
| Gross profit | 377,018 | - | - | - | - | 377,018 | - | 377,018 |
| Gross profit (%) | 32% | | | | | 32% | | 32% |
| Share of profit(loss) from joint ventures | (3,700) | 498,879 | (322,378) | (372) | - | 172,429 | - | 172,429 |
| Administrative expenses | (134,607) | - | - | (14,819) | (36,623) | (186,049) | - | (186,049) |
| Interest income | 16,598 | - | - | - | 901 | 17,499 | (5,079) | 12,420 |
| Profit(loss) from operation before interest and income taxes | 255,309 | 498,879 | (322,378) | (15,191) | (35,722) | 380,897 | (5,079) | 375,819 |
| Net losses on exchange rate | | | | | | | | (106,716) |
| Management fee and others | | | | | | | | 106,165 |
| Interest expenses | | | | | | | | (49,488) |
| Income taxes | | | | | | | | (81,046) |
| Non-controlling interests | | | | | | | | (148,617) |
| Profit for the period - owners of the parent | | | | | | | | 96,116 |

## 6 Segment information (continued)

| | Power business | | | | | | | Consolidated Baht'000 |
|---|---|---|---|---|---|---|---|---|
| | People's Republic of China | Thailand | Laos People's Democratic Republic | Japan | Head office | Total | Eliminated entries | Total |
| **For the nine-month period ended 30 September 2016** | | | | | | | | |
| Sales | 3,859,109 | 12 | - | - | - | 3,859,121 | - | 3,859,121 |
| Cost of sales | (2,340,531) | (9) | - | - | - | (2,340,540) | - | (2,340,540) |
| **Gross profit** | 1,518,578 | 3 | - | - | - | 1,518,581 | - | 1,518,581 |
| **Gross profit margin (%)** | 39% | 25% | | | | 39% | | 39% |
| Share of profit (loss) from joint ventures | (1) | 1,726,635 | 618,751 | (518) | - | 2,344,867 | - | 2,344,867 |
| Administrative expenses | (405,837) | (25) | - | (561) | (151,903) | (558,326) | - | (558,326) |
| Interest income | 104,485 | 3 | - | - | 65,973 | 170,461 | (96,259) | 74,202 |
| **Profit (loss) from operating before interest expenses and income taxes** | 1,217,225 | 1,726,616 | 618,751 | (1,079) | (85,930) | 3,475,583 | (96,259) | 3,379,324 |
| Net gains on exchange rate | | | | | | | | 110,070 |
| Net losses from financial derivatives | | | | | | | | (215) |
| Others | | | | | | | | 312,699 |
| Interest expenses | | | | | | | | (368,731) |
| Income taxes | | | | | | | | (290,549) |
| Non-controlling interests | | | | | | | | (98,586) |
| **Profit for the period - owner of the parent** | | | | | | | | 3,044,012 |

## 6 Segment information (continued)

Consolidated
Baht'000

| | Power business | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | People's Republic of China | Thailand | Lao People's Democratic Republic | Japan | Head Office | Total | Eliminated entries | Total |
| For the nine-month period ended 30 September 2015 | | | | | | | | |
| Sales | 3,898,707 | - | - | - | - | 3,898,707 | - | 3,898,707 |
| Cost of sales | (2,550,634) | - | - | - | - | (2,550,634) | - | (2,550,634) |
| Gross profit | 1,348,073 | - | - | - | - | 1,348,073 | - | 1,348,073 |
| Gross profit (%) | 35% | | | | | 35% | | 35% |
| Share of profit(loss) from joint ventures | (7,975) | 1,659,981 | (544,237) | (9,780) | - | 1,097,989 | - | 1,097,989 |
| Administrative expenses | (411,185) | - | - | (14,819) | (86,175) | (512,179) | - | (512,179) |
| Interest income | 48,855 | - | - | - | 6,954 | 55,809 | (15,332) | 40,477 |
| Profit(loss) from operation before interest and income taxes | 977,768 | 1,659,981 | (544,237) | (24,599) | (79,221) | 1,989,692 | (15,332) | 1,974,360 |
| Net losses on exchange rate | | | | | | | | (103,505) |
| Management fee and others | | | | | | | | 361,060 |
| Interest expenses | | | | | | | | (71,323) |
| Income taxes | | | | | | | | (355,779) |
| Non-controlling interests | | | | | | | | (806,105) |
| Profit for the period - owners of the parent | | | | | | | | 998,708 |

## 7 Short-term investments

As at 30 September 2016, short-term investments represent fixed deposits at financial institutions in People's Republic of China which bear interest at the rates of 1.50% to 1.90% per annum (31 December 2015: 2.00% to 4.50% per annum) with maturity date within 180 days.

## 8 Trade accounts receivable and notes receivable

Trade accounts receivable and notes receivable consist of:

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Trade accounts receivable - third parties | 764,766 | 1,134,182 | - | - |
| Notes receivable | 101,076 | 35,702 | - | - |
| Total trade accounts receivable and notes receivable | 865,842 | 1,169,884 | - | - |

Trade accounts receivable and notes receivable are aged as follows:

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Trade accounts receivable and notes receivable under credit term | 710,005 | 745,721 | | - |
| Trade accounts receivable due for payment | | | | |
| - Less than 3 months | 155,730 | 310,183 | - | - |
| - Over 3 months but less than 6 months | 107 | 113,980 | - | - |
| - Over 6 months but less than 12 months | - | - | - | - |
| - Over 12 months | - | - | - | - |
| Total trade accounts receivable and notes receivable | 865,842 | 1,169,884 | - | - |

## 9 Loans to other companies

Short-term loans

As at 30 September 2016, short-term loans to other companies are CNY loans amounting to CNY 237.54 million or equivalent to Baht 1,236.64 million and Thai Baht loan amounting to Baht 0.20 million, bearing interest rate at the rate of 3.00% to 4.35% per annum. The repayments are due within six months. These loans are mainly used for solar projects in People's Republic of China.

Movement of short-term loans to other companies for the nine-month period ended 30 September 2016 is as follow:

| | Consolidated Baht'000 |
|---|---|
| Opening balance | - |
| Addition from business combination (Note 23.3) | 196 |
| Additions during the period | 1,272,478 |
| Translation differences | (36,035) |
| Closing balance | 1,236,639 |

Long-term loan

As at 30 September 2016, long-term loan to other company is CNY loan amounting to CNY 90.20 million or equivalent to Baht 463.66 million bearing interest rate at the rate of 4.35% per annum. The repayment is due within 18 months. These loans are mainly used for solar projects in People's Republic of China.

