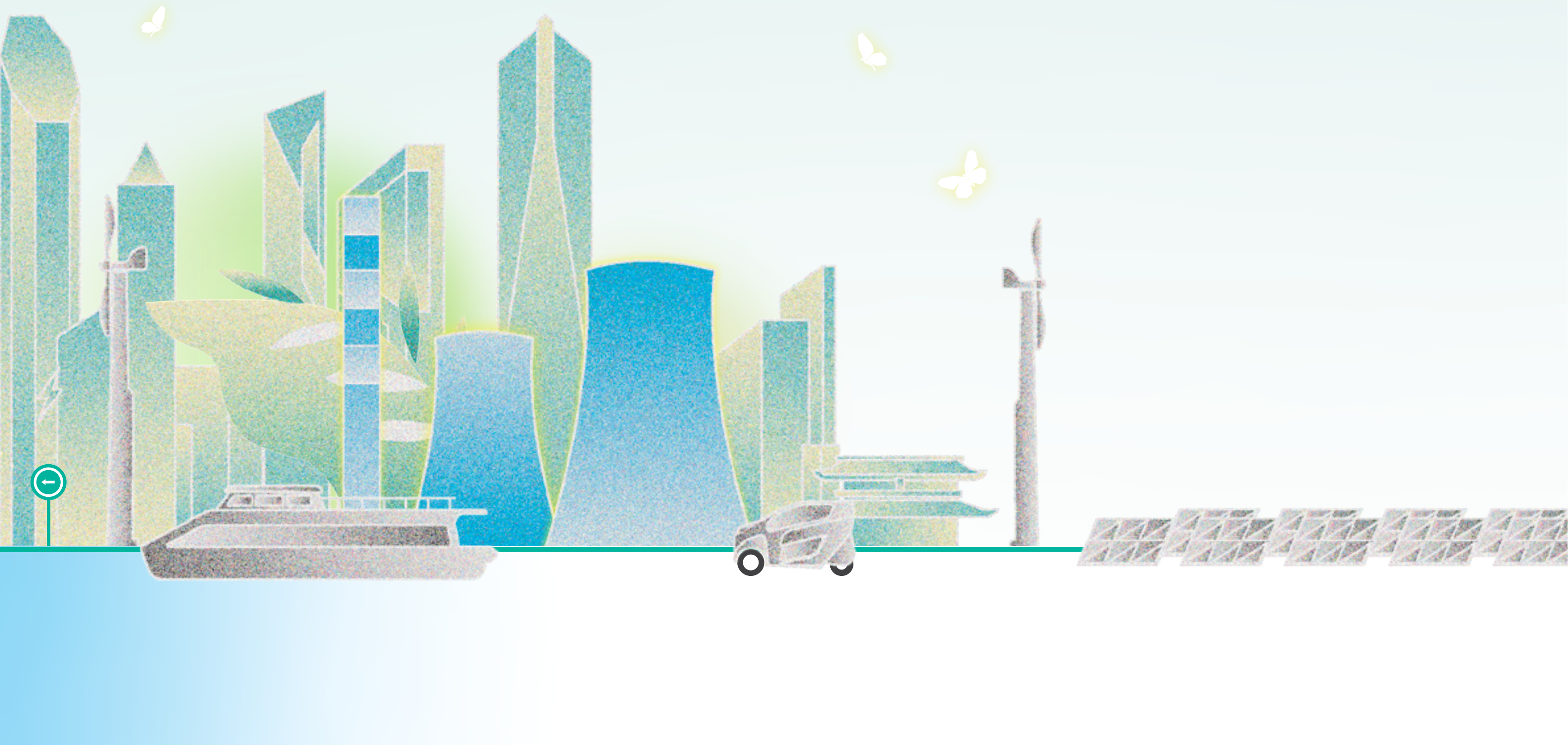
BANPU POWER PUBLIC COMPANY LIMITED

FINANCIAL REPORT 2020

ENERGY GENERATION FOR SUSTAINABLE FUTURE

CONTENTS



REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

The Board of Directors has placed top priority on supervising the Company's operations to ensure their compliance with good corporate governance policy and overseeing the accuracy, completeness, and adequacy of financial statements and financial information appearing in the annual report. It also has a responsibility to ascertain that the financial statements are carefully prepared in strict compliance with Thai Financial Reporting Standards, which is based on the International Financial Reporting Standards. In addition, the Board of Directors must establish and maintain an effective internal control system to ensure the reliability of its financial statements. The Board has to safeguard the Company's assets with a good protection system to prevent corruption or suspicious operations. Connected transactions which can give rise to possible conflicts of interest are closely monitored to ensure that they are genuine transactions and are reasonably carried out based on the ordinary course of business for the Company's maximum benefits and in compliance with relevant laws and regulations. The Audit Committee has already reported the result of its activities to the Board of Directors, and its opinions in the Audit Committee's Report are included in the annual report.

The Board of Directors is of the opinion that the Company's internal control system has been proved to be satisfactory. The Board was able to obtain reasonable assurance on the reliability of the consolidated financial statements as at 31 December 2020, which the auditor conducted an audit in accordance with Thai Standards on Auditing. The auditor is of the opinion that the financial statements present fairly the financial position and the results of its operations and cash flows in conformity with Thai Financial Reporting Standards.

(Assoc. Prof. Dr. Naris Chaiyasoot)
Chairman of the Board of Directors

(Dr. Kirana Limpaphayom)
Chief Executive Officer

REPORT OF THE AUDIT COMMITTEE TO SHAREHOLDERS

Dear Shareholders of Banpu Power Public Company Limited,

The Audit Committee of Banpu Power Public Company Limited consists of three independent directors who are competent and have relevant experience in finance and accounting, economics, risk management, engineering, and energy business as follows:

1)	Mr. Yokporn Tantisawetrat	Chairman of the Audit Committee
2)	Assoc. Prof. Dr. Naris Chaiyasoot	Member of the Audit Committee
3)	Prof. Dr. Bundhit Eua-arporn	Member of the Audit Committee

Ms. Orawan Phunamsarp is the Head of the Internal Audit and the Secretary to the Audit Committee.

The Audit Committee is fully aware of its duties and responsibilities stipulated in the Audit Committee Charter as well as other duties entrusted by the Board of Directors with independence and in compliance with the Best Practice Guidelines for Audit Committee and the regulations of the Stock Exchange of Thailand. The Audit Committee underlines compliance with the principles of good corporate governance, effective and efficient systems of risk management as well as internal control and internal audit to create sustainable value for the organization based on the Three Lines Model[1].

In 2020, the Audit Committee convened 10 times at which a quorum was established with the participation of the management, Internal Audit, and the external auditors on the related agenda. The Audit Committee also held a private meeting with the external auditors without the presence of the management. The results of the Audit Committee meetings were quarterly reported to the Board of Directors. The Audit Committee's main activities can be summarized as follows:

1. **Review of Financial Statements:** The Audit Committee reviewed Banpu Power's quarterly financial statements and the 2020 annual financial statements on major issues, including related party transactions, transactions with a possible conflict of interest, and the appropriateness of accounting policies. The Committee also reviewed material accounts, significant changes in accounting and adjustment, accounting estimates, the disclosure of notes to the financial statements, and the external auditor's observations from the review and audit of the financial statements. The Audit Committee received sufficient explications from external auditors, management, and related parties and ensured that the financial statements were prepared in compliance with laws and financial reporting standards. The disclosure of notes to the financial statements was accurate, sufficient, and timely for the benefit of investors and users of the financial statements.

2. **Review of Internal Control and Internal Audit:** The Audit Committee quarterly reviewed the internal control system based on the report of internal audit results and the follow-up results of the Banpu Power Group. The Committee also considered the result of self-evaluation based on the Self Evaluation Form formulated by the Office of the Securities and Exchange Commission (SEC). Overall, the Audit Committee concluded that Banpu Power had an adequate, appropriate, and effective internal control system which covered the corporate level as well as activity level.

[1] The term "Three Lines of Defense" was changed to "Three Lines Model" in July 2020.
Source: https://global.theiia.org/about/about-internal-auditing/Pages/Three-Lines-Model.aspx#positionpaper

The Audit Committee reviewed the Internal Audit Department's operation by approving the annual audit plan and budget. The Committee monitored internal audit results and performance of the department as well as the internal audit service provider (Banpu Public Company Limited, according to the Management Service Agreement) and evaluated the performance of the Head of Internal Audit. Moreover, the Committee provided advice and followed up the audit results against the audit plan by stressing preventive audit measures and monitoring prompt corrective action of significant issues. Internal Audit and Follow-up Results were regularly reported to the management. It is also reported to the Audit Committee on a quarterly basis.

3. **Review of Laws and Regulatory Compliance:** The Audit Committee reviewed the compliance of Banpu Power Group's businesses with applicable laws, rules, and regulations as well as policies. The Corporate Compliance Department is responsible for auditing and monitoring laws and regulatory compliance and regularly report compliance issues and monitoring results to the management and the Audit Committee. In addition, the Company reported risk management and internal audit results covering key compliance risks. In 2020, the Company used Compliance Risk Management (C-RiM) application to oversee compliance risk of the Company and its subsidiaries in each country via an online system, and Laws In-Hand application is used to monitor recent laws and regulatory updates in all host countries of Banpu Power Group's businesses.

4. **Review of Related Party Transactions:** The Audit Committee reviewed related party transactions or transactions that may cause conflicts of interests between the Company, its subsidiaries, and other related parties to ensure that the transactions were carried out under fair conditions for the sake of the Company's and stakeholder's benefits and did not involve a transfer of interest. The transactions must also be fair and reasonable in compliance with the laws and regulations of the Stock Exchange of Thailand (SET) and the Office of the Securities and Exchange Commission (SEC).

5. **Oversight of Risk Management System:** The Audit Committee reviewed the efficiency and effectiveness of the risk management process and monitored key risks that may have posed threats to the Company's business operations. The Audit Committee also quarterly monitored the progress of the management of key risks and changing situations which affected the operations. The Audit Committee has reviewed the mitigation plan to be in place, emphasizing systematic and sustainable management which timely responds to rapidly changing business scenarios and trends. There is a clearly written policy on risk management as stipulated in the Risk Management Policy and the Charter of Risk Management Committee, which was approved by the Board of Directors. The Committee convenes regular meetings to assess risks. The Risk Management Policy was communicated to all units of Banpu Power, its subsidiaries and joint ventures with which they have to comply. In 2020, the Company set forth its risk management policy and risk appetite in the BPP Risk Management Policy and RMC Charter, which were approved by the Board of Directors' meeting.

6. **The Appointment of the External Auditor and Determine the Audit Fee for 2021:** The Audit Committee considered the selection of external auditors based on the evaluation criteria set by the Company based on independence, timeliness, quality, professional standard, and reasonable audit fees. As a result of review, the external auditors' qualifications met the Stock Exchange of Thailand's requirements. The Audit Committee proposed the appointment of external auditors to the Board of Directors for consideration and for a further proposal to the general shareholders' meeting for approval. The following individuals of PricewaterhouseCoopers ABAS Ltd. (PwC) were appointed as the external auditors of Banpu Power Public Company Limited for 2021:

    1) Ms. Rodjanart Banyatananusard, CPA, License No. 8435; and/or
    2) Ms. Amornrat Pearmpoonvatanasuk, CPA, License No. 4599; and/or
    3) Mr. Pongthawee Ratanakoses, CPA, License No. 7795; and/or
    4) Mr. Boonrueng Lerdwiseswit, CPA, License No. 6552

These CPAs of PricewaterhouseCoopers ABAS Ltd. (PwC) were appointed as the external auditors of Banpu Power for 2021. One of these individuals was assigned to conduct his/her audit and to provide opinions on the financial statements of Banpu Power. In case that these appointed auditors are unable to perform their duties, PricewaterhouseCoopers ABAS Ltd. (PwC) shall appoint other of its CPAs as the external auditors of Banpu Power. The total audit fee for 2021 was proposed at THB 1,737,961.

In summary, in 2020, the Audit Committee independently performed its duties and responsibilities as set forth in the Audit Committee Charter based on their knowledge, capabilities, and prudent consideration for the equitable benefit of the stakeholders. The Audit Committee is certain that Banpu Power's financial statements were completed and were consistent with generally accepted accounting standards and principles, and there was adequate information disclosure. Banpu Power's business conduct was in line with a sound corporate governance policy, and the Company had an appropriate risk management system as well as effective and adequate internal control and internal audit systems. In addition, Banpu Power properly complied with existing laws and regulations relevant to its business operations.

19 February 2021
On behalf of the Audit Committee

(Mr. Yokporn Tantisawetrat)
Chairman of the Audit Committee
Banpu Power Public Company Limited

MANAGEMENT'S DISCUSSION AND ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Management Discussion and Analysis

Banpu Power entered 2021 with its achievement toward the strategy of creating sustainable growth by bringing up its generation capacity reach 2,750 MWe on equity basis from the Commercial Operation Date (COD) of Yamagata and Yabuki solar power plants in Japan, acquisition of El Wind Mui Dinh operating wind farm in Vietnam and the completion of Shanxi Lu Guang power plant construction which is now under trial-operation to prepare for the commercial dispatch. In terms of sustaining operational performance, HPC power plant has encountered natural disaster incidents but has successfully implemented operational recovery plan which reflect power plant has achieved yearly Equivalent Availability Factor (EAF) of 82%, while BLCP power plant consistently dispatch electricity without interruption and Combined Heat and Power (CHP) plants in China reported smooth operation, support by solid demand especially from industrial users within the area despite the first round of COVID-19 outbreak. In terms of development of energy technology business under Banpu NEXT also introduced several new products & services including the new solar floating project, launch of Banpu NEXT e-Ferry, and recently launched the first phase of the "Phuket Livable City, Smart and Safe" project with Phuket municipalities. For this year, Banpu Power will continue its construction of projects in pipeline to achieve COD of additional 3 projects which are Kesennuma and Shirakawa Solar power plant projects in Japan, and Vinh Chau phase 1 wind project in Vietnam.

In 2020, Banpu Power reported net profit of THB 3,702 million, include the unrealized gain on exchange rate of THB 148 million from the depreciation of THB currency against USD. The reported EBITDA was THB 5,230 million, an increase of 9 % compare to previous year, mainly from higher contribution from HPC and CHP power plants and the successful cost reduction program across all operations.

The total revenue was THB 5,506 million, mainly from China CHP plants of THB 5,288 million, and revenue from China solar and energy trading in Japan of THB 218 million which recognized under Banpu Power financial performance for one quarter in Q1/2020 prior to the amalgamation of Banpu NEXT. China CHP plants reported better performance reflecting its solid demand from both industrial and residential users, support by Chinese government COVID-19 pandemic response measures and China CHP plants' successful implementation of centralized coal procurement system resulted in an average coal cost reduced to 572 RMB per tonne compare to 599 RMB per tonne previous year, the reported gross profit margin therefore improved to 20%.

The share of profit from joint ventures was THB 3,565 million, consists of share of profit from HPC power plant of THB 3,223 million (included the unrealized translation gain of THB 11 million) an increase of 14%. Throughout the year, HPC power plant has implemented extensive improvement program to ensure long term reliability, and also recognized insurance claims which lessen the impact of loss in revenue from natural disasters in 2019 and 2020. While, BLCP power plant reported share of profit of THB 543 million (included the unrealized translation gain of THB 48 million and deferred tax loss of THB 368 million). The Banpu NEXT reported loss sharing of renewable energy and energy technology business totaled to THB 290 million.

The completion of amalgamation of renewable and energy technology business and launched new flagship company as Banpu NEXT, will help Banpu Power to capture growth opportunities for Greener business with innovative new energy technology to serve future energy consumption. Banpu Power will continues to seek for investment opportunities especially operating assets with focus in technology advancement in strategic countries with strong demand growth with support from government policy.

2. Significant Event

On 27 February 2020, the group has restructured investments by the amalgamation that aimed to synergize renewable energy business with energy technology business by establishing a new company named Banpu NEXT Co., Ltd. (Banpu NEXT) with 50% shareholdings by Banpu Power Public Company Limited. The amalgamation caused the change in investment type from investment in a subsidiary, Banpu Renewable Energy Co., Ltd, to be investment in an associate, Banpu NEXT.

The restructuring impacted to the consolidated statement of financial position of the group as follows:

1. The group consolidated operating performance of the solar power plants and energy trading business in consolidated comprehensive income in 2020 for January – February. Whereas, started since March 2020, those operating performance was recognized by taking shares of profits (or loss) in consolidated comprehensive income. As a result of the amalgamation, the group recognized an accounting entry from the changes in type of investments of Baht 577 million.

2. Assets, liabilities and equities of those solar power plant and energy trading business were removed from the consolidated statement of financial position of Banpu Power Group since March 2020.

3. Group Performance Analysis

The analysis and explanation of Banpu Power Group performance for the year ended 31 December 2020 and 2019:

Consolidated Statement of Income for the year ended 31 December 2020 and 2019

Consolidated financial performance (Unit: Million Baht)	Y2020	Y2019	Change	
			Amount	%
Sales	5,506	5,687	(181)	-3%
Cost of sales	(4,391)	(4,609)	218	5%
Gross profit	**1,115**	**1,078**	**37**	**3%**
Administrative expenses	(946)	(1,749)	803	46%
Share of profit from an associate and joint ventures	3,565	3,673	(108)	-3%
Change in type of investment from amalgamation	(577)	-	(577)	100%
Other Income	1,169	494	675	137%
Other financial costs	(243)	(289)	46	16%
Profit before income taxes	**4,083**	**3,207**	**876**	**27%**
Income taxes	(300)	(204)	(96)	-47%
Profit for the year	**3,783**	**3,003**	**780**	**26%**
Owners of the company	**3,702**	**2,969**	**733**	**25%**
Non-controlling interests	81	34	47	138%
Basic earnings per share (unit: Baht)	1.214	0.973	0.241	25%

Net profit for 2020 reported at THB 3,702 million, increased by THB 733 million or 25% compared to 2019. This was mainly from the better operating performance from China CHP plants, getting business supports from Chinese government COVID-19 pandemic response measures, and also the success on implementation of centralized coal procurement program, and an increase in profit sharing from HPC power plant from recognition of compensate income from insurance claim for natural disasters during 2019 and 2020.

Details of the group operating performance for 2020 were described as followings:

Sales, Cost of sales and Gross profit

Sales reported at THB 5,506 million, decreased by THB 181 million or 3% compared to 2019. The mainly decrease was from solar power plants in China by THB 665 million and from energy trading business in Japan by THB 14 million as result of the change in investment type from group restructuring. Whereas, there was an increase of sales from CHP plants in china by 498 million.

