

**Sakol Energy Public Company Limited  
and its Subsidiaries**

Interim financial statements  
for the three-month and nine-month periods ended  
30 September 2018

and

Independent auditor's report on review of  
interim financial information

## **Independent Auditor’s Report on Review of Interim Financial Information**

### **To the Board of Directors of Sakol Energy Public Company Limited**

I have reviewed the accompanying consolidated and separate statements of financial position of Sakol Energy Public Company Limited and its subsidiaries (the “Group”), and of Sakol Energy Public Company Limited (the “Company”), respectively, as at 30 September 2018; the consolidated and separate statements of income and comprehensive income for the three-month and the nine-month periods ended 30 September 2018; the consolidated and separate statements of changes in equity and cash flows for the nine-month period ended 30 September 2018; and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting” My responsibility is to express a conclusion on this interim financial information based on my review.

#### *Scope of Review*

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

#### *Conclusion*

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

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*Emphasis of Matter*

I draw attention to Note 4 to the interim financial statements, during the nine-month period ended 30 September 2018, the Group completed acquisitions for which the fair value of identifiable net assets and the allocation of purchase price have been provisionally determined and are subject to potential amendment. My conclusion is not modified in respect of this matter

(Sakda Kaothanthong)  
Certified Public Accountant  
Registration No. 4628

KPMG Phoomchai Audit Ltd.  
Bangkok  
9 November 2018

# Sakol Energy Public Company Limited and its subsidiaries

## Statement of financial position

	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 September 2018 (Unaudited)	31 December 2017	30 September 2018 (Unaudited)	31 December 2017
<i>(in thousand Baht)</i>					
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		69,321	21,785	20,787	21,561
Current investments	6	86,377	425,398	54,302	393,570
Trade account receivable	7	52,475	57,266	52,475	57,266
Current portion of financial lease receivable	8	17,363	16,703	17,363	16,703
Other current receivables	5	28,132	1,653	8,275	1,619
Short-term loans to related parties	5	-	-	57,000	-
Current spare parts and supplies		2,053	1,261	2,053	1,261
<b>Total current assets</b>		<b>255,721</b>	<b>524,066</b>	<b>212,255</b>	<b>491,980</b>
<b>Non-current assets</b>					
Restricted deposits at financial institution	17	1,800	-	-	-
Investments in subsidiaries	9	-	-	507,839	201,999
Financial lease receivable	8	201,736	210,608	201,736	210,608
Non-current spare parts and supplies		2,612	1,484	2,612	1,484
Investment properties		171,618	171,618	-	-
Property, plant and equipment	10	414,069	128,310	131,001	128,310
Intangible asset	4	80,469	3,886	4,919	3,886
Goodwill	4	27,832	-	-	-
Other non-current assets		982	982	982	982
<b>Total non-current assets</b>		<b>901,118</b>	<b>516,888</b>	<b>849,089</b>	<b>547,269</b>
<b>Total assets</b>		<b>1,156,839</b>	<b>1,040,954</b>	<b>1,061,344</b>	<b>1,039,249</b>

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

# Sakol Energy Public Company Limited and its subsidiaries

## Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
<b>Liabilities and equity</b>	<i>Note</i>	2018	2017	2018	2017
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<b>Current liabilities</b>					
Short-term loans from					
financial institution	<i>11</i>	51,852	40,000	40,000	40,000
Trade accounts payable		34,175	28,798	34,175	28,798
Other payables		15,241	15,855	13,636	15,463
Current portion of long-term loans					
from financial institution	<i>11</i>	10,518	14,680	10,518	14,680
Current portion of finance lease					
and hire purchase liabilities	<i>11</i>	946	1,076	946	1,076
<b>Total current liabilities</b>		<b>112,732</b>	<b>100,409</b>	<b>99,275</b>	<b>100,017</b>
<b>Non-current liabilities</b>					
Long-term loans					
from financial institution	<i>11</i>	17,188	41,568	17,188	41,568
Finance lease and hire purchase liabilities	<i>11</i>	796	1,510	796	1,510
Deferred tax liabilities		22,868	9,854	9,417	9,854
Non current provisions for employee benefit		741	598	741	598
Long-term provisions		1,090	1,090	1,090	1,090
<b>Total non-current liabilities</b>		<b>42,683</b>	<b>54,620</b>	<b>29,232</b>	<b>54,620</b>
<b>Total liabilities</b>		<b>155,415</b>	<b>155,029</b>	<b>128,507</b>	<b>154,637</b>

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

# Sakol Energy Public Company Limited and its subsidiaries

## Statement of financial position

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		30 September 2018 (Unaudited)	31 December 2017	30 September 2018 (Unaudited)	31 December 2017
<i>(in thousand Baht)</i>					
<b>Equity</b>					
Share capital:					
Authorized share capital		465,000	465,000	465,000	465,000
Issued and paid-up share capital		465,000	465,000	465,000	465,000
Share premium on ordinary shares		297,619	297,619	297,619	297,619
Retained earnings					
Appropriated					
Legal reserve		26,000	26,000	26,000	26,000
Unappropriated		141,566	96,401	144,075	95,637
Other components of shareholders' equity		899	905	143	356
<b>Equity attributable to owners of the parent</b>		<b>931,084</b>	<b>885,925</b>	<b>932,837</b>	<b>884,612</b>
Non-controlling interests		70,340	-	-	-
<b>Total equity</b>		<b>1,001,424</b>	<b>885,925</b>	<b>932,837</b>	<b>884,612</b>
<b>Total liabilities and equity</b>		<b>1,156,839</b>	<b>1,040,954</b>	<b>1,061,344</b>	<b>1,039,249</b>

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

# Sakol Energy Public Company Limited and its Subsidiaries

## Statement of income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Three-month period ended		Three-month period ended	
		30 September		30 September	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
<b>Revenues</b>	12				
Revenue from rendering of services		76,536	78,369	76,536	78,369
Revenue from financial lease		5,129	5,335	5,129	5,335
Other income		1,143	450	1,364	311
<b>Total revenues</b>		<b>82,808</b>	<b>84,154</b>	<b>83,029</b>	<b>84,015</b>
<b>Expenses</b>					
Costs of rendering of services		49,255	48,524	49,255	48,524
Administrative expenses		19,496	15,621	17,599	15,536
Finance costs		503	2,757	622	2,757
<b>Total expenses</b>		<b>69,254</b>	<b>66,902</b>	<b>67,476</b>	<b>66,817</b>
<b>Profit before income tax expense</b>		<b>13,554</b>	<b>17,252</b>	<b>15,553</b>	<b>17,198</b>
Tax income	13	150	-	150	-
<b>Profit for the period</b>		<b>13,704</b>	<b>17,252</b>	<b>15,703</b>	<b>17,198</b>
<b>Profit (loss) attributable to:</b>					
Owners of the parent		14,092	17,252	15,703	17,198
Non-controlling interests		(388)	-	-	-
<b>Profit for the period</b>		<b>13,704</b>	<b>17,252</b>	<b>15,703</b>	<b>17,198</b>
<b>Basic earnings per share (in Baht)</b>	14	<b>0.015</b>	<b>0.025</b>	<b>0.017</b>	<b>0.025</b>