Movement of long-term loan to other company for the nine-month period ended 30 September 2016 is as follow:

| | Consolidated Baht'000 |
|---|---|
| Opening balance | - |
| Additions during the period | 470,222 |
| Translation differences | (6,558) |
| Closing balance | 463,664 |

## 10 Investments in subsidiaries and joint ventures

Investments in subsidiaries and joint ventures are as follows:

| | Consolidated (Equity method) | | Company (Cost method) | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| **Subsidiaries** | | | | |
| Banpu Coal Power Limited | - | - | 5,921,587 | 5,921,587 |
| Banpu Renewable Energy Co., Ltd. | - | - | 767,547 | 504,397 |
| Banpu Power International Limited | - | - | 10,527,673 | 10,527,673 |
| Total investments in subsidiaries - cost method | - | - | 17,216,807 | 16,953,657 |
| **Joint ventures** | | | | |
| BLCP Power Limited | 6,089,171 | 6,089,171 | - | - |
| Hongsa Power Company Limited | 13,092,534 | 6,047,437 | 13,092,534 | 6,047,437 |
| Phu Fai Mining Company Limited | 836 | 836 | 836 | 836 |
| Aizu Energy Pte. Ltd. | 51,683 | 51,683 | - | - |
| Shanxi Luguang Power Co., Ltd. | 1,189,112 | 351,863 | - | - |
| Total investments in joint ventures - cost method | 20,423,336 | 12,540,990 | 13,093,370 | 6,048,273 |
| Investments in subsidiaries and joint ventures - cost method | 20,423,336 | 12,540,990 | 30,310,177 | 23,001,930 |
| Add Cumulative equity account of investments in joint ventures | (4,379,993) | (3,717,100) | - | - |
| Total investments in subsidiaries and joint ventures | 16,043,343 | 8,823,890 | 30,310,177 | 23,001,930 |

As at 30 September 2016, under the condition of loans for project finance of joint ventures, the Group pledges its investments in a subsidiary and three joint ventures with a cost of Baht 12,010.76 million and US Dollar 370.82 million (31 December 2015: Baht 12,010.76 million and US Dollar 172.42 million), as collateral for loans from financial institutions of such joint ventures.

## 10 Investments in subsidiaries and interests in joint ventures (continued)

### Movements of investments in subsidiaries and joint ventures

Movements of investments in subsidiaries and joint ventures for the nine-month period ended 30 September 2016 are as follows:

| | Consolidated (Equity method) Baht'000 | Company (Cost method) Baht'000 |
|---|---|---|
| Opening balance | 8,823,890 | 23,001,930 |
| Additions of investments | 7,882,347 | 7,308,247 |
| Dividend income from joint ventures | (2,809,704) | - |
| Add Share of profit from joint ventures | 2,344,867 | - |
| Share of other comprehensive (expense) from joint ventures | (198,057) | - |
| Closing balance | 16,043,343 | 30,310,177 |

### Additions of investments

*Consolidated*

Increase investment in joint ventures

During the nine-month period ended 30 September 2016, the Group had additionally invested in Shanxi Luguang Power Co., Ltd., a joint venture, in the same percentage of shareholding, totalling CNY 165 million or equivalent to Baht 837.25 million. In addition, the Company had additionally invested in Hongsa Power Company Limited, a joint venture, in the same percentage of shareholding, totalling US Dollar 198.40 million or equivalent to Baht 7,045.10 million. The Group paid fully amount of such additional investments. Such additional investment in Hongsa Power Company Limited has been pledged as collateral for long-term loans from financial institutions of such joint venture under the condition of loans for project finance of joint venture. Total investment at cost that has been pledged was US Dollar 370.80 million or equivalent to Baht 13,092.53 million.

*Company*

During the nine-month period ended 30 September 2016, the Company had increased its investment in Banpu Renewable Energy Co., Ltd., a subsidiary, in the same proportion of shareholding. The total amount of investment is Baht 263.15 million and the Company had fully paid for such investment. In addition, the Company has additionally invested in Hongsa Power Company Limited, a joint venture, as aforementioned.

10 Investments in subsidiaries and interests in joint ventures (continued)

Establishment of new subsidiaries

Banpu Renewable Energy Co., Ltd. which is a subsidiary of the Group established its new subsidiaries and owned 100% as following;

- BPP Renewable Co., Ltd. is registered in Thailand with registered share capital of Baht 5 million and has business objective to invest in renewable power business. The Group paid fully amount of share capital on 20 January 2016.
- BPP Renewable Investment (China) Co., Ltd. is registered in People's Republic of China with registered share capital of US Dollar 30 million and has business objective to invest in renewable power business. This company is registered on 4 March 2016. The Group paid for its share capital of US Dollar 20 million or equivalent to Baht 707.06 million.

Acquisition of a new subsidiary

On 19 May 2016, Banpu Renewable Energy Co., Ltd. which is a subsidiary of the Group has entered into the Share Purchase Agreement to acquire 99.99% of shareholding in Thai Solar Consultant Co., Ltd. from a third party. Thai Solar Consultant Co., Ltd. is a limited company incorporated in Thailand and the principal business operation is operating and trading in solar power business. As at 30 September 2016, the Group paid for this investment by Baht 10 million (Note 23.3).

On 4 July 2016, BPP Renewable Investment (China) Co., Ltd. which is a subsidiary of the Group has entered into the Share Purchase Agreement to acquire 100% of shareholding in Anqiu Huineng New Energy Co., Ltd. from a third party. The Group paid CNY 1 million or equivalent to Baht 5.21 million for such shareholding (Note 23.4).

On 7 September 2016, BPP Renewable Investment (China) Co., Ltd. which is a subsidiary of the Group has entered into the Share Purchase Agreement to acquire 100% of shareholding in Weifang Tian'en Jinshan Comprehensive Energy Co., Ltd. from a third party. The Group has not paid any of such shareholding (Note 23.4).

Liquidation of a subsidiary

On 22 January 2016, Banpu Renewable Energy International Ltd, which is the Group's subsidiary has completed its liquidation registration.

10 Investments in subsidiaries and interests in joint ventures (continued)

Dividend income and dividends receivable from subsidiaries and joint ventures

The principal movements of the dividends receivable for the nine-month period ended 30 September 2016 are as follows:

| | Consolidated Baht'000 | Company Baht'000 |
|---|---|---|
| Opening balance | 7,489,918 | 5,218,429 |
| Dividends declared by a subsidiary and joint ventures during the period | 2,809,704 | 4,607,633 |
| Dividends received from a subsidiary and joint ventures | (2,658,602) | (2,658,183) |
| Closing balance | 7,641,020 | 7,167,879 |
| Current portion | (1,601,267) | (1,601,267) |
| Non-current portion | 6,039,753 | 5,566,612 |

Dividend income from joint ventures during the nine-month period ended 30 September 2016 represented the dividend income from BLCP Power Limited amounting to Baht 2,051.10 million and from Hongsa Power Company Limited amounting to US Dollar 22.00 million or equivalent to Baht 758.60 million. Regarding dividend income from Hongsa Power Company Limited, the Company has provided the standby letter of credit to lenders of Hongsa Power Company Limited in the same amount of dividend received.

