



Innovations
for
Sustainable
Growth



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Board of Directors' responsibility for financial reporting

The consolidated financial statements of Global Power Synergy Public Company Limited and its subsidiaries have been prepared in conformity with the requirements of the Securities Exchange Commission under the Securities and Exchange Act B.E. 2535, the Announcement of the Department of Business Development, issued in accordance with Section 11, Paragraph 3 of the Accounting Act B.E.2543, and the Financial Reporting Standards prescribed by the Federation of Accounting Professions.

The Board of Directors is responsible for financial statements and the disclosures to ensure that the financial statements are presented fairly, in all material aspects. The effectiveness of internal control has been established to provide reasonable assurance of the financial statements, together with sufficiency and accuracy of accounting data, to preserve the Company's asset and prevent fraud and irregularities with material implications. The Company's ability to continue as a going concern has been assessed in preparing the financial report. The financial report has been prepared in accordingly to appropriate accounting policy and consistency practices, and in conformity with Thai Financial Reporting Standards. Significant information has sufficiently disclosed in notes to financial statements, where the auditor expressed an opinion on the financial statements of Global Power Synergy Public Company Limited and its subsidiaries in the auditor's report.

Mr. Surong Bulakul
Chairman

Mr. Toemchai Bunnag
President and Chief Executive Officer



Independent Auditor's Report

To the Shareholders of Global Power Synergy Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Global Power Synergy Public Company Limited and its subsidiaries (the “Group”) and of Global Power Synergy Public Company (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2017, the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2017 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

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 is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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



Independent Auditor's Report

Recoverability of loan to and interest receivable from and investment in 24M Technologies, Inc.	
Refer to Note 3 4 and 7 to the consolidated and separate financial statements	
The key audit matter	How the matter was addressed in the audit
<p>At 31 December 2017, the Group has loan to and interest receivable totalling to Baht 171.1 million and investment of Baht 715.6 million, representing 18% share in the capital of 24M Technologies, Inc. in the form of an unquoted equity instrument which is carried at cost.</p> <p>The recoverability of loan to and interest receivable and investment is an area of my focus because the Company is still in the development stage and therefore not yet profitable. The Group need to involves significant judgement to estimate the recoverable amount.</p>	<p>My audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> • evaluating the Group's process for identifying indicators of impairment; • evaluating the appropriateness of the recoverable amount and the key assumptions, including sales volume and prices, operating costs and long-term growth rates, which included comparing these inputs with externally derived data as well as my knowledge of the client and the industry; • consulting KPMG valuation specialists to assist in evaluating the appropriateness of the discount rates applied comparing with market average; • performing sensitivity analysis, which included assessing the effect of reasonably possible reductions in growth rates and forecast cash flows to evaluate the impact on the cash-generating unit; • evaluating the adequacy of financial statement disclosures according to Thai Financial Reporting Standards.



Independent Auditor's Report

Impairment on old machines and assets not used in operation	
Refer to Note 3 15 and 16 to the consolidated and separate financial statements	
The key audit matter	How the matter was addressed in the audit
<p>The Group holds old machines and certain group of assets which are not used in operation due to the fact that the projects has been suspended for certain periods and no progress.</p> <p>The old machines and assets not used in operations totalling net balances of Baht 182.7 million in the consolidated financial statements. There is a risk of recoverability of the assets which requires significant judgement of key assumptions and estimates of future sales prices.</p> <p>I focused on the estimate of recoverable amount that is based on the higher of the value in use or the fair value less cost to sell.</p>	<p>My audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> • evaluating the appropriateness of estimated recoverable amount process of the underlying asset; • challenging the fair value of underlying asset estimated by the independent appraiser using market approach for selling consideration purpose; • assessing the competency of the independent appraiser engaged by the Group; • consulting KPMG's external expert evaluating the appraisal report; • evaluating the appropriateness of the recoverable amount and the key assumptions, including sales volume and prices, operating costs and long-term growth rates, which included comparing these inputs with externally derived data as well as my knowledge of the client and the industry; • consulting KPMG valuation specialists to assist in evaluating the appropriateness of the discount rates applied comparing with market average; • evaluating the adequacy of financial statement disclosures according to Thai Financial Reporting Standards.

Other Information

Management is 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.

My opinion on the consolidated and separate financial statements does not cover the other information and I do 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 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. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report the fact. I have nothing to report in this regard.



Independent Auditor's Report

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

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines 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, management is 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 management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible 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 judgment and maintain professional skepticism throughout the audit. I also:

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



Independent Auditor's Report

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

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

(Waiyawat Kosamarnchaiyakij)
Certified Public Accountant
Registration No. 6333

KPMG Phoomchai Audit Ltd.
Bangkok
12 February 2018



Statement of financial position

Global Power Synergy Public Company Limited and its Subsidiaries

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Assets	Note	2017	2016	2017	2016
(in Baht)					
Current assets					
Cash and cash equivalents	5	3,964,780,634	5,421,670,109	3,917,037,946	4,754,685,349
Restricted accounts	6	286,420,851	359,235,832	-	-
Current investments	7	6,000,000	2,032,103,449	-	2,032,103,449
Trade accounts receivable	4, 8	3,663,404,827	2,179,932,758	2,774,001,586	1,758,092,840
Current portion of finance lease receivable	9	605,187,023	436,700,770	605,187,023	436,700,770
Other receivables	4,10	687,580,920	628,124,671	461,195,073	525,026,002
Current portion of long-term loan to related party	4	-	-	47,760,000	73,000,000
Inventories	11	484,785,602	457,758,228	468,764,033	452,173,981
Other current assets		219,819,327	149,497,052	81,123,897	76,816,249
Total current assets		9,917,979,184	11,665,022,869	8,355,069,558	10,108,598,640
Non-current assets					
Investments in joint ventures	12	2,626,124,182	2,476,611,172	2,522,672,690	2,496,552,690
Investments in associates	12	6,148,316,461	4,461,336,767	923,750,000	673,437,500
Investments in subsidiaries	13	-	-	8,499,119,392	7,626,921,229
Other long-term investments	7	2,923,374,630	2,923,124,630	2,923,374,630	2,923,124,630
Long-term loans to and interest receivables					
from related parties	4	2,965,049,601	2,529,589,401	3,215,789,601	2,733,089,401
Finance lease receivable	9	5,354,189,796	5,959,376,819	5,354,189,796	5,959,376,819
Property, plant and equipment	15	27,245,713,382	26,128,519,497	14,113,270,206	14,539,102,730
Assets not used in operation	16	73,114,997	60,983,204	-	-
Goodwill		14,874,653	15,805,968	-	-
Intangible assets	17	509,983,447	526,905,888	81,738,856	77,529,601
Deferred tax assets	18	-	6,063,197	-	-
Right of use of natural gas distribution pipeline	4	558,932,130	563,020,000	-	-
Right of use of asset	15	1,043,439,584	380,000,000	-	-
Other non-current assets	4	587,333,074	331,924,502	417,001,042	180,833,309
Total non-current assets		50,050,445,937	46,363,261,045	38,050,906,213	37,209,967,909
Total assets		59,968,425,121	58,028,283,914	46,405,975,771	47,318,566,549