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

## Sakol Energy Public Company Limited and its Subsidiaries

### Statement of comprehensive income (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Three-month period ended 30 September		Three-month period ended 30 September	
Note	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Profit for the period</b>	<b>13,704</b>	<b>17,252</b>	<b>15,703</b>	<b>17,198</b>
<b>Other comprehensive income</b>				
<i>Item that will be reclassified subsequently to profit or loss</i>				
Gains (losses) on remeasuring available-for-sale investments	6 <u>(30)</u>	<u>112</u>	<u>(101)</u>	<u>37</u>
<b>Other comprehensive income for the period, net of tax</b>	<b><u>(30)</u></b>	<b><u>112</u></b>	<b><u>(101)</u></b>	<b><u>37</u></b>
<b>Total comprehensive income for the period</b>	<b><u>13,674</u></b>	<b><u>17,364</u></b>	<b><u>15,602</u></b>	<b><u>17,235</u></b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	14,062	17,364	15,602	17,235
Non-controlling interests	<u>(388)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<b><u>13,674</u></b>	<b><u>17,364</u></b>	<b><u>15,602</u></b>	<b><u>17,235</u></b>

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



# Sakol Energy Public Company Limited and its Subsidiaries

## Statement of income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Nine-month period ended		Nine-month period ended	
		30 September		30 September	
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
<b>Revenues</b>	12				
Revenue from rendering of services		236,086	229,462	236,086	229,462
Revenue from financial lease		15,544	16,150	15,544	16,150
Other income		3,678	1,718	3,867	1,297
<b>Total revenues</b>		<b>255,308</b>	<b>247,330</b>	<b>255,497</b>	<b>246,909</b>
<b>Expenses</b>					
Costs of rendering of services		149,421	141,743	149,421	141,743
Administrative expenses		58,808	43,406	55,450	43,084
Finance costs		3,075	6,553	2,625	6,553
<b>Total expenses</b>		<b>211,304</b>	<b>191,702</b>	<b>207,496</b>	<b>191,380</b>
<b>Profit before income tax expense</b>		<b>44,004</b>	<b>55,628</b>	<b>48,001</b>	<b>55,529</b>
Tax expense	13	437	-	437	-
<b>Profit for the period from continuing operations</b>		<b>44,441</b>	<b>55,628</b>	<b>48,438</b>	<b>55,529</b>
<b>Profit (loss) attributable to:</b>					
Owners of the parent		45,165	55,628	48,438	55,529
Non-controlling interests		(724)	-	-	-
<b>Profit for the period</b>		<b>44,441</b>	<b>55,628</b>	<b>48,438</b>	<b>55,529</b>
<b>Basic earnings per share (in Baht)</b>	14	<b>0.049</b>	<b>0.080</b>	<b>0.052</b>	<b>0.080</b>

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## Sakol Energy Public Company Limited and its Subsidiaries

### Statement of comprehensive income (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
Note	2018	2017	2018	2017
<i>(in thousand Baht)</i>				
<b>Profit for the period</b>	<b>44,441</b>	<b>55,628</b>	<b>48,438</b>	<b>55,529</b>
<b>Other comprehensive income</b>				
<i>Item that will be reclassified subsequently to profit or loss</i>				
Gains (losses) on remeasuring available-for-sale investments	6	(6)	100	(213)
<b>Other comprehensive income for the period, net of tax</b>		<b>(6)</b>	<b>100</b>	<b>(213)</b>
<b>Total comprehensive income for the period</b>		<b>44,435</b>	<b>55,728</b>	<b>48,225</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent		45,159	55,728	48,225
Non-controlling interests		(724)	-	-
<b>Total comprehensive income for the period</b>		<b>44,435</b>	<b>55,728</b>	<b>48,225</b>

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

## Sakol Energy Public Company Limited and its Subsidiaries

### Statement of changes in equity (Unaudited)

	Consolidated financial statements								
	Note	Issued and paid-up share capital	premium on ordinary shares	Retained earnings		Other components of equity	Equity attributable		Total equity
				Legal reserve	Unappropriated	Available -for-sale investments	to owners of the parent	Non-controlling interests	
<i>(in thousand Baht)</i>									
<b>Nine month period ended 30 September 2017</b>									
<b>Balance at 1 January 2017</b>		346,400	-	22,200	261,519	462	630,581	-	630,581
<b>Distributions to owners of the Company</b>									
Dividends to owners of the Company	15	-	-	-	(235,968)	-	(235,968)	-	(235,968)
<b>Total distributions to owners of the Company</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(235,968)</b>	<b>-</b>	<b>(235,968)</b>	<b>-</b>	<b>(235,968)</b>
<b>Comprehensive income for the period</b>									
Profit		-	-	-	55,628	-	55,628	-	55,628
Other comprehensive income		-	-	-	-	100	100	-	100
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>55,628</b>	<b>100</b>	<b>55,728</b>	<b>-</b>	<b>55,728</b>
<b>Balance at 30 September 2017</b>		<b>346,400</b>	<b>-</b>	<b>22,200</b>	<b>81,179</b>	<b>562</b>	<b>450,341</b>	<b>-</b>	<b>450,341</b>

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

## Sakol Energy Public Company Limited and its Subsidiaries

### Statement of changes in equity (Unaudited)

	Consolidated financial statements								
	Note	Issued and paid-up share capital	premium on ordinary shares	Retained earnings		Other components of equity	Equity attributable		Total equity
				Legal reserve	Unappropriated	Available -for-sale investments	to owners of the parent	Non-controlling interests	
<i>(in thousand Baht)</i>									
<b>Nine month period ended 30 September 2018</b>									
<b>Balance at 1 January 2018</b>		465,000	297,619	26,000	96,401	905	885,925	-	885,925
<b>Changes in ownership interest in</b>									
Acquisition of non-controlling interests									
through business combination	4	-	-	-	-	-	-	16,104	16,104
Acquisition of non-controlling interests									
without a change in control		-	-	-	-	-	-	54,960	54,960
<b>Total changes in ownership in subsidiaries</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71,064</b>	<b>71,064</b>
<b>Comprehensive income for the period</b>									
Profit (loss)		-	-	-	45,165	-	45,165	(724)	44,441
Other comprehensive income		-	-	-	-	(6)	(6)	-	(6)
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>45,165</b>	<b>(6)</b>	<b>45,159</b>	<b>(724)</b>	<b>44,435</b>
<b>Balance at 30 September 2018</b>		<b>465,000</b>	<b>297,619</b>	<b>26,000</b>	<b>141,566</b>	<b>899</b>	<b>931,084</b>	<b>70,340</b>	<b>1,001,424</b>