## 10 Investments in subsidiaries and interests in joint ventures (continued)

List of subsidiaries and joint ventures are as follows.

| Name of company | Country | Business | Percentage of shareholding 30 September 2016 % | Percentage of shareholding 31 December 2015 % |
|---|---|---|---|---|
| Direct shareholding | | | | |
| Subsidiaries | | | | |
| Banpu Coal Power Limited | Thailand | Investment in power | 99.99 | 99.99 |
| Banpu Renewable Energy Co., Ltd. | Thailand | Investment in renewable energy | 99.99 | 99.99 |
| Banpu Power International Limited | Mauritius Islands | Investment in power | 100.00 | 100.00 |
| Joint ventures | | | | |
| Hongsa Power Company Limited | Lao People's Democratic Republic | Power concession | 40.00 | 40.00 |
| Phu Fai Mining Company Limited | Lao People's Democratic Republic | Mining concession | 37.50 | 37.50 |
| Associate | | | | |
| PT. ITM Banpu Power | Republic of Indonesia | Power production and trading | 30.00 | - |
| Indirect shareholding | | | | |
| **Banpu Coal Power Limited** | | | | |
| A joint venture is as follows: | | | | |
| - BLCP Power Limited | Thailand | Power production and trading | 50.00 | 50.00 |
| **Banpu Renewable Energy Co., Ltd.** | | | | |
| Subsidiaries and a joint venture are as follows: | | | | |
| Subsidiaries | | | | |
| - Banpu Renewable Energy International Ltd. | Mauritius Islands | Investment in renewable energy | - | 100.00 |
| - Akira Energy Limited and subsidiaries | Hong Kong Special Administrative Region of the People's Republic of China | Investment in renewable energy | 100.00 | 100.00 |
| - Akira Energy (South) Limited | Hong Kong Special Administrative Region of the People's Republic of China | Investment in renewable energy | 100.00 | 100.00 |
| - Akira Hokkaido Limited | Hong Kong Special Administrative Region of the People's Republic of China | Investment in renewable energy | 100.00 | 100.00 |
| - Banpu Renewable Singapore Pte. Ltd. | Singapore | Investment in renewable energy | 100.00 | 100.00 |
| - BPP Renewable Co., Ltd. | Thailand | Investment in renewable energy | 100.00 | - |
| - BPP Renewable Investment (China) Co., Ltd. and subsidiaries | People's Republic of China | Investment in renewable energy | 100.00 | - |
| - Anqiu Huineng New Energy Co., Ltd. | People's Republic of China | Solar power production and trading | 100.00 | - |
| - Weifan Tian'en Jinshan Comprehensive Energy Co., Ltd. | People's Republic of China | Solar power production and trading | 100.00 | - |
| - Thai Solar Consultant Co., Ltd. | Thailand | Solar power production and trading | 99.99 | - |
| Joint venture | | | | |
| - Aizu Energy Pte. Ltd. | Singapore | Investment in renewable energy | 75.00 | 75.00 |

## 10 Investments in subsidiaries and interests in joint ventures (continued)

List of subsidiaries and joint ventures as follows: (continued)

| Name of company | Country | Business | Percentage of shareholding 30 September 2016 % | 31 December 2015 % |
|---|---|---|---|---|
| Indirect shareholding (continued) | | | | |
| Banpu Power International Limited | | | | |
| Subsidiaries and a joint venture are as follows: | | | | |
| Subsidiary | | | | |
| - Banpu Power Investment Co., Ltd. and subsidiaries | Singapore | Investment in power | 100.00 | 100.00 |
| - Shijiazhuang Chengfeng Cogen Co., Ltd. | People's Republic of China | Power and steam production and trading | 100.00 | 100.00 |
| - Banpu Investment (China) Ltd. and subsidiaries | People's Republic of China | Investment in power | 100.00 | 100.00 |
| - Tangshan Banpu Heat & Power Co., Ltd. | People's Republic of China | Power and steam production and trading | 12.08 | 12.08 |
| - Zouping Peak Pte. Ltd. and subsidiary | Singapore | Investment in power | 100.00 | 100.00 |
| - Zouping Peak CHP Co., Ltd. | People's Republic of China | Power and steam production and trading | 70.00 | 70.00 |
| - Pan-Western Energy Corporation LLC and subsidiary | Cayman Islands | Investment in power | 100.00 | 100.00 |
| - Tangshan Banpu Heat & Power Co., Ltd. | People's Republic of China | Power and steam production and trading | 87.92 | 87.92 |
| Joint venture | | | | |
| - Shanxi Luguang Power Co., Ltd. | People's Republic of China | Power and steam production and trading | 30.00 | 30.00 |

### Significant restrictions

As at 31 December 2015, restricted deposits held at financial institutions amounting to CNY 3.27 million or equivalent to Baht 18.12 million represented deposits held at bank as reserve for serving of bank acceptance bills provided by bank for a subsidiary in People's Republic of China.

### Establishment of an associate

On 27 September 2016, PT ITM Banpu Power ("ITMBPP"), an associate company in Indonesia, was established by the Company and an affiliate company in Indonesia. ITMBPP has registered share capital of IDR 1,200 billion and the Group holds 30% interest in ITMBPP. As at 30 September 2016, ITMBPP has not called for the paid-up share capital yet.

## 11 Other investments, net

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Cost method | | | | |
| General investments | | | | |
| Goudou Kaisha SFJ | 151,334 | 122,232 | - | - |
| Goudou Kaisha MNP | 197,816 | 98,398 | - | - |
| Total other investments | 349,150 | 220,630 | - | - |

Movement of other investments for the nine-month period ended 30 September 2016 is as follows:

| | Consolidated Baht'000 |
|---|---|
| Opening net book value | 220,630 |
| Fair value adjustment from business combination | 11,886 |
| Addition of investments | 128,423 |
| Disposal of investments | (46,114) |
| Translation differences | 34,325 |
| Closing net book value | 349,150 |

Dividend income from other companies for the nine-month period ended 30 September 2016 is the dividend income from Goudou Kaisha SFJ of JPY 48.58 million or equivalent to Baht 15.88 million.

## 12 Building and equipment, net

Movements of building and equipment for the nine-month period ended 30 September 2016 are as follows:

| | Consolidated Baht'000 | Company Baht'000 |
|---|---|---|
| Opening net book amount | 5,912,990 | 1,223 |
| Additions | 857,866 | 191 |
| Additions from business acquisition | 1,982,507 | - |
| Disposals - net book value | (324) | (35) |
| Write-off | (41,540) | - |
| Depreciation charge | (249,837) | (399) |
| Translation differences | (443,851) | - |
| Closing net book amount | 8,017,811 | 980 |

## 13 Other non-current assets

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Value added tax | 80,626 | 74,804 | 80,626 | 74,381 |
| Withholding tax | 712 | 1,874 | 712 | 1,874 |
| Prepayment for land lease right | - | 106,902 | - | - |
| Advances for project development of power plant | - | 367,935 | - | - |
| Prepayment for share purchase* | 18,479 | - | - | - |
| Accrued income | 94,182 | - | - | - |
| Deposits | 387,918 | 9,361 | - | - |
| Land lease right, net | 311,561 | 209,266 | - | - |
| Right in long-term power purchase agreement (Note 23.3) | 11,039 | - | - | - |
| Right to operate | 92,918 | - | - | - |
| Others | 8,545 | 6,975 | 5 | 6 |
| Total other non-current assets | 1,005,980 | 777,117 | 81,343 | 76,261 |

* As at 30 September 2016, the Group has prepayment for purchase of shares of Dongping Haoyuan Solar Power Generation Co., Ltd. in People's Republic of China and Macao Deyuan Energy-saving & Environment Protection Technology Co., Ltd. in Macao Special Administrative Region of the People's Republic of China amounting to CNY 2.04 million or equivalent to Baht 10.62 million and CNY 1.50 million or equivalent to Baht 7.86 million, respectively (Note 24.3 (a)).

## 14 Short-term loans from financial institutions

As at 30 September 2016, short-term loans from financial institutions in People' Republic of China represent CNY loans of CNY 19.48 million or equivalent to Baht 101.40 million (31 December 2015 : CNY loans of CNY 2.98 million and US Dollar loans of US Dollar 12 million or equivalent to Baht 449.62 million). These loans bear interest at the rate of 4.35% per annum (31 December 2015: 1.81% to 4.35% per annum) and due for repayment within one year.