Details were as follows:

Items	Power Sold (GWh)		Steam & Others Sold (Million Tonnes)		Average Power Tariff (RMB/GWh)		Average Steam & Other Price (RMB/Tonne)	
100% Basis	Y2020	Y2019	Y2020	Y2019	Y2020	Y2019	Y2020	Y2019
Zhending CHP	414.85	420.49	0.44	0.64	0.34	0.33	115.05	104.18
Luannan CHP	708.75	691.53	1.39	1.02	0.34	0.33	106.27	110.50
Zouping CHP	439.60	383.73	2.34	1.93	0.42	0.43	91.71	96.16
Total CHP Power Plant	**1,563.20**	**1,495.75**	**4.18**	**3.60**	**0.36**	**0.36**	**99.04**	**101.67**
Solar Power Plants	****47.47**	**213.88**	**-**	**-**	**0.83**	**0.83**	**-**	**-**

** Production capacity according to investment proportion in line with the restructuring of investments in the group as detail described in no.2

Combined Heat and Power (CHP) plants in China: Increase THB 498 million

An increase of sales from CHP plants compared to 2019 was derived from:

1. An increase of THB 125 million from power sales volume 67.45 GWh. derived from Luannan and Zouping power plants. An average power tariff was RMB 0.36 per kWh (2019: RMB 0.36 per kWh).
2. An increase of THB 218 million from steam sales and others. This was a net result of an increase of steam sales of 0.58 million tonne. An average price of steam sales per tonne was RMB 99.04 (2019: RMB 101.67) or decreased by RMB 2.63.
3. An increase of THB 155 million from the effects of foreign exchange rate translation due to a depreciation of THB currency against RMB currency compared to 2019. This impact to higher revenue in THB currency when converting from revenue in RMB currency. Average exchange rate of RMB/THB in 2020 was 4.5385 (2019: 4.4949).

Solar power plants in China

A decrease of THB 665 million compared to 2019 was from the completion of amalgamation since March 2020, the group changed profit recognition from consolidating net profits from solar power plant business in China as subsidiaries, to be taking profit sharing from those as an associate according to group restructuring (as details described in no.2).

Energy trading business in Japan

A decrease of THB 14 million compared to 2019 was from the completion of amalgamation since March 2020, the group changed profit recognition from consolidating net profits from energy trading business in Japan as subsidiaries, to be taking profit sharing from those as an associate according to group restructuring (as details described in no.2).

Cost of sales: Decrease 5%

Cost of sales was THB 4,391 million, decreased by THB 218 million or 5% compared to 2019 as a net result of:

1. An increase from CHP plants in China of THB 39 million due to an increase of coal consumption volume of 0.06 Million tonnes, whereas a decrease of average coal cost, main fuel. Average coal cost was RMB 572 per tonne (2019: RMB 599 per tonne), decreased by RMB 27 per tonne or 5% compared to 2019.
2. A decrease from solar power plant business in China of THB 238 million from the change in investment type from group restructuring as mentioned, thus, cost of sales from solar power plant in China was not consolidated since March 2020 (2019: THB 285 million as details described in no.2).
3. A decrease from energy trading business in Japan of THB 19 million from the change in investment type from group restructuring as mentioned, thus, cost of sales from energy trading business in Japan was not consolidated since March 2020 (2019: THB 134 million as details described in no.2).

Gross profit: Increase 3%

Gross profit reported at THB 1,115 million, increased by THB 37 million or 3% from 2019. This was a result of:

1. An increase from performance of the CHP plants in China THB 459 million
2. A decrease from the change in investment type from group restructuring of solar power plant business in China and an energy trading business in Japan that impact total THB 422 million (as details described in no.2).

Administrative expenses: Decrease 46%

Administrative expenses of THB 946 million, decreased by THB 803 million or 46% compared to 2019 was from:

1. A decrease of THB 362 million, was a result of the change in investment type from group restructuring (as details described in no.2).
2. A decrease of THB 441 million from expense related to explore new business opportunities abroad.

Items	Profit (loss) sharing		Increase/(Decrease)	
(Unit: Million Baht)	Y2020	Y2019	Amount	%
BLCP	543	840	(297)	-35%
HPC & PFMC	3,223	2,822	401	14%
SLG (Under construction)	76	(4)	80	2002%
Holding Company for Solar Power in Japan	21	19	2	9%
Banpu NEXT	(290)	-	(290)	-100%
Holding Company for Solar Power in Indonesia	(8)	(4)	(4)	-92%
Total	**3,565**	**3,673**	**(108)**	**-3%**

Share of profit from joint ventures and associates

Profit sharing from joint ventures and an associate decreased by THB 108 million or 3% compared to 2019 was a net result of:

1. A decrease in profit sharing from BLCP power plant of THB 297 million. This was mainly from deferred tax assets adjustments from lease receivable under power purchase agreement and foreign exchange conversion of assets from THB to USD for tax purpose.
2. An increase in profit sharing from HPC power plant and Phu Fai Mining Company Limited (PFMC) total of THB 401 million, including recognition of compensate income from natural disasters insurance claim of THB 225 million, and from a recognition of gain on foreign exchange rate translation of THB 190 million. Whereas profits from operating performance was decreased by THB 14 million due to temporary shutdown of unit no.3 for annual maintenance.
3. An increase in profit sharing from SLG power plant in China of THB 80 million.
4. A decrease from recognition of loss sharing from investment in renewable energy and energy technology business of THB 290 million.

Other income

Other income of THB 1,169 million was comprised of:

1. Interest income of THB 374 million.
2. Management fee income of THB 210 million, mainly was fees charged to related companies and joint ventures.
3. Pipeline connecting fee income charged to new steam customers of CHP plants in China of THB 95 million.
4. Net gain on exchange rate of THB 148 million was mostly from unrealized gain on exchange rate in USD currency at the end of the year caused by a depreciation of THB currency against USD currency compared to prior year. Average exchange rate of USD/THB as at 31 December 2020 was 31.2937 (2019: 31.0476).
5. Other income of THB 342 million consisted of ash & slag sales from CHP plants of THB75 million, subsidy income from China government of THB 185 million, and others of THB 82 million.

Interest expenses and finance cost

Interest expenses and finance cost of THB 243 million, decreased by THB 46 million, primarily from repayment to financial institution during the year.

Corporate income tax

Corporate income tax of THB 300 million, increased by THB 96 million compared to 2019 was from:

1. A decrease in corporate income tax of THB 39 million from solar power business in China as a result from the change in investment type from group restructuring.
2. An increase in corporate income tax of THB 135 million from higher operating profits from CHP power plant businesses in China.

Net profit for the year ended 31 December 2020 reported at THB 3,702 million, increased by THB 733 million from the same quarter of previous year.

Basic Earnings per Share reported at THB 1.214 (2019: THB 0.973)

4. Statement of Consolidated Financial Position

Statement of Consolidated Financial Position as of 31 December 2020 in comparison with Statements of Consolidated Financial Position as of 31 December 2019.

Items	Financial Position		Increase/(Decrease)	
(Unit: Million Baht)	31-Dec-20	31-Dec-19	Amount	%
Assets	**49,563**	**48,808**	**755**	**2%**
Liabilities	**7,585**	**8,992**	**(1,407)**	**-16%**
Equity	**41,978**	**39,816**	**2,162**	**5%**

4.1 Total assets of THB 49,563 million, an increase of THB 755 million compared to the 31 December 2019 was mainly described as follows:

Financial Position	Assets		Increase/(Decrease)	
(Unit: Million Baht)	31-Dec-20	31-Dec-19	Amount	%
Cash and cash equivalents	2,169	3,343	(1,174)	-35%
Financial assets measured at fair value through profit or loss	333	-	333	100%
Short-term investments	-	3,326	(3,326)	100%
Trade accounts receivable and note receivables	938	1,156	(218)	-19%
Current portion of dividende receivables from related parties	150	-	150	100%
Other current assets	3,929	1,074	2,855	266%
Total current assets	**7,519**	**8,899**	**(1,380)**	**-16%**
Dividend receivables from related parties	289	639	(350)	-55%
Investments in an associate and joint ventures	26,639	20,545	6,094	30%
Other investments, net	-	3,799	(3,799)	-100%
Property, plant and equipment, net	8,001	11,896	(3,895)	-33%
Right of use assets, net	569	-	569	100%
Other non current assets	6,546	3,030	3,516	116%
Total non current assets	**42,044**	**39,909**	**2,135**	**5%**
Total assets	**49,563**	**48,808**	**755**	**2%**

- Cash and cash equivalents of THB 2,169 million, decreased by THB 1,174 million or 35% (see explanation in no. 5 Statement of Consolidated Cash Flows).
- Financial assets measured at fair value through profit or loss of THB 333 million, this was a reclassification from short-term investment of THB 91 million from the impacts of new Thai Financial Reporting Standard No. 9 "Financial Instrument", and an additional of THB 1,107 million during the year; net with a redemption of THB 875 million and unrealized gain on exchange rate translation at the end of the year of THB 10 million.

- Short-term investment was decreased by THB 3,326 million from the redemption as maturity date of THB 3,235 million and reclassification to financial assets measured at fair value through profit or loss of THB 91 million from the impacts of new Thai Financial Reporting Standard No. 9 “financial Instrument”.

Dividend receivables from related parties	Financial Position		Increase/(Decrease)	
(Unit: Million Baht)	31-Dec-20	31-Dec-19	Amount	%
Current portion of dividend receivables from related parties	**150**	-	150	-
Dividend receivables from related parties	**289**	639	(350)	-
Total	**439**	**639**	**(200)**	

- Current and non-current portions of dividend receivables from related parties totaling of THB 439 million, decreased by THB 200 million from dividend receives during the year from the domestic power plant joint venture.

- Investment in joint ventures and an associate of THB 26,639 million, increased by THB 6,094 million or 30%. This was from the additional investment in renewable energy and energy technology business THB 732 million according to the change in type of investment from group restructuring, the additional investment in renewable energy business of THB 2,427 million, an increase from the impacts of new Thai Financial Reporting Standard No. 9 “Financial Instrument” that was effective in 2020 total THB 311 million, also a recognition of profit sharing from joint ventures THB 3,565 million, including an increase from dividend declaration during the year THB 775 million and loss on foreign exchange rate translation at the end of year THB 166 million.

- Other investment was decreased by THB 3,799 million from the change in type of investment structure from group restructuring (as details described in no.2).

- Net property plant and equipment of THB 8,001 million, decreased by THB 3,895 million was from additions of machinery and equipment of CHP plants THB 331 million, from the effects of foreign exchange rate translation at the end of year THB 727 million; net with disposals THB 66 million and depreciation charges THB 355 million. A decrease was also from the change in type of investment structure from the group restructuring THB 4,532 million (as details described in no.2).

- Right-of-used assets of THB 569 million was recognized according to the adoption of new accounting standards from the adoption of new Thai Financial Reporting Standard No. 16 “Leases” that was effective in 2020.

- Other non-current assets of THB 6,546 million, increased by THB 3,516 million was mainly from:

  1. An increase in loan to related parties of THB 5,741 million caused by the change in type of investment structure from group restructuring that the loan to a subsidiary was turned to be loan to an associate. As a result, there was no elimination of this transaction under the consolidated financial position (as details described in no.2).

  2. A decrease in non-current assets of THB 1,937 million from solar power business in China due to the change in type of investment structure from group restructuring (as details described in no.2).

  3. A decrease from accounting entry due to the adoption of new Thai Financial Reporting Standard No. 16 “Leases” that was effective in 2020 total of THB 288 million that was reclassified to rights of use assets.

4.2 Total liabilities of THB 7,585 million, decreased by THB 1,407 million or 16% compared to total liabilities as of 31 December 2019 with details mainly described as follows:

Financial Position	Liabilities		Increase/(Decrease)	
(Unit: Million Baht)	31-Dec-20	31-Dec-19	Amount	%
Short-term loans from financial institutions	1,454	887	567	64%
Trade accounts payable	170	397	(227)	-57%
Current portion of long-term loans from financial institutions and finance lease liabilities	951	1,128	(177)	-16%
Current portion of lease liabilities	12	-	12	100%
Other current liabilities	1,480	1,432	48	3%
Total current liabilities	**4,067**	**3,844**	**223**	**6%**
Long-term loans from financial institutions, net	3,481	5,029	(1,548)	-31%
Lease liabilities	8	-	8	100%
Other non current liabilities	29	119	(90)	-75%
Total non-current liabilities	**3,518**	**5,148**	**(1,630)**	**-32%**
Total liabilities	**7,585**	**8,992**	**(1,407)**	**-16%**

- Short-term loans from financial institutions of THB 1,454 million, increased by THB 567 million was from a net result of additional loans THB 6,547 million and repayment THB 6,040 million. Also, there was the effects of foreign exchange rate translation at the end of year THB 60 million on loan in RMB currency due to a depreciation of THB currency against RMB currency. Average exchange rate of RMB/THB as of 31 Dec 2020 was THB 4.6187 (31 Dec 2019: THB 4.3147).

- Current portion of long-term loans from financial institutions of THB 951 million, decreased by THB 177 million or 16%. This was a net result of reclassification from non-current portion THB 924 million (including net front end fee), repayment THB 1,020 million. Also, a decrease was from the change in type of investment from group restructuring THB 88 million (as details described in no.2), and from the effects of foreign exchange rate translation at the end of year was THB 7 million from a depreciation of THB currency against RMB currency.

- Other current liabilities of THB 1,480 million, an increase of THB 48 million mainly was from:

  1. An increase of advance received from steam residential customers of CHP plants in China THB 45 million.
  2. An increase of fuel purchased payable from related company of THB 153 million.
  3. A decrease of assets purchased payables of CHP plants by THB 29 million.
  4. A decrease of assets purchased payable by THB 30 million and accrued expense by THB 46 million from solar power plants in China, according to the change in type of investment from group restructuring (as details described in no.2).
  5. A decrease of accrued expense of THB 45 million.

- Long-term loans from financial institutions of THB 3,481 million, a decrease of THB 1,548 million or 31%, was from additional loan THB 168 million (including net front end fee), net with reclassification to current portion THB 924 million. Moreover, a decrease was from the change in type of investment from group restructuring THB 865 million (as details described in no.2) and the effect of foreign exchange rate translation at the end of year was THB 73 million that mainly from loan in RMB currency because of a depreciation of THB currency against RMB currency.

4.3 Shareholders' equity of THB 41,978 million, an increase of THB 2,162 million compared to shareholders' equity as of 31 December 2019 was due to:

Financial Position	Equity		Increase/(Decrease)	
(Unit: Million Baht)	31-Dec-20	31-Dec-19	Amount	%
Owners of the parent	41,109	39,079	2,030	5%
Non-controlling interests	869	737	132	18%
Total equity	**41,978**	**39,816**	**2,162**	**5%**

- An increase of THB 3,702 million from net profits for the year ended 2020.
- An increase of THB 4 million from share-based payment.
- An increase of THB 1,185 million from gain on foreign exchange translation of subsidiaries' financial statements.
- An increase of THB 1,463 million from impact of new Thai Financial Reporting Standard No. 9 "Financial instrument" that was effective in 2020.
- A decrease of THB 1,829 million from dividend payment.
- A decrease of THB 1,921 million from changes in type of investment from group restructuring (as details described in no.2).
- A decrease of THB 42 million from treasury shares.
- A decrease of THB 326 million from cashflows hedge reserves.
- A decrease of THB 206 million from the change in fair value of hedged financial instruments.
- An increase of THB 132 million from non-controlling interests.

Net debt to equity ratio as of 31 December 2020 from consolidated financial positions was 0.07 times (31 December 2019: 0.01 times).

5. Statements of Consolidated Cash Flows

Statement of consolidated cash flows for the year ended 31 December 2020 recorded a decrease of net cash flows from 31 December 2019 by THB 1,174 million (included the effect from exchange rate translation gain of THB 30 million). The consolidated cash flows were as follows:

Cash flow (Unit: Million Baht)	Consolidated
Net cash receipts from operating activities	605
Net cash receipts from investing activities	428
Net cash used in financing activities	(2,237)
Net decrease in cash and cash equivalents	**(1,204)**
Exchange differences on cash and cash equivalents	30
Cash and cash equivalents at beginning of the year	3,343
Cash and cash equivalents at end of the year	**2,169**

5.1 Net cash inflows from operating activities of THB 605 million comprised of:

- Collection from sales of power and steam THB 4,923 million.
- Payment to suppliers and contractors THB 3,811 million.
- Payment of interest expense THB 232 million.
- Payment of corporate income tax THB 275 million.

5.2 Net cash inflows from investing activities of THB 428 million comprised of:

- Receipts of dividends from joint ventures and others THB 975 million.
- Receipts from financial assets THB 4,110 million.
- Receipts from interest income THB 442 million.
- Receipts from restricted deposits THB 138 million.
- Receipts from short term and long-term loan to related party THB 1,434 million.
- Payments for machine, equipment, and project in progress THB 311 million.
- Additional investments in power business in China, solar power business in Japan THB 2,569 million.
- Cash payments for right-of-use assets in China THB 259 million.
- Payments from restricted deposit THB 137 million.
- Payments for short term loan to related party THB 1,599 million.
- Payments for financial assets THB 1,107 million.
- The effect of change in types of investments from the group restructuring THB 689 million (as details described in no.2).

5.3 Net cash outflows from financing activities of THB 2,237 million comprised of:

- Receipts from short-term and long-term loans from financial institutions THB 6,708 million.
- Repayments of short-term and long-term loans from financial institutions THB 7,059 million.
- Payment for lease liabilities THB 15 million.
- Payments for treasury stock THB 42 million.
- Payments for dividend THB 1,829 million.

INDEPENDENT AUDITOR'S REPORT

To the shareholders of Banpu Power Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Banpu Power Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2020;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Group restructuring. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter

Group restructuring

Refer to Note 14 Investments in subsidiaries, associates and joint ventures.

On 27 February 2020, Banpu NEXT Co., Ltd. (Banpu NEXT) was established, resulting from an amalgamation between Banpu Renewable Energy Co., Ltd. (BRE), a former direct subsidiary of the Company, and Banpu Infinergy Co., Ltd. (BPIN), a subsidiary of Banpu Public Company Limited (the Parent). The Company exchanged all of its ordinary shares of BRE for 50% of the newly issued ordinary shares of Banpu NEXT as was the specified shareholding portion in the agreement. The Company classified the investment in Banpu NEXT as investment in an associate because the Company only has significant influence whereas the Parent has control over Banpu NEXT through direct and indirect holding, which makes Banpu NEXT a subsidiary of the Parent. The effect of the Group's restructuring has significant impact to the consolidated and separate financial statements as disclosed in Note 14.1.

Management engaged an external valuer to appraise the fair values of BPIN's and BRE's net assets to determine the share swap ratio of BPIN's and BRE's ordinary shares. Management then recognised the initial cost of the investment in Banpu NEXT on the amalgamation date.

I focused on the Group's restructuring and the fair value determinations of BPIN's and BRE's net assets. This is because the accounting impact of the Group's restructuring is complicated. In addition, the fair value of net assets is significant to the financial statements, and the assumptions involve management's judgement. Key assumptions applied by management are the feasibility of future business plans, forecast revenues and operating costs, capital structure, growth rates and discount rates applied for the valuation.

I carried out the following procedures to obtain evidence of management's accounting principles and determination of fair value of BPIN's and BRE's net assets on the amalgamation date:

- read the shareholder agreement to understand the key terms and conditions and confirmed our understanding of the transaction with the management
- evaluated management's accounting entries arising from Group's restructuring whether they were made according to the relevant financial reporting standards, and also consulted with my accounting expert on those accounting entries
- assessed the appropriateness of the net assets identification, and evaluated management's procedures for determining their fair value
- evaluated the competency, qualifications, experience and objectivity of management's experts
- tested the calculation of the fair value of net assets, and also challenged management's key assumptions applied in the estimation of future cash flows, for example, the feasibility of future business plans, estimated revenues and operating costs, capital structure, growth rates and discount rates by comparing those assumptions to the underlying agreements and external sources and
- assessed whether the discount rates applied by management were within the acceptable range, taking into account independently obtained data from available public information of companies in the industry.

As a result of the procedures performed, I noted that management's accounting entries arising from the Group's restructuring were made according to the relevant financial reporting standards, and the key assumptions applied by management in determining the fair value of net assets were reasonable and consistent with supporting evidence.