The accompanying notes are an integral part of these financial statements



Statement of financial position

Global Power Synergy Public Company Limited and its Subsidiaries

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2017	2016	2017	2016
(in Baht)					
Current liabilities					
Trade accounts payable	4, 20	1,622,867,058	1,140,238,110	1,038,546,384	1,003,719,256
Other payables	4, 21	607,695,094	748,156,348	497,900,611	616,293,410
Payable for assets under construction		576,644,074	307,798,910	100,445,767	64,719,693
Current portion of long-term borrowings					
from financial institutions	19	990,568,752	1,913,278,023	-	1,594,836,477
Provision	22	101,170,772	-	101,170,772	-
Other current liabilities		188,631,812	85,784,356	126,484,649	77,988,309
Total current liabilities		4,087,577,562	4,195,255,747	1,864,548,183	3,357,557,145
Non-current liabilities					
Long-term borrowings from financial institutions	19	9,824,030,650	14,294,808,542	-	5,599,441,786
Debentures	19	4,993,464,074	-	4,993,464,074	-
Deferred tax liabilities	18	507,690,427	463,717,174	408,517,561	360,479,716
Non-current provisions for employee benefits	23	76,669,665	66,682,106	57,435,360	49,819,108
Other non-current liabilities	4	105,072,263	253,706,970	18,019,457	-
Total non-current liabilities		15,506,927,079	15,078,914,792	5,477,436,452	6,009,740,610
Total liabilities		19,594,504,641	19,274,170,539	7,341,984,635	9,367,297,755
Equity					
Share capital	24				
Authorised share capital		14,983,008,000	14,983,008,000	14,983,008,000	14,983,008,000
Issued and paid-up share capital		14,983,008,000	14,983,008,000	14,983,008,000	14,983,008,000
Premium on ordinary shares		9,485,108,656	9,485,108,656	9,485,108,656	9,485,108,656
Other surpluses (deficits)		(1,118,213,914)	(1,118,213,914)	78,467,400	78,467,400
Retained earnings					
Appropriated					
Legal reserve	25	707,995,886	566,207,473	707,995,886	566,207,473
Unappropriated		14,496,214,903	13,185,888,249	13,809,411,194	12,838,477,265
Other components of equity	25	(7,233,732)	47,909,989	-	-
Equity attributable to owner of the parent		38,546,879,799	37,149,908,453	39,063,991,136	37,951,268,794
Non-controlling interests	14	1,827,040,681	1,604,204,922	-	-
Total equity		40,373,920,480	38,754,113,375	39,063,991,136	37,951,268,794
Total liabilities and equity		59,968,425,121	58,028,283,914	46,405,975,771	47,318,566,549

The accompanying notes are an integral part of these financial statements



Statement of income

Global Power Synergy Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2017	2016	2017	2016
		(in Baht)			
Revenue from sale and rendering of services	4, 32	19,325,029,263	20,036,605,415	17,010,624,311	17,786,407,520
Revenue from finance lease		591,730,622	638,336,064	591,730,622	638,336,064
Cost of sale and rendering of services	4	(16,375,944,322)	(17,365,031,144)	(14,530,966,466)	(15,630,998,017)
Gross profit		3,540,815,563	3,309,910,335	3,071,388,467	2,793,745,567
Revenue from sale of Nitrogen	4	108,026,487	96,175,480	108,026,487	96,175,480
Cost of sale of Nitrogen		(102,641,010)	(89,966,103)	(102,641,010)	(89,966,103)
Net foreign exchange gain (loss)		(3,344,368)	3,594,377	(1,970,533)	2,233,499
Dividend income	4	270,005,280	420,006,791	591,292,814	752,248,479
Other income	4	478,040,738	243,908,240	371,264,055	260,129,708
Selling and distribution expenses	4	(10,570,439)	(8,449,025)	(10,570,439)	(8,449,025)
Administrative expenses	4, 27	(839,520,726)	(891,653,580)	(733,254,832)	(791,062,624)
Share of profit of associates and joint ventures	12	517,130,619	346,206,648	-	-
Profit before finance cost and tax expense		3,957,942,144	3,429,733,163	3,293,535,009	3,015,054,981
Finance costs	30	(361,011,385)	(417,524,768)	(233,065,729)	(331,373,917)
Profit before tax expense		3,596,930,759	3,012,208,395	3,060,469,280	2,683,681,064
Tax expense	31	(256,761,967)	(140,234,111)	(224,701,018)	(143,664,897)
Profit for the year		3,340,168,792	2,871,974,284	2,835,768,262	2,540,016,167
Profit attributable to:					
Owners of the parent		3,174,581,310	2,699,902,814	2,835,768,262	2,540,016,167
Non-controlling interests	14	165,587,482	172,071,470	-	-
Profit for the year		3,340,168,792	2,871,974,284	2,835,768,262	2,540,016,167
Basic earnings per share	33	2.12	1.80	1.89	1.70

The accompanying notes are an integral part of these financial statements



Statement of Comprehensive income

Global Power Synergy Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2017	2016	2017	2016
(in Baht)					
Profit for the year		3,340,168,792	2,871,974,284	2,835,768,262	2,540,016,167
Other comprehensive income (loss)					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating financial statement		(55,433,694)	17,836,976	-	-
Total items that will be reclassified subsequently to profit or loss		(55,433,694)	17,836,976	-	-
<i>Items that will not be reclassified to profit or loss</i>					
Share of other comprehensive income of associates and joint ventures	12	579,677	26,923	-	-
Losses on remeasurements of defined benefit plans	18, 23	-	(816,031)	-	-
Total items that will not be reclassified to profit or loss		579,677	(789,108)	-	-
Other comprehensive income (loss) for the year, net of tax		(54,854,017)	17,047,868	-	-
Total comprehensive income (loss) for the year		3,285,314,775	2,889,022,152	2,835,768,262	2,540,016,167
Total comprehensive income (loss) attributable to:					
Owners of the parent		3,120,017,266	2,716,874,912	2,835,768,262	2,540,016,167
Non-controlling interests	14	165,297,509	172,147,240	-	-
Total comprehensive income (loss) for the year		3,285,314,775	2,889,022,152	2,835,768,262	2,540,016,167