## 15 Other current liabilities

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Financial derivative liabilities | 212 | - | - | - |
| Accrued expenses | 501,721 | 483,220 | 27,578 | 21,261 |
| Advance from customers | 274,272 | 467,005 | - | - |
| Accrued bonus | 62,443 | 54,179 | 3,336 | 1,930 |
| Value added tax payable | 14,044 | 1,165 | - | 1,165 |
| Withholding tax payable | 6,381 | 4,311 | 1,704 | 4,270 |
| Other payables for purchase of building and equipment | 1,199,946 | 599,759 | - | - |
| Payable for purchase of investments | 100,405 | - | - | - |
| Total other current liabilities | 2,159,424 | 1,609,639 | 32,618 | 28,626 |

## 16 Long-term loans from financial institutions

Long-term loans from financial institutions consisted of:

| | Consolidated | |
|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Long-term loans | 173,500 | 212,922 |
| Less Current portion of long-term loans from financial institutions | (34,700) | (39,697) |
| Long-term loans from financial institutions | 138,800 | 173,225 |

## 16 Long-term loans from financial institutions (continued)

Movement of long-term loans from financial institutions of the Group for the nine-month period ended 30 September 2016 is as follows:

| | Consolidated |
|---|---|
| | Baht'000 |
| Opening balance | 212,922 |
| Repayments of loans | (32,100) |
| Loss from exchange rate | 4,468 |
| Translation differences | (11,790) |
| Closing balance | 173,500 |

As at 30 September 2016, long-term loans from financial institutions of subsidiaries in People's Republic of China are unsecured liabilities, which represented US Dollar loans of US Dollar 5.00 million bearing interest rate at BBA LIBOR plus applicable fixed margin and due for principal repayment every 6 months commencing from 24 December 2016 to 24 December 2018.

Effective interest rate of long-term loans from financial institutions of the Group is as follows:

| | Consolidated | |
|---|---|---|
| | 30 September 2016 | 31 December 2015 |
| | % | % |
| US Dollar | 3.64 | 3.30 |

Interest rate risk of long-term loans of the Group is as follows:

| | Consolidated | |
|---|---|---|
| | 30 September 2016 | 31 December 2015 |
| | Baht'000 | Baht'000 |
| At fixed rates | - | - |
| At floating rates | 173,500 | 212,922 |
| Total loans | 173,500 | 212,922 |

## 17 Share capital and premium on share capital

| | | Issued and paid-up share capital | | | |
|---|---|---|---|---|---|
| | Number of registered shares | Number of shares | Ordinary shares | Premium on share capital | Total |
| | Share | Share | Baht'000 | Baht'000 | Baht'000 |
| As at 1 January 2016 | 1,995,692,000 | 1,297,199,500 | 12,971,995 | 307,850 | 13,279,845 |
| Change during the period | 1,100,000,000 | 1,100,000,000 | 11,000,000 | - | 11,000,000 |
| As at 30 September 2016 | 3,095,692,000 | 2,397,199,500 | 23,971,995 | 307,850 | 24,279,845 |

As at 30 September 2016, total number of authorised ordinary shares is 3,095,692,000 shares (31 December 2015: 1,995,692,000 shares) with a par value of Baht 10 per share (31 December 2015: Baht 10 per share). Issued and paid-up share capital of 2,397,199,500 shares are fully paid (31 December 2015: 1,297,199,500 shares).

At the extraordinary shareholders' meeting on 15 February 2016, the shareholders approved the reduction of registered share capital amounting to Baht 6,484.93 million from previously registered share capital of Baht 19,956.92 million to Baht 13,472.00 million by reducing unpaid-up issued share capital totalling of 648,492,500 shares, at par value of Baht 10 to restructure financial structure of the Company. Moreover, the shareholders approved an increase in registered share capital of the Company amounting to Baht 17,484.93 million from Baht 13,472.00 million to Baht 30,956.92 million by issuance and offering ordinary share capital of 1,748,492,500 shares, at par value of Baht 10 each on the same date. During the nine-month period ended 30 September 2016, the Company issued and called for paid-up share capital of 1,100,000,000 shares, at par value of Baht 10, totalling Baht 11,000.00 million. Such shares have been paid and the Company registered the increase in registered share capital with the Ministry of Commerce on 18 February 2016.

## 18 Legal reserve

| | Consolidated and Company |
|---|---|
| | Baht'000 |
| As at 1 January 2016 | 602,200 |
| Appropriation during the period | 303,000 |
| As at 30 September 2016 | 905,200 |

Under the public limited company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is non-distributable.

## 19 Dividend

At the Board of Director meeting on 25 August 2016, the Board approved a payment of interim dividends of 2016 at Baht 0.67 per share for 2,397,199,500 shares, totalling of Baht 1,606.12 million. Such dividends were paid to the shareholders on 13 September 2016.

## 20 Earnings (losses) per share

Basic earnings (losses) per share is calculated by dividing the net profit (loss) attributable to shareholders by the weighted average number of ordinary shares in issued and paid-up during the period.

Basic earnings (losses) per share for the three-month period ended 30 September are as follows:

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 2016 | 2015 | 2016 | 2015 |
| Net profit (loss) attributable to ordinary shares (Baht'000) | 488,650 | 96,116 | 4,403,837 | (138,273) |
| Weighted average ordinary shares (Thousand shares) | 2,397,200 | 859,047 | 2,397,200 | 859,047 |
| Basic earnings (losses) per share (Baht) | 0.204 | 0.112 | 1.837 | (0.161) |

Basic earnings per share for the nine-month periods ended 30 September are as follows:

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 2016 | 2015 | 2016 | 2015 |
| Net profit attributable to ordinary shares (Baht'000) | 3,044,012 | 998,708 | 4,207,014 | 1,898,661 |
| Weighted average ordinary shares (Thousand shares) | 2,208,513 | 688,756 | 2,208,513 | 688,756 |
| Basic earnings per share (Baht) | 1.378 | 1.450 | 1.905 | 2.757 |

There are no potential dilutive shares in issue for the three-month and nine-month periods ended 30 September 2016 and 2015.

## 21 Income taxes

Corporate income tax for the three-month and nine-month period ended 30 September 2016 and 2015. The rates are as follows:

| | 2016 | 2015 |
|---|---|---|
| Thailand | 20% | 20% |
| People's Republic of China | 25% | 25% |
| Mauritius Island | 15% | 15% |
| Singapore | 17% | 17% |
| Hong Kong Special Administrative Region of the People's Republic of China | 16.5% | 16.5% |

## 21 Income taxes (continued)

Income taxes for the three-month periods ended 30 September are as follow:

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 2016 | 2015 | 2016 | 2015 |
| | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| Current income tax | 54,100 | 96,993 | - | - |
| Deferred income tax | 8,478 | (15,947) | 1,521 | (61) |
| Total income taxes | 62,578 | 81,046 | 1,521 | (61) |

Income taxes for the nine-month periods ended 30 September are as follow:

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 2016 | 2015 | 2016 | 2015 |
| | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| Current income tax | 377,091 | 351,564 | - | - |
| Withholding tax for dividend | - | 35,625 | - | - |
| Deferred income tax | (86,542) | (31,410) | (117,842) | (184) |
| Total income taxes | 290,549 | 355,779 | (117,842) | (184) |

As at 30 September 2016, the Company has unrecognised tax loss of Baht 641.58 million (31 December 2015: Baht 628.28 million), to carry forward against future taxable income; these tax loss will be expired in 2020 (31 December 2015: tax loss will be expired in 2019). However, the Company expects no taxable future profit that will utilise such tax loss. Therefore, deferred income tax asset was not recognised for such tax loss.