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

## Sakol Energy Public Company Limited and its Subsidiaries

### Statement of changes in equity (Unaudited)

	Note	Separate financial statements				Other components	Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		of equity	
				Legal reserve	Unappropriated	Available -for-sale investments	
<i>(in thousand Baht)</i>							
<b>Nine month period ended 30 September 2017</b>							
<b>Balance at 1 January 2017</b>		346,400	-	22,200	260,905	226	629,731
<b>Distributions to owners of the Company</b>							
Dividends to owners of the Company	15	-	-	-	(235,968)	-	(235,968)
<b>Total distributions to owners of the Company</b>		-	-	-	<b>(235,968)</b>	-	<b>(235,968)</b>
<b>Comprehensive income for the period</b>							
Profit		-	-	-	55,529	-	55,529
Other comprehensive income		-	-	-	-	(143)	(143)
<b>Total comprehensive income for the period</b>		-	-	-	<b>55,529</b>	<b>(143)</b>	<b>55,386</b>
<b>Balance at 30 September 2017</b>		<b>346,400</b>	-	<b>22,200</b>	<b>80,466</b>	<b>83</b>	<b>449,149</b>

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

## Sakol Energy Public Company Limited and its Subsidiaries

### Statement of changes in equity (Unaudited)

	Issued and paid-up share capital	Share premium on ordinary shares	Separate financial statements		Other components of equity Available -for-sale investments	Total equity
			Retained earnings			
			Legal reserve <i>(in thousand Baht)</i>	Unappropriated		
<b>Changes in ownership interest in</b>						
<b>Balance at 1 January 2018</b>	465,000	297,619	26,000	95,637	356	884,612
<b>Comprehensive income for the period</b>						
Profit	-	-	-	48,438	-	48,438
Other comprehensive income	-	-	-	-	(213)	(213)
<b>Total comprehensive income for the period</b>	-	-	-	<b>48,438</b>	<b>(213)</b>	<b>48,225</b>
<b>Balance at 30 September 2018</b>	<b>465,000</b>	<b>297,619</b>	<b>26,000</b>	<b>144,075</b>	<b>143</b>	<b>932,837</b>

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

## Sakol Energy Public Company Limited and its Subsidiaries

### Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
Note	2018	2017	2018	2017
<i>(in thousand Baht)</i>				
<b><i>Cash flows from operating activities</i></b>				
Profit for the period	44,441	55,628	48,438	55,529
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax expense	(437)	-	(437)	-
Finance costs	3,075	6,553	2,625	6,553
Depreciation and amortization	6,633	4,120	6,629	4,120
Gains on disposal of money fund	6	(1,657)	(1,649)	(632)
Losses on disposal of property and equipment	-	131	-	131
Employee benefit obligations	227	516	227	516
Interest income	(575)	(36)	(919)	(36)
	<u>51,707</u>	<u>66,277</u>	<u>54,914</u>	<u>66,181</u>
<i>Changes in operating assets and liabilities</i>				
Trade account receivable	4,791	65,444	4,791	65,444
Other current receivables	(20,244)	(234)	(1,345)	(308)
Financial lease receivable	8,212	11,841	8,212	11,841
Spare parts and supplies	(1,920)	(569)	(1,920)	(569)
Trade accounts payable	5,377	5,144	5,377	5,144
Other payables	(4,724)	(2,678)	(1,593)	(2,700)
Other non-current liabilities	-	200	-	-
Employee benefits paid	(220)	(61)	(220)	(61)
Net cash generated from operating	<u>42,979</u>	<u>145,364</u>	<u>68,216</u>	<u>144,972</u>
Taxes paid	<u>(4,657)</u>	<u>(36)</u>	<u>(4,626)</u>	<u>(1)</u>
<b>Net cash from operating activities</b>	<b><u>38,322</u></b>	<b><u>145,328</u></b>	<b><u>63,590</u></b>	<b><u>144,971</u></b>

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

# Sakol Energy Public Company Limited and its Subsidiaries

## Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
Note	2018	2017	2018	2017
<i>(in thousand Baht)</i>				
<b><i>Cash flows from investing activities</i></b>				
Proceeds from sale of money fund	674,772	384,350	674,404	384,100
Acquisition of money fund	(334,100)	(369,000)	(333,700)	(368,500)
Acquisition of debt securities held to maturity	(60,000)	-	(60,000)	-
Sale of debt securities held to maturity	60,000	-	60,000	-
Loans to related party	-	-	(57,000)	-
Increased in restricted deposits at financial institution	(1,800)	-	-	-
Cash outflow net acquisition of business from cash acquired	4	(88,497)	-	-
Acquisition of investments in subsidiary	-	-	(89,500)	-
Cash outflow on increase in share capital of subsidiary	-	-	(216,340)	-
Proceeds from non controlling interest of increase				
share capital in subsidiary	54,960	-	-	-
Acquisition of building and equipment	(274,540)	(6,908)	(9,189)	(6,908)
Acquisition of intangible asset	(1,164)	(274)	(1,164)	(274)
Interest received	290	36	234	36
<b>Net cash from (used in) investing activities</b>	<b>29,921</b>	<b>8,204</b>	<b>(32,255)</b>	<b>8,454</b>
<b><i>Cash flows from financing activities</i></b>				
Proceeds from short-term borrowings from financial institutions	131,852	209,443	120,000	209,443
Repayment of short-term borrowings from financial institutions	(120,000)	(100,000)	(120,000)	(100,000)
Proceeds from long-term borrowings from financial institution	30,000	-	30,000	-
Repayment of long-term borrowings from financial institution	(58,542)	(10,466)	(58,542)	(10,466)
Repayment of finance lease and hire purchase liabilities	(844)	(1,240)	(844)	(1,240)
Dividends paid to owners of the Company	-	(235,968)	-	(235,968)
Interest paid	(3,173)	(6,530)	(2,723)	(6,530)
<b>Net cash used in financing activities</b>	<b>(20,707)</b>	<b>(144,761)</b>	<b>(32,109)</b>	<b>(144,761)</b>
<b>Net increase (decreased) in cash and cash equivalents</b>	<b>47,536</b>	<b>8,771</b>	<b>(774)</b>	<b>8,664</b>
Cash and cash equivalents at beginning of period	21,785	8,567	21,561	8,478
<b>Cash and cash equivalents at ending of period</b>	<b>69,321</b>	<b>17,338</b>	<b>20,787</b>	<b>17,142</b>