The accompanying notes are an integral part of these financial statements



Statement of changes in equity

Global Power Synergy Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements							Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Other surpluses (deficits)	Retained earnings			Equity attributable to owners of the parent	
					Legal reserve	Unappropriated (in Baht)	Translating foreign operations		
For the year ended 31 December 2016									
Balance at 1 January 2016		14,983,008,000	9,485,108,656	(1,118,213,914)	439,206,665	12,186,991,192	30,148,782	36,006,249,381	37,127,801,839
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners of the parent									
Dividends	35	-	-	-	-	(1,573,215,840)	-	(1,573,215,840)	-
Total contributions by and distributions to owners of the parent		-	-	-	-	(1,573,215,840)	-	(1,573,215,840)	-
Changes in ownership interests in subsidiaries									
Acquisition of non-controlling interests without a change in control		-	-	-	-	-	-	-	310,505,224
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	310,505,224
Total transactions with owners, recorded directly in equity		-	-	-	-	(1,573,215,840)	-	(1,573,215,840)	(1,262,710,616)
Comprehensive income (loss) for the year									
Profit for the year		-	-	-	-	2,699,902,814	-	2,699,902,814	2,871,974,284
Other comprehensive income (loss)		-	-	-	-	(789,109)	17,761,207	16,972,098	17,047,868
Total comprehensive income (loss) for the year		-	-	-	-	2,699,113,705	17,761,207	2,716,874,912	2,889,022,152
Transfer to legal reserve	25	-	-	-	127,000,808	(127,000,808)	-	-	-
Balance at 31 December 2016		14,983,008,000	9,485,108,656	(1,118,213,914)	566,207,473	13,185,888,249	47,909,989	37,149,908,453	38,754,113,375

The accompanying notes are an integral part of these financial statements



Statement of changes in equity

Global Power Synergy Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements							Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Other surpluses (deficits)	Retained earnings			Equity attributable to owners of the parent	
					Legal reserve	Unappropriated (in Baht)	Translating foreign operations		
For the year ended 31 December 2017									
Balance at 1 January 2017		14,983,008,000	9,485,108,656	(1,118,213,914)	566,207,473	13,185,888,249	47,909,989	37,149,908,453	38,754,113,375
Transactions with owners, recorded directly in equity									
Contributions by and distributions to owners of the parent									
Dividends	35	-	-	-	-	(1,723,045,920)	-	(1,723,045,920)	(1,723,045,920)
Total contributions by and distributions to owners of the parent		-	-	-	-	(1,723,045,920)	-	(1,723,045,920)	(1,723,045,920)
Changes in ownership interests in subsidiaries									
Acquisition of non-controlling interests without a change in control		-	-	-	-	-	-	-	57,538,250
Total changes in ownership interests in subsidiaries		-	-	-	-	-	-	-	57,538,250
Total transactions with owners, recorded directly in equity		-	-	-	-	(1,723,045,920)	-	(1,723,045,920)	(1,665,507,670)
Comprehensive income (loss) for the year									
Profit for the year		-	-	-	-	3,174,581,310	-	3,174,581,310	3,340,168,792
Other comprehensive income (loss)		-	-	-	-	579,677	(55,143,721)	(54,564,044)	(54,854,017)
Total comprehensive income (loss) for the year		-	-	-	-	3,175,160,987	(55,143,721)	3,120,017,266	3,285,314,775
Transfer to legal reserve	25	-	-	-	141,788,413	(141,788,413)	-	-	-
Balance at 31 December 2017		14,983,008,000	9,485,108,656	(1,118,213,914)	707,995,886	14,496,214,903	(7,233,732)	38,546,879,799	40,373,920,480

The accompanying notes are an integral part of these financial statements



Statement of changes in equity

Global Power Synergy Public Company Limited and its Subsidiaries

	Note	Separate financial statements					Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Other surpluses (deficits)	Retained earnings		
					Legal reserve	Unappropriated	
(in Baht)							
For the year ended 31 December 2016							
Balance at 1 January 2016		14,983,008,000	9,485,108,656	78,467,400	439,206,665	11,998,677,746	36,984,468,467
Transactions with owners, recorded directly in equity							
Contributions by and distributions to owner of the Company							
Dividend to owners of the Company	35	-	-	-	-	(1,573,215,840)	(1,573,215,840)
Total contributions by and distributions to owner of the Company		-	-	-	-	(1,573,215,840)	(1,573,215,840)
Comprehensive income for the year							
Profit for the year		-	-	-	-	2,540,016,167	2,540,016,167
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	2,540,016,167	2,540,016,167
Transfer to legal reserve	25	-	-	-	127,000,808	(127,000,808)	-
Balance at 31 December 2016		14,983,008,000	9,485,108,656	78,467,400	566,207,473	12,838,477,265	37,951,268,794

The accompanying notes are an integral part of these financial statements



Statement of changes in equity

Global Power Synergy Public Company Limited and its Subsidiaries

	Note	Separate financial statements					Total equity
		Issued and paid-up share capital	Share premium on ordinary shares	Other surpluses (deficits)	Retained earnings		
					Legal reserve	Unappropriated	
					(in Baht)		
For the year ended 31 December 2017							
Balance at 1 January 2017		14,983,008,000	9,485,108,656	78,467,400	566,207,473	12,838,477,265	37,951,268,794
Transactions with owners, recorded directly in equity							
<i>Contributions by and distributions to owner of the Company</i>							
Dividend to owners of the Company	35	-	-	-	-	(1,723,045,920)	(1,723,045,920)
Total contributions by and distributions to owner of the Company		-	-	-	-	(1,723,045,920)	(1,723,045,920)
Comprehensive income for the year							
Profit for the year		-	-	-	-	2,835,768,262	2,835,768,262
Other comprehensive income		-	-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	2,835,768,262	2,835,768,262
Transfer to legal reserve	25	-	-	-	141,788,413	(141,788,413)	-
Balance at 31 December 2017		14,983,008,000	9,485,108,656	78,467,400	707,995,886	13,809,411,194	39,063,991,136

The accompanying notes are an integral part of these financial statements



Statement of cash flows

Global Power Synergy Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2017	2016	2017	2016
		(in Baht)			
Cash flows from operating activities					
Profit for the year		3,340,168,792	2,871,974,284	2,835,768,262	2,540,016,167
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Tax expense	31	256,761,967	140,234,111	224,701,018	143,664,897
Finance costs	30	361,011,385	417,524,768	233,065,729	331,373,917
Depreciation and amortisation	29	1,351,305,100	1,265,758,361	1,091,968,904	1,071,603,309
Impairment losses on assets	15, 16	30,859,730	100,228,903	-	100,228,903
Provision expense	22	101,170,772	-	101,170,772	-
Unrealised loss on foreign exchange		3,264,715	6,903,178	6,618,132	5,001,376
Share of profit of associates and joint ventures	12	(517,130,619)	(346,206,648)	-	-
Bad and doubtful debts expenses		4,290,063	-	4,290,063	-
Reversal of losses on inventories devaluation	11	-	(149,767)	-	(149,767)
Loss on disposal of property, plant and equipment		780,156	15,457,862	780,156	15,434,068
Provisions expense for employee benefits	23	10,613,759	9,625,940	8,176,452	7,673,294
Dividend income	4	(270,005,280)	(420,006,791)	(591,292,814)	(752,248,479)
Income from liquidated damages for delay in construction		(130,473,652)	-	-	-
Interest income		(246,791,781)	(215,444,009)	(256,490,848)	(225,383,845)
		4,295,825,107	3,845,900,192	3,658,755,826	3,237,213,840
Changes in operating assets and liabilities					
Trade accounts receivable		(1,483,472,069)	668,584,277	(1,015,908,746)	855,502,571
Finance lease receivable		436,700,770	532,558,480	436,700,770	532,558,480
Other receivables		85,862,423	282,290,323	80,737,707	118,512,655
Inventories		(27,027,374)	(51,311,902)	(16,590,051)	(45,727,655)
Other current assets		(73,308,551)	(17,660,251)	(4,307,647)	51,178,761
Other non-current assets		(252,753,007)	2,544,332	(217,013,192)	(15,735)
Trade accounts payable		482,628,947	(819,555,765)	34,827,129	(815,188,736)
Other payables		(69,747,327)	(106,534,602)	(141,679,401)	(112,960,355)
Other current liabilities		17,619,224	(162,667,442)	(12,775,733)	(61,623,108)
Provisions for employee benefits	23	(626,200)	(885,664)	(560,200)	(797,500)
Other non-current liabilities		(143,191,214)	49,025,206	18,019,456	-
Net cash generated from operating		3,268,510,729	4,222,287,184	2,820,205,918	3,758,653,218
Taxes paid		(115,543,779)	(92,196,802)	(115,391,104)	(92,072,095)
Net cash from operating activities		3,152,966,950	4,130,090,382	2,704,814,814	3,666,581,123