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

PricewaterhouseCoopers ABAS Ltd.

Rodjanart Banyatananusard
Certified Public Accountant (Thailand) No. 8435
Bangkok
22 February 2021

STATEMENT OF FINANCIAL POSITION

Banpu Power Public Company Limited

As at 31 December 2020

(Baht'000)

		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
Assets					
Current assets					
Cash and cash equivalents	10	2,169,033	3,342,710	1,595,569	1,787,332
Restricted deposits at financial institutions	14	88	-	-	-
Financial assets measured at fair value through					
profit or loss	7, 11	332,546	-	-	-
Short-term investments	11	-	3,326,047	-	3,235,438
Trade receivables and note receivables, net	12	937,618	1,156,449	-	-
Amounts due from related parties	30	487,197	5,644	281,049	310,323
Current portion of dividend receivables					
from related parties	14, 30	150,000	-	150,000	-
Advances to related parties	30	8,804	38	34,182	30,682
Short-term loans to related parties	30	2,795,705	98,235	-	-
Fuel		443,374	368,808	-	-
Spare parts and supplies, net		61,663	58,109	-	-
Other current assets	13	132,541	542,464	10,595	12,351
Total current assets		7,518,569	8,898,504	2,071,395	5,376,126
Non-current assets					
Dividend receivables from related parties	14, 30	288,831	638,831	196,033	546,034
Long-term loans to related parties	30	5,740,754	-	7,890,550	7,489,367
Investments in subsidiaries	14	-	-	17,118,717	21,429,104
Investments in associates and joint ventures	14	26,638,516	20,544,727	19,870,427	13,115,778
Other investments	15	-	3,798,736	-	-
Property, plant and equipment, net	16	8,001,318	11,895,521	1,764	2,083
Right-of-use assets, net	17	568,789	-	4,799	-
Deferred income tax assets, net	18	544,275	554,285	5,265	8,688
Goodwill		38,094	38,243	-	-
Rights to operate the power plants, net		-	199,845	-	-
Other non-current assets	19	223,632	2,238,980	166,405	150,007
Total non-current assets		42,044,209	39,909,168	45,253,960	42,741,061
Total assets		49,562,778	48,807,672	47,325,355	48,117,187

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

Banpu Power Public Company Limited

As at 31 December 2020

(Baht'000)

		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
Liabilities and equity					
Current liabilities					
Short-term loans from financial institutions	20	1,453,895	886,616	1,000,000	-
Trade accounts payable		169,964	396,547	-	-
Advances from and amounts due to related parties	30	244,964	62,057	29,367	6
Current portion of long-term loans				-	
from financial institutions, net	22	950,774	1,061,173	698,415	696,161
Financial lease liabilities, net		-	66,435	-	-
Current portion of lease liabilities, net	17	11,860	-	1,319	-
Income tax payable		58,601	55,461	-	-
Other current liabilities	21	1,176,918	1,315,096	19,844	31,916
Total current liabilities		4,066,976	3,843,385	1,748,945	728,083
Non-current liabilities					
Long-term loans from financial institutions, net	22	3,480,832	5,029,062	2,995,670	3,692,681
Lease liabilities, net	17	7,765	-	3,657	-
Deferred income tax liabilities, net	18	966	69,662	-	-
Financial derivative liabilities	7	1,949	2,725	1,949	2,725
Employee benefit obligations		26,513	47,005	26,513	41,425
Total non-current liabilities		3,518,025	5,148,454	3,027,789	3,736,831
Total liabilities		7,585,001	8,991,839	4,776,734	4,464,914

STATEMENT OF FINANCIAL POSITION

Banpu Power Public Company Limited

As at 31 December 2020

(Baht'000)

		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
Equity					
Share capital					
Registered share capital					
3,104,492,000 ordinary shares of Baht 10 each		31,044,920	31,044,920	31,044,920	31,044,920
Issued and paid-up share capital					
3,051,021,700 ordinary shares of Baht 10 each		30,510,217	30,510,217	30,510,217	30,510,217
Premium on share capital		7,231,386	7,231,386	7,231,386	7,231,386
Surplus from business combination under common control		(3,891,564)	(1,970,423)		-
Reserve for share-based payment	26	40,326	37,407	40,326	37,407
Retained earnings					
Appropriated					
- Legal reserve	25	1,600,200	1,561,200	1,600,200	1,561,200
- Other reserve	24	41,694	-	41,694	-
Unappropriated		9,550,966	6,705,128	3,168,051	4,314,243
Less Treasury shares	24	(41,694)	-	(41,694)	-
Other components of equity		(3,932,802)	(4,996,367)	(1,559)	(2,180)
Owners of the Company		41,108,729	39,078,548	42,548,621	43,652,273
Non-controlling interests		869,048	737,285	-	-
Total equity		41,977,777	39,815,833	42,548,621	43,652,273
Total liabilities and equity		49,562,778	48,807,672	47,325,355	48,117,187

STATEMENT OF COMPREHENSIVE INCOME

Banpu Power Public Company Limited

For the year ended 31 December 2020

(Baht'000)

		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
Sales		5,505,511	5,687,010	-	-
Cost of sales		(4,390,664)	(4,608,873)	-	-
Gross profit		1,114,847	1,078,137	-	-
Dividend income from a subsidiary and joint ventures	30	-	-	782,350	4,385,432
Dividend income from other investment	15	-	19,579	-	-
Management fee and others		646,643	555,911	23,589	25,799
Interest income		374,439	139,639	387,660	380,052
Administrative expenses		(945,709)	(1,749,295)	(299,505)	(502,398)
Effect of change in investment types from the group restructuring	14	(577,138)	-	17,632	-
Net gains (losses) on exchange rate		148,066	(221,986)	12,800	(187,799)
Interest expenses		(236,091)	(275,530)	(145,570)	(141,835)
Other financial costs		(6,921)	(12,607)	(5,894)	(8,417)
Share of profit from associates and joint ventures, net	14	3,565,379	3,673,076	-	-
Profit before income taxes		4,083,515	3,206,924	773,062	3,950,834
Income taxes	18	(300,491)	(204,083)	(4,488)	1,877
Profit for the year		3,783,024	3,002,841	768,574	3,952,711
Other comprehensive income (expense), net of taxes:					
Items that will not be reclassified to profit or loss					
- Share of other comprehensive income (expense) of associates and joint ventures accounted for using the equity method	14	236,838	(12,439)	-	-
- Losses on fair value of equity instruments through other comprehensive income		(439,653)	-	-	-
- Remeasurements of post-employment benefit		(5,306)	-	(6,101)	-
Less Income tax relating to other comprehensive income (expense)		1,061	-	1,220	-
Total items that will not be reclassified to profit or loss, net of taxes		(207,060)	(12,439)	(4,881)	-

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

STATEMENT OF COMPREHENSIVE INCOME

Banpu Power Public Company Limited

For the year ended 31 December 2020

(Baht'000)

		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
Items that will be reclassified to profit or loss					
- Gains (losses) on cash flow hedge reserve		776	(2,725)	776	(2,725)
Less Income tax relating to other comprehensive income (expense)		(155)	545	(155)	545
- Share of other comprehensive expense of associates and joint ventures accounted for using the equity method	14	(592,296)	(900,975)	-	-
- Translation differences		1,504,912	(1,259,642)	-	-
Total items that will be reclassified to profit or loss, net of taxes		913,237	(2,162,797)	621	(2,180)
Other comprehensive income (expense) for the year, net of taxes		706,177	(2,175,236)	(4,260)	(2,180)
Total comprehensive income for the year		4,489,201	827,605	764,314	3,950,531
Profit attributable to:					
Owners of the Company		3,702,480	2,968,932	768,574	3,952,711
Non-controlling interests		80,544	33,909	-	-
		3,783,024	3,002,841	768,574	3,952,711
Total comprehensive income (expense) attributable to:					
Owners of the Company		4,355,096	861,812	764,314	3,950,531
Non-controlling interests		134,105	(34,207)	-	-
		4,489,201	827,605	764,314	3,950,531
Earnings per share					
Basic earnings per share (Baht)	28	1.214	0.973	0.252	1.296

STATEMENT OF CHANGES IN EQUITY

Banpu Power Public Company Limited

For the year ended 31 December 2020

(Baht'000)

		Consolidated financial statements													
		Attributable to owners of the Company													
							Retained earnings			Other components of equity					
										Other comprehensive income (expense)					
	Notes	Issued and paid-up share capital	Premium on share capital	Treasury shares	Surplus from business combination under common control	Reserve for Share-based payment	Legal reserve	Other reserve	Unappropriated	Cash flow hedge reserve	Change in fair value of equity instruments	Translation differences	Total other components of equity	Non-controlling interests	Total equity
Opening balance as at 1 January 2020		30,510,217	7,231,386	-	(1,970,423)	37,407	1,561,200	-	6,705,128	(647,941)	-	(4,348,426)	(4,996,367)	737,285	39,815,833
Retrospective adjustments from changes in accounting policy	4	-	-	-	-	-	-	-	(5,466)	-	1,470,453	-	1,470,453	(2,342)	1,462,645
Closing balance after adjustment		30,510,217	7,231,386	-	(1,970,423)	37,407	1,561,200	-	6,699,662	(647,941)	1,470,453	(4,348,426)	(3,525,914)	734,943	41,278,478
Treasury shares		-	-	(41,694)	-	-	-	-	-	-	-	-	-	-	(41,694)
Treasury shares reserve		-	-	-	-	-	-	41,694	(41,694)	-	-	-	-	-	-
Change in investment types from the group restructuring		-	-	-	(1,921,141)	-	-	-	1,063,749	-	(1,063,749)	-	(1,063,749)	-	(1,921,141)
Legal reserve	25	-	-	-	-	-	39,000	-	(39,000)	-	-	-	-	-	-
Reserve for share-based payment	26	-	-	-	-	2,919	-	-	-	-	-	-	-	-	2,919
Dividend paid	29	-	-	-	-	-	-	-	(1,829,191)	-	-	-	-	-	(1,829,191)
Change in remeasurements of post-employment benefit from transfer of employees to an associate		-	-	-	-	-	-	-	(795)	-	-	-	-	-	(795)
Total comprehensive income (expense) for the year		-	-	-	-	-	-	-	3,698,235	(326,307)	(202,815)	1,185,983	656,861	134,105	4,489,201
Closing balance as at 31 December 2020		30,510,217	7,231,386	(41,694)	(3,891,564)	40,326	1,600,200	41,694	9,550,966	(974,248)	203,889	(3,162,443)	(3,932,802)	869,048	41,977,777
Opening balance as at 1 January 2019		30,510,217	7,231,386	-	(1,970,423)	32,620	1,363,200	-	6,144,336	(190,180)	-	(2,711,506)	(2,901,686)	771,492	41,181,142
Retrospective adjustments from changes in accounting policy		-		-	-	-	-	-	(214,537)	-	-	-	-	-	(214,537)
Closing balance after adjustment		30,510,217	7,231,386	-	(1,970,423)	32,620	1,363,200	-	5,929,799	(190,180)	-	(2,711,506)	(2,901,686)	771,492	40,966,605
Legal reserve	25	-	-	-	-	-	198,000	-	(198,000)	-	-	-	-	-	-
Reserve for share-based payment	26	-	-	-	-	4,787	-	-	-	-	-	-	-	-	4,787
Dividend paid	29	-	-	-	-	-	-	-	(1,983,164)	-	-	-	-	-	(1,983,164)
Total comprehensive income (expense) for the year		-	-	-	-	-	-	-	2,956,493	(457,761)	-	(1,636,920)	(2,094,681)	(34,207)	827,605
Closing balance as at 31 December 2019		30,510,217	7,231,386	-	(1,970,423)	37,407	1,561,200	-	6,705,128	(647,941)	-	(4,348,426)	(4,996,367)	737,285	39,815,833

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

Banpu Power Public Company Limited

For the year ended 31 December 2020

(Baht'000)

		Separate financial statements								
						Retained earnings			Other compnents of equity	
									Other comprehensive expense	
	Notes	Issued and paid-up share capital	Premium on share capital	Treasury shares	Reserve for Share-based payment	Legal reserve	Other reserve	Unappropriated	Cash flow hedge reserve	Total equity
Opening balance as at 1 January 2020		30,510,217	7,231,386	-	37,407	1,561,200	-	4,314,243	(2,180)	43,652,273
Treasury shares		-	-	(41,694)	-	-	-	-	-	(41,694)
Treasury shares reserve		-	-	-	-	-	41,694	(41,694)	-	-
Legal reserve	25	-	-	-	-	39,000	-	(39,000)	-	-
Reserve for share-based payment	26	-	-	-	2,919	-	-	-	-	2,919
Dividend paid	29	-	-	-	-	-	-	(1,829,191)	-	(1,829,191)
Total comprehensive income for the year		-	-	-	-	-	-	763,693	621	764,314
Closing balance as at 31 December 2020		30,510,217	7,231,386	(41,694)	40,326	1,600,200	41,694	3,168,051	(1,559)	42,548,621
Opening balance as at 1 January 2019		30,510,217	7,231,386	-	32,620	1,363,200	-	2,542,696	-	41,680,119
Legal reserve	25	-	-	-	-	198,000	-	(198,000)	-	-
Reserve for share-based payment	26	-	-	-	4,787	-	-	-	-	4,787
Dividend paid	29	-	-	-	-	-	-	(1,983,164)	-	(1,983,164)
Total comprehensive income (expense) for the year		-	-	-	-	-	-	3,952,711	(2,180)	3,950,531
Closing balance as at 31 December 2019		30,510,217	7,231,386	-	37,407	1,561,200	-	4,314,243	(2,180)	43,652,273

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

Banpu Power Public Company Limited

For the year ended 31 December 2020

(Baht'000)

		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
Cash flows from operating activities					
Profit for the year before income taxes		4,083,515	3,206,924	773,062	3,950,834
Adjustment to reconcile profit for cash receipts (payments) from operations					
- Depreciation and amortisation		402,463	612,647	2,123	779
- Reverse of provision for slow-moving of spare parts and supplies		-	(7,491)	-	-
- Interest income		(374,439)	(139,639)	(387,660)	(380,052)
- Interest expenses		236,091	275,530	145,570	141,835
- Other financial costs		6,921	12,607	5,894	8,417
- Share of profit from associates and joint ventures, net	14	(3,565,379)	(3,673,076)	-	-
- Dividend income from a subsidiary and joint ventures	30	-	-	(782,350)	(4,385,432)
- Dividend income from other investment	15	-	(19,579)	-	-
- Effect of change in investment types from the group restructuring	14	577,138	-	(17,632)	-
- Losses on write-off other investment	15	-	2,834	-	-
- Net gains on disposal of property, plant and equipment		(2,694)	(525)	(13)	(24)
- Write-off property, plant and equipment	16	50,787	17,757	-	-
- Share-based payment	26	2,919	4,787	2,919	4,787
- Net (gains) losses on exchange rate		(59,854)	119,209	(12,679)	184,180
Cash flow before changes in working capital		1,357,468	411,985	(270,766)	(474,676)
Changes in working capital (net of effects from acquisition and disposal of subsidiaries)					
- Trade accounts receivable and note receivables		119,153	388,633	-	-
- Amounts due from related parties		(23,630)	13,660	117	3,385
- Advances to related parties		(11,016)	181,803	(3,500)	(8,822)
- Fuel and spare parts		(78,586)	57,740	-	-
- Other current assets		(137,714)	102,831	1,184	(3,773)
- Other non-current assets		(199,448)	(401,441)	(16,397)	(27,340)
- Trade accounts payable		(205,328)	(299,390)	-	-
- Advances from and amounts due to related parties		203,042	54,527	29,361	2
- Employee benefits obligation		(26,593)	12,480	(21,013)	10,606
- Other current liabilities		114,353	(678,168)	(5,822)	(6,019)

The notes to the consolidated and separate financial statements are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

Banpu Power Public Company Limited

For the year ended 31 December 2020

(Baht'000)

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Cash receipts from (used in) operations		1,111,701	(155,340)	(286,836)	(506,637)
- Interest paid		(232,130)	(278,045)	(151,528)	(145,168)
- Income tax paid		(274,644)	(192,913)	-	(2)
Net cash receipts from (used in) operating activities		604,927	(626,298)	(438,364)	(651,807)
Cash flows from investing activities					
Cash receipts from short-term investments		-	1,579,717	-	977,401
Cash payments for short-term investments		-	(4,810,661)	-	(4,212,839)
Cash receipts from financial assets measured at amortised cost		3,235,438	-	3,235,438	-
Cash receipts from financial assets measured at fair value through profit or loss		875,518	-	-	-
Cash payments for financial assets measured at fair value through profit or loss		(1,106,979)	-	-	-
Cash receipts from restricted deposits at financial institutions		137,530	78,199	-	-
Cash payments for restricted deposits at financial institutions		(137,616)	(28,707)	-	-
Cash receipts from short-term loans to related parties	30	179,270	36,228	-	3,220
Cash payments for short-term loans to related parties	30	(1,599,096)	(132,878)	(1,587,661)	(1,000)
Cash receipts from long-term loans to related parties	30	1,255,438	-	1,255,438	2,440,127
Cash payments for long-term loans to related parties	30	-	-	(62,040)	(1,888,023)
Cash payments for addition of investments in subsidiaries	14	-	-	-	(4,019,382)
Cash payments for addition of investments in an associate and joint ventures	14	(2,426,630)	(884,686)	(2,426,630)	(12,527)
Cash payments for purchase of investment in an associate	14	-	(315,665)	-	-
Cash payments for purchase of other investments	15	(132,938)	(483,752)	-	-
Cash receipts from decrease of other investment	15	-	441,734	-	-
Net cash payments for business combination		(9,679)	(216,254)	-	-
Decrease in cash from change in investment types from the group restructuring		(688,740)	-	-	-
Cash payments for purchase of property, plant and equipment		(328,666)	(1,048,530)	(533)	(602)
Cash receipts from disposal of property, plant and equipment		17,552	603	138	70
Cash payments for right-of-use assets		(259,221)	-	-	-
Interest received		442,167	79,772	423,147	380,638
Cash receipts from dividends from other investments	15	-	19,579	-	-
Cash receipts from dividends from subsidiaries and joint ventures	14	975,094	10,941,130	982,351	11,143,906
Net cash receipts from investing activities		428,442	5,255,829	1,819,648	4,810,989

STATEMENT OF CASH FLOWS

Banpu Power Public Company Limited

For the year ended 31 December 2020

(Baht'000)

		Consolidated financial statements		Separate financial statements	
	Notes	2020	2019	2020	2019
Cash flows from financing activities					
Cash receipts from short-term loans from financial institutions		6,546,927	3,352,288	5,300,000	1,749,000
Cash payments for short-term loans from financial institutions		(6,039,716)	(3,593,558)	(4,300,000)	(2,069,000)
Cash receipts from long-term loans from financial institutions	22	162,817	774,495	-	-
Cash payments for long-term loans from financial institutions	22	(1,019,713)	(1,087,952)	(700,000)	(700,000)
Cash payment for finance lease payables		-	(90,367)	-	-
Cash payments for lease liabilities		(15,114)	-	(1,511)	-
Cash payments for other financial costs		(1,678)	(1,136)	(651)	(1,136)
Cash payments for treasury shares		(41,694)	-	(41,694)	-
Dividend paid to shareholders	29	(1,829,191)	(1,983,164)	(1,829,191)	(1,983,164)
Net cash used in financing activities		(2,237,362)	(2,629,394)	(1,573,047)	(3,004,300)
Net increase (decrease) in cash and cash equivalents		(1,203,993)	2,000,137	(191,763)	1,154,882
Exchange differences on cash and cash equivalents		30,316	(100,406)	-	-
Cash and cash equivalents at beginning of the year		3,342,710	1,442,979	1,787,332	632,450
Cash and cash equivalents at end of the year		2,169,033	3,342,710	1,595,569	1,787,332
Supplementary of cash flows					
Significant non-cash transactions					
Other payables for purchase of property, plant and equipment as at 31 December		427,610	456,140	-	44
Transfer other investments to other receivables	15	-	150,629	-	-
Purchase consideration for business acquisition - Other payables from business acquisition		-	65,793	-	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2020

1 General information

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

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

The Company is a subsidiary of Banpu Public Company Limited (the Parent) who holds 78.66% of the Company's shares

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

These consolidated and separate financial statements were authorised by Board of Directors on 22 February 2021.

2. Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (TFRS) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except for certain accounts as disclosed in the accounting policies.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 8.

An English version of the consolidated and separate financial statements has been prepared from the financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language financial statements shall prevail.

3. New and amended financial reporting standards

3.1 New financial reporting standards that are effective for accounting period beginning or after 1 January 2020 and have significant impacts to the Group.

a) Financial instruments

The new financial standards related to financial instruments are as follows:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial instruments: Disclosures
TFRS 9	Financial instruments
TFRIC 16	Hedges of a net investment in a foreign operation
TFRIC 19	Extinguishing financial liabilities with equity instruments

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Group to apply hedge accounting to reduce accounting mismatch between hedged item and hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Group whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Group to assess both i) business model for holding the financial assets; and ii) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets' measurement. The new guidance requires assessment of impairment of financial assets as well as contract assets and recognition of expected credit loss from initial recognition.

On 1 January 2020, the Group has adopted the financial reporting standards related to financial instruments in its financial statements. However, the Group applied the accounting policy relating to financial instruments for the reporting period before 1 January 2020. Therefore, the impact from the adoption of these financial standards related to financial instruments will affect to classification and measurement of investment in equity instruments (previously classified as other investments) and investment in debt instruments (previously classified as short-term investments) and impairment of trade receivables The impact from the adoption has been disclosed in Note 4.

b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

On 1 January 2020, the Group has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 4.

3.2 Amended financial reporting standard that is effective for accounting period beginning or after 1 January 2021 and the Group has early adopted before the effective date.

Amendment to TFRS 3, Business combinations amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits. In addition, the standard sets out an optional test (the concentration test) to permit a simple assessment of whether an acquired set of activities and assets is not a business.

The Group has adopted this standard in its financial statements for accounting period beginning 1 January 2020. However, there was no impact to consolidated financial statements as at 31 December 2020.

3.3 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2021 and 2022. The Group has not early adopted these standards.

For accounting period beginning or after 1 January 2021

a) Revised Conceptual Framework for Financial Reporting added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

c) Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

For accounting period beginning or after 1 January 2022

d) Amendment to TFRS 16, Leases amended to include a practical expedient for leases that are modified as a direct consequence of IBOR reform (e.g. replacement of THBFIX as a benchmark interest rate due to the cancellation of LIBOR) for lessee to remeasure the lease liability by discounting the revised lease payments using a discount rate that reflects the change in the interest rate. An early application of the amendment is permitted.

The Group's management is currently assessing the impacts of adoption of these standards.

4. Impacts from initial application of the new financial reporting standards

The Group has adopted financial reporting standards related to financial instruments (TAS 32, TFRS 7 and TFRS 9) and lease standard (TFRS 16). The new accounting policies applied from 1 January 2020 were disclosed in Note 5.7, Note 5.12 and Note 5.13.

The Group has adopted those accounting policies from 1 January 2020 by applying the modified retrospective approach. The comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies were therefore recognised in the statement of financial position as of 1 January 2020.

The following tables show the adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of the financial reporting standards relating to financial instruments (TAS 32 and TFRS 9) and lease standard (TFRS 16):

(Baht'000)

	Consolidated financial statements			
	As at 31 December 2019 Previously reported	TAS 32 and TFRS 9 Adjustments and reclassifications	TFRS 16 Adjustments and reclassifications	As at 1 January 2020 Restated
Assets				
Current assets				
Financial assets measured at fair value through profit or loss	-	90,609	-	90,609
Financial assets measured at amortised cost	-	3,235,438	-	3,235,438
Short-term investments	3,326,047	(3,326,047)	-	-
Trade receivables and note receivables, net	1,156,449	(10,411)	-	1,146,038
Other current assets	542,464	-	(11,503)	530,961
Non-current assets				
Financial assets measured at fair value through other comprehensive income	-	4,958,581	-	4,958,581
Investments in associates and joint ventures	20,544,727	310,608	-	20,855,335
Other investments	3,798,736	(3,798,736)	-	-
Right-of-use assets	-	-	646,029	646,029
Deferred tax assets, net	554,285	2,603	-	556,888
Other non-current assets	2,238,980	-	(291,766)	1,947,214
	32,161,688	1,462,645	342,760	33,967,093

(Baht'000)

	Consolidated financial statements			
	As at 31 December 2019 Previously reported	TAS 32 and TFRS 9 Adjustments and reclassifications	TFRS 16 Adjustments and reclassifications	As at 1 January 2020 Restated
Liabilities and equity				
Current liabilities				
Finance lease liabilities, net	66,435	-	(66,435)	-
Current portion of lease liabilities, net	-	-	93,019	93,019
Non-current liabilities				
Lease liabilities, net	-	-	316,176	316,176
Equity				
Retained earnings - Unappropriated	6,705,128	(5,466)	-	6,699,662
Other components of equity	(4,996,367)	1,470,453	-	(3,525,914)
Non-controlling interests	737,285	(2,342)	-	734,943
	2,512,481	1,462,645	342,760	4,317,886

(Baht'000)

	Separate financial statements			
	As at 31 December 2019 Previously reported	TAS 32 and TFRS 9 Adjustments and reclassifications	TFRS 16 Adjustments and reclassifications	As at 1 January 2020 Restated
Assets				
Current assets				
Financial assets measured at amortised cost	-	3,235,438	-	3,235,438
Short-term investments	3,235,438	(3,235,438)	-	-
Non-current assets				
Right-of-use assets	-	-	6,238	6,238
	3,235,438	-	6,238	3,241,676
Liabilities and equity				
Current liabilities				
Current portion of lease liabilities, net	-	-	1,261	1,261
Non-current liabilities				
Lease liabilities, net	-	-	4,977	4,977
	-	-	6,238	6,238

Adjustments and reclassifications are summarised as follows:

- Classified short-term investments to financial assets measured at fair value through profit or loss and financial assets measured at amortised cost.
- Recognised impairment loss on trade receivables, net of taxes which was adjusted with unappropriated retained earnings and non-controlling interests.
- Remeasured fair value of other investments and reclassified to financial assets measured at fair value through other comprehensive income.
- Recognised right-of-use assets and lease liabilities including adjusted prepaid rental expense and accrued rental expense to right-of-use assets.

4.1 Impacts from the adoption of the financial reporting standards related to financial instruments (TAS 32 and TFRS 9)

Commencing on 1 January 2020, the Group has adopted the new financial reporting standards relating to financial instruments other than the accounting policies relating to financial derivatives and hedging activities as disclosed in the financial statements for the year ended 31 December 2019. The Group recognised the cumulative impacts on the date of initial application to the brought forward retained earnings (modified retrospective).

The adoption of the new financial reporting standards on financial instruments mainly affects the Group's accounting treatments as follows:

Classification and measurement of investments

- Investment in equity instruments (previously classified as other investments)

  As at 31 December 2019, the Group had equity instruments presented as other investments at cost of Baht 3,799 million in the consolidated statement of financial position. As at 1 January 2020, the Group reclassified these equity instruments and remeasured to fair value through other comprehensive income. The Group recognised the corresponding adjustments to other components of equity of Baht 1,470 million in the consolidated statement of financial position.

- Investment in debt instruments (previously classified as short-term investments)

  As at 31 December 2019, the Group had debt instruments presented as short-term investments of Baht 3,326 million in the consolidated statement of financial position and Baht 3,235 million in the separate statement of financial position. As at 1 January 2020, these debt instruments were reclassified by considering the business model as financialassets measured at fair value through profit or loss of Baht 91 millionand financial assets measured at amortised cost of Baht 3,235 million. These financial assets approximately equal to fair value.

Classification and measurement of financial assets and liabilities

As at 1 January 2020 (the date of initial application), the Group's management assessed the business models using in managing financial assets and financial liabilities of the Group and classified as follows:

(Baht'000)

	Consolidated financial statements				
	Fair value through profit or loss	Fair value of derivatives - Hedge Accounting	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
- Cash and cash equivalents	-	-	-	3,342,710	3,342,710
- Financial assets - investment in debt instruments	90,609	-	-	3,235,438	3,326,047
- Trade receivables and note receivables, net	-	-	62,134	1,083,904	1,146,038
- Amounts due from related parties	-	-	-	5,644	5,644
- Dividend receivables from related parties	-	-	-	638,831	638,831
- Advances to related parties	-	-	-	38	38
- Short-term loans to related parties	-	-	-	98,235	98,235
- Other current assets	-	-	-	530,961	530,961
- Financial assets - other investments	-	-	4,958,581	-	4,958,581
- Other non-current assets	-	-	-	1,947,214	1,947,214

(Baht'000)

	Consolidated financial statements				
	Fair value through profit or loss	Fair value of derivatives - Hedge Accounting	Fair value through other comprehensive income	Amortised cost	Total
Financial liabilities as at 1 January 2020					
- Short-term loans from financial institutions	-	-	-	886,616	886,616
- Trade accounts payable	-	-	-	396,547	396,547
- Advances from and amounts due to related parties	-	-	-	62,057	62,057
- Long-term loans from financial institutions, net	-	-	-	6,090,235	6,090,235
- Lease liabilities, net	-	-	-	409,195	409,195
- Financial derivative liabilities	-	2,725	-	-	2,725
- Other current liabilities	-	-	-	1,315,096	1,315,096

(Baht'000)

	Separate financial statements				
	Fair value through profit or loss	Fair value of derivatives - Hedge Accounting	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 January 2020					
- Cash and cash equivalents	-	-	-	1,787,332	1,787,332
- Financial assets - investment in debt instruments	-	-	-	3,235,438	3,235,438
- Amounts due from related parties	-	-	-	310,323	310,323
- Dividend receivables from related parties	-	-	-	546,034	546,034
- Advances to related parties	-	-	-	30,682	30,682
- Long-term loans to related parties	-	-	-	7,489,367	7,489,367
- Other current assets	-	-	-	12,351	12,351
- Other non-current assets	-	-	-	150,007	150,007
Financial liabilities as at 1 January 2020					
- Advances from and amounts due to related parties	-	-	-	6	6
- Long-term loans from financial institutions, net	-	-	-	4,388,842	4,388,842
- Lease liabilities, net	-	-	-	6,238	6,238
- Financial derivative liabilities	-	2,725	-	-	2,725
- Other current liabilities	-	-	-	31,916	31,916

As at 1 January 2020, financial assets and financial liabilities measured at amortised cost approximated to the fair value.

Impairment

The new requirements on the impairment losses will lead to expected credit losses having to be considered and recognised at the initial recognition and subsequent period. As at 1 January 2020, the Group applied the simplified approach in consider for impairment losses of trade receivables and recognised impairment losses net of taxes of Baht 7.81 million. The transition adjustment will be recognised as an adjustment to the opening balances of retained earnings of Baht 5.47 million and non-controlling interests of Baht 2.34 million.

4.2 Impacts from the adoption of the financial reporting standard related to leases (TFRS 16)

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as operating leases under the principles of TAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2020. The lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2020 was between 4.35% and 4.50% per annum.

For leases previously classified as finance leases, the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right-of-use asset and the lease liability at the date of initial application. The measurement principles of TFRS 16 are only applied after that date.

(Baht'000)

	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	509,665	3,904
Less: Discounted using the lessee's incremental borrowing rate of at the date of initial application	(187,516)	(645)
Add: Finance lease liabilities recognised as at 31 December 2019	66,435	-
Less: Low-value leases recognised on a straight-line basis as expense	(325)	(325)
Add: Adjustments as a result of a different treatment of extension and termination options	20,936	3,304
Lease liabilities recognised as at 1 January 2020	409,195	6,238
Lease liabilities		
Current lease liabilities	93,019	1,261
Non-current lease liabilities	316,176	4,977
	409,195	6,238

The Group recognised right-of-use assets which measured at the amount equal to the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

Practical expedients applied

In applying TFRS 16 for the first time for the leases before 1 January 2020, the Group has used the following practical expedients permitted by the standard:

- the use of a single discount rate to a portfolio of leases with reasonably similar characteristics
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

5. Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

5.1 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group 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. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method less impairment (if any).

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using cost method less impairment (if any).

c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

Joint operations

A joint operation is a joint arrangement whereby the Group has rights to the assets, and obligations for the liabilities relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Group's financial statement line items.

Joint ventures

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using cost method less impairment (if any).

d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

5.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises fair value of the assets transferred, liabilities incurred to the former owners of the acquiree and equity interests issued by the Group.

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses in consolidated financial statements.

Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of by transferred to retained earnings.

5.3 Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates (the Functional Currency). The financial statements are presented in Baht, which is the Company's functional currency and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

c) Group companies

The results and financial position of all of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of comprehensive income are translated at average exchange rates; and
- all resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

5.4 Cash and cash equivalents

In the consolidated statements of cash flows and separate statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

5.5 Trade receivables and notes receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

Note receivables are notes received from customers that are issued by financial institutions from sales of electricity and steam from subsidiaries in the People's Republic of China in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets.

The Group recognises note receivables at fair value through other comprehensive income.

5.6 Fuel and spare parts

Fuel and spare parts which are not met conditions of property, plant and equipment are stated at cost less allowance for obsolescence and defective.

Cost of fuel and spare parts are determined by the weighted average method. Fuel comprises coal and diesel.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of fuel and spare parts, such as import duties and transportation charges, less all attributable discounts and allowances. Allowance for obsolete, slow-moving and defective spare parts are reviewed on a specific case.

5.7 Financial assets

For the year ended 31 December 2020

a) Classification

From 1 January 2020, the Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest (SPPI).

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains (losses) together with foreign exchange gains and losses. Impairment losses are included in administrative expenses.

- FVOCI: Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), expect for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets are derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains (losses). Interest income is included in interest income. Impairment expenses are included in administrative expenses.

- FVPL: Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains (losses) in the period in which it arises.

e) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as dividend income when the right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains (losses) in the statement of comprehensive income.

Impairment losses and reversal of impairment losses on equity investments are reported together with changes in fair value.

f) Impairment

From 1 January 2020, the Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables and other receivables, which applies lifetime expected credit loss, from initial recognition, for trade receivables and other receivables.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and

- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations

Impairment and reversal of impairment losses are recognised in profit or loss and included in administrative expenses.

For the year ended 31 December 2019

Investments other than investments in subsidiaries, associates and joint ventures are classified into three categories: 1) held-to-maturity, 2) available-for-sale and 3) general investments. The classification depends on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis

- Investments with a fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity.
- Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale.
- Investments in non-marketable equity securities are classified as general investments.

All categories of investment are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Available-for-sale investments are subsequently measured at fair value. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income.

Held-to-maturity investments are carried at amortised cost using the effective yield method less impairment loss.

General investments are carried at cost less impairment.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the profit or loss.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is recognised to the profit or loss. When disposing of part of the Group's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

5.8 Property, plant and equipment

Property, plant and equipment are initially recorded at cost including contingent consideration arrangement. Subsequently, all plant and equipment are stated at historical cost less accumulated depreciation and allowance for impairment. Subsequent changes contingent consideration shall be recognised as part of its cost.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation is calculated on the straight-line method to write off the cost of each asset to their residual values over their estimated useful life as follows:

Power plants and components of power plants	30 years
Building and building improvements	5 to 30 years
Machinery and equipment	10 to 30 years
Furniture	3 to 5 years
Office equipment and tools	3 and 5 years
Motor vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount and are recognised in the profit or loss.

5.9 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary, joint venture or associated undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position. Goodwill on acquisitions of interests in joint ventures or associates is included in interests in joint ventures and investments in associates and is tested for impairment as part of the overall balance.

Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose if impairment testing. The allocation is made to those cash-generating units or group of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

5.10 Intangible assets

a) Computer software

Computer software development costs recognised as assets are amortised over their estimated useful lives, which do not exceed 5 years.

b) Rights to operate the power plants

The rights to operate the power plants arising on acquisition of subsidiaries are amortised over the periods of estimated useful life of the power plants.

c) Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount which is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

5.12 Leases

For the year ended 31 December 2020

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. (please delete if the Group does not have variable lease payment based on an index or rate).

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items of office furniture.

For the year ended 31 December 2019

The determination of whether an arrangement is or contains a lease shall be based on the substance of the arrangement, and not merely the legal form. It requires an assessment of whether (a) the fulfilment of the arrangement is dependent on the use of specific assets and (b) the arrangement conveys a right to use such assets.

If the arrangement is a lease or contains a lease, payments and other consideration required by the arrangement shall be separated into those for the lease and those for other elements (e.g. for services and the cost of inputs) on the basis of their relative fair values. The lease element of the arrangement shall be classified as a finance lease or an operating lease.

Leases - where the Group is the lessee

Leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

Long-term leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

5.13 Financial liabilities

For the year ended 31 December 2020

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains (losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains (losses) in profit or loss.

For the year ended 31 December 2019

Borrowings

Borrowings are recognised initially at the fair value of proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method; any difference between proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be draw down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

5.14 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take a substantial period of time to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. Thecapitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

5.15 Employee benefits

The Group operates various post-employment benefits schemes. The Group has both defined benefit and defined contribution plans.

Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, profit-sharing and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

Defined contribution plan

The Group operates a provident fund that is funded by payments from employees and by the relevant Group companies which are managed by trustee. The Group has no legal or constructive obligations to pay further contributions once the contributions have been paid even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to the provident fund are charged to the profit or loss in the year in which they are due.

Furthermore, the Group contributes to a monthly defined contribution retirement benefit plan administered by the government of the People's Republic of China. The relevant government agencies undertake to assume the retirement benefit obligation payable to all existing and future retired employees under this plan and the Group has no further obligation for post-retirement benefits beyond the contributions made. Contributions to this plan are recognised as an expense in profit or loss when incurred.

Retirement benefits

Employees are entitled to receive benefits reaching normal retirement age under the labour law applicable in Thailand and those countries in which the Group operates, or such other dates of entitlement as may be agreed between the Group and employees. Retirement benefits depend on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using the interest rates of government securities that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement of gains and losses arising from experienced adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

5.16 Share-based payment

The Company operates a number of equity-settled, its share-based compensation plans, under which the Company receives services from employees as consideration for its equity instruments (warrants). The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the warrants granted:

- Including any market performance conditions;
- Excluding the impact of any service and non-market performance vesting conditions (for example, profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- Excluding the impact of any non-vesting conditions (for example, the requirement for employees to save or holdings shares for a specific period of time).

Non-market performance and service conditions are included in assumptions about the number of warrants that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Company revises its estimates of the number of warrants that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the warrants are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

The grant by the Company of warrants over its equity instruments to the employees of the Parent is treated as a distribution to owner both in the consolidated and separate financial statements and recognised directly to equity at fair value of the warrants as of the grant date.