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



**Sakol Energy Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2018 (Unaudited)**

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**Sakol Energy Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
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These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language financial statements, and were approved and authorised for issue by the Board of Directors on 9 November 2018

## **1 General information**

Sakol Energy Public Company Limited, the “Company”, is incorporated in Thailand and has its registered head office and branches as follows:

Head office: 15 Moo 1 Chiang Rak Noi, Samkhok, Pathumthani

Branch 1: 168 Moo 4 Tha Maprang, Kaeng Khoi, Saraburi

Branch 2: 252/108(B) and 252/109(C) Muang Thai-Phatra Complex Building, 21<sup>st</sup> Floor, Ratchadaphisek Road, Huai Khwang Bangkok

The Company was listed on the Stock Exchange of Thailand in November 2017.

The Company’s major shareholders during the financial period were Sumetchotimetha Family (54% shareholding) and Nuntee Family (21% shareholding).

The principal activity of the Company is compression of natural gas to PTT Public Company Limited. The Company and subsidiaries, “the Group”, operate in energy industry. Details of the Company’s subsidiaries as at 30 September 2018 and 31 December 2017 are given in notes 5 and 9.

## **2 Basis of preparation of the interim financial statements**

### *(a) Statement of compliance*

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

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2017. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2017.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2017 except that the Group/Company has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2018. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group or the Company except as disclosed in note 3.

**Sakol Energy Public Company Limited and its Subsidiaries**  
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In addition to the above new and revised TFRS, the FAP has issued new and revised TFRS which relevant to the Group's/Company's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS become effective for annual financial reporting periods beginning on or after 1 January of the following years.

<b>TFRS</b>	<b>Topic</b>	<b>Effective</b>
TFRS 7*	Financial Instruments: Disclosures	2020
TFRS 9*	Financial Instruments	2020
TFRS 15	Revenue from Contracts with Customers	2019
TAS 32*	Financial Instruments: Presentation	2020
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments	2020

\* TFRS - Financial instruments standards

***TFRS 15 Revenue from Contracts with Customers***

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

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

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

***TFRS - Financial instruments standards***

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS – Financial instruments standards on the consolidated and separate financial statements.

**(b) *Functional and presentation currency***

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

**(c) *Use of judgements and estimates***

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

**Sakol Energy Public Company Limited and its Subsidiaries**  
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In preparing these interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2017 which includes significant judgements on control over newly-acquired subsidiary.

*Assumptions and estimation uncertainties (notes 4 Acquisition of business)*

Acquisition of subsidiary measure fair value of the consideration transferred and fair value of the assets acquired and liabilities assumed, measured on a provisional basis.

*Measurement of fair values*

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements and reports directly to the chief financial officer.

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

Significant valuation issues are reported to the Group Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

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

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

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 16 financial instruments.

### **3 Accounting policies for new transaction and event**

*(a) Basis of consolidation*

*Business combinations*

The Group applies the acquisition method for all business combinations when control is transferred to the Group.

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The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the fair values of the assets transferred.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

*(b) Investments in debt securities*

Debt securities that the Group/Company has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

**4 Acquisition of business**

For the nine-month periods ended 30 September 2018, the Company acquired business as follows :

*(a) RE Biofuels Co., Ltd.*

On 8 February 2018, the Group obtained control of RE Biofuels Co., Ltd., the business of production and distribution of compressed bio-methane gas, by acquiring 7,500 ordinary shares, Baht 1,266.67 per share totalling Baht 9.50 million or being 75% of total ordinary shares.

Management believes the acquisition will expand a renewable energy business.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

**Sakol Energy Public Company Limited and its Subsidiaries**  
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*Identifiable assets acquired and liabilities assumed*

	<b>Recognised values</b> <i>(in thousand Baht)</i>
Cash and cash equivalents	1,001
Intangible assets	12,550
Other payables	(48)
Deferred tax liabilities	(2,510)
<b>Total identifiable assets acquired and liabilities assumed</b>	<b>10,993</b>
Non-controlling interest (based on their proportionate interest in the recognised of the net identifiable assets acquired and liabilities assumed of the acquiree)	(2,748)
Provisional goodwill	1,255
<b>Purchase consideration transferred</b>	<b>9,500</b>
Net cash acquired with the acquisition of business	(1,001)
<b>Net cash outflows</b>	<b>8,499</b>

An independent appraiser has been appointed to determine the fair value of the business, the Company reviewed the draft report of the appraiser. However at the date of approval of these interim financial statement's the draft report of the appraiser is under review. Accordingly, the fair value of assets acquired and liabilities assumed have been provisionally determined at the acquisition date.

The Group is continuing its review of these matters during the measurement period. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date identifies adjustments to the above provisional fair values, or any additional assets or liabilities that existed at the acquisition date, then the acquisition accounting will be revised.

*Goodwill*

The goodwill is attributable mainly to an opportunity of RE Biofuels Co., Ltd. for receiving funding from the Department of Alternative Energy Development and Efficiency. None of the goodwill recognised is expected to be deductible for income tax purposes.

*Acquisition-related costs*

The Group incurred acquisition-related costs of Baht 1.08 million related to external legal fees and due diligence costs.

In the period since acquisition date to 30 September 2018, RE Biofuels Co., Ltd. contributed no income and operation loss for the period of Baht 1.42 million to the Group's operating results. If the acquisition had occurred on 1 January 2018, management estimates that consolidated revenue would not increase and consolidated loss for the nine-month period ended 30 September 2018 would have increased by Baht 1.44 million.

*(b) Mae Krating Power Co., Ltd.*

On 15 May 2018, the Group obtained control of Mae Krating Power Co., Ltd., the business of production and distribution of electricity, by acquiring 2,000,000 ordinary shares, Baht 40 per share totalling Baht 80 million or being 80% of total ordinary shares.

Management believes the acquisition will expand a renewable energy business.