The accompanying notes are an integral part of these financial statements



Statement of cash flows

Global Power Synergy Public Company Limited and its Subsidiaries

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
		2017	2016	2017	2016
		(in Baht)			
Cash flows from investing activities					
(Increase) decrease in restricted accounts		72,814,981	(123,747,454)	-	-
Cash outflow for right of use		(797,070,865)	(395,607,164)	(61,432,000)	-
Borrowing cost related to acquisition of assets		(222,789,540)	(214,957,214)	-	-
Proceeds from sale of current investments		2,026,103,449	6,288,576,562	2,032,103,449	6,288,576,562
Cash outflow for investments in joint ventures	12	(26,120,000)	(238,279,000)	(26,120,000)	(238,279,000)
Cash outflow for investments in associates	12	(1,640,353,500)	(1,082,541,000)	(250,312,500)	-
Cash outflow for investments in subsidiaries	13	-	-	(872,198,163)	(2,265,793,692)
Cash outflow for other long-term investments		(250,000)	(236,247,219)	(250,000)	(236,247,219)
Cash received from short-term loan to related party	4	-	-	-	333,686,325
Cash outflow for short-term loans to related parties	4	-	-	-	(157,226,745)
Cash received from long-term loan to related party	4	-	-	33,000,000	28,500,000
Cash outflow for long-term loan to related parties	4	(277,910,402)	(2,463,160,000)	(332,910,402)	(2,578,160,000)
Purchase of plant and equipment		(2,047,502,947)	(3,563,420,902)	(594,893,960)	(243,787,969)
Purchase of intangible assets		(22,184,525)	(29,772,930)	(15,747,625)	(23,851,430)
Translating foreign operations		(22,192,829)	(24,934,466)	-	-
Dividends received		564,459,464	699,748,475	564,459,475	699,748,475
Interest received		80,650,163	194,014,027	90,093,935	204,906,451
Net cash from (used in) investing activities		(2,312,346,551)	(1,190,328,285)	565,792,209	1,812,071,758



Statement of cash flows

Global Power Synergy Public Company Limited and its Subsidiaries

		Consolidated financial statements		Separate financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
	Note	2017	2016	2017	2016
		(in Baht)			
Cash flows from financing activities					
Payment borrowing fee to financial institutions		(23,548,531)	(83,975,173)	(14,876,712)	(27,616,438)
Proceeds from short-term borrowing from financial institutions		5,700,000,000	-	5,700,000,000	-
Repayment of short-term borrowing from financial institutions		(5,700,000,000)	-	(5,700,000,000)	-
Proceeds from short-term borrowing from related party	4	1,000,000,000	-	1,000,000,000	-
Repayment of short-term borrowing from related party	4	(1,000,000,000)	(1,617,862)	(1,000,000,000)	-
Proceeds from long-term borrowings from financial institutions	19	1,896,485,860	2,905,081,039	-	-
Repayment of long-term borrowings from financial institutions	19	(7,227,427,803)	(1,601,050,000)	(7,218,686,435)	(1,601,050,000)
Proceeds from issue of debentures	19	5,000,000,000	-	5,000,000,000	-
Transaction costs from issue of debentures		(6,135,926)	-	(6,135,926)	-
Dividend paid	35	(1,723,045,920)	(1,573,215,840)	(1,723,045,920)	(1,573,215,840)
Interest paid	30	(279,229,551)	(338,699,412)	(153,363,180)	(277,829,150)
Proceeds from subsidiaries' shares from non-controller		57,538,250	310,505,224	-	-
Net cash used in financing activities		(2,305,363,621)	(382,972,024)	(4,116,108,173)	(3,479,711,428)
Net increase (decrease) in cash and cash equivalents,					
before effect of exchange rates		(1,464,743,222)	2,556,790,073	(845,501,150)	1,998,941,453
Effect of exchange rate changes on cash and cash equivalents		7,853,747	-	7,853,747	-
Net increase (decrease) in cash and cash equivalents		(1,456,889,475)	2,556,790,073	(837,647,403)	1,998,941,453
Cash and cash equivalents at beginning of period		5,421,670,109	2,864,880,036	4,754,685,349	2,755,743,896
Cash and cash equivalents at ending of period	5	3,964,780,634	5,421,670,109	3,917,037,946	4,754,685,349
Non-cash transactions					
Payable for assets under construction		576,644,074	307,798,910	100,445,767	64,719,693

The accompanying notes are an integral part of these financial statements



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

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Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 12 February 2018.

1 General information

Global Power Synergy Public Company Limited, “GPSC”, arose from the amalgamation between PTT Utility Company Limited, “PTTUT”, and Independent Power (Thailand) Company Limited, “IPT” and was registered on 10 January 2013 in accordance with the Civil and Commercial Code. The amalgamation has resulted in the exchange of shares of PTTUT and IPT with the Company’s shares for PTTUT’s and IPT’s shareholders whose name appear in the Shareholder’s registration book of PTTUT and IPT. GPSC is entitled to all the assets, liabilities, rights, obligations and commitments under agreements that PTTUT and IPT entered into prior to the amalgamation.

Global Power Synergy Public Company Limited, the “Company”, is incorporated in Thailand and has its registered offices as follows:

Head Office	: 555/2, Energy Complex, Building B, 5 th Floor, Vibhavadi-Rangsit Road, Chatuchak, Bangkok, Thailand.
Branch 1	: 24, PakornSongkrao-Rat Road, Tambon Huai Pong, Amphur MueangRayong, Rayong, Thailand
Branch 2	: 92/9, Rayong 3191 Road, Tambon Map Ta Phut, Amphur MueangRayong, Rayong, Thailand
Branch 3	: 5/11, PakornSongkrao-Rat Road, Tambon Map Ta Phut, Amphur MueangRayong, Rayong, Thailand
Branch 4	: 42/3 Moo 1, Sukhumvit Road, Tambon Tungsukla, Amphur Sriracha, Chonburi, Thailand
Branch 5	: 98/19, Highway - Rayong No.3191 Road, Tambon Map Ta Phut, Amphur MueangRayong, Rayong, Thailand.