5.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

5.18 Current and deferred income taxes

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

5.19 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental external costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

Treasury share

Where any Group company purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the company's equity holders.

5.20 Revenue recognition

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Sales of electricity and steam not under lease

Sales of electricity and steam from Power Purchase Agreement and Steam Purchase Agreement will be recognised upon transmission of electricity and steam at delivery points stipulated in the Purchase Agreement. Revenue are recognised with realisable value net of output tax, rebates and discount.

Service income under finance lease agreements

Finance lease income under power purchase agreements is recognised on an effective interest method over the period of the agreements.

Service income under finance lease agreements related to the Power Purchase Agreements is recognised when the services have been rendered. Service income comprises income in relation to the availabilities of the power plants, other servicing income and fuel cost received from leases with respect to the leased assets. If the considerations exceed the services rendered, a contract liability is recognised. On the other hand, if the considerations less than the services rendered, a contract asset is recognised.

Dividend income

Dividend income is recognised when the Group's right to receive payment is established.

Interest income

Interest income is recognised using the effective interest method.

5.21 Dividend distribution

Dividends distribution to the Group's shareholders is recognised as a liability in the consolidated and separate financial statements in the period in which the dividends are approved by the shareholders and interim dividends are approved by the Board of Directors.

5.22 Derivatives and hedging activities

a) Embedded derivative and derivatives that do not qualify for hedge accounting

Embedded derivative that is separately accounted for and derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in "net gains (losses) from financial derivatives".

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

b) Hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The Group designates certain derivatives as either:

- hedges of the fair value of i) recognised assets or liabilities or ii) unrecognised firm commitments (fair value hedges)
- hedges of a particular risk associated with the cash flows of i) recognised assets and liabilities and ii) highly probable forecast transactions (cash flow hedges); or
- hedges of a net investment in a foreign operation (net investment hedges).

At inception of the hedge relationship, the Group documents i) the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items and ii) its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a current or non-current asset or liability following the maturity of related hedged item.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other gains (losses).

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecasted transaction occurs. When the forecasted transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

Net investment hedges

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other gains/(losses). Gains and losses accumulated in equity are reclassified to profit or loss when the foreign operation is partially disposed of or sold.

5.23 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under TFRS 9; and
- the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of TFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between a) the contractual payments required under the debt instrument; and b) the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

5.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The Chief Executive Officer is the chief operating decision-maker, responsible for allocating resources, assessing performance of the operating segments, and making strategic decisions.

6. Financial risk management

6.1 Financial risk

The Group's activities expose it to a variety of financial risks, market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Risk management is carried out by a central treasury department under policies approved by the Board of Directors. Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units.

6.1.1 Market risk

a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange rate risk arising from various currency exposures that are not the functional currency of each entity under the Group, primarily with respect to US Dollar and Chinese Yuan. The Group does not use derivative instruments to hedge their exposure to foreign exchange rate risk.

Exposure

The Group exposed to the foreign exchange rate risk from currency that are not the functional currency of each entity under the Group which has significant impact to financial statements, expressed in Baht were as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	US Dollar	Chinese Yuan	US Dollar	Chinese Yuan
Financial assets				
Cash and cash equivalents	10,630	-	-	-
Advance to related parties	169,494	82,892	125,770	82,892
Short-term loans to related parties	1,115,884	-	-	-
Long-term loans to related parties	2,473,105	450,323	2,473,105	450,323
Financial liabilities				
Advances from and amounts due to related parties	17,165	-	-	-
Other current liabilities	100,081	-	-	-
Long-term loans from related parties	2,142,707	-	-	-

Sensitivity

As shown in the table above, the Group is primarily exposed to changes in Baht and US Dollar and Baht and Chinese Yuan. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar and Chinese Yuan.

(Baht'000)

	2020	
	Consolidated financial statements	Separate financial statements
	Impact to net profit	Impact to net profit
Baht to 1 US Dollar exchange rate - increase 5%*	80,705	129,994
Baht to 1 US Dollar exchange rate - decrease 5%*	(80,705)	(129,994)
Chinese Yuan to 1 US Dollar exchange rate - increase 5%*	(54,206)	-
Chinese Yuan to 1 US Dollar exchange rate - decrease 5%*	54,206	-

*** Holding all other variables constant**

b) Cash flow and fair value interest rate risk

The Group manages interest rate risk by closely monitoring the trend of interest rates in the world's markets as well as in Thailand. The Group allocates its debt portfolio in either short-term and long-term contracts or loans with fixed and floating interest rates corresponding to their types of investments. The Company has chosen financial instruments to create an alternative source of funding and to manage its financial structure properly in which it invests. For example, interest rate swaps are being used to manage the proportion of fixed interest rates necessary to meet the market trends.

Interest rate risk of long-term loans from financial institutions of the Group was disclosed in Note 22.

Instruments used by the Group

The Group and the Company used interest rate swap contracts to hedge the interest risk.

As at 31 December 2020, the Group and the Company recognised financial derivative liabilities within level 2 of the fair value hierarchy of Baht 1.95 million (2019: Baht 2.73 million).

Sensitivity

Profit or loss is sensitive to higher or lower interest income from cash and cash equivalents, and interest expenses from borrowings as a result of changes in interest rates.

(Baht'000)

	2020	
	Consolidated financial statements	Separate financial statements
	Impact to net profit	Impact to net profit
Interest rate - increase 0.1%*	(4,581)	(3,700)
Interest rate - decrease 0.1%*	4,581	3,700

* Holding all other variables constant

6.1.2 Credit risk

a) Risk management

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of goods and services are made to customers with an appropriate credit history. Derivative counter parties and cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any financial institution.

b) Impairment of financial assets

The Group and the Company has financial assets that are subject to the expected credit loss model as follows:

- Cash and cash equivalents
- Financial assets measured at amortised cost
- Trade receivables and note receivables
- Amounts due from related parties
- Short-term and long-term loans to related parties
- Dividend receivables from related parties

The impairment loss of trade receivables was disclosed in Note 12. The impairment loss of other financial assets was immaterial.

6.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

As at 31 December 2020, the Group's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows.

(Baht'000)

The maturity of financial liabilities	Consolidated financial statements			
	Within 1 year	1 - 5 years	Over 5 years	Total
Short-term loans from financial institutions	1,461,241	-	-	1,461,241
Trade accounts payable	169,964	-	-	169,964
Advances from and amounts due to related parties	244,964	-	-	244,964
Lease liabilities	12,613	6,821	1,426	20,860
Long-term loans from financial institutions, net	1,032,623	3,594,871	-	4,627,494
Other financial liabilities	934,361	-	-	934,361
Total financial liabilities	3,855,766	3,601,692	1,426	7,458,884

(Baht'000)

The maturity of financial liabilities	Separate financial statements			
	Within 1 year	1 - 5 years	Over 5 years	Total
Short-term loans from financial institutions	1,003,156	-	-	1,003,156
Advances from and amounts due to				
related parties	29,367	-	-	29,367
Lease liabilities	1,511	3,862	-	5,373
Long-term loans from financial institutions, net	772,390	3,104,860	-	3,877,250
Other financial liabilities	17,160	-	-	17,160
Total financial liabilities	1,823,584	3,108,722	-	4,932,306

6.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

7. Fair value

The following table presents financial assets and liabilities that are measured at fair value, also stated fair value of each financial assets and liabilities, excluding financial assets and financial liabilities measured at amortised cost where the carrying value approximated fair value.

(Baht'000)

		Consolidated financial statements		Separate financial statements
	Fair value level	Fair value through profit or loss (FVPL)	Fair value through other comprehensive income (FVOCI)	Fair value through profit or loss (FVPL)
As at 31 December 2020				
Assets				
Debt instruments	Level 2	332,546	-	-
Note receivables	Level 2	-	10,392	-
		332,546	10,392	-
Liabilities				
Hedging derivatives	Level 2	1,949	-	1,949
- Interest rate swap		1,949	-	1,949

(Baht'000)

	Fair value level	Consolidated and separate financial statements
		Fair value through profit or loss (FVPL)
As at 31 December 2019		
Liabilities		
Hedging derivatives		2,725
- Interest rate swap	Level 2	2,725

There were no transfers between Levels 1, 2 and 3 of fair value level during the year.

Valuation techniques used to measure fair value level 2

Valuation techniques used to measure fair value level 2 are as follows:

- Fair value of interest rate swaps agreements is determined using forward interests extracted from observable yield curves.
- Fair value of debt instruments and note receivables is determined from discounted contractual cash flows where discount rate quoted in an active market.

8. Critical accounting estimates, assumptions and judgments

Estimates, assumption and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During 2020, the Group makes estimates and assumptions concerning the future. The results of accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

8.1 Impairment assessment of investments in subsidiaries, associates, and joint ventures

The Group tested the impairment of investments in subsidiaries, associates, and joint ventures when events or changes in circumstances would indicate that the carrying value of the investment is higher than its recoverable amount by applying the value-in-use model. The value-in-use model involves management's significant judgments with respect to the future operating results of the business, projected cash flows, and the appropriate discount rate to be applied to the projected cash flows. Key assumptions applied to the value-in-use model are electricity tariffs, the assumed capacity of the power plants, growth rate, expected changes to operating expenditures, and the discount rate to be applied to the projected cash flows.

8.2 Fair value of certain financial assets and derivatives

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

8.3 Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

8.4 Fair value of net assets from the Group's restructuring

The fair value determination of net assets from the Group's restructuring involves management's significant judgements. Key assumptions applied in determining the fair value are the feasibility of future business plans, forecast revenues and operating costs, capital structure, growth rates and discount rates.

9. Segment information – Consolidated financial statements

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 follows:

(Baht'000)

	Consolidated financial statements							
	Power business							
	People's Republic of China	Thailand	Lao People's Democratic Republic	Japan	Head office	Total	Eliminated entries	Total
For the year ended 31 December 2020								
Sales	5,377,502	-	-	128,009	-	5,505,511	-	5,505,511
Cost of sales	(4,276,570)	-	-	(114,094)	-	(4,390,664)	-	(4,390,664)
Gross profit	1,100,932	-	-	13,915	-	1,114,847	-	1,114,847
Gross profit margin (%)	20%			11%		20%		20%
Share of profit (loss) from associates and joint ventures	76,073	253,763	3,222,613	20,629	(7,699)	3,565,379	-	3,565,379
Administrative expenses	(507,716)	-	-	(20,268)	(160,179)	(688,163)	-	(688,163)
Interest income	125,292	-	-	28	468,201	593,521	(219,082)	374,439
Profit (loss) from operating before interest expenses and income taxes	794,581	253,763	3,222,613	14,304	300,323	4,585,584	(219,082)	4,366,502
Others								382,176
Effect of change in investment types from the group restructuring								(577,138)
Net gains on exchange rate								148,066
Interest expenses								(236,091)
Income taxes								(300,491)
Non-controlling interests								(80,544)
Profit for the year - owner of the Company								3,702,480
Total segmented assets	12,302,445	7,482,618	17,061,106	52,083	-	36,898,252	608,141	37,506,393
Total unallocated assets								12,056,385
Total assets								49,562,778
Timing of revenue recognition:								
Point in time	5,377,502	-	-	128,009	-	5,505,511	-	5,505,511
Total sales	5,377,502	-	-	128,009	-	5,505,511	-	5,505,511

(Baht'000)

	Consolidated financial statements							
	Power business							
	People's Republic of China	Thailand	Lao People's Democratic Republic	Japan	Head office	Total	Eliminated entries	Total
For the year ended								
31 December 2019								
Sales	5,545,275	-	-	141,735	-	5,687,010	-	5,687,010
Cost of sales	(4,474,945)	-	-	(133,928)	-	(4,608,873)	-	(4,608,873)
Gross profit	1,070,330	-	-	7,807	-	1,078,137	-	1,078,137
Gross profit margin (%)	19%			6%		19%		19%
Share of profit (loss) from								
associates and joint ventures	(4,065)	839,962	2,822,269	19,179	(4,269)	3,673,076	-	3,673,076
Administrative expenses	(605,895)	-	-	(187,558)	(298,615)	(1,092,068)	-	(1,092,068)
Interest income	147,498	-	-	66	459,221	606,785	(467,146)	139,639
Profit (loss) from operating								
before interest expenses								
and income taxes	607,868	839,962	2,822,269	(160,506)	156,337	4,265,930	(467,146)	3,798,784
Others								(94,344)
Net losses on exchange rate								(221,986)
Interest expenses								(275,530)
Income taxes								(204,083)
Non-controlling interests								(33,909)
Profit for the year								
- owner of the Company								2,968,932
Total segmented assets	17,170,919	2,791,507	14,633,142	1,449,967	-	36,045,535	649,167	36,694,702
Total unallocated assets								12,112,970
Total assets								48,807,672
Timing of revenue recognition:								
Point in time	5,545,275	-	-	141,735	-	5,687,010	-	5,687,010
Total sales	5,545,275	-	-	141,735	-	5,687,010	-	5,687,010

Major customers

During the year ended 31 December 2020, revenues from 3 major customers of approximately CNY 830.46 million or equivalent to Baht 3,769.04 million represented 68.46% of the Group's total revenues (2019: revenues from 3 major customers of approximately CNY 704.70 million or equivalent to Baht 3,167.57 million represented 55.70% of the Group's total revenues).

10. Cash and cash equivalents

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash on hand	189	270	5	5
Deposits held at call with banks	2,168,844	2,342,440	1,595,564	787,327
Fixed deposits with banks	-	1,000,000	-	1,000,000
Total cash and cash equivalents	2,169,033	3,342,710	1,595,569	1,787,332

As at 31 December 2020, the interest rates on deposits held at call with banks were 0.15% to 1.00% per annum (31 December 2019: 0.05% to 1.15% per annum).

As at 31 December 2019, the Group has fixed deposits with banks bears interest at the rates of 1.10% per annum. This fixed deposit has an original maturity within three months.

11. investment in debt instruments

As at 1 January 2020, the Group reclassified short-term investments to financial assets measured at amortised cost and financial assets measured at fair value through profit or loss regarding the requirement of new financial reporting standards as described in Note 4.1.

Financial assets measured at amortised cost

Consolidated financial statements and separate financial statements

As at 31 December 2020, the Group has no outstanding financial assets measured at amortised cost (31 December 2019: financial assets measured at amortised cost which comprised of investment in bonds due within one year amounting to Baht 235.44 million bearing interest at the rates of 1.79% to 3.21% per annum and fixed deposits at financial institutions in Thailand amounting to Baht 3,000 million bearing interest at the rate of 1.25% to 1.50% per annum and maturities within 180 days).

Financial assets measured at fair value through profit or loss

Consolidated financial statements

As at 31 December 2020, the Group has financial assets measured at fair value through profit or loss which are debt instruments comprised of fixed deposits at financial institutions in the People's Republic of China amounting to CNY 72 million or equivalent to Baht 332.55 million bearing interest at the rates of 2.10% to 3.20% per annum and maturities within 180 days (31 December 2019: fixed deposits at financial institutions in the People's Republic of China amounting to CNY 21 million or equivalent to Baht 90.61 million bearing interest at the rates of 2.30% to 2.80% per annum and maturities within 180 days).

12. Trade receivables and note receivables, net

As at 31 December, trade receivables and note receivables consist of:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables - third parties	935,828	1,094,315	-	-
Note receivables	10,392	62,134	-	-
Trade receivables and note receivables	946,220	1,156,449		
Less Impairment loss	(8,602)	-	-	-
Trade receivables and note receivables, net	937,618	1,156,449	-	-

Note receivables represent note receivables from sales of power and steam of subsidiaries in the People's Republic of China which are issued by a financial institution to guarantee the possessors to get money on the maturity date of note receivables. Note receivables are non-interest bearing.

Trade receivables and note receivables are aged as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Trade receivables and note receivables under credit term				
- Trade receivables	728,015	803,146	-	-
- Note receivables	10,392	62,134	-	-
Trade receivables overdue for payment				
- Less than 3 months	157,597	291,169	-	-
- Over 3 months but less than 6 months	50,066	-	-	-
- Over 6 months but less than 12 months	150	-	-	-
- Over 12 months	-	-	-	-
Total trade receivables and note receivables	946,220	1,156,449	-	-
Less Impairment loss	(8,602)	-	-	-
Trade receivables and note receivables, net	937,618	1,156,449	-	-

As at 31 December 2020, trade receivables measured at amortised cost and note receivables measured at fair value through other comprehensive income.

13. Other current assets

As at 31 December, other current assets consist of:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Prepaid expenses	17,108	37,225	5,314	3,410
Advance for prepayment	24,474	37,069	-	-
Accrued interest income	2,058	4,659	-	4,401
Value added tax receivables	64,818	250,825	605	205
Prepaid income tax	8,514	20,090	4,676	4,335
Other receivables	15,569	192,596	-	-
Total other current assets	132,541	542,464	10,595	12,351

14. Investments in subsidiaries, associates and joint ventures

Investments in subsidiaries, associates and joint ventures are as follows:

(Baht'000)

	Consolidated financial statements (Equity method)		Separate financial statements (Cost method)	
	2020	2019	2020	2019
Subsidiaries				
Banpu Coal Power Ltd.	-	-	5,921,587	5,921,587
Banpu Renewable Energy Co., Ltd.	-	-	-	4,310,387
Banpu Power International Limited	-	-	11,192,315	11,192,315
Banpu Power (Japan) Co., Ltd.	-	-	4,815	4,815
Total investments in subsidiaries	-	-	17,118,717	21,429,104
Joint ventures				
BLCP Power Ltd.	6,089,171	6,089,171	-	-
Hongsa Power Company Limited	13,092,534	13,092,534	13,092,534	13,092,534
Phu Fai Mining Company Limited	836	836	836	836
Aizu Energy Pte. Ltd.*	-	972,304	-	-
Shanxi Luguang Power Co., Ltd.	2,093,204	1,955,430	-	-
Digital Energy Solutions Corporation*	-	4,829	-	-
Associates				
PT. ITM Banpu Power	22,408	22,408	22,408	22,408
Global Engineering Co., Ltd.*	-	315,665	-	-
Banpu NEXT Co., Ltd.	4,938,786	-	6,754,649	-
Total investments in associates and joint ventures - cost method	26,236,939	22,453,177	19,870,427	13,115,778
Add Cumulative equity account of investments in an associate and joint ventures	401,577	(1,908,450)	-	-
Total investments in associates and joint ventures	26,638,516	20,544,727	19,870,427	13,115,778

* An associate and joint ventures were hold by Banpu Renewable Energy Co., Ltd. (BRE), a former direct subsidiary. BRE was amalgamated as Banpu NEXT Co., Ltd. that has been classified as an associate of the Group as described in Note 14.1 a). Therefore, investments in associate and investment in joint ventures were included in the Group restructuring.