**Sakol Energy Public Company Limited and its Subsidiaries**  
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The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

*Identifiable assets acquired and liabilities assumed*

	<b>Recognised values</b> <i>(in thousand Baht)</i>
Cash and cash equivalents	2
Other receivables	1,235
Property, plant and equipment	17,721
Intangible assets	63,000
Other payables	(4,239)
Deferred tax liabilities	(10,940)
<b>Total identifiable assets acquired and liabilities assumed</b>	<b>66,779</b>
Non-controlling interest (based on their proportionate interest in the recognised of the net identifiable assets acquired and liabilities assumed of the acquiree)	(13,356)
Provisional goodwill	26,577
<b>Purchase consideration transferred</b>	<b>80,000</b>
Net cash acquired with the acquisition of business	(2)
<b>Net cash outflows</b>	<b>79,998</b>

An independent appraiser has been appointed to determine the fair value of the business, the Company reviewed the draft report of the appraiser. However at the date of approval of these interim financial statement's the draft report of the appraiser is under review. Accordingly, the fair value of assets acquired and liabilities assumed have been provisionally determined at the acquisition date.

The Group is continuing its review of these matters during the measurement period. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date identifies adjustments to the above provisional fair values, or any additional assets or liabilities that existed at the acquisition date, then the acquisition accounting will be revised.

*Goodwill*

The goodwill is attributable mainly to the skills and technical talent of MKP's work force. The MKP's biomass power plant project for generating the electricity is located in Northern Thailand, which is well-placed to be a biomass fuel base in that area. Furthermore, there is potential for further efficiency generating the electricity to the total capacity. None of the goodwill recognised is expected to be deductible for income tax purposes.

*Acquisition-related costs*

The Group incurred acquisition-related costs of Baht 3.91 million related to external legal fees and due diligence costs.

In the period since acquisition date to 30 September 2018, Mae Krating Power Co., Ltd. contributed no income and operation loss for the period of Baht 2.40 million to the Group's operating results. If the acquisition had occurred on 1 January 2018, management estimates that consolidated revenue would not increase and consolidated loss for the nine-month period ended 30 September 2018 would have increased by Baht 2.46 million.

**Sakol Energy Public Company Limited and its Subsidiaries**  
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**5 Related parties**

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

Relationships with subsidiaries, key management and other related parties were as follows:

<b>Name of entities</b>	<b>Country of incorporation</b>	<b>Nature of relationships</b>
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
SK15 Company Limited	Thailand	Subsidiary with ownership of 99.99% and common directors
Sakol Energy Biomass Power 15 Company Limited	Thailand	Subsidiary with ownership of 99.99% and common directors
RE Biofuels Company Limited	Thailand	Subsidiary with ownership of 75% and common directors
Mae Krating Power Company Limited	Thailand	Subsidiary with ownership of 80% and common directors
PTC Holding Company Limited	Thailand	Common directors and directors hold entire shares
Transuwan Company Limited	Thailand	Common directors and directors hold substantial shares
Thai Biogas Technology Company Limited	Thailand	Common directors and directors hold substantial shares
T. Line Transport Company Limited	Thailand	Common directors and directors hold substantial shares
Tranthanakom Company Limited	Thailand	Common directors and directors hold substantial shares
N15 Technology Company Limited	Thailand	Common directors and directors hold substantial shares
CSK Waste Recycling Company Limited	Thailand	Common directors and directors hold substantial shares
CSK Inventory Services Company Limited	Thailand	Common directors and directors hold substantial shares
Thai Alternative Energy Group Company Limited	Thailand	Common directors

The pricing policies for transactions with related parties are explained further below:

<b>Transactions</b>	<b>Pricing policies</b>
Management income	Contractual rates
Rental and utility income	Contractual rates
Interest income	Contractual rates
Rental expense	Contractual rates





**Sakol Energy Public Company Limited and its Subsidiaries**  
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Balances as at 30 September 2018 and 31 December 2017 with related parties were as follows:

<i>Other receivables from related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
SK15 Company Limited	-	-	12	-
Sakol Energy Biomass Power 15 Company Limited	-	-	12	-
RE Biofuels Company Limited	-	-	198	-
Mae Krating Power Company Limited	-	-	144	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>366</u>	<u>-</u>

<b>Related party</b>				
Transuwan Company Limited	13	30	13	30

<i>Short-term loans to related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
RE Biofuels Company Limited	-	-	12,000	-
Mae Krating Power Company Limited	-	-	45,000	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>57,000</u>	<u>-</u>

Movements during the nine-month periods ended 30 September of loans to related parties were as follows:

<i>Three-month period ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
At 1 July	-	-	12,000	-
Increase	-	-	45,000	-
<b>At 30 September</b>	<u>-</u>	<u>-</u>	<u>57,000</u>	<u>-</u>

<i>Nine-month period ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Short-term loans Subsidiaries</b>				
At 1 January	-	-	-	-
Increase	-	-	57,000	-
<b>At 30 September</b>	<u>-</u>	<u>-</u>	<u>57,000</u>	<u>-</u>

**Sakol Energy Public Company Limited and its Subsidiaries**  
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In April 2018, the Company entered into a short-term loan agreement of Baht 12 million with RE Biofuels Co., Ltd., whereby the loan is repayable principal and interest within 7 days from the receipt of support from the Department of Alternative Energy Development and Efficiency or within 1 year from 18 April 2018, whichever is earlier, with an interest rate of 11% per year

In September 2018, the Company entered into a short-term loan agreement of Baht 45 million with Mae Krating Power Co., Ltd., whereby the loan is repayable principal and interest on 23 June 2018, with an interest rate MOR plus 2.75% per year. For the purpose of construction Mae Krating building a biomass power plant and a related this project only.

**Guarantees**

As at 30 September 2018, certain directors of the Group and the Company no had guaranteed for credit facilities. (31 December 2017 : Baht 326 million)

**6 Current investments**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Mutual fund	86,377	425,398	54,302	393,570
<b>Total</b>	<b>86,377</b>	<b>425,398</b>	<b>54,302</b>	<b>393,570</b>

Movements during the three-month and nine-month periods ended 30 September 2018 and 2017 of marketable mutual fund were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
<i>Three-month period ended 30 September</i>				
At 1 July	116,857	66,347	84,562	34,864
Purchases during the period	91,000	85,700	91,000	85,500
Sales during the period	(121,450)	(70,004)	(121,159)	(70,004)
Valuation adjustment	(30)	112	(101)	37
<b>At 30 September</b>	<b>86,377</b>	<b>82,155</b>	<b>54,302</b>	<b>50,397</b>
<i>Nine-month period ended 30 September</i>				
At 1 January	425,398	96,770	393,570	65,508
Purchases during the period	334,100	369,000	333,700	368,500
Sales during the period	(673,115)	(383,715)	(672,755)	(383,468)
Valuation adjustment	(6)	100	(213)	(143)
<b>At 30 September</b>	<b>86,377</b>	<b>82,155</b>	<b>54,302</b>	<b>50,397</b>

**Sakol Energy Public Company Limited and its Subsidiaries**  
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Movements during the three-month and nine-month periods ended 30 September 2018 and 2017 of debt securities held to maturity were as follows:

<i>Three-month period ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 April	-	-	-	-
<b>At 30 September</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Nine-month period ended 30 September</i>				
At 1 January	-	-	-	-
Purchases during the period	60,000	-	60,000	-
Sales during the period	(60,000)	-	(60,000)	-
<b>At 30 September</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**7 Trade account receivable**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Other party - current	<u><b>52,475</b></u>	<u><b>57,266</b></u>	<u><b>52,475</b></u>	<u><b>57,266</b></u>

Trade accounts receivable of the Group as at 30 September 2018 are within credit term.