The Company was listed on the Stock Exchange of Thailand (“SET”) on 14 May 2015.

The major shareholders during the financial year were PTT Global Chemical Public Company Limited (22.73% shareholding), PTT Public Company Limited (22.58% shareholding), Thailoil Power Company Limited (20.79% shareholding) and Thai Oil Public Company Limited (8.91% shareholding). All were incorporated in Thailand. The ultimate parent company was PTT Public Company Limited.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

The principal businesses of the Company are the production and distribution of electricity, steam and water for industrial purpose. Details of the Company's subsidiaries and joint ventures as at 31 December 2017 and 2016 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2017	2016
<i>Direct subsidiaries</i>				
Combined Heat and Power Producing Co., Ltd	Production and distribution of electricity and chilled water /construction and installation of electricity generating system	Thailand	100	100
Natee Synergy Co., Ltd	Holding company	Thailand	100	100
IRPC Clean Power Co., Ltd	Production and distribution of electricity, steam and water for industrial purpose	Thailand	51	51
Ichinoseki Solar Power 1 GK	Production and distribution of electricity	Japan	99	99
GPSC International Holdings Limited	Holding company	Hongkong	100	100
<i>Joint ventures</i>				
Thai Solar Renewable Co., Ltd.	Holding company	Thailand	40	40
Nava Nakorn Electricity Generating Co., Ltd.	Production and distribution of electricity	Thailand	30	30
Nam Lik 1 Power Co., Ltd.	Production and distribution of electricity	Lao PDR	40	40
<i>Indirect Joint venture</i>				
Siam Solar Energy 1 Co., Ltd	Production and distribution of electricity	Thailand	40	40

2 Basis of preparation of the financial statements

(a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions ("FAP"); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2017. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2018 and have not been adopted in the preparation of these financial statements. The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

(b) *Basis of measurement*

The financial statements have been prepared on the historical cost basis except for defined benefit liabilities which measured by present value of the defined benefit obligation as explained in note 3 (p).

(c) *Functional and presentation currency*

The financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(d) *Use of judgements and estimates*

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 7	Other investments
Note 9	Finance lease receivable
Note 15	Property, plant and equipment
Note 16	Assets not used in operation
Note 18	Deferred tax
Note 22	Provision
Note 23	Provision for employee benefits
Note 34	Financial instruments

Measurement of fair values

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

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

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

Significant valuation issues are reported to the Group's Audit Committee.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

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

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

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

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

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 15	Property, plant and equipment
Note 16	Assets not used in operation
Note 34	Financial instruments

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and joint ventures.

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

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



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration and share-based payment awards of the acquiree that are replaced mandatorily in the business combination. If a business combination results in the termination of pre-existing relationships between the Group and the acquiree, then the lower of the termination amount, as contained in the agreement, and the value of the off-market element is deducted from the consideration transferred and recognised in other expenses.

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

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

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

Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative period presented or, if earlier, at the date of acquisition. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the Group controlling shareholder's consolidated financial statements. The components of equity of the acquired entities are added to the same components within Group equity. Any difference between cash paid for the acquisition and assets and liabilities acquired is recognised directly in equity.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and joint ventures.

Associate is the entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rates at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to functional currency at the foreign exchange rates at the dates of the transactions.

Foreign exchange differences arising on translation are recognised in profit or loss.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the foreign exchange rates ruling at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the foreign exchange rates ruling at the dates of the transactions.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are stated at exchange rates ruling on reporting dates.

Foreign exchange differences arising on translation are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investment, except to extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(c) *Derivative financial instruments*

Derivative financial instruments are used to manage exposure to foreign exchange and interest rate from operational and financing activities. The Group uses financial instruments to reduce exposure in fluctuation of foreign currency exchange and interest rate risk. These instruments, which mainly comprise foreign currency forward contracts and interest rate swap contracts, are not recognised in the financial statement on inception.

Foreign currency forward contracts

Foreign currency forward contracts protect the Company from risks in fluctuation of exchange rates by establishing the future exchange rate. At the settlement date, the differences between contracted forward rates and the transaction rates are recognised in profit or loss.

Interest rate swap contracts

Interest rate swap contracts protect the Company from risks in fluctuation of interest rates. The differences under interest rate swaps are recorded as adjustments to the interest expense relating to the financial obligations in profit or loss.

(d) *Cash and cash equivalents*

Cash and cash equivalents in the statements of cash flows comprise cash balances, current and savings accounts and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of financing activities for the purpose of the statement of cash flows.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

(e) *Trade accounts receivables*

Trade accounts receivable are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

(f) *Finance lease receivable*

Finance lease receivable are stated outstanding balance net of unearned interest income less allowance for doubtful.

The Group determines whether an arrangement that does not take the legal form of a lease, convey right to control the use of underlying asset during the arrangement period in return of a payment or series of payments. The underlying asset is a specific asset that is subject for a lease arrangement.

(g) *Inventories*

Inventories are measured at the lower of cost and net realisable value less allowance for doubtful accounts.

Cost of inventory is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Spare parts and supplies for maintenance are classified as inventories and recognised in profit or loss when they are used.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(h) *Investments*

Investments in associates, subsidiaries and joint ventures

Investments in associates, subsidiaries and joint ventures in the separate financial statements of the Company are accounted for using the cost method. Investments in associates and joint ventures in the consolidated financial statements are accounted for using the equity method.

Investments in other equity securities

Equity securities which are not marketable are stated at cost less any impairment losses.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

(i) *Property, plant and equipment*

Recognition and measurement

Owned assets

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses

Major standby spare parts and equipments where the Group estimates useful life is more than one year and other spare parts and equipments used in major repair and maintenance processes that to be used in connection with the property, plant and equipment will be reclassified as property, plant and equipments and depreciated from acquisitions and available-for-use. Major standby spare parts which are replaced by a major overhaul will be disposed and record replaced spare parts at the net book value at the date of replacements.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings and building improvements	5 - 40 years
Power plant, machinery and plant equipment	3 - 40 years
Furniture, fixtures and office equipment	5 - 28 years
Vehicles	5 years



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For the year ended 31 December 2017

No depreciation is provided on land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(j) *Service concession arrangements*

The Group recognises a financial asset arising from a service concession arrangement when it has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction or upgrade services provided. Such financial assets are measured at fair value upon initial recognition. Subsequent to initial recognition, the financial assets are measured at amortised cost.