## 22 Related party transactions

The Company is controlled by Banpu Public Company Limited ("the parent company"), which is domiciled in Thailand. The parent company holds 99.99% of the Company's shareholding. Investments in subsidiaries and joint ventures are disclosed in Note 10.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The following significant transactions were carried out with related parties:

### 22.1 Transactions during the three-month periods ended 30 September are as follows:

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 2016 Baht'000 | 2015 Baht'000 | 2016 Baht'000 | 2015 Baht'000 |
| Interest income | | | | |
| - The parent company | - | 507 | - | - |
| - Subsidiaries | - | - | 21,448 | 208 |
| - Joint venture | 1,832 | 23 | - | - |
| Total interest income from related parties | 1,832 | 530 | 21,448 | 208 |
| Interest expense | | | | |
| - The parent company | 127,227 | 45,339 | 127,227 | 45,339 |
| Total interest expense to related parties | 127,227 | 45,339 | 127,227 | 45,339 |
| Management fee | | | | |
| - The parent company | 9,194 | 12,812 | - | - |
| - Joint ventures | 9,523 | 9,044 | 8,787 | 9,044 |
| - Related parties | 39,186 | 55,226 | - | - |
| Total management fee charged to related parties | 57,903 | 77,082 | 8,787 | 9,044 |
| Management expenses charged from the parent company | 27,000 | 7,500 | 27,000 | 7,500 |
| Dividend income from a subsidiary | - | - | 3,849,031 | - |
| Dividend income from a joint venture | - | - | 758,602 | - |

22 **Related party transactions** (continued)

The following significant transactions were carried out with related parties: (continued)

22.2 Transactions during the nine-month periods ended 30 September are as follows:

| | Consolidated | | Company | |
|---|---|---|---|---|
| | **2016** | **2015** | **2016** | **2015** |
| | **Baht'000** | **Baht'000** | **Baht'000** | **Baht'000** |
| Interest income | | | | |
| - The parent company | - | 2,691 | - | - |
| - Subsidiaries | - | - | 37,219 | 848 |
| - Joint venture | 3,497 | 23 | - | - |
| Total interest income from related parties | 3,497 | 2,714 | 37,219 | 848 |
| Interest expense | | | | |
| - The parent company | 357,042 | 49,102 | 357,042 | 48,665 |
| - Subsidiary | - | - | 3,580 | 1,605 |
| Total interest expense to related parties | 357,042 | 49,102 | 360,622 | 50,270 |
| Management fee | | | | |
| - The parent company | 27,882 | 36,789 | - | - |
| - Joint ventures | 28,774 | 27,955 | 26,519 | 27,955 |
| - Related parties | 122,224 | 162,194 | - | - |
| Total management fee charged to related parties | 178,880 | 226,938 | 26,519 | 27,955 |
| Management expenses charged from the parent company | 81,000 | 22,500 | 81,000 | 22,500 |
| Dividend income from a subsidiary | - | - | 3,849,031 | 2,072,555 |
| Dividend income from a joint venture | - | - | 758,602 | - |

The pricing policies for transactions between the parent company, subsidiaries, joint ventures and related parties are set out below:

- Management income represents fee charged to the parent company, joint ventures, and related parties for rendering the management services in the normal course of business. The fees are based on the service provided and the agreed rate in accordance with the conditions in agreement.
- Management expenses represent fee charged from the parent company for rendering the management services in the normal course of business. The fees are based on the service provided and the agreed rate in accordance with the conditions in agreement.
- For loans, borrowings, interest income and interest expenses, the Group charges interest by considering the average cost of borrowings and market interest rate.
- Advance to/from related parties represent the advance payment for related parties which will be reimbursed within the normal credit term.

## 22 Related party transactions (continued)

The following significant transactions were carried out with related parties: (continued)

### 22.3 Amounts due from related parties

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Interest receivable | | | | |
| - Subsidiaries | - | - | 20,340 | 1,122 |
| - Joint venture | 4,179 | 585 | - | - |
| Total interest receivables | 4,179 | 585 | 20,340 | 1,122 |
| Other receivables | | | | |
| - The parent company | 12,918 | - | - | - |
| - Joint ventures | 6,535 | 6,749 | 6,535 | 6,749 |
| - Related parties | 5,017 | - | - | - |
| Total other receivables | 24,470 | 6,749 | 6,535 | 6,749 |
| Total amount due from related parties | 28,649 | 7,334 | 26,875 | 7,871 |
| Dividend receivables | | | | |
| Dividend receivables - Current | | | | |
| - Subsidiary | - | - | 1,600,000 | 1,443,544 |
| - Joint venture | 1,601,267 | 1,446,393 | 1,267 | 2,849 |
| | 1,601,267 | 1,446,393 | 1,601,267 | 1,446,393 |
| Dividend receivables - Non-current | | | | |
| - Subsidiary | - | - | 5,566,612 | 3,772,036 |
| - Joint venture | 6,039,753 | 6,043,525 | - | - |
| | 6,039,753 | 6,043,525 | 5,566,612 | 3,772,036 |
| Total dividend receivables from related parties | 7,641,020 | 7,489,918 | 7,167,879 | 5,218,429 |

## 22 Related party transactions (continued)

The following significant transactions were carried out with related parties: (continued)

### 22.4 Advances to and loans to related parties

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Advances to - Current | | | | |
| - Subsidiary | - | - | 29 | 11 |
| - Joint ventures | 515 | 7,238 | - | - |
| - Related parties | 16,706 | 19,615 | - | 1,816 |
| Total advances to related parties - Current | 17,221 | 26,853 | 29 | 1,827 |
| Advances to - Non-current | | | | |
| - Joint venture | 718,622 | 260,337 | - | - |
| Total advances to related parties - Non-current | 718,622 | 260,337 | - | - |

Advances to a joint venture which represent in non-current asset are advances for project development of solar power plant in Japan.

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Short-term loans to | | | | |
| - Subsidiaries | - | - | 2,748,331 | 363,000 |
| - Joint venture | 406,660 | 185,505 | - | - |
| Total short-term loans to related parties | 406,660 | 185,505 | 2,748,331 | 363,000 |

As at 30 September 2016, short-term loans to subsidiaries are unsecured promissory notes amounting to Baht 1,649.15 million and unsecured loans amounting to US Dollar 9.25 million or equivalent to Baht 319.39 million and unsecured loans amounting to CNY 151.70 million or equivalent to Baht 779.80 million, bearing average interest rate at the rate of 4.01% 4.04% and 3.90% per annum, respectively. (31 December 2015: Baht 363.00 million, bearing average interest rate at the rate of 4.12% per annum).

As at 30 September 2016, short-term loans to a joint venture are unsecured loans amounting to US Dollar 0.85 million or equivalent to Baht 29.35 million and JPY 1,112.75 million or equivalent to Baht 377.31 million, bearing average interest rate at the rate of 3.66% per annum (31 December 2015: US Dollar 0.85 million or equivalent to Baht 30.54 million and JPY 522.75 million or equivalent to Baht 154.97 million, bearing average interest rate at the rate of 3.44% per annum).