The normal credit term granted by the Group is 30 days.

**Sakol Energy Public Company Limited and its Subsidiaries**  
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**8 Financial lease receivable**

	<b>Consolidated financial statements / Separate financial statements</b>							
	Within one year		After one year but within five years		After five years		Total	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>							
Financial lease receivable	37,320	37,321	126,690	126,690	198,768	222,522	362,778	386,533
Less deferred interest income	(19,957)	(20,618)	(69,300)	(72,664)	(54,422)	(65,941)	(143,679)	(159,223)
<b>Net</b>	<b><u>17,363</u></b>	<b><u>16,703</u></b>	<b><u>57,390</u></b>	<b><u>54,026</u></b>	<b><u>144,346</u></b>	<b><u>156,581</u></b>	<b><u>219,099</u></b>	<b><u>227,310</u></b>

The Company entered into two natural gas compression contracts with PTT Public Company Limited (PTT) to provide gas storage trailers natural gas compression service to PTT. The Company must comply with the conditions stipulated in the contracts for a period of 20 years, expiring in March 2029 and October 2030, respectively. These contracts have met the conditions for arrangements which contain leases, according to TFRIC 4.

**Sakol Energy Public Company Limited and its Subsidiaries**  
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**9 Investments in subsidiaries**

<i>Nine-month period ended 30 September</i>	<i>Note</i>	<b>Separate financial statements</b>	
		2018	2017
At 1 January		201,999	201,999
Acquisition	4	89,500	-
Increase in share capital of subsidiary		216,340	-
<b>At 30 September</b>		<b>507,839</b>	<b>201,999</b>

*Acquisition of subsidiaries and increase in share capital of subsidiaries*

On 8 February 2018, the Company acquired 7,500 ordinary shares of RE Biofuels Co., Ltd, Baht 1,266.67 per share totaling Baht 9.5 million being 75% of the ordinary shares. Subsequently, during March 2018, RE Biofuels Co., Ltd increased its registered capital from Baht 1 million (10,000 shares at Baht 100 par value) to Baht 15 million (150,000 ordinary shares at Baht 100 par value) and call for 75% of paid-up share capital (105,000 ordinary shares at Baht 100 par value) of Baht 10.50 million.

Later on 15 May 2018, the Company acquired 2,000,000 ordinary shares of Mae Krating Power Co., Ltd, Baht 40 per share totaling Baht 80 million being 80% of the ordinary shares. Subsequently, during June 2018, Mae Krating Power Co., Ltd increased its registered capital from Baht 25 million (2,500,000 shares at Baht 10 par value) to Baht 282.30 million (28,230,000 ordinary shares at Baht 10 par value) and call for 80% of paid-up share capital (20,584,000 ordinary shares at Baht 10 par value) of Baht 205.84 million.

**Sakol Energy Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
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Investments in subsidiaries as at 30 September 2018 and 31 December 2017, and dividend income from those investments for nine-month periods ended 30 September were as follows:

		Separate financial statements						Dividend income for the nine-month periods ended	
	Type of business	Ownership interest		Paid share capital		Cost		30 September 2018	30 September 2017
		30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017		
<b>Subsidiaries</b>		(%)		(in thousand Baht)					
SK15 Company Limited	Rental of property	99.99	99.99	140,000	140,000	140,000	140,000	-	-
Sakol Energy Biomass Power 15 Company Limited	Production and distribution of electricity	99.99	99.99	62,000	62,000	61,999	61,999	-	-
RE Biofuels Company Limited	Production and distribution compressed bio-methane gas	75.00	-	15,000	-	20,000	-	-	-
Mae Krating Power Company Limited	Production and distribution electricity	80.00	-	282,300	-	285,840	-	-	-
<b>Total</b>				<b>499,300</b>	<b>202,000</b>	<b>507,839</b>	<b>201,999</b>	<b>-</b>	<b>-</b>

All subsidiaries were incorporated in Thailand.

The Company has no investments in subsidiaries registered in the stock exchange so there are no published price quotations to be disclosed.

**Sakol Energy Public Company Limited and its Subsidiaries**  
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**10 Property, plant and equipment**

Acquisitions, disposals and transfers of plant and equipment during the nine-month periods ended 30 September were as follows:

<i>Nine-month period ended 30 September</i>	<b>Consolidated financial statements</b>			
	2018		2017	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
	<i>(in thousand Baht)</i>			
Land	-	-	-	159,495
Buildings and constructions	13,283	-	80	-
Machinery and equipment	2,040	-	2,486	-
Electrical system	-	-	1,587	-
Tools	309	-	83	-
Furniture, fixtures and office Equipment	954	-	971	-
Assets under construction and installation	265,168	7,214	5,770	4,199
<b>Total</b>	<b>281,754</b>	<b>7,214</b>	<b>10,977</b>	<b>163,694</b>

During the nine-month period ended 30 September 2017, land with carrying amount of Baht 159.50 million which its fair value amounted to Baht 164.37 million was transferred to investment property, because currently they have not been used for operation by subsidiaries.