As at 31 December 2020 and 2019, under the condition of loans for project finance of joint ventures, the Group pledged its investments in two joint ventures with a cost of US Dollar 370.82 million or equivalent to Baht 13,093 million, as collateral for loans from financial institutions of such joint ventures

14.1 Changes in investments in subsidiaries, associates and joint ventures

Movements of investments in subsidiaries, associates and joint ventures for the years ended 31 December are as follows:

(Baht'000)

	Consolidated financial statements (Equity method)		Separate financial statements (Cost method)	
	2020	2019	2020	2019
Opening balance	20,544,727	21,246,355	34,544,882	30,512,976
Retrospective adjustments from changes in accounting policies (Note 4)	310,608	(214,537)	-	-
Opening balance after adjustment	20,855,335	21,031,818	34,544,882	30,512,976
Additions of investments	2,426,630	884,683	2,426,630	4,031,906
Purchase of investment	-	315,665	-	-
Dividend income from joint ventures	(775,094)	(4,447,101)	-	-
Change in investment types from the group restructuring	921,724	-	17,632	-
Add Share of profit from associates and joint ventures	3,565,379	3,673,076	-	-
Share of other comprehensive income (expense) from associates and joint ventures				
- Remeasurements of post-employment benefit	-	(12,439)	-	-
- Cash flow hedge reserve	(326,928)	(455,581)	-	-
- Gains on fair value of equity instruments	236,838	-	-	-
- Translation differences	(265,368)	(445,394)	-	-
Closing balance	26,638,516	20,544,727	36,989,144	34,544,882

a) Group restructuring

Banpu NEXT Co., Ltd. (Banpu NEXT) established from the amalgamation between Banpu Renewable Energy Co., Ltd. (BRE), a former direct subsidiary, and Banpu Infinergy Co., Ltd. (BPIN), a subsidiary of the Parent. Banpu NEXT was registered as a company limited on 27 February 2020 and the share swap ratio for the shareholders of BPIN and BRE was specified in the agreement.

The amalgamation was completed on 27 February 2020 that Banpu NEXT obtained all existing businesses under BPIN and BRE including assets, liabilities, and entered into all rights, obligations, responsibilities, commitments under contracts and agreements before the amalgamation. The Company exchanged all ordinary shares of BRE to new issued ordinary shares of Banpu NEXT as a specified shareholding portion in the agreement which equalled to 50% of total ordinary shares. The Company classified investment in Banpu NEXT as investment in an associate since the Company has only significant influence whereas the Parent has a control over Banpu NEXT through direct and indirect holding. Therefore, Banpu NEXT is a subsidiary of the Parent.

Consolidated financial statements

The Group ceased to consolidate its subsidiaries under BRE Group and recognised investment in Banpu NEXT at book value of BRE and BPIN's net assets at a 50% of shareholding in Banpu NEXT which equaled to Baht 2,512.16 million. The Group recognised the effect of change in investment types from the group restructuring amounting to Baht 577.14 million in consolidated statement of comprehensive income and recognised surplus from business combination under common control in equity amounting to Baht 1,921.14 million in consolidated statement of financial position.

Separate financial statements

The Company recognised investment in Banpu NEXT at fair value of BRE's net assets at a portion of 50% that exchanged for BPIN, so the cost of investment was equaled to Baht 4,328.02 million. The Company recognised the difference between the fair value of BRE's net assets and the book value of investment in BRE amounting to Baht 17.63 million presented as the effect of change in investment types from the group restructuring in the separate statement of comprehensive income.

b) Additional investments

Consolidated and separate financial statements

During the year ended 31 December 2020, the Company additionally invested in Banpu NEXT Co., Ltd., an associate, at 50% of shareholding portion, with a cost of Baht 2,426.63 million. The Company paid the whole amount for such shares.

c) Significant restrictions

As at 31 December 2020, restricted deposits at a bank amounting to CNY 0.02 million or equivalent to Baht 0.09 million represented deposits held at a bank as reserve for serving of bank acceptance bills provided by a bank for a subsidiary in the People's Republic of China (31 December 2019: None).

d) Dividend receivables from a subsidiary and joint ventures

The movements of the dividend receivables can be analysed as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Opening balance	638,831	7,132,860	546,034	7,350,329
Dividends declared by a subsidiary and joint ventures	775,094	4,447,101	782,350	4,385,432
Dividends received from a subsidiary and joint ventures	(975,094)	(10,941,130)	(982,351)	(11,143,906)
Losses on exchange rate	-	-	-	(45,821)
Closing balance	438,831	638,831	346,033	546,034
Current portion	150,000	-	150,000	-
Non-current portion	288,831	638,831	196,033	546,034
Total dividend receivables from subsidiaries and joint ventures	438,831	638,831	346,033	546,034

During the year ended 31 December 2020, dividend income from joint ventures in the consolidated financial statements represented the dividend income from BLCP Power Limited, Hongsa Power Company Limited and Phu Fai Mining Company Limited amounting to Baht 200 million, Baht 361.53 million and US Dollar 6.75 million or equivalent to Baht 213.56, respectively (2019: dividend income from BLCP Power Limited, Hongsa Power Company Limited, Phu Fai Mining Company Limited and Aizu Energy Pte. Ltd. amounting to Baht 2,001.99 million, Baht 2,209.97 million, US Dollar 7.13 million or equivalent to Baht 221.34 million and JPY 50.07 million or equivalent to Baht 13.80 million, respectively).

As at 31 December 2020 and 2019, the Company has provided standby letters of credit, issued by commercial banks on behalf of the Company, amounting to Baht 1,600 million and US Dollar 22 million or equivalent to Baht 660.82 million as a guarantee for lenders of Hongsa Power Company Limited.

14.2 Investments in subsidiaries

List of subsidiaries of the Group is disclosed in Note 14.4.

As at 31 December 2020 and 2019, the group had the following subsidiary that has significant non-controlling interests as follows;

Name of company	Country	Business	Proportion of ordinary shares held by the Group (%)	Proportion of shares held by non-controlling interests (%)
Zouping Peak CHP Co., Ltd.	People's Republic of China	Power and steam production and trading	70.00	30.00

Summarised financial information of a subsidiary with material non-controlling interests

Set out below are the summarised financial information of a subsidiary that has non-controlling interests that is material to the Group. The information below is the amount before inter-company eliminations.

Summarised statements of financial position

(Baht'000)

	Zouping Peak CHP Co., Ltd.	
	2020	2019
As at 31 December		
Current assets	541,618	706,627
Current liabilities	(334,477)	(829,944)
Total net current assets (liabilities)	207,141	(123,317)
Non-current assets	2,690,203	2,580,934
Non-current liabilities	(517)	-
Total net non-current assets	2,689,686	2,580,934
Net assets	2,896,827	2,457,617
Accumulated non-controlling interests	869,048	737,285

Summarised statements of comprehensive income

(Baht'000)

	Zouping Peak CHP Co., Ltd.	
	2020	2019
For the years ended 31 December		
Revenue	1,811,523	1,578,727
Profit before income tax	342,181	142,347
Income tax expense	(73,700)	(29,317)
Post-tax profit from continuing operations	268,481	113,030
Other comprehensive income (expense)	178,536	(227,053)
Total comprehensive income (expense)	447,017	(114,023)
Total comprehensive income (expense) allocated to non-controlling interests	134,105	(34,207)
Dividend paid to non-controlling interests	-	-

Summarised statement of cash flows

(Baht'000)

	Zouping Peak CHP Co., Ltd.	
	2020	2019
For the years ended 31 December		
Cash flow from operating activities		
Cash generated from operations	564,744	379,409
Interest paid	(11,904)	(33,507)
Income tax paid	(70,148)	(26,987)
Net cash generated from operating activities	482,692	318,915
Net cash used in investing activities	(83,280)	(143,570)
Net cash used in financing activities	(433,875)	(115,302)
Net increase (decrease) in cash and cash equivalents	(34,463)	60,043
Cash and cash equivalents at beginning of the year	66,223	9,400
Exchange differences on cash and cash equivalents	4,057	(3,220)
Cash and cash equivalents at end of the year	35,817	66,223

14.3 Investments in associates and joint ventures

Set out below are the joint ventures, which are material to the Group. The joint ventures as listed below are held directly by the Group and has voting right in proportion of the ordinary shares.

			Percent of ownership interest		
Name of company	Country	Business	Measurement method	2020 %	2019 %
BLCP Power Ltd.	Thailand	Power production and trading	Equity method	50.00	50.00
Hongsa Power Company Limited	Lao People's Democratic Republic	Power concession	Equity method	40.00	40.00

Commitments and contingent liabilities in respect of joint ventures

Significant commitments in the ownership proportion of joint ventures of the Group are as follows:

(Million Baht)

	Consolidated financial statements	
	2020	2019
Letter of Guarantee	68	68
Commitments on significant contracts	15,381	15,232
Total	15,449	15,300

Summarised financial information for joint ventures

Set out below are the summarised financial information which are significant joint ventures and accounted for using the equity method.

Summarised statements of financial position

(Baht'000)

	BLCP Power Limited		Hongsa Power Company Limited		Total	
	2020	2019	2020	2019	2020	2019
As at 31 December						
Current assets						
Cash and cash equivalents	4,385,275	4,665,239	4,641,309	5,385,721	9,026,584	10,050,960
Deposits at financial institutions used as collateral	-	-	2,416,174	1,914,635	2,416,174	1,914,635
Current portion of finance lease receivable, net	571,923	504,837	5,645,274	4,411,497	6,217,197	4,916,334
Other current assets	3,966,589	4,677,933	6,851,274	4,766,840	10,817,863	9,444,773
Total current assets	8,923,787	9,848,009	19,554,031	16,478,693	28,477,818	26,326,702
Non-current assets						
Finance lease receivable, net	7,679,419	8,131,068	70,596,987	74,295,833	78,276,406	82,426,901
Property, plant and equipment, net	2,579,216	2,638,579	4,278,561	3,969,953	6,857,777	6,608,532
Other assets	2,260,366	3,092,190	13,832,434	12,226,061	16,092,800	15,318,251
Total non-current assets	12,519,001	13,861,837	88,707,982	90,491,847	101,226,983	104,353,684
Current liabilities						
Current portion of long-term loans, net	1,529,832	1,534,865	6,860,894	6,087,954	8,390,726	7,622,819
Other current liabilities (including trade payables)	1,412,074	2,779,897	2,720,456	2,050,448	4,132,530	4,830,345
Total current liabilities	2,941,906	4,314,762	9,581,350	8,138,402	12,523,256	12,453,164
Non-current liabilities						
Long-term loans, net	11,461,131	13,029,718	55,209,871	62,200,945	66,671,002	75,230,663
Other liabilities	1,233,830	948,172	1,725,727	1,088,688	2,959,557	2,036,860
Total non-current liabilities	12,694,961	13,977,890	56,935,598	63,289,633	69,630,559	77,267,523
Net assets	5,805,921	5,417,194	41,745,065	35,542,505	47,550,986	40,959,699

Summarised statements of comprehensive income

(Baht'000)

	BLCP Power Limited		Hongsa Power Company Limited		Total	
	2020	2019	2020	2019	2020	2019
For the years ended 31 December						
Sales and services	14,770,381	14,962,869	19,545,992	20,161,958	34,316,373	35,124,827
Cost of sales and services	(11,946,304)	(12,145,461)	(7,626,543)	(8,071,566)	(19,572,847)	(20,217,027)
Depreciation and amortisation	(23,822)	(32,999)	(65,698)	(69,672)	(89,520)	(102,671)
Interest income	26,364	54,586	81,102	148,059	107,466	202,645
Interest expense not included other finance cost	(634,506)	(410,391)	(3,920,627)	(4,783,232)	(4,555,133)	(5,193,623)
Net unrealised gains (losses) on exchange rate	(283,433)	107,664	25,464	1,648,230	(257,969)	1,755,894
Profit before income tax	2,005,916	1,877,696	7,587,222	6,557,205	9,593,138	8,434,901
Income tax expense	(919,284)	(197,773)	-	-	(919,284)	(197,773)
Net profit	1,086,632	1,679,923	7,587,222	6,557,205	8,673,854	8,237,128
Other comprehensive expense	(297,905)	(536,926)	(480,837)	(1,170,051)	(778,742)	(1,706,977)
Total comprehensive income	788,727	1,142,997	7,106,385	5,387,154	7,895,112	6,530,151
Dividends from joint ventures	400,000	4,003,986	903,825	5,524,920	1,303,825	9,528,906

The information above reflects the amounts presented in the financial statements of the joint ventures adjusted for differences in accounting policies between the Group and the joint ventures (and not the Group's share of those amounts).

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in joint ventures.

(Baht'000)

	BLCP Power Limited		Hongsa Power Company Limited		Total	
	2020	2019	2020	2019	2020	2019
Opening net assets	5,417,194	8,339,677	35,542,505	36,139,747	40,959,699	44,479,424
Retrospective adjustments from changes in accounting policy	-	(61,494)	-	(459,476)	-	(520,970)
Dividend paid	(400,000)	(4,003,986)	(903,825)	(5,524,920)	(1,303,825)	(9,528,906)
Profit for the year	1,086,632	1,679,923	7,587,222	6,557,205	8,673,854	8,237,128
Other comprehensive expense	(297,905)	(536,926)	(480,837)	(1,170,051)	(778,742)	(1,706,977)
Closing net assets	5,805,921	5,417,194	41,745,065	35,542,505	47,550,986	40,959,699
Ownership percentage in joint ventures (%)	50	50	40	40	-	-
Interests in joint ventures	2,902,960	2,708,597	16,698,026	14,217,002	19,600,986	16,925,599
Impact of changes in functional currency of joint venture	82,911	82,911	216,053	216,053	298,964	298,964
Closing carrying value	2,985,871	2,791,508	16,914,079	14,433,055	19,899,950	17,224,563

Individually immaterial associates and joint ventures

In addition to the interests in joint ventures disclosed above, the Group also has interests in a number of individually immaterial associates and joint ventures that are accounted for using the equity method.

(Baht'000)

	Consolidated financial statements	
	2020	2019
Aggregate carrying amount of individually immaterial associates and joint ventures, which are accounted for using equity method	6,738,566	3,320,164
Aggregate amounts of the reporting entity's share of:		
Net profit (loss)	(12,826)	210,232
Other comprehensive expense	(14,171)	(176,931)
Total comprehensive income (expense)	(26,997)	33,301

14.4 List of subsidiaries, associates and joint ventures

Name of company	Country	Business	Percentage of direct shareholding 2020 %	2019 %
Direct shareholding				
Subsidiaries				
- Banpu Coal Power Limited	Thailand	Investment in power	100.00	100.00
- Banpu Renewable Energy Co., Ltd.	Thailand	Investment in renewable energy	-[3]	100.00
- Banpu Power International Limited	Republic of Mauritius	Investment in power	100.00	100.00
- Banpu Power (Japan) Co., Ltd.	Thailand	Investment in renewable energy	100.00	100.00
Joint arrangement - Joint ventures				
- Hongsa Power Company Limited	Lao People's Democratic Republic	Power concession	40.00[1]	40.00[1]
- Phu Fai Mining Company Limited	Lao People's Democratic Republic	Mining concession	37.50[1]	37.50[1]
Associates				
- Banpu NEXT Co., Ltd.	Thailand	Investment in clean energy	50.00[3]	-
- PT. ITM Banpu Power	Republic of Indonesia	Investment in power	30.00	30.00
Indirect shareholding				
1) Banpu Coal Power Limited				
and a subsidiary and a joint venture are as follows;				
A subsidiary				
- Power Vietnam Co., Ltd.	Thailand	Investment in power	100.00	100.00
Joint arrangement - Joint venture				
- BLCP Power Limited	Thailand	Power production and trading	50.00[1]	50.00[1]

Name of company	Country	Business	Percentage of direct shareholding 2020 %	2019 %
2) Banpu Renewable Energy Co., Ltd.				
subsidiaries and a joint venture are as follows;				
Subsidiaries				
- Banpu Renewable Singapore Pte. Ltd	Singapore	Investment in renewable energy	-(3)	100.00
a subsidiary, a joint venture and an associate are as follows;				
A Subsidiary				
- Banpu Power Trading GK	Japan	Power trading	-(3)	100.00
Joint arrangement - Joint venture				
- Digital Energy Solutions Corporation	Japan	Power trading	-(3)	49.00
An associate				
- Global Engineering Co., Ltd.	Japan	Virtual power plant and power trading	-(3)	19.90
- BRE Singapore Pte. Ltd. and a subsidiary	Singapore	Investment in renewable energy	-(3)	100.00
- BPP Vinh Chau Wind Power Limited Liability Company	Socialist Republic of Vietnam	Wind power generation	-(3)	100.00
- BPP Renewable Investment (China) Co., Ltd. and subsidiaries	People's Republic of China	Investment in renewable energy	-(3)	100.00
- Anqiu Huineng Renewable Energy Co., Ltd.	People's Republic of China	Solar power generation	-(3)	100.00
- Weifang Tian'en Jinshan Comprehensive Energy Co., Ltd.	People's Republic of China	Solar power generation	-(3)	100.00
- Dongping County Haoyuan Solar Power Generation Co., Ltd.	People's Republic of China	Solar power generation	-(3)	100.00
- Anqiu County Hui'en PV Technology Co., Ltd.	People's Republic of China	Solar power generation	-(3)	100.00
- Jiaxing Deyuan Energy-Saving Technology Co., Ltd	People's Republic of China	Solar power generation	-(3)	100.00
- Feicheng Xingyu Solar Power PV Technology Co., Ltd.	People's Republic of China	Solar power generation	-(3)	100.00
- Jiangsu Jixin Electric Power Co., Ltd.	People's Republic of China	Solar power generation	-(3)	100.00
- Banpu Japan K.K.	Japan	Investment in renewable energy	-(3)	100.00
Joint arrangement - Joint venture				
- Aizu Energy Pte. Ltd.	Singapore	Investment in renewable energy	-(3)	75.00(1)

Name of company	Country	Business	Percentage of direct shareholding 2020 %	Percentage of direct shareholding 2019 %
3) Banpu Power International Limited and subsidiaries and a joint venture are as follows;				
Subsidiaries				
- Banpu Power Investment Co., Ltd. and subsidiaries and a joint venture are as follows;	Singapore	Investment in power	100.00	100.00
Subsidiaries				
- Shijiazhuang Chengfeng Cogen Co., Ltd.	People's Republic of China	Power and steam production and trading	100.00	100.00
- Zouping Peak Pte. Ltd. and a 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
- 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[(2)]	12.08[(2)]
- Banpu Power Trading (Shandong) Co., Ltd.	People's Republic of China	Power trading	100.00	100.00
- Banpu Power Trading (Hebei) Co., Ltd.	People's Republic of China	Power trading	100.00	100.00
- Pan-Western Energy Corporation LLC and a 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[(2)]	87.92[(2)]
Joint arrangement - Joint venture				
- Shanxi Lu Guang Power Co., Ltd.	People's Republic of China	Power and steam production and trading	30.00[(1)]	30.00[(1)]

[(1)] Shareholder agreement of joint ventures of the Group has determined the management structure including strategic financial decision and operation which has voting right from the shareholders or the representative of each parties. The Group classifies as investments in joint ventures.

[(2)] The Group holds investments in Tangshan Banpu Heat & Power Co., Ltd. 100% of registered shares by Banpu Investment (China) Co., Ltd. and Pan-Western Energy Corporation LLC in the proportion of 12.08% and 87.92%, respectively.

[(3)] Banpu NEXT Co., Ltd. (Banpu NEXT) established from the amalgamation between Banpu Renewable Energy Co., Ltd. (BRE), a former direct subsidiary, and Banpu Infinergy Co., Ltd. (BPIN), a subsidiary of the Parent. Banpu NEXT was registered as a company limited on 27 February 2020. The Company classified investment in Banpu NEXT as investment in an associate, so the Group ceased to consolidate its subsidiaries under BRE Group and recognised investment in Banpu NEXT at equity method as disclosed in Note 14.1 a).