## 22 Related party transactions (continued)

The following significant transactions were carried out with related parties: (continued)

### 22.4 Advances to and loans to related parties (continued)

Movements of short-term loans to related parties for the nine-month period ended 30 September 2016 are as follow.

| | Consolidated Baht'000 | Company Baht'000 |
|---|---|---|
| Opening balance | 185,505 | 363,000 |
| Additions | 198,749 | 2,464,809 |
| Repayment | - | (60,000) |
| Gain (loss) on exchange rate | 22,406 | (19,478) |
| Closing balance | 406,660 | 2,748,331 |

### 22.5 Advances from and amounts due to related parties

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Accrued interest expenses - the parent company | 42,817 | 51,409 | 42,817 | 51,409 |
| Accrued interest expenses - a subsidiary | - | - | - | 1,428 |
| Advances from the parent company | 2,888 | 1,440 | - | - |
| Advances from related parties | 1,350 | 2,502 | - | 2,752 |
| Total advances from and amounts due to related parties | 47,055 | 55,351 | 42,817 | 55,589 |

## 22 Related party transactions (continued)

The following significant transactions were carried out with related parties: (continued)

### 22.6 Short-term loans from related parties

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Short-term loans from | | | | |
| - The parent company | 13,204,605 | 14,882,807 | 13,204,605 | 14,882,807 |
| - Subsidiary | - | - | - | 217,523 |
| Total short-term loans from related parties | 13,204,605 | 14,882,807 | 13,204,605 | 15,100,330 |

As at 30 September 2016, short-term loans from related parties are unsecured promissory notes from the parent company amounting to Baht 13,204.61 million, which bear interest rates at the rate of 3.80% to 4.11% per annum and due for the principal repayment at call (31 December 2015: short-term loan from the parent company amounting to Baht 14,882.81 million and unsecured loan in US Dollar currency from a subsidiary amounting to US Dollar 6.00 million or equivalent to Baht 217.52 million bearing interest rates at the rate of 4.04% to 4.37% per annum and 3.53% per annum, respectively).

Movements of short-term loans from related parties for the nine-month period ended 30 September 2016 are as follows:

| | Consolidated Baht'000 | Company Baht'000 |
|---|---|---|
| Opening balance | 14,882,807 | 15,100,330 |
| Additions | 11,307,023 | 11,307,023 |
| Repayments | (12,985,225) | (13,196,382) |
| Gain on exchange rate | - | (6,366) |
| Closing balance | 13,204,605 | 13,204,605 |

## 22 Related party transactions (continued)

The following significant transactions were carried out with related parties: (continued)

### 22.7 Key management compensation

Key management compensation for the three-month periods ended 30 September are detailed as follows:

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 2016 | 2015 | 2016 | 2015 |
| | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| Salary and other short-term benefits | 9,811 | 2,883 | 9,811 | 2,883 |
| Post employee benefits | 1,011 | - | 1,011 | - |
| | 10,822 | 2,883 | 10,822 | 2,883 |

Key management compensation for the nine-month periods ended 30 September are detailed as follows:

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 2016 | 2015 | 2016 | 2015 |
| | Baht'000 | Baht'000 | Baht'000 | Baht'000 |
| Salary and other short-term benefits | 30,245 | 2,883 | 30,245 | 2,883 |
| Post employee benefits | 3,034 | - | 3,034 | - |
| | 33,279 | 2,883 | 33,279 | 2,883 |

In addition, the Group has paid management fee to the parent company for the three-month and nine-month periods ended 30 September 2016 of Baht 27.00 million and Baht 81.00 million, respectively (2015: Baht 7.50 million and Baht 22.50 million). A part of this fee is considered as performing key management services for the Group.

## 23 Business combination

### 23.1 Investment in Akira Energy Limited

On 30 June 2015, Banpu Renewable Energy Co., Ltd. which is a subsidiary of the Company acquired 60% shareholding in Akira Energy Limited ("Akira") which is a joint venture of Banpu Power International Limited (a subsidiary of the parent company) ("BPPI"). The purchase consideration is US Dollar 4.80 million or equivalent to Baht 162.13 million. The acquisition is considered as a business combination under common control in accordance with the guidance for business combination under common control issued by the Federation of Accounting Professions. In addition, the Group acquired the remaining 40% of shareholding in Akira from other company at the purchase consideration of US Dollar 3.39 million or equivalent to Baht 114.53 million which is settled with advance from related parties and short-term loan to other company and interest receivable totalling to US Dollar 3.32 million or equivalent to Baht 112.11 million. The remaining was cash payment amounting to US Dollar 0.07 million or equivalent to Baht 2.42 million.

## 23 Business combination (continued)

### 23.1 Investment in Akira Energy Limited (continued)

*Acquisition of the proportion of 60%*

The details of total purchase consideration and net assets purchased at the acquisition date are as follows:

| | Baht'000 |
|---|---|
| Cash and cash equivalents | 8,340 |
| Advances to related parties | 60,488 |
| Other investments | 87,217 |
| Other assets less other liabilities | (2,074) |
| Total net assets - net book value | 153,971 |
| Less Purchase considerations | 162,130 |
| Considerations exceed net book value of net assets | 8,159 |

The Group recognised the excess of purchase consideration over net assets acquired as surplus arising from business combination under common control presented under shareholders' equity in the consolidated financial statements. Moreover, the Group recognised share of operating results of Akira for the period from the date that Banpu Power International Limited (a subsidiary of the parent company) had jointly control in Akira until 30 June 2015, which is the period that the Group did not hold the interest in Akira, as non-controlling interests in accordance with the guidance for a business combination under common control issued by the Federation of Accounting Professions.

*Acquisition of the proportion of 40%*

During the second quarter of 2016, the Group had completely measured the fair value of the identifiable assets acquired and liabilities assumed of Akira to comply with the measurement period for a business combination referred in TFRS 3 (Revised 2014) "Business combinations". The determination of fair value does not materially impact to the consolidated financial information for the nine-month period ended 30 September 2015 and for the year ended 31 December 2015.

The details of total purchase consideration and fair value of net assets acquired at the acquisition date are as follows:

| | Baht'000 |
|---|---|
| Fair value of net assets acquired | |
| Cash and cash equivalents | 5,560 |
| Advances to related parties | 40,326 |
| Other investments | 70,030 |
| Goodwill | 1,961 |
| Deferred tax liabilities | (1,961) |
| Other assets less other liabilities | (1,382) |
| Total fair value of net assets acquired | 114,534 |
| Purchase considerations | 114,534 |

## 23 Business combination (continued)

### 23.2 Investment in Banpu Power International Limited

On 13 August 2015, the Company and the parent company has entered into Share Swap and Share Purchase Agreement. According to this agreement, 1) the Parent disposed of Banpu Power International Limited ("BPPI"), a subsidiary of the parent company, by means of share swap, the Company increased its share capital by US Dollar 200,153,787 or equivalent to Baht 6,950 million held by the parent company in exchange for 41,981,523 shares of BPPI. And 2) the parent company disposed of the remaining shares of BPPI by means of sale and purchase, the Company issued the promissory note amounting to US Dollar 99,846,213 or equivalent to Baht 3,573.86 million to the parent company in exchange for 20,942,377 shares of BPPI. The completion of the transfer of shares pursuant to the terms and conditions was on 28 August 2015. The purchase of such investment is under common control since BPPI is a subsidiary of the parent company.