<i>Nine-month period ended 30 September</i>	<b>Separate financial statements</b>			
	2018		2017	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
	<i>(in thousand Baht)</i>			
Buildings and constructions	13,283	-	80	-
Machinery and equipment	2,040	-	2,486	-
Electrical system	-	-	1,587	-
Tools	309	-	83	-
Furniture, fixtures and office Equipment	771	-	971	-
Assets under construction and installation	-	7,214	5,770	4,199
<b>Total</b>	<b>16,403</b>	<b>7,214</b>	<b>10,977</b>	<b>4,199</b>



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**11 Interest-bearing liabilities**

	<b>Consolidated financial statements</b>	
	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>	
<b><i>Current</i></b>		
Short-term loans from financial institutions - Secured	51,852	40,000
Current portion of long-term loans from financial institutions - Secured	-	14,680
Current portion of long-term loans from financial institutions - Unsecured	10,518	-
Current portion of financial lease and hire purchase liabilities	946	1,076
<b>Total current interest-bearing liabilities</b>	<b><u>63,316</u></b>	<b><u>55,756</u></b>
<b><i>Non-current</i></b>		
Long-term loans from financial institutions - Secured	-	41,568
Long-term loans from financial institutions - Unsecured	17,188	-
Financial lease and hire purchase liabilities	796	1,510
<b>Total non-current interest-bearing liabilities</b>	<b><u>17,984</u></b>	<b><u>43,078</u></b>
<b>Total interest-bearing liabilities</b>	<b><u>81,300</u></b>	<b><u>98,834</u></b>
	<b>Separate financial statements</b>	
	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>	
<b><i>Current</i></b>		
Short-term loans from financial institutions - Secured	40,000	40,000
Current portion of long-term loans from financial institutions - Secured	-	14,680
Current portion of long-term loans from financial institutions - Unsecured	10,518	-
Current portion of financial lease and hire purchase liabilities	946	1,076
<b>Total current interest-bearing liabilities</b>	<b><u>51,464</u></b>	<b><u>55,756</u></b>
<b><i>Non-current</i></b>		
Long-term loans from financial institutions - Secured	-	41,568
Long-term loans from financial institutions - Unsecured	17,188	-
Financial lease and hire purchase liabilities	796	1,510
<b>Total non-current interest-bearing liabilities</b>	<b><u>17,984</u></b>	<b><u>43,078</u></b>
<b>Total interest-bearing liabilities</b>	<b><u>69,448</u></b>	<b><u>98,834</u></b>

**Sakol Energy Public Company Limited and its Subsidiaries**  
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The periods to maturity of interest-bearing liabilities, excluding finance lease and hire purchase liabilities, as at 30 September 2018 and 31 December 2017 were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Within one year	62,370	54,680	50,518	54,680
After one year but within five years	17,188	41,568	17,188	41,568
	<b>79,558</b>	<b>96,248</b>	<b>67,706</b>	<b>96,248</b>

Secured interest-bearing liabilities as at 30 September 2018 and 31 December 2017 were secured on the following assets:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Property, plant and equipment	177,488	66,554	47,634	66,554
Investment properties	100,983	100,983	-	-
	<b>148,617</b>	<b>167,537</b>	<b>47,634</b>	<b>66,554</b>

In July 2013, the Company entered into a long-term loan agreement of Baht 100 million with a financial institution. The long-term loan is repayable in 84 monthly installments of Baht 1.43 million each effective from September 2014, interest is paid monthly at the rate of MLR-2.375% per annum for the first two years, MLR-2.125% per annum for the third to fourth year, and MLR-1.625% per annum for the remaining years. This loan is secured by a mortgage of land, buildings and structures on such land, and machinery and equipment of the Company along with any assignment of the insured property. Under the loan agreement, the Company must comply with certain conditions stipulated in the agreement, such as financial covenants and to maintain the Company's major shareholders not less than 26% of the total shares over the term of this agreement. However, the Company had repaid the loan balance in May 2018.

In May 2018, the Company entered into a long-term loan agreement of Baht 30 million with a financial institution. The long-term loan is repayable in 36 monthly installments of Baht 0.9 million each effective from June 2018, with interest at the rate of 4.76% per annum.

In August 2018, a subsidiary entered into a credit facility agreement with a financial institution. These credit facilities are secured by a mortgage of buildings and structures of the subsidiary, the Company and shareholder by percentage of shareholding, transfer right of the receipt of support from the Department of Alternative Energy Development and Efficiency, transfer power of collection under sale agreement, transfer right of land's leasehold and transfer right of claim from customer.

As at 30 September 2018, the Company had short-term loans from a financial institution totaling Baht 40 million (*31 December 2017: Baht 40 million*) with interest rate at 4.15% per annum (*31 December 2017: 4.15% per annum*).

As at 30 September 2018 the Group and the Company had unutilised credit facilities totaling Baht 236.78 million and 178.63 million respectively (*31 December 2017: Baht 237.38 and Baht 237.38 million respectively*).

**Sakol Energy Public Company Limited and its Subsidiaries**  
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*Finance lease and hire purchase liabilities*

Finance lease and hire purchase liabilities as at 30 September 2018 and 31 December 2017 were payable as follows:

	<b>Consolidated / Separate financial statements</b>					
	30 September 2018			31 December 2017		
	Future minimum lease payments	Interest	Present value of minimum lease payments <i>(in thousand Baht)</i>	Future minimum lease payments	Interest	Present value of minimum lease payments
Within one year	1,010	(64)	946	1,175	(99)	1,076
After one year but within five years	813	(17)	796	1,517	(61)	1,510
<b>Total</b>	<b><u>1,823</u></b>	<b><u>(81)</u></b>	<b><u>1742</u></b>	<b><u>2,746</u></b>	<b><u>(160)</u></b>	<b><u>2,586</u></b>

**Sakol Energy Public Company Limited and its Subsidiaries**  
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**12 Segment information**

*Information about reportable segments*

<i>Three-month period ended</i>	<b>Natural gas compression</b>		<b>Others</b>		<b>Total</b>		<b>Elimination of inter-segment</b>		<b>Total</b>	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<i>30 September</i>					<i>(in thousand Baht)</i>					
External revenue										
- Revenue from services	76,536	78,369	-	-	76,536	78,369	-	-	76,536	78,369
- Revenue from financial lease	5,129	5,335	-	-	5,129	5,335	-	-	5,129	5,335
Other income	1,364	311	137	153	1,501	464	(316)	(14)	1,185	450
<b>Total segment revenue</b>	<b><u>83,029</u></b>	<b><u>84,015</u></b>	<b><u>137</u></b>	<b><u>153</u></b>	<b><u>83,166</u></b>	<b><u>84,168</u></b>	<b><u>(316)</u></b>	<b><u>(14)</u></b>	<b><u>82,850</u></b>	<b><u>84,154</u></b>
Segment profit (loss) before income tax	<u>15,553</u>	<u>17,198</u>	<u>(1,851)</u>	<u>54</u>	<u>13,702</u>	<u>17,252</u>	<u>(148)</u>	<u>-</u>	<u>13,554</u>	<u>17,252</u>