15. Other investments

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Goudou Kaisha SFJ	-	110,351	-	-
Goudou Kaisha MNP	-	227,931	-	-
Goudou Kaisha YMG	-	657,511	-	-
Goudou Kaisha Sirius Solar Japan 8	-	350,356	-	-
Goudou Kaisha Woodlake	-	592,005	-	-
Goudou Kaisha Univergy 100	-	331,509	-	-
Goudou Kaisha Sirius Solar Japan 11	-	632,645	-	-
Goudou Kaisha Okei Photovoltaic Generation Plant	-	281,445	-	-
Goudou Kaisha J&A Energy	-	306,980	-	-
Renewable Japan Co., Ltd.	-	7,061	-	-
Goudou Kaisha Tenzan Clean Energy	-	143,616	-	-
Goudou Kaisha Muroran Clean Energy	-	120,584	-	-
Goudou Kaisha Takeo Clean Energy	-	36,742	-	-
Total other investments	-	3,798,736	-	-

(Baht'000)

	Consolidated financial statements	
	2020	2019
For the year ended 31 December		
Opening book value	3,798,736	4,153,980
Retrospective adjustments from changes in accounting policy (Note 4)	1,159,845	-
Opening balance after adjustment	4,958,581	4,153,980
Addition investments	132,938	483,752
Decrease investment	-	(441,734)
Write-off investment	-	(2,834)
Transfer to other receivables	-	(150,629)
Losses on fair value of equity instruments through other comprehensive income	(439,653)	-
Translation differences	192,680	(243,799)
Change in investment types from the group restructuring	(4,844,546)	-
Closing book value	-	3,798,736

Commencing on 1 January 2020, the Group classified and measured other investments which are investments in equity instrument at fair value through other comprehensive income (Note 4.1). The Group ceased to consolidate other investments due to the Group's restructuring as disclosed in Note 14.1 a).

Dividend income from other company

Consolidated financial statements

During the year ended 31 December 2020, The Group has no dividend income from other company (2019: Goudou Kaisha SFJ JPY 69.58 million or equivalent to Baht 19.58 million).

16. Property, plant and equipment, net

(Baht'000)

	Consolidated financial statements						
	Building and infrastructures	Machinery and equipment	Furniture and office equipment	Tools	Motor vehicles	Construction in progress	Total
At 1 January 2019							
Cost	3,937,218	12,986,517	32,401	51,409	60,721	1,073,701	18,141,967
Less Accumulated depreciation	(1,628,318)	(4,182,783)	(18,513)	(37,723)	(43,083)	-	(5,910,420)
Net book amount	2,308,900	8,803,734	13,888	13,686	17,638	1,073,701	12,231,547
For the year ended 31 December 2019							
Opening net book amount	2,308,900	8,803,734	13,888	13,686	17,638	1,073,701	12,231,547
Additions	43,901	2,290	4,998	4,017	3,666	727,335	786,207
Additions from business acquisition	20,354	565,740	331	-	611	694	587,730
Disposals - Net book value	-	-	(78)	-	-	-	(78)
Write-off - Net book value	(372)	(10,096)	(103)	(167)	-	(7,019)	(17,757)
Transfer in (out)	388,426	948,613	1,322	7,552	202	(1,346,115)	-
Depreciation charge	(118,937)	(430,560)	(5,139)	(6,295)	(6,293)	-	(567,224)
Translation differences	(212,120)	(841,335)	(458)	(1,387)	(1,454)	(68,150)	(1,124,904)
Closing net book amount	2,430,152	9,038,386	14,761	17,406	14,370	380,446	11,895,521
At 31 December 2019							
Cost	4,032,232	13,371,599	35,032	52,286	58,907	380,446	17,930,502
Less Accumulated depreciation	(1,602,080)	(4,333,213)	(20,271)	(34,880)	(44,537)	-	(6,034,981)
Net book amount	2,430,152	9,038,386	14,761	17,406	14,370	380,446	11,895,521

(Baht'000)

	Consolidated financial statements						
	Building and infrastructures	Machinery and equipment	Furniture and office equipment	Tools	Motor vehicles	Construction in progress	Total
For the year ended 31 December 2020							
Opening net book amount	2,430,152	9,038,386	14,761	17,406	14,370	380,446	11,895,521
Additions	751	10,682	1,645	669	2,942	314,626	331,315
Disposals - Net book value	(8,978)	-	(5,856)	(24)	-	-	(14,858)
Write-off - Net book value	(2,587)	(47,921)	-	(210)	-	(69)	(50,787)
Transfer in (out)	39,205	391,632	1,374	5,694	-	(437,905)	-
Reclassify to other non-current assets	-	-	-	-	-	(56)	(56)
Change in investment types from the group restructuring	(355,483)	(4,107,651)	(1,398)	(1,369)	(3,310)	(63,070)	(4,532,281)
Depreciation charge	(111,217)	(228,319)	(4,183)	(6,119)	(5,040)	-	(354,878)
Translation differences	160,611	540,743	424	1,243	894	23,427	727,342
Closing net book amount	2,152,454	5,597,552	6,767	17,290	9,856	217,399	8,001,318
At 31 December 2020							
Cost	3,909,939	9,607,481	25,990	59,128	56,155	217,399	13,876,092
Less Accumulated depreciation	(1,757,485)	(4,009,929)	(19,223)	(41,838)	(46,299)	-	(5,874,774)
Net book amount	2,152,454	5,597,552	6,767	17,290	9,856	217,399	8,001,318

As at 31 December 2020, the Group mortgaged and pledged assets as collateral for long-term loans from financial institutions of a subsidiary in the People's Republic of China at the net book value amounting to CNY 391.68 million or equivalent to Baht 1,809.07 million (31 December 2019: CNY 289.02 million or equivalent to Baht 1,247.05 million).

(Baht'000)

	Separate financial statements
	Furniture and office equipment
At 1 January 2019	
Cost	4,503
Less Accumulated depreciation	(2,241)
Net book amount	2,262
For the year ended 31 December 2019	
Opening net book amount	2,262
Additions	646
Disposals - Net book value	(46)
Depreciation charge	(779)
Closing net book amount	2,083
At 31 December 2019	
Cost	4,827
Less Accumulated depreciation	(2,744)
Net book amount	2,083
For the year ended 31 December 2020	
Opening net book amount	2,083
Additions	489
Disposals - Net book value	(125)
Depreciation charge	(683)
Closing net book amount	1,764
At 31 December 2020	
Cost	4,901
Less Accumulated depreciation	(3,137)
Net book amount	1,764

17. Leases

17.1 Amounts recognised in the statements of financial position

As at 31 December 2020, the statement of financial position shows the following amounts relating to leases:

(Baht'000)

	Consolidated financial statements	Separate financial statements
Properties	568,789	4,799
Total right-of-use assets	568,789	4,799
Lease liabilities, net		
Current	11,860	1,319
Non-current	7,765	3,657
Total lease liabilities, net	19,625	4,976

17.2 Amounts recognised in profit or loss and cash flows

For the year ended 31 December 2020, amounts charged to profit or loss and cash flows relating to leases are as follows:

(Baht'000)

	Consolidated financial statements	Separate financial statements
Depreciation charge of right-of-use assets - Properties	42,136	1,440
Addition to the right-of-use assets during the year	259,221	-
Total cash outflow for leases	15,114	1,511
Interest expense	3,429	249
Expense relating to short-term leases	15,003	-
Expense relating to leases of low-value assets	86	-

18. Deferred income taxes and income tax

Corporate income tax for the years ended 31 December 2020 and 2019 are calculated based on the net profit (tax base) which excludes the interests in joint ventures. The rates are as follows:

	2020	2019
Thailand	20%	20%
People's Republic of China	0% to 25%	0% to 25%
Mauritius Island	15%	15%
Japan	23.2%	23.2%
Singapore	17%	17%
Socialist Republic of Vietnam	20%	20%

18.1 Deferred income tax assets and liabilities

The analysis of current portion and non-current portion of deferred tax assets and liabilities is as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Deferred income tax assets:				
Deferred income tax asset to be recovered within 12 months	12,763	15,758	390	545
Deferred income tax asset to be recovered after 12 months	531,512	538,527	4,875	8,143
	544,275	554,285	5,265	8,688
Deferred income tax liabilities:				
Deferred income tax liability to be recovered within 12 months	-	-	-	-
Deferred income tax liability to be recovered after 12 months	(966)	(69,662)	-	-
	(966)	(69,662)	-	-
Deferred income taxes, net	543,309	484,623	5,265	8,688

Deferred income tax assets are recognised for tax loss carry forwards only to the extent that realisation of the related tax benefit through the future taxable profit is probable. The Group did not recognised deferred income tax assets amounting to Baht 392.12 million from tax losses of Baht 1,960.59 million that could be carried forward against future taxable income, these tax losses will be expired in 2025 (2019: deferred income tax assets amounting to Baht 524.35 million from tax losses of Baht 2,621.73 million that could be carried forward against future taxable income, these tax losses will be expired in 2024).

The movements of deferred income tax assets and liabilities are as follows:

(Baht'000)

	Consolidated financial statements						
	At 1 January 2020	Impact from change in accounting policies (Note 4)	Charged to profit or loss	Charged to other comprehensive income or expense	Group restructuring	Translation differences	At 31 December 2020
Deferred income tax assets:							
Employee benefit obligation	9,401	-	(5,159)	1,061	-	-	5,303
Financial derivatives	545	-	-	(155)	-	-	390
Depreciation of building and machinery	469,745	-	(21,232)	-	-	33,053	481,566
Impairment loss	-	2,603	(457)	-	-	5	2,151
Accrued expense and others	74,594	-	(21,780)	-	-	2,051	54,865
Total	554,285	2,603	(48,628)	906	-	35,109	544,275
Deferred income tax liabilities:							
Fair value uplift from the business combination	(85,229)	-	-	-	48,687	(1,553)	(38,095)
Amortisation of fair value of plant and equipment from the acquisition of power plants	32,860	-	2,585	(7)	(454)	2,705	37,689
Connection fee	(13,405)	-	14,863	-	-	(1,458)	-
Others	(3,888)	-	3,328	-	-	-	(560)
Total	(69,662)	-	20,776	(7)	48,233	(306)	(966)
Net	484,623	2,603	(27,852)	899	48,233	34,803	543,309

(Baht'000)

	Consolidated financial statements					
	At 1 January 2019	Charged to profit or loss	Charged to other comprehensive income or expense	Arising from business combination	Translation differences	At 31 December 2019
Deferred income tax assets:						
Employee benefit obligation	6,905	2,496	-	-	-	9,401
Financial derivatives	-	-	545	-	-	545
Depreciation of building and machinery	551,773	(29,226)	-	-	(52,802)	469,745
Accrued expense and others	62,502	19,177	-	-	(7,085)	74,594
Total	621,180	(7,553)	545	-	(59,887)	554,285
Deferred income tax liabilities:						
Fair value uplift from the business combination	(88,683)	-	-	(3,573)	7,027	(85,229)
Amortisation of fair value of plant and equipment from the acquisition of power plants	32,080	3,491	-	-	(2,711)	32,860
Connection fee	(33,856)	18,492	-	-	1,959	(13,405)
Others	(3,888)	-	-	-	-	(3,888)
Total	(94,347)	21,983	-	(3,573)	6,275	(69,662)
Net	526,833	14,430	545	(3,573)	(53,612)	484,623

(Baht'000)

	Separate financial statements			
	At 1 January 2020	Charged to profit or loss	Charged to other comprehensive income or expense	At 31 December 2020
Deferred income tax assets:				
Employee benefit obligation	8,285	(4,203)	1,220	5,302
Financial derivative	545	-	(155)	390
Other	(142)	(285)	-	(427)
Total	8,688	(4,488)	1,065	5,265

(Baht'000)

	Separate financial statements			
	At 1 January 2019	Charged to profit or loss	Charged to other comprehensive income or expense	At 31 December 2019
Deferred income tax assets:				
Employee benefit obligation	6,164	2,121	-	8,285
Financial derivative	-	-	545	545
Other	100	(242)	-	(142)
Total	6,264	1,879	545	8,688

18.2 Income taxes

Income taxes for the years ended 31 December are as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Current tax	272,639	214,007	-	2
Withholding tax from dividends	-	4,506	-	-
Deferred tax	27,852	(14,430)	4,488	(1,879)
Total income taxes	300,491	204,083	4,488	(1,877)

The tax on the Group's profit before taxes differs from the theoretical amount that would arise using the basic tax rate of the home country of the company as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Profit before taxes	4,083,515	3,206,924	773,062	3,950,834
Tax calculated at a tax rate of 20%	816,703	641,385	154,612	790,167
Tax effect of:				
Income not subject to tax	(459,067)	(691,299)	(117,284)	(832,818)
Expenses not deductible for tax purpose	9,682	17,132	996	3,536
Withholding tax from dividends	-	4,506	-	-
Recognition of previously				
unrecognised tax losses	(33,303)	-	(33,303)	-
Group restructuring	(83,951)	-	-	-
Tax losses for which no deferred				
income tax asset was recognised	22,448	205,245	-	37,236
Tax effect from different tax rates of				
foreign entities	31,046	38,782	-	-
Others	(3,067)	(11,668)	(533)	2
Income taxes	300,491	204,083	4,488	(1,877)

Weighted average tax rate of the Group is 7.36% (2019: 6.36%).

19. Other non-current assets

As at 31 December, other non-current assets consist of:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Value added tax receivable	160,403	319,729	160,403	148,010
Withholding tax receivable	6,007	-	4,335	1,057
Accrued income	-	1,548,352	-	-
Deposits	6,273	51,266	1,155	940
Land used right, net	-	291,766	-	-
Others	50,949	27,867	512	-
Total other non-current assets	223,632	2,238,980	166,405	150,007

20. Short-term loans from financial institutions

Consolidated financial statements

As at 31 December 2020, the Group had short-term loans from financial institutions amounting to Baht 1,000 million and CNY 98.27 million or equivalent to Baht 453.90 million (31 December 2019: CNY 205.49 million or equivalent to Baht 886.62 million). These loans bore interest at the rates of 1.28% to 4.90% per annum (31 December 2019: 4.57% to 5.22% per annum) and due for repayment within one year.

Separate financial statements

As at 31 December 2020, the Company had short-term loans from financial institutions amounting to Baht 1,000 million These loans bore interest at the rates of 1.28% per annum and due for repayment within one year (31 December 2019: None).

The fair value of short-term loans from financial institutions approximated their carrying amount, as short-term borrowings had a short period of maturity.

21. Other current liabilities

As at 31 December, other current liabilities consist of:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Accrued expenses	506,751	583,533	17,160	28,450
Advance from customers	230,543	185,888	-	-
Value added tax payable	4,614	11,186	547	46
Withholding tax payable	7,400	12,556	2,137	3,376
Other payables for purchase of property, plant and equipment	427,610	456,140	-	44
Payables for purchase of investments	-	65,793	-	-
Total other current liabilities	1,176,918	1,315,096	19,844	31,916

22. Long-term loans from financial institutions, net

Long-term loans from financial institutions consist of:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Long-term local currency loans	3,700,000	4,400,000	3,700,000	4,400,000
Long-term foreign currency loans	737,521	1,701,393	-	-
Less Deferred financing service fee	(5,915)	(11,158)	(5,915)	(11,158)
	4,431,606	6,090,235	3,694,085	4,388,842
Less Current portion of long-term loans from financial institutions	(950,774)	(1,061,173)	(698,415)	(696,161)
Long-term loans from financial institutions, net	3,480,832	5,029,062	2,995,670	3,692,681

Movement of long-term loans from financial institutions are as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Opening balance	6,090,235	6,538,014	4,388,842	5,081,561
Cash flow:				
Additions	162,817	774,495	-	-
Repayment	(1,019,713)	(1,087,952)	(700,000)	(700,000)
Other non-cash movements:				
Amortisation of deferred financing service fees	5,243	7,281	5,243	7,281
Translation differences	79,907	(141,603)	-	-
Change in investment types from the group restructuring	(886,883)	-	-	-
Closing balance	4,431,606	6,090,235	3,694,085	4,388,842

As at 31 December 2020 and 31 December 2019, long-term loans from financial institutions are unsecured liabilities except long-term loans of a subsidiary in the People's Republic of China are secured liabilities. The long-term loans are secured over assets as disclosed in Note 16 Details of loans are shown as follow:

Consolidated financial statements

		2020		2019			
No.	Currency	Original currency (Million)	Million Baht	Original currency (Million)	Million Baht	Interest rate	Due of loan payment
1	Baht	700.00	700.00	1,400.00	1,400.00	THBFIX plus applicable fixed margin	Repayment every 6 months commencing 27 June 2019 to expiry of agreement on 27 December 2021
2	Baht	1,500.00	1,500.00	1,500.00	1,500.00	THBFIX plus applicable fixed margin	Repayment every 6 months commencing 21 February 2022 to expiry of agreement on 21 August 2025
3	Baht	1,500.00	1,500.00	1,500.00	1,500.00	THBFIX plus applicable fixed margin	Repayment every 6 months commencing 20 June 2022 to expiry of agreement on 20 December 2025
4	CNY	8.01	36.99	5.14	22.18	BBA LIBOR plus applicable fixed margin	Repayment every 3 months commencing 21 October 2020 to expiry of agreement on 21 July 2021
5	CNY	18.02	83.22	22.27	96.09	BBA LIBOR plus applicable fixed margin	Repayment every 3 months commencing 29 March 2019 to expiry of agreement on 21 January 2024
6	CNY	-	-	19.53	84.28	BBA LIBOR plus applicable fixed margin	Repayment every 3 months commencing 21 February 2018 to expiry of agreement on 21 August 2020
7	CNY	-	-	18.80	81.12	BBA LIBOR plus applicable fixed margin	Repayment every 6 months commencing 11 June 2018 to expiry of agreement on 9 June 2020
8	CNY	-	-	2.33	10.03	BBA LIBOR plus applicable fixed margin	Repayment every 6 months commencing 11 June 2018 to expiry of agreement on 9 June 2020
9	CNY	-	-	0.86	3.71	BBA LIBOR plus applicable fixed margin	Repayment every 6 months commencing 11 June 2018 to expiry of agreement on 9 June 2020
10	CNY	-	-	197.35	851.51	BBA LIBOR plus applicable fixed margin	Repayment every 3 months commencing 11 April 2018 to expiry of agreement on 11 January 2027
11	CNY	67.33	310.98	68.66	296.25	BBA LIBOR plus applicable fixed margin	Repayment every 6 months commencing 30 May 2020 to expiry of agreement on 30 May 2022
12	CNY	30.00	138.56	30.00	129.43	BBA LIBOR plus applicable fixed margin	Repayment every 6 months commencing 30 November 2020 to expiry of agreement on 30 May 2021
13	CNY	10.84	50.06	26.45	114.12	BBA LIBOR plus applicable fixed margin	Repayment every 6 months commencing 23 May 2020 to expiry of agreement on 23 May 2022
14	CNY	15.61	72.09	2.94	12.67	BBA LIBOR plus applicable fixed margin	Repayment every 3 months commencing 23 May 2019 to expiry of agreement on 23 November 2021
15	CNY	4.77	22.03	-	-	BBA LIBOR plus applicable fixed margin	Repayment every 6 months commencing 15 June 2020 to expiry of agreement on 23 May 2022
16	CNY	5.11	23.59	-	-	BBA LIBOR plus applicable fixed margin	Repayment every 6 months commencing 8 November 2020 to expiry of agreement on 7 January 2023
			4,437.52		6,101.39		

Separate financial statement

		2020		2019			
No.	Currency	Original currency (Million)	Million Baht	Original currency (Million)	Million Baht	Interest rate	Due of loan payment
1	Baht	700.00	700.00	1,400.00	1,400.00	THBFIX plus applicable fixed margin	Repayment every 6 months commencing 27 June 2019 to expiry of agreement on 27 December 2021
2	Baht	1,500.00	1,500.00	1,500.00	1,500.00	THBFIX plus applicable fixed margin	Repayment every 6 months commencing 21 February 2022 to expiry of agreement on 21 August 2025
3	Baht	1,500.00	1,500.00	1,500.00	1,500.00	THBFIX plus applicable fixed margin	Repayment every 6 months commencing 20 June 2022 to expiry of agreement on 20 December 2025
			3,700.00		4,400.00		

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

	Consolidated financial statements		Separate financial statements	
	2020 %	2019 %	2020 %	2019 %
Baht	1.69	2.54	1.69	2.54
CNY	5.24	5.66	-	-

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

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
At fixed rates	-	-	-	-
At floating rates	4,437,521	6,101,393	3,700,000	4,400,000
Total loans	4,437,521	6,101,393	3,700,000	4,400,000

The fair value of long-term borrowings approximated their carrying amount, as the impact of discounting is not significant. The fair values are based on discounted cash flows using a discount rate based upon the market borrowing rate as at the reporting date and are within level 2 of the fair value hierarchy.