The details of total purchase consideration and net assets purchased at the acquisition date are as follows:

| | **Baht'000** |
|---|---:|
| Cash and cash equivalents | 1,037,906 |
| Short-term investments | 1,579,221 |
| Advances to related parties | 92,139 |
| Trade accounts receivable | 1,149,588 |
| Other investments | 245,427 |
| Building and equipment, net | 4,965,368 |
| Short-term loans from related parties | (652,827) |
| Other assets less other liabilities | 136,640 |
| Total net assets - net book value | 8,553,462 |
| Less Purchase considerations | 10,523,885 |
| Considerations exceed net book value of net assets | 1,970,423 |

The Group recognised the excess of purchase consideration over net assets acquired as surplus arising from business combination under common control under shareholders' equity in the consolidated financial statements. Moreover, the Group recognised the operating result of BPPI for the period from the date that the parent company has control in BPPI until 28 August 2015, which is the period that the Group did not hold an investment in BPPI, as non-controlling interests in accordance with the guidance for a business combination under common control issued by the Federation of Accounting Professions.

## 23 Business combination (continued)

### 23.3 Investment in Thai Solar Consultant Co., Ltd.

On 19 May 2016, Banpu Renewable Energy Co., Ltd. which is a subsidiary of the Group has entered into the Share Purchase Agreement to acquire 99.99% of shareholding in Thai Solar Consultant Co., Ltd. from a third party. The Group paid Baht 10 million for such shareholding. Moreover, the Group estimated and recognised a contingent consideration of Baht 1.05 million being paid to the former shareholder in this interim financial information as if certain conditions are achieved by the former shareholder.

The details of total purchase consideration and fair value of net assets acquired at the acquisition date are as follows:

| | Baht'000 |
|---|---|
| Fair value of net assets acquired | |
| Cash and cash equivalents | 2 |
| Short-term loans to other company | 196 |
| Goodwill | 2,208 |
| Deposit | 2,825 |
| Right in long-term power purchase agreement* | 11,039 |
| Short-term loans from other company | (2,825) |
| Deferred tax liabilities | (2,208) |
| Other assets less other liabilities | (183) |
| Total fair value of net assets acquired | 11,054 |
| Purchase considerations | |
| Consideration at the acquisition date | 10,000 |
| Contingent consideration | 1,054 |
| Total purchase considerations | 11,054 |

* As at 30 September 2016, the Group has been under the process of determining fair value of the acquired net assets and reviewing purchase price allocation ("PPA"). The purchase price over net assets' carrying value may be the right in the long-term power purchase agreements. However, it is subjected to further adjustments depending on the determination of fair value and the result of the PPA, which is expected to be finalised within 12 months from the acquisition date. Right in long-term power purchase agreements is amortised by straight-line method over the periods of the Power Purchase Agreements of Thai Solar Consultant Co., Ltd.

## 23 Business combination (continued)

### 23.4 Investment in Anqiu Huineng New Energy Co., Ltd. and Weifang Tian'en Jinshan Comprehensive Energy Co., Ltd.

On 4 July 2016, BPP Renewable Investment (China) Co., Ltd. which is a subsidiary of the Group entered into the Share Purchase Agreement to acquire 100% of shareholding in Anqiu Huineng New Energy Co., Ltd. ("Huineng") from a third party. The Group paid CNY 1 million or equivalent to Baht 5.26 million for such shareholding. Moreover, the Group recognised a contingent consideration as share subscription payable of CNY 9.50 million or equivalent to Baht 50.05 million being paid to the former shareholder in this interim financial information.

On 7 September 2016, BPP Renewable Investment (China) Co., Ltd. which is a subsidiary of the Group entered into the Share Purchase Agreement to acquire 100% of shareholding in Weifang Tian'en Jinshan Comprehensive Energy Co., Ltd. ("Jinshan") from a third party. The Group has not paid any of such shareholding. Moreover, the Group recognised a contingent consideration as share subscription payable of CNY 9.59 million or equivalent to Baht 49.71 million being paid to the former shareholder in this interim financial information.

The details of total purchase consideration and fair value of net assets acquired at the acquisition date are as follows:

| | Huineng Baht'000 | Jinshan Baht'000 |
|---|---|---|
| Fair value of net assets acquired | | |
| Cash and cash equivalents | - | 131 |
| Trade accounts receivable | 20,227 | 72,181 |
| Building and equipment | 753,906 | 1,228,601 |
| Right to operate* | 62,490 | 31,051 |
| Accounts payable | (349,396) | (998,029) |
| Construction payable | (426,797) | (315,593) |
| Deferred income tax liabilities | (12,810) | (6,365) |
| Other assets less other liabilities | 7,694 | 37,729 |
| Total fair value of net assets acquired | 55,314 | 49,706 |
| Purchase considerations | | |
| Consideration at the acquisition date | 5,268 | - |
| Payable for purchase of investments | 50,046 | 49,706 |
| Purchase considerations | 55,314 | 49,706 |

* As at 30 September 2016, the Group has been under the process of determining fair value of the acquired net assets and reviewing purchase price allocation ("PPA"). The purchase price over net assets' carrying value may be the right to operate. However, it is subjected to further adjustments depending on the determination of fair value and the result of the PPA, which is expected to be finalised within 12 months from the acquisition date. Right to operate will be amortised by straight-line method over the estimated useful life of the power plant of Huineng and Jinshan.

## 24 Commitments, significant contracts and contingent liabilities

### 24.1 Capital commitments

As at 30 September 2016, capital expenditure and capital commitments to provide funding contracted for at the statement of financial position date but not recognised in the financial information is as follow:

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Property, plant and equipment | 1,828,081 | 183,540 | - | - |
| Investments in subsidiaries and a joint venture* | 2,052,581 | 9,328,672 | - | - |
| | 3,880,662 | 9,512,212 | - | - |

* The Group has capital commitment to provide funding if called as the proportionate of investments in accordance with the arrangement of subsidiaries and a joint venture in People's Republic of China.

### 24.2 Operating lease commitments

The Group leases offices and equipment and service contracts under non-cancellable operating lease agreements. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

| | Consolidated | | Company | |
|---|---|---|---|---|
| | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 | 30 September 2016 Baht'000 | 31 December 2015 Baht'000 |
| Not later than 1 year | 20,317 | 16,443 | 1,755 | 1,755 |
| Later than 1 year but not later than 5 years | 38,699 | 67,457 | 1,024 | 2,340 |
| Later than 5 years | 3,747 | - | - | - |
| | 62,763 | 83,900 | 2,779 | 4,095 |

## 24 Commitments, significant contracts and contingent liabilities (continued)

### 24.3 Significant agreements

For the nine-month period ended 30 September 2016, there were no significant changes in significant agreements from the year ended 31 December 2015, except the following significant agreement.

a) On 11 March 2016, BPP Renewable Investment (China) Co., Ltd., a subsidiary, entered into the Sales and Purchase Agreement to purchase share capital of Dongping Haoyuan Solar Power Generation Co., Ltd. at CNY 10.00 million. Such company is incorporated in People's Republic of China and owner of the 20 MW solar power plant. The Group paid deposit of CNY 2.02 million in March 2016. However, as at 30 September 2016, the Group has no control over such company, which is according to the terms of Sales and Purchase Agreement.