**Sakol Energy Public Company Limited and its Subsidiaries**  
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<i>Nine-month period ended</i> <i>30 September</i>	<b>Natural gas compression</b>		<b>Others</b>		<b>Total</b>		<b>Elimination of inter-segment</b>		<b>Total</b>	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	<i>(in thousand Baht)</i>									
External revenue										
- Revenue from services	236,086	229,462	-	-	236,086	229,462	-	-	236,086	229,462
- Revenue from financial lease	15,544	16,150	-	-	15,544	16,150	-	-	15,544	16,150
Other income	3,867	1,297	642	462	4,509	1,759	(831)	(41)	3,678	1,718
<b>Total segment revenue</b>	<b>255,497</b>	<b>246,909</b>	<b>642</b>	<b>462</b>	<b>256,139</b>	<b>247,371</b>	<b>(831)</b>	<b>(41)</b>	<b>255,308</b>	<b>247,330</b>
Segment profit before income tax	48,001	55,529	(3,581)	99	44,420	55,628	(416)	-	44,004	55,628
Segment assets as at 30 September / 31 December	1,061,344	1,039,249	566,722	203,705	1,628,066	1,242,954	(471,227)	(202,000)	1,156,839	1,040,954
Segment liabilities as at 30 September / 31 December	128,507	154,637	71,511	392	200,018	155,029	44,603	-	155,415	155,029

**Sakol Energy Public Company Limited and its Subsidiaries**  
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**13 Income tax expense**

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year multiplied by the pre-tax income of the interim reporting period. The Group's consolidated and the Company's effective tax rate in respect of continuing operations for the nine-month ended 30 September 2018 was (0.99%) and (0.91%) respectively. (30 September 2017: Nil). This change in effective tax rate was caused mainly by the exemption from payment of corporate income tax by the privileges from the promoted business.

**14 Basic earnings per share**

The calculations of basic earnings per share for the three-month and nine-month periods ended 30 September 2018 and 2017 were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

<i>Three-month period ended</i> <i>30 September</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht/thousand shares)</i>			
Profit for the periods attributable to ordinary shareholders of the Company (basic)	<u>14,092</u>	<u>17,252</u>	<u>15,703</u>	<u>17,198</u>
Weighted average number of ordinary shares outstanding	<u>930,000</u>	<u>692,800</u>	<u>930,000</u>	<u>692,800</u>
<b>Basic earnings per share (in Baht)</b>	<b><u>0.015</u></b>	<b><u>0.025</u></b>	<b><u>0.017</u></b>	<b><u>0.025</u></b>

<i>Nine-month period ended</i> <i>30 September</i>	<b>Consolidated</b> <b>financial statements</b>		<b>Separate</b> <b>financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht/thousand shares)</i>			
Profit for the periods attributable to ordinary shareholders of the Company (basic)	<u>45,165</u>	<u>55,628</u>	<u>48,438</u>	<u>55,529</u>
Weighted average number of ordinary shares outstanding	<u>930,000</u>	<u>692,800</u>	<u>930,000</u>	<u>692,800</u>
<b>Basic earnings per share (in Baht)</b>	<b><u>0.049</u></b>	<b><u>0.080</u></b>	<b><u>0.052</u></b>	<b><u>0.080</u></b>

**15 Dividends**

At the annual general meeting of shareholders of the Company held on 6 March 2017, the shareholders approved the appropriation of dividend of Baht 0.3406 per share, amounting to Baht 235.97 million. The dividend was paid to the shareholders in March 2017.

**Sakol Energy Public Company Limited and its Subsidiaries**  
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**16 Financial instruments**

*Carrying amounts and fair values*

The following table shows the carrying amounts and fair values of financial assets, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	Carrying amount	Fair value Level 2 <i>(in thousand Baht)</i>	Carrying amount	Fair value Level 2
<b>30 September 2018</b>				
Mutual fund	<u>86,377</u>	<u>86,377</u>	<u>54,302</u>	<u>54,302</u>
<b>31 December 2017</b>				
Mutual fund	<u>425,398</u>	<u>425,398</u>	<u>393,570</u>	<u>393,570</u>

Mutual fund is stated at fair value using the net asset value as of the reporting date announced by the Association of Investment Management Companies. Related valuation processes are described in note 2 (c).

**17 Commitments with non-related parties**

	<b>Consolidated financial statement</b>		<b>Separate financial statements</b>	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>			
<b>Capital commitments</b>				
<i>Contracted but not provided for:</i>				
Buildings	437,695	6,194	-	6,194
Machinery and equipment	24,191	1,093	-	1,093
Software	1,640	1,020	1,640	1,020
Furniture, fixtures and office equipment	-	76	-	76
<b>Total</b>	<u>463,526</u>	<u>8,383</u>	<u>1,640</u>	<u>8,383</u>
<b>The future minimum lease payments under non-cancellable leases</b>				
Within one year	9,383	8,765	8,639	8,765
After one year but within five years	14,800	14,858	8,273	14,858
<b>Total</b>	<u>24,183</u>	<u>23,623</u>	<u>16,912</u>	<u>23,623</u>
<b>Other commitments</b>				
Bank guarantees	<u>55,570</u>	<u>38,770</u>	<u>53,770</u>	<u>38,770</u>

The Company has letters of guarantee issued by a financial institution on behalf of the Company amounting to Baht 45 million for the obligations required in the normal course of business which comprise mostly guarantees for performance contracts (31 December 2017: Baht 30 million).

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The Group and the Company has commitments with a domestic financial institution for letters of guarantee for electricity usage amounting to Baht 10.57 million and 8.77 million respectively (*31 December 2017: Baht 8.77 million and Baht 8.77 million respectively*). The Group pledged its deposits of Baht 1.8 million as guarantee with such the bank (*31 December 2017:Nil*).

**18 Event after the reporting period**

On 9 November 2018, the board of directors' meeting approved the following matters:

- (a) Withdraw mortgage of land, buildings and structures on such land, and machinery and equipment from financial institution in which the Company had fully repaid loan in May 2018.
- (b) Request credit facilities with a financial institution not exceeding Baht 300 million. These credit facilities are secured by mortgage of land, buildings and structures on such land, and machinery and equipment of the Company which were withdraw as specified in (a).
- (c) Revise repayment schedule of a short-term loan agreement of Baht 12 million with RE Biofuels Co., Ltd. by change from repayable principal and interest within 7 days from the receipt of support from the Department of Alternative Energy Development and Efficiency or within 1 year from 18 April 2018, whichever is earlier, to monthly repayable of Baht 0.21 million for 72 installments, effective from May 2019 and also changes of interest rate from 11% per year to 8% per year with effective from November 2018.