(k) *Intangible assets*

Goodwill

Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Right fees and computer software

Right fees and computer software that are acquired by the Group, which have finite useful lives, are measured at cost less accumulated amortisation and impairment losses.

Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value.



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Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Software licenses	5 - 20	years
Right to power purchase agreement and right to operate	20	years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

(l) *Deferred charges*

Deferred charges are amortised over the estimated period to which the benefits relate, which are principally in line with the agreements to which such deferred charges relate.

(m) *Impairment*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



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For the year ended 31 December 2017

(n) *Interest-bearing liabilities*

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

(o) *Trade and other accounts payable*

Trade and other accounts payable are stated at cost.

(p) *Employee benefits*

Defined contribution plans

Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed every three years by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gains or losses are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.



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Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payments

The grant-date fair value of equity-settled share-based payment award granted to employees is generally recognised as an expense for the period that the employee entitle to the award with non-vesting condition.

(q) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(r) Revenue

Revenue excludes value added taxes and other sales taxes and is arrived at after deduction of trade discounts.

Sale of goods

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Rendering of services

The Group recognises revenue from rendering of services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed based on surveys of work performed.



Notes to the financial statements

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Service concession arrangements

Revenue relating to construction or upgrade services under a service concession arrangement is recognised based on the stage of completion of the work performed. Operation or service revenue is recognised in the period in which the services are provided by the Group. When the Group provides more than one service in a service concession arrangement, the consideration received is allocated by reference to the relative fair values of the services delivered.

Dividend income

Dividend income is recognised in profit or loss on the date the Group's right to receive payments is established.

Revenue from finance lease contracts

The Company recognise revenue from finance lease contracts by the effective interest rate method.

Interest and other income

Interest and other income are recognised in profit or loss as they accrue.

(s) Finance costs

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial year of time to be prepared for its intended use.

(t) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(u) Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.



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Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(v) *Earnings per share*

The Group presents basic earnings per share (EPS) for its ordinary shares. EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

(w) *Segment reporting*

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



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

4 Related parties

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

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ Nationality	Nature of relationships
PTT Plc.	Thailand	The ultimate parent company
PTT Global Chemical Plc.	Thailand	Shareholder and common director
Thai Oil Plc.	Thailand	Shareholder and common director
Thaioil Power Co., Ltd	Thailand	Shareholder and common director
Combined Heat and Power Producing Co., Ltd	Thailand	Subsidiary, 100% shareholding
Natee Synergy Co., Ltd	Thailand	Subsidiary, 100% shareholding
Ichinoseki Solar Power 1 GK	Japan	Subsidiary, 99% shareholding
IRPC Clean Power Co., Ltd	Thailand	Subsidiary, 51% shareholding
GPSC International Holdings Limited	Hongkong	Subsidiary, 100% shareholding
Thai Solar Renewable Co., Ltd.	Thailand	Joint venture, 40% shareholding
Nam Lik 1 Power Co., Ltd.	Lao PDR	Joint venture, 40% shareholding
Nava Nakorn Electricity Generating Co., Ltd.	Thailand	Joint venture, 30% shareholding
Bangpa-in Cogeneration Co., Ltd.	Thailand	Associate, 25% shareholding
Siam Solar Energy 1 Co., Ltd	Thailand	Indirect joint venture
Xayaburi Power Co., Ltd	Lao PDR	Indirect associate
IRPC Plc.	Thailand	Major shareholding by the ultimate parent company, subsidiary's shareholder and common director
PTT Energy Resources Co., Ltd.	Thailand	Major shareholding by the ultimate parent company
HMC Polymers Co., Ltd.	Thailand	Joint venture of the ultimate parent company
PTT Asahi Chemical Co., Ltd.	Thailand	Joint venture of the ultimate parent company and common director
PTT Tank Terminal Co., Ltd.	Thailand	Major shareholding by the ultimate parent company
Energy Complex Co., Ltd.	Thailand	Major shareholding by the ultimate parent company
PTT Maintenance and Engineering Co., Ltd.	Thailand	Major shareholding by the Company's shareholder
PTT Polymer Logistic Co., Ltd.	Thailand	Major shareholding by the Company's shareholder



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Name of entities	Country of incorporation/ Nationality	Nature of relationships
Business Services Alliance Co., Ltd.	Thailand	Shareholding by the ultimate parent company and the Company's shareholder, 25% preferred shareholding
PTT Digital Solutions Co., Ltd. (Formerly PTT ICT Solutions Co., Ltd.)	Thailand	Major shareholding by the ultimate parent company and the Company's shareholder and common director
Thai Fatty Alcohols Co., Ltd.	Thailand	Indirect major shareholding by the Company's shareholder
Global Green Chemicals Plc.	Thailand	Major shareholding by the Company's shareholder and common directors
PTT Phenol Co., Ltd.	Thailand	Major shareholding by the Company's shareholder
Dhipaya Insurance Plc. Vinythai Plc.	Thailand Thailand	Shareholding by the ultimate parent company Shareholding by the Company's shareholder
NPC Safety and Environmental Service Co., Ltd.	Thailand	Major shareholding by the Company's shareholder
TOC Glycol Co., Ltd.	Thailand	Major shareholding by the Company's shareholder
Solution Creation Co., Ltd.	Thailand	Major shareholding by the Company's shareholder
Vencorex (Thailand) Co., Ltd.	Thailand	Indirect major shareholding by the Company's shareholder
Advanced Biochemical (Thailand) Co., Ltd.	Thailand	Indirect shareholding by the Company's shareholder
Thai Ethoxylate Co., Ltd.	Thailand	Indirect joint venture of the Company's shareholder
Eastern Fluid Transport Co., Ltd.	Thailand	Shareholding by the Company's shareholder
Ratchaburi Power Co., Ltd.	Thailand	15% shareholding
San Palung Social Enterprise Co., Ltd.	Thailand	Major shareholding by the ultimate parent company and shareholding by the Company's shareholder, 10% shareholding
Sak Chaisidhi Co., Ltd.	Thailand	Indirect major shareholding by the Company's shareholder
PTT Green Energy (Thailand) Co., Ltd.	Thailand	Major shareholding by the ultimate parent company
24M Technologies, Inc.	United States	18% preferred stock shareholding and common director
TOP SPP Co., Ltd.	Thailand	Major shareholding by the Company's shareholder and common director
PTT Retail Management Co., Ltd.	Thailand	Shareholding by the ultimate parent company
PTT Polymer Marketing Co., Ltd.	Thailand	Major shareholding by the Company's shareholder and common director



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Name of entities	Country of incorporation/ Nationality	Nature of relationships
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the Company.