b) On 28 March 2016, Banpu Renewable Singapore Pte. Ltd., a subsidiary, entered into Equity Interest Purchase and Development Fee Agreement to acquire a solar power plant project in Japan at a consideration of JPY 2,200 million. The Group partially paid for consideration of JPY 1,100 million on 8 April 2016.

c) On 7 April 2016, BPP Renewable Investment (China) Co., Ltd., a subsidiary, entered into Sales and Purchase Agreement for the right to acquire share capital in a company from third party at total consideration of CNY 4.60 million. Such company has developed the solar power plant projects in People's Republic of China. However, as at 30 September 2016, the Group has no control over the company, which is according to the terms of Sales and Purchases Agreement.

d) On 1 September 2016, BPP Renewable Investment (China) Co., Ltd., a subsidiary, entered into Sales and Purchase Agreement for the right to acquire share capital of a company that has developed the solar power plant projects in People's Republic of China, at total consideration of CNY 7.50 million. The Group paid deposit of CNY 1.50 million in September 2016. However, as at 30 September 2016, the Group has no control over the company, which is according to the terms of Sales and Purchases Agreement.

e) On 29 September 2016, Banpu Renewable Singapore Pte. Ltd., a subsidiary, entered into Equity Interest Purchase with a third party for acquiring a solar power plant project in Japan amounting to JPY 3,011.99 million. As of 30 September 2016, the Group has not yet paid for the consideration according to these agreements.

f) On 30 September 2016, Banpu Renewable Energy Co., Ltd. entered into forward foreign exchange contracts amounting to JPY 200 million at the exchange rate of JPY 0.3440 per Baht 1. As at 30 September 2016, the Group's financial liabilities are measured at fair value which defined as level 2 amounting to Baht 0.21 million.

## 24 Commitments, significant contracts and contingent liabilities (continued)

### 24.4 Litigation

In 2007, a group of individuals and corporate entities (Plaintiffs), who were ex-developers of a coal mine and a power plant in Lao PDR ("Hongsa Project"), filed a civil lawsuit against the Company, Banpu International Limited, the parent company and three members of the parent company's management as defendants, based on the allegations that the Defendants had deceptively entered into a joint development agreement with the Plaintiffs for the purpose of gaining access to the information of the Hongsa Project, and had, in bad faith, misinformed the Government of Lao PDR ("GOL") to terminate their Hongsa Project concessions in order that the Company could directly enter into a concession contract with the GOL. The Plaintiffs demanded the Defendants to pay damages of Baht 2,000 million for the value of the Hongsa Project information, another Baht 2,000 million for the investment costs to the studies and expenditures in the Hongsa Project, and Baht 59,500 million for the lost profits due to the GOL having terminated the Hongsa Project concessions, totalling Baht 63,500 million plus interest on this amount.

On 20 September 2012, the Civil Court issued a judgment that the Defendants did not breach the joint development agreement; the Plaintiffs breached the joint development agreement; the Defendants committed a wrongful act by using the Plaintiffs' information of the Hongsa Project (for the development of a 600-MW power plant) to develop the 1,800-MW power plant, and adjudicated that the Company and the parent company pay to the Plaintiffs compensation for damages of Baht 2,000 million for the value of the information, another Baht 2,000 million for the investment costs to the studies and expenditures in the Hongsa Project, totalling Baht 4,000 million plus 7.5% interest per annum from the date of plaint until fully paid, and for loss of profits of Baht 860 million per year for years 2015 - 2027 and Baht 1,380 million per year for years 2028 - 2039, payable at each year end, totalling Baht 27,740 million. The grand total of damages is Baht 31,740 million. The plaints involving Banpu International Limited and the Parent's management were dismissed.

On 9 September 2014, the Civil Court announced the judgment of the Appeal Court whereby the Plaintiff's complaint was dismissed. The grounds for dismissal were that the Defendants had always acted in good faith before and after the Joint Development Agreement was entered into, and that the Defendants did not commit a wrongful act against the Plaintiffs. The Appeal Court also found that it was the Plaintiffs that breached the Joint Development Agreement, and that the Defendants had no obligation to return to the Plaintiffs the documents in which the information relating to the Plaintiff's Hongsa Project contains. The Plaintiff has filed with the Supreme Court a petition against the judgment of the Appeal Court and the Defendants was submitted to the Plaintiff's petition for the final judgment of the Supreme Court on 24 February 2015.

As at 30 September 2016, under the law, the case has yet to reach its final stage. It is anticipated that the determination process in the stage of the Supreme Court proceeding will take approximately 3 to 5 years following the submission by the Plaintiffs and the Defendants to the Supreme Court. However, the management of the Company and the parent company are confident that the manner in which they undertook their dealings with regard to the Hongsa Project cannot be considered, in anyway whatsoever, as dishonest or wrongful. As a result, as at 30 September 2016, the Company and the parent company did not record a contingent liability in respect of this case in the financial information.

## 25 Events occurring after the reporting date

### (a) Initial Public Offering

Banpu Power Public Company Limited's shares have been traded in the stock exchange of Thailand since 28 October 2016 by issuing new 648,492,500 ordinary shares at initial price of Baht 21 each. This amount is divided into 195,072,871 new ordinary shares to shareholders of Banpu Public Company Limited who are entitled to be allotted and 453,419,629 new ordinary shares to general public.

### (b) Warrants

On 20 October 2016, the Company issued warrants to directors and employees of Banpu Public Company Limited's group (excluding directors, management and employees of the Company and subsidiaries). The terms and condition of the warrants are summarised in the following table;

| Warrant | Description | | | |
|---|---|---|---|---|
| Issuance date | 20 October 2016 | | | |
| Expiry date | 20 October 2021 | | | |
| Number of offered warrants | 50,000,000 | | | |
| Term of warrants | Within 5 years from issuance and offering date | | | |
| Conversion ratio | 1 warrant : 1 ordinary share | | | |
| Exercise price, period and conditions | Tranche | Portion of total warrants | Exercise price (Baht per share) | Exercise period |
| | 1 | 10% | 23.10 | From 20 Jan 2017 to 20 Oct 2021 |
| | 2 | 15% | 25.20 | From 20 Oct 2017 to 20 Oct 2021 |
| | 3 | 20% | 27.30 | From 20 Oct 2018 to 20 Oct 2021 |
| | 4 | 25% | 29.40 | From 20 Oct 2019 to 20 Oct 2021 |
| | 5 | 30% | 31.50 | From 20 Oct 2020 to 20 Oct 2021 |
| Conversion dates | Warrant holders can exercise 4 times a year on every last working day of March, June, October and December after each respective exercise period commences. | | | |

### (c) Acquiring of a subsidiary

According to Note 24.3 (a), on 25 October 2016, BPP Renewable Investment (China) Co., Ltd., a subsidiary in People's Republic of China, has exercised the right to acquire 100% of the shares in Dongping Haoyuan Solar Power Generation Co., Ltd., and registered for the share transfer on the same day. As a result, Dongping Haoyuan Solar Power Generation Co., Ltd., becomes a subsidiary of the Group.

### (d) Increase in registered share capital of subsidiary

On 7 November 2016, Banpu Renewable Singapore Pte. Ltd, a subsidiary in Singapore increased its registered share capital by 2,500,000 ordinary shares (from 17,125,478 ordinary shares to 19,625,478 ordinary shares), total consideration of USD 2,500,000.