Maturities of long-term loans from financial institutions are as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Within 1 year	947,641	1,065,012	700,000	700,000
Later than 1 year but not later than 5 years	3,489,880	4,206,448	3,000,000	3,700,000
Later than 5 years	-	829,933	-	-
Total loans	4,437,521	6,101,393	3,700,000	4,400,000

The Group is required to comply with certain criteria and conditions; for example, maintaining debt to equity ratio.

23. Financial assets and financial liabilities

As at 31 December 2020, the Group classified financial assets and financial liabilities as follow;

(Baht'000)

	Consolidated financial statements				
	Fair value through profit or loss	Fair value of derivatives - Hedge Accounting	Fair value through other comprehensive income	Amortised cost	Total
Financial assets					
- Cash and cash equivalents	-	-	-	2,169,033	2,169,033
- Restricted deposits at financial institution	-	-	-	88	88
- Financial assets - investment in debt instruments	332,546	-	-	-	-
- Trade receivables and note receivables, net	-	-	10,392	927,226	937,618
- Amounts due from related parties	-	-	-	487,197	487,197
- Dividend receivables from related parties	-	-	-	438,831	438,831
- Advances to related parties	-	-	-	8,804	8,804
- Short-term loans to related parties	-	-	-	2,795,705	2,795,705
- Long-term loans to related parties				5,740,754	5,740,754
- Other current assets	-	-	-	132,541	132,541
Financial liabilities					
- Short-term loans from financial institutions	-	-	-	1,453,895	1,453,895
- Trade accounts payable	-	-	-	169,964	169,964
- Advances from and amounts due to related parties	-	-	-	244,964	244,964
- Long-term loans from financial institutions, net	-	-	-	4,431,606	4,431,606
- Lease liabilities, net	-	-	-	19,625	19,625
- Financial derivative liabilities	-	1,949	-	-	1,949
- Other current liabilities	-	-	-	934,361	934,361

(Baht'000)

	Separate financial statements				
	Fair value through profit or loss	Fair value of derivatives - Hedge Accounting	Fair value through other comprehensive income	Amortised cost	Total
Financial assets					
- Cash and cash equivalents	-	-	-	1,595,569	1,595,569
- Amounts due from related parties	-	-	-	281,049	281,049
- Dividend receivables from related parties	-	-	-	346,033	346,033
- Advances to related parties	-	-	-	34,182	34,182
- Long-term loans to related parties	-	-	-	7,890,550	7,890,550
- Other current assets	-	-	-	10,595	10,595
Financial liabilities					
- Short-term loan from financial institutions	-	-	-	1,000,000	1,000,000
- Advances from and amounts due to related parties	-	-	-	29,367	29,367
- Long-term loans from financial institutions, net	-	-	-	3,694,085	3,694,085
- Lease liabilities, net	-	-	-	4,976	4,976
- Financial derivative liabilities	-	1,949	-	-	1,949
- Other current liabilities	-	-	-	17,160	17,160

the Group classifies financial assets at amortise cost depending on

- hold with the objective to collect the contractual cash flows
- the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

The Group classifies notes receivable is financial assets measured at fair value through other comprehensive income and classifies Debt instruments that do not meet the criteria for amortised cost or FVOCI are measured at FVPL.

As at 31 December 2020, Financial assets and financial liabilities measured at amortised cost where the carrying value approximated fair value.

24. Share capital and premium on share capital

At the Board of Directors' meeting on 25 February 2020, the Board of Directors approved to repurchase the ordinary share in accordance to the share repurchase project from the main board of Stock Exchange of Thailand.

During the year ended 31 December 2020, the Company repurchased the ordinary share totalling amount Baht 41.69 million for the ordinary share of 3.29 million shares. The payment for treasury shares presented as reduction in equity. The Company has setup reserve for this treasury shares in the same amount of payment. The Company has determined the maximum amount of treasury shares of Baht 2,500 million for approximately 122 million shares within 6 months from 11 March 2020 to 4 September 2020. After the completion date of repurchase treasury shares, the Company will resell this treasury shares which shall not be lower than 85% of the average closing price of the last 5 trading dates. If the company cannot resell the treasury shares within the share resale period, the Company will write off such registered share capital. As at 31 December 2020, the Company has not decreased the registered share capital.

25. Legal reserve

(Baht'000)

	Consolidated and separate financial statements
As at 1 January 2019	1,363,200
Appropriation during the year	198,000
As at 31 December 2019	1,561,200
As at 1 January 2020	1,561,200
Appropriation during the year	39,000
As at 31 December 2020	1,600,200

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

26. Share-based payment

In 2016, the Company issued rights to purchase of ordinary shares to the directors and employees of Banpu Group (BPP-W) (excluding directors, management and employees of the Banpu Power Group). In 2017, the Company issued rights to purchase of ordinary shares to the directors and employees of Banpu Power Group (BPP-ESOP) based on their position, duty, and responsibility towards the Company and its subsidiaries. The Group has no legal or constructive obligation to repurchase or settle such rights in cash. The terms and conditions of the rights to purchase ordinary shares are summarised as follows:

<table>
<tr><th>Descriptions</th><th colspan="3">Detail</th></tr>
<tr><td>Number of issued and offered shares</td><td colspan="3">Not exceeding 58,800,000 shares. As at 31 December 2019, 49,300,000 shares to be allocated and not exceeding 9,500,000 shares which the ad-hoc Compensation Committee will consider and allocate as appropriate.</td></tr>
<tr><td>Term of the plan</td><td colspan="3">Not exceeding 5 years from the date of approval by the shareholders' meeting of the Company. The offering will be completed within 19 October 2021.</td></tr>
<tr><td rowspan="6">Exercise price, period and conditions</td><td>Exercise price (Baht per share)</td><td>Exercise period</td><td>Number of exercised shares</td></tr>
<tr><td>23.10</td><td>The date of issue and offering ordinary shares to 19 Oct 2021</td><td>10% of the total allocated shares</td></tr>
<tr><td>25.20</td><td>From 19 October 2017 to 19 October 2021</td><td>15% of the total allocated shares</td></tr>
<tr><td>27.30</td><td>From 19 October 2018 to 19 October 2021</td><td>20% of the total allocated shares</td></tr>
<tr><td>29.40</td><td>From 19 October 2019 to 19 October 2021</td><td>25% of the total allocated shares</td></tr>
<tr><td>31.50</td><td>From 19 October 2020 to 19 October 2021</td><td>30% of the total allocated shares</td></tr>
<tr><td>Subscription dates</td><td colspan="3">Can exercise 4 times a year on the last business day of March, June, September and December from the first exercise date, except for the last exercise date, which is 19 October 2021.</td></tr>
</table>

The Company recognised and presented the rights to purchase ordinary shares for the selected directors and employees of Banpu Group under BPP-W and the rights to purchase ordinary shares for the directors and employees of Banpu Power Group under BPP-ESOP totalling of Baht 2.92 million in the statement of income and statement of changes in equity for the year ended 31 December 2020 (2019: Baht 4.79 million).

The number of the rights to purchase ordinary shares and the related weighted average exercise prices are as follows:

	Consolidated and Separate financial statements			
	2020		2019	
	Weighted average exercise price Baht per share	Unit	Weighted average exercise price Baht per share	Unit
At 1 January	28.92	43,970,300	28.92	42,670,300
Granted during the period	-	-	29.09	1,300,000
At 31 December	28.92	43,970,300	28.92	43,970,300

For the rights to purchase ordinary shares for the selected directors and employees of Banpu Group under BPP-W, the weighted average fair value of granted the rights to purchase determined using the Black-Scholes valuation model was Baht 0.19 per unit. The significant inputs into the model were a weighted average share price of Baht 21.00 at the grant date, exercise price was Baht 23.10 to Baht 31.50, volatility of 20%, dividend yield of 4.60%, an expected life of 5 years, and an annual risk-free interest rate of 1.78%.

For share-based payment to the directors and employees of Banpu Power Group under BPP-ESOP, the weighted average fair value of granted the rights to purchase determined using the Black-Scholes valuation model was Baht 2.11 per unit. The significant inputs into the model were a weighted average share price of Baht 25.75 at the grant date, exercise price was Baht 23.10 to Baht 31.50, volatility of 20%, dividend yield of 4.60%, an expected life of 5 years, and an annual risk-free interest rate of 2.13%.

27. Expenses by nature

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Coal consumption	2,938,086	2,902,526	-	-
Staff costs	747,168	912,133	100,111	94,370
Depreciation and amortisation	402,463	612,647	2,123	779
Rental expenses	4,337	50,507	1,899	1,913
Professional fee	130,203	205,725	19,038	48,542
Management fee	173,887	150,000	170,297	292,987

28. Basic earnings per share

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

Basic earnings per share for the years ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Net profit attributable to ordinary shareholders of the Company (Baht'000)	3,702,480	2,968,932	768,574	3,952,711
Weighted average ordinary shares (Thousand shares)	3,049,224	3,051,022	3,049,224	3,051,022
Basic earnings per share (Baht)	1.214	0.973	0.252	1.296

There are no potential dilutive ordinary shares in issue for the years ended 31 December 2020 and 2019.

29. Dividend paid

At the Board of Directors' meeting on 8 April 2020, the Board of Directors approved a payment of interim dividends of 2019 of Baht 0.30 per share for 3,049,571,700 shares, totalling of Baht 914.87 million. The Company paid such dividend to the shareholders on 28 April 2020 and at the Annual General Shareholders' meeting on 19 June 2020 the shareholders acknowledged such interim dividend payment.

At the Board of Directors' meeting on 28 August 2020, the Board of Directors approved a payment of interim dividends of 2020 of Baht 0.30 per share for 3,047,731,200 shares, totalling of Baht 914.32 million. The Company paid such dividend to the shareholders on 23 September 2020.

At the Annual General Shareholders' meeting on 2 April 2019, the shareholders approved a payment of final dividends of 2018 of Baht 0.30 per share for 3,051,021,700 shares, totalling of Baht 915.31 million. The Company paid such dividend to the shareholders on 26 April 2019.

At the Board of Directors' meeting on 30 August 2019, the Board of Directors approved a payment of interim dividends of 2019 of Baht 0.35 per share for 3,051,021,700 shares, totalling of Baht 1,067.85 million. The Thailand Securities Depository Company Limited notified the Company that certain shareholders were not entitled to receive dividend totalling of Baht 350. The Company paid such dividend to the shareholders on 25 September 2019.

30. Related party transactions

The Company is controlled by Banpu Public Company Limited (the Parent), which is domiciled in Thailand. The Parent holds 78.66% of the Company's shareholding.

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

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

- Management income represents fee charged to the parent company, a subsidiary, 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 and a subsidiary 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.

The following significant transactions were carried out with related parties:

30.1 Transactions during the years ended 31 December are as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Purchases of goods from related parties	1,532,011	156,935	-	-
Dividend income				
- Subsidiaries	-	-	207,256	1,954,124
- Joint ventures	-	-	575,094	2,431,308
Total dividend income from related parties	-	-	782,350	4,385,432
Interest income				
- Subsidiaries	-	-	127,984	326,749
- Associate	220,124	-	220,124	-
- Joint venture	36,421	7,403	-	-
- Related parties	58,069	-	-	-
Total interest income from related parties	314,614	7,403	348,108	326,749
Management fee				
- The Parent	16,069	46,037	-	-
- Subsidiary	-	-	-	4,670
- Associate	5,325	-	5,325	-
- Joint ventures	14,902	21,323	14,000	19,421
- Related parties	173,885	119,846	2,908	-

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Total management fee charged to related parties	210,181	187,206	22,233	24,091
Management and service expenses				
- The Parent	169,000	150,000	169,000	150,000
- Subsidiaries	-	-	1,297	142,987
- Related parties	4,887	-	-	-
Total management and service expenses to related parties	173,887	150,000	170,297	292,987

30.2 Amounts due from related parties as at 31 December consist of:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
As at 31 December				
Interest receivables				
- Subsidiaries	-	-	124,328	307,516
- Associate	154,031	-	154,031	-
- Joint venture	29,817	2,399	-	-
- Related parties	277,672	-	-	-
Total Interest receivables	461,520	2,399	278,359	307,516
Other receivables				
- Subsidiary	-	-	-	1,559
- Joint ventures	1,336	1,248	1,248	1,248
- Related parties	24,341	1,997	1,442	-
Total other receivables	25,677	3,245	2,690	2,807
Total amount due from related parties	487,197	5,644	281,049	310,323
Dividend receivables				
Dividend receivables - Current				
- Subsidiary	-	-	150,000	-
- Joint venture	150,000	-	-	-
	150,000	-	150,000	-
Dividend receivables - Non current				
- Subsidiary	-	-	196,033	546,034
- Joint venture	288,831	638,831	-	-
	288,831	638,831	196,033	546,034
Total dividend receivables from related parties	438,831	638,831	346,033	546,034

30.3 Advances to and loans to related parties as at 31 December consist of:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Advances to - Current				
- The Parent	4,097	-	4,097	-
- Subsidiaries	-	-	29,385	30,682
- Related parties	4,707	38	700	-
Total advances to related parties	8,804	38	34,182	30,682
Short-term loans to				
- Joint venture	1,531,567	98,235	-	-
- Related parties	1,264,138	-	-	-
Total short-term loans to related parties	2,795,705	98,235	-	-
Long-term loans to related parties				
- Subsidiary	-	-	2,473,105	7,489,367
- Associate	5,417,445	-	5,417,445	-
- Related parties	323,309	-	-	-
Total long-term loans to related parties	5,740,754	-	7,890,550	7,489,367

Short-term loans to subsidiaries are unsecured promissory notes which details are as follows:

Consolidated financial statements

(Million Baht)

	2020			2019			
Currency	Currency in promissory note (Million)	Million Baht	Average interest rate per annum	Currency in promissory note (Million)	Million Baht	Average interest rate per annum	Repayment term
CNY	605.30	2,795.71	4.35%	-	-	-	Repayment commencing 17 October 2020 to expiry of agreement on 13 September 2021
JPY	-	-	-	360.79	98.24	6.64% - 7.23%	Repayment at expiry of agreement on 31 March 2020
Total		2,795.71			98.24		

Movements of short-term loans to related parties for the years ended 31 December are as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Opening balance	98,235	2,603	-	2,260
Cash flows:				
Addition	1,599,096	132,878	1,587,661	1,000
Repayments	(179,270)	(36,228)	-	(3,220)
Other non-cash movements:				
Change in investment types from the group restructuring	1,301,425	-	-	-
Transfer to long-term loans to a related party	-	-	(1,488,338)	-
Convert accrued interest income to loans	-	3,286	-	-
Losses on exchange rate	(23,781)	(4,304)	(99,323)	(40)
Closing balance	2,795,705	98,235	-	-

Long-term loans to related parties are unsecured promissory notes which details are as follows:

Consolidated financial statements

(Million Baht)

	2020			2019			
Currency	Currency in promissory note (Million)	Million Baht	Average interest rate per annum	Currency in promissory note (Million)	Million Baht	Average interest rate per annum	Repayment term
Baht	4,967.12	4,967.12	4.25%	-	-	-	Repayment at the end of contract 30 November 2023 to 27 May 2024
CNY	167.50	773.63	4.25% - 4.75%	-	-	-	Repayment at the end of contract 28 July 2022 to 30 November 2023
Total		5,740.75			-		

Separate financial statement

(Million Baht)

	2020			2019			
Currency	Currency in promissory note (Million)	Million Baht	Average interest rate per annum	Currency in promissory note (Million)	Million Baht	Average interest rate per annum	Repayment term
Baht	4,967.12	4,967.12	4.25%	5,428.98	5,428.98	4.25%	Repayment at the end of contract 30 November 2023 to 27 May 2024
US Dollar	82.34	2,473.11	4.50%	32.79	982.78	4.50% - 4.84%	Repayment at the end of contract 31 March 2021 to 5 March 2023
JPY	-	-	-	2,433.78	662.66	4.25%	Repayment at the end of contract 30 November 2023 to 28 January 2025
CNY	97.50	450.32	4.25%	97.50	414.95	4.25%	Repayment at the end of contract 30 November 2023
Total		7,890.55			7,489.37		

The fair values of long-term loans to related parties are based on discounted cash flows using a discount rate based upon the market borrowing rate as at the reporting date and are within level 2 of the fair value hierarchy. As at 31 December 2020 and 2019, the fair values of long-term loans to related parties approximated their carrying amount.

Movements of long-term loans to related parties for the years ended 31 December are as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Opening balance	-	-	7,489,367	8,172,724
Cash flows:				
Additions	-	-	62,040	1,888,023
Repayment	(1,255,438)	-	(1,255,438)	(2,440,127)
Other non-cash movements:				
Change in investment types from the group restructuring	6,919,270	-	-	-
Transfer from short-term loans to a related party	-	-	1,488,338	-
Gains (losses) on exchange rate	76,922	-	106,243	(131,253)
Closing balance	5,740,754	-	7,890,550	7,489,367

30.4 Advances from and amounts due to related parties

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
As at 31 December				
Advances from				
- The Parent	24,268	2,102	24,268	6
- Associate	11,367	-	5,099	-
- Related parties	17,165	-	-	-
Total advances from related parties	52,800	2,102	29,367	6
Amounts due to related parties	192,164	59,955	-	-
Total advances from and amounts due to related parties	244,964	62,057	29,367	6

30.5 Key management compensation

Key management compensation for the years ended 31 December are detailed as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Salary and other short-term benefits	40,098	45,231	40,098	45,231
Post-employment benefits	1,815	1,729	1,815	1,729
Other long-term employee benefits	39	331	39	331
	41,952	47,291	41,952	47,291

In addition, the Group paid management fee to the Parent for the year ended 31 December 2020 of Baht 169 million (2019: Baht 150 million). Part of the fee is considered as performing key management of the Group.

31. Commitment and contingent liabilities

31.1 Letter of Guarantee

As at 31 December, the Group has obligations with banks as follows;

(Million)

	Consolidated and separate financial statement	
	2020 (Original currency)	2019 (Original currency)
Letter of Guarantee		
- US Dollar	22	22
- Thai Baht	1,601	1,600

31.2 Capital commitments

As at 31 December, the Group had capital expenditure and capital commitments to provide funding that were not recognised in the financial statement is as follows:

(Baht'000)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Property, plant and equipment	127,870	339,315	-	-
Investment in solar power plants	-	912,557	-	-
	127,870	1,251,872	-	-

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