The pricing policies for particular types of transactions are explained further belows:

Transactions	Pricing policies
Sale of goods	Contract price
Rendering of service	Contract price
Purchase of goods/raw materials	Contract price
Rental fee	Contract price
Services fee	Contract price
Technical fee	Contract price
Interest income/interest expense	Contract rate

Significant transactions for the year ended 31 December with related parties were as follows:

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2017	2016 (in thousand Baht)	2017	2016
The ultimate parent company				
Other income	10	623	10	623
Cost of sale	12,945,650	13,820,611	11,597,955	12,496,195
Selling, distribution and administrative expenses	59,599	45,046	59,492	44,844
Finance cost	1,639	-	1,639	-
Cost of assets	175,629	-	-	-
Shareholders				
Revenue from sale	3,976,802	4,003,812	3,976,802	4,003,812
Other income	124	2,724	124	2,724
Cost of sale	44,601	37,383	44,601	37,383
Administrative expenses	17,188	23,520	17,188	23,520
Subsidiaries				
Interest income	-	-	14,109	15,583
Other income	-	-	14,814	6,770



Notes to the financial statements

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For the year ended 31 December 2017

<i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Joint ventures				
Interest income	2,544	-	2,544	-
Other income	5,244	3,080	5,244	3,080
Dividend income	-	-	301,000	291,667
Indirect associate				
Interest income	160,742	66,429	160,742	66,429
Other income	7,920	7,393	7,920	7,393
Other related parties				
Revenue from sale	8,115,109	8,187,671	6,017,263	6,132,464
Revenue from sale of Nitrogen	108,026	96,175	108,026	96,175
Interest income	8,767	-	8,767	-
Other income	74,253	7,202	74,253	7,202
Dividend income	270,005	420,007	270,005	420,007
Cost of sale	577,002	683,566	515,393	625,124
Selling, distribution and administrative expenses	81,771	77,444	78,537	74,888
Cost of assets and intangible assets	38,799	79,031	7,081	33,031
Key management personnel compensation				
Short-term employee benefits	60,173	32,576	58,426	30,867

Balances as at 31 December with related parties were as follows:

Trade accounts receivable - related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Shareholders				
PTT Global Chemical Plc.	756,492	353,821	756,492	353,821
Other related parties				
TOC Glycol Co., Ltd.	171,568	84,721	171,568	84,721
Global Green Chemicals Plc. (Formerly Thai Oleochemicals Co., Ltd.)	69,607	32,871	69,607	32,871
PTT Phenol Co., Ltd.	557,490	270,914	557,490	270,914
Thai Ethoxylate Co., Ltd.	2,337	2,625	2,337	2,625
Thai Fatty Alcohols Co., Ltd.	18,895	8,766	18,895	8,766
HMC Polymers Co., Ltd.	266,394	131,923	266,394	131,923
PTT Asahi Chemical Co., Ltd.	46,582	20,699	46,582	20,699
PTT Polymer Logistics Co., Ltd.	9,033	4,131	9,033	4,131



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Trade accounts receivable - related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
IRPC Plc.	300,256	390,113	-	-
Vencorex (Thailand) Co., Ltd.	9,506	3,129	9,506	3,129
PTT Retail Management Co., Ltd.	3,191	-	-	-
	2,211,351	1,303,713	1,907,904	913,600
Less allowance for doubtful accounts	-	-	-	-
Net	2,211,351	1,303,713	1,907,904	913,600
Bad and doubtful debts expense for the year	-	-	-	-

Other receivables - related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Ultimate parent company				
PTT Plc.	680	592	680	592
Shareholders				
PTT Global Chemical Plc.	1	6	1	6
Thai Oil Plc.	4,906	5,990	4,906	5,990
Thaioil Power Co., Ltd.	-	2,915	-	2,915
Subsidiaries				
Combined Heat and Power Producing Co., Ltd.	-	-	9,638	10,134
Natee Synergy Co., Ltd.	-	-	771	771
IRPC Clean Power Co., Ltd.	-	-	870	3,021
Ichinoseki Solar Power 1 GK	-	-	308	618
GPSC International Holdings Limited	-	-	499	169
Joint ventures				
Nam Lik 1 Power Co., Ltd.	6,249	8,348	6,249	8,348
Nava Nakorn Electricity Generating Co., Ltd.	450	271	450	271
Thai Solar Renewable Co., Ltd.	79,333	52,500	79,333	52,500



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	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Indirect associate				
Xayaburi Power Co., Ltd.	660	616	660	616
Other related parties				
Solution Creation Co., Ltd.	7,050	7,050	7,050	7,050
PTT Tank Terminal Co., Ltd.	1,094	1,268	1,094	1,268
PTT Phenol Co., Ltd.	8,667	171,901	8,667	171,901
PTT Digital Solutions Co., Ltd. (Formerly PTT ICT Solutions Co., Ltd.)	208	104	208	104
PTT Asahi Chemical Co., Ltd.	21,391	46,558	21,391	46,558
Dhipaya Insurance Plc.	71,195	107,614	57,899	96,004
Siam Solar Energy 1 Co., Ltd	504	480	504	480
IRPC Plc.	76	43,988	-	-
Vencorex (Thailand) Co., Ltd	65,771	15,863	65,771	15,863
Thai Ethoxylate Co., Ltd.	1,203	-	1,203	-
NPC Safety and Environmental Service Co., Ltd.	6	-	6	-
	269,444	466,064	268,158	425,179
Less allowance for doubtful accounts	-	-	-	-
Net	269,444	466,064	268,158	334,777
Bad and doubtful debts expense for the year	-	-	-	-



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Long-term loans to and interest receivables from related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Subsidiaries				
Combined Heat and Power Producing Co., Ltd.				
- Current portion of long-term loan	-	-	47,760	73,000
- Long-term loan	-	-	250,740	203,500
Joint venture				
Nam Lik 1 Power Co., Ltd.				
- Long-term loan	101,146	-	101,146	-
- Interest receivable	2,495	-	2,495	-
Indirect associate				
Xayaburi Power Co., Ltd.				
- Long-term loan	2,463,160	2,463,160	2,463,160	2,463,160
- Interest receivable	227,172	66,429	227,172	66,429

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Other related party				
24M Technologies, Inc.*				
- Long-term loan	162,573	-	162,573	-
- Interest receivable	8,504	-	8,504	-
Total	2,965,050	2,529,589	3,263,550	2,806,089

* See Note 7 for recoverability of loan to and interest receivable from and investment in 24M Technologies, Inc.

Long-term loan agreements

Combined Heat and Power Producing Co., Ltd.

Credit facility of Baht 350.0 million with loan agreement dated on 24 June 2014, due in 10 years with an interest rate per annum at MLR minus discount, payable in semi-annual installments commencing in December 2014. The purpose of this loan is for repayment of short-term loan and for working capital.



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Xayaburi Power Co., Ltd.

Credit facility of long-term loan of Baht 2,463.2 million with loan agreement dated on 2 August 2016 under condition in the Sponsor Agreement between Xayaburi Power Co., Ltd. and the Company which is one of those sponsors, due in 15 years with an interest rate per annum at MLR plus margin, payable semi-annual installments commencing in year 2021 from 5.6% to 14.0% per year of total loan as indicated in the agreement. The repayments of loan must comply with terms and condition under their loan agreement with financial institutions then the repayment can be made to the Company. The purpose of this loan is for construction of the project. As at 31 December 2017, the credit facility has been fully utilised.

Nam Lik 1 Power Co., Ltd.

Credit facility of long-term loan of U.S. Dollars 3.1 million with loan agreement dated on 21 March 2017 under condition in the Sponsor Agreement between Nam Lik 1 Power Co., Ltd. and the Company which is one of those sponsors, due in 12 years with an interest rate per annum at LIBOR 3M plus margin, payable semi-annual installments commencing in year 2019. The repayments of loan must comply with terms and condition under their loan agreement with financial institutions then the repayment can be made to the Company. The purpose of this loan is for construction of the project. As at 31 December 2017, the credit facility has been fully utilised.

24M Technologies, Inc.

Subordinated convertible promissory note of U.S. Dollars 5.0 million or equivalent to Baht 162.6 million, with agreement dated on 7 April 2017, bears fixed interest rate per annum. This note shall be convertible to share capital according to the terms specified in the agreement. Maturity date is on 31 December 2018 or at the conversion date whichever sooner. The management intention is to convert the note to share capital. Therefore, this note is classified as long-term loan.

On 31 January 2018, the Company has entered into the new subordinated convertible promissory note with 24M Technologies, Inc. to provide loan of U.S. Dollars 1.5 million, granted on 2 February 2018. This note bears fixed interest rate per annum and shall be convertible to share capital according to the terms specified in this agreement. Maturity date is on 31 December 2019 or at the conversion date whichever sooner.



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Movements during the year ended 31 December of loans from related parties were as follows:

Short-term loan to related party

	Separate financial statements	
	2017	2016
	(in thousand Baht)	
As at 1 January	-	183,429
Increase	-	157,227
Decrease	-	(373,984)
Exchange differences on translating financial statement	-	33,328
As at 31 December	-	-

Long-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
As at 1 January	2,463,160	-	2,739,660	190,000
Increase	277,910	2,463,160	332,910	2,578,160
Decrease	-	-	(33,000)	(28,500)
Exchange differences on translating financial statement	(14,191)	-	(14,191)	-
As at 31 December	2,726,879	2,463,160	3,025,379	2,739,660

Right of use of natural gas distribution pipeline - related party

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Ultimate parent company				
PTT Plc.	558,932	563,020	-	-
Total	558,932	563,020	-	-



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Other non-current assets - related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Shareholder				
Thai Oil Plc.	2,938	2,938	2,938	2,938
Other related party				
Energy Complex Co., Ltd.	4,320	4,320	4,320	4,320
Total	7,258	7,258	7,258	7,258

Trade accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Ultimate parent company				
PTT Plc.	1,523,476	1,051,897	953,551	932,113
Shareholders				
Thai Oil Plc.	3,503	963	3,503	963
Thaioil Power Co., Ltd	-	312	-	312
PTT Global Chemical Plc.	597	837	597	837
Other related parties				
PTT Asahi Chemical Co., Ltd.	34,739	38,118	34,739	38,118
IRPC Plc.	7,819	10,220	-	-
TOP SPP Co., Ltd.	2,313	-	2,313	-
Total	1,572,447	1,102,347	994,703	972,343



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Other accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Ultimate parent company				
PTT Plc.	21,952	14,613	21,568	14,597
Shareholders				
PTT Global Chemical Plc.	2,519	4,838	2,519	4,838
Thai Oil Plc.	5,574	5,574	5,574	5,574
Subsidiary				
GPSC International Holdings Limited	-	-	-	179
Joint venture				
Nam Lik 1 Power Co., Ltd.	1,087	2,216	1,087	2,216
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Other related parties				
Thai Ethoxylate Co., Ltd.	4,161	3,841	4,161	3,841
PTT ICT Solutions Co., Ltd. (Formerly PTT ICT Solutions Co., Ltd.)	6,549	10,541	6,208	10,088
Business Services Alliance Co., Ltd.	7,153	7,501	6,726	7,157
PTT Maintenance and Engineering Co., Ltd.	8,178	9,937	8,178	9,937
IRPC Plc.	31,463	17,669	-	15
Energy Complex Co., Ltd.	204	206	204	206
Vencorex (Thailand) Co., Ltd.	61,468	14,825	61,468	14,825
PTT Energy Resources Co., Ltd.	-	41	-	41
Dhipaya Insurance Plc.	-	266	-	221
PTT Phenol Co., Ltd.	-	158,237	-	158,237
NPC Safety and Environmental Service Co., Ltd.	864	-	864	-
PTT Green Energy (Thailand) Co., Ltd.	103	-	103	-
PTT Retail Management Co., Ltd.	1,160	-	-	-
PTT Polymer Marketing Co., Ltd.	1	-	-	-
Total	152,436	250,305	118,660	231,972



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Short-term borrowing from related party

Credit facility agreement

The company entered into credit facility agreement with ultimate parent company on 15 June 2017. The credit facility includes principle and interest of Baht 1,500 million or 3% of net assets of the company, whichever is lower. The borrowing, which can be provided in currencies of Thai Baht or U.S. Dollars, bears interest at MMR plus margin and repayment date is as agreed by both parties. The agreement shall be expired in 1 year and can be renewal according to conditions stipulated in the agreement for the period of 1 year or less.

Movement during the year ended 31 December of short-term loan from related party were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
As at 1 January	-	1,617	-	-
Increase	1,000,000	-	1,000,000	-
Decrease	(1,000,000)	(1,617)	(1,000,000)	-
As at 31 December	-	-	-	-

Other non-current liabilities - related party

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Other related party				
IRPC Plc.	-	161,322	-	-
Total	-	161,322	-	-

Significant agreements with related parties

As at 31 December 2017, the Group has significant agreements with related parties as follows:

Natural Gas Supply Agreements

The Company and its subsidiaries entered into Natural Gas Supply Agreement with a related company to supply natural gas for producing electricity and steam for the period of 3 - 25 years at volume and price as stipulated in agreements.

Electricity and Utilities Purchase and Sale Agreements

The Company and its subsidiary entered into agreements with related companies to purchase and sell electricity, steam, water for industrial purpose and Nitrogen for the period of 15 - 27 years or as indicated in the agreements at volume, price and renewable conditions as stipulated in agreements.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Right of Throughput Agreements

The Company entered into right of throughput agreements with related companies for the period of 15 - 25 years.

The Company has right of throughput agreements with related companies. The agreements are effective for a period of 15 years commencing from date as specified in each agreements and are renewable for another period subject to both parties agreeing to the conditions and further renewal detail of agreements.

Cost Reimbursement Agreement

The Company has cost reimbursement agreement with a related company covering the reimbursement of construction costs of natural gas pipeline facilities and the use of the pipeline facilities, raw water pipeline and the use of land for the construction of a transmission line connecting the Company to the Electricity Generating Authority of Thailand (“EGAT”). Under the terms of the agreement, the Company agrees to share the cost of investments with a related company on the basis and conditions stipulated in the agreement. These agreement is effective for a period of 25 years, or until the termination of the power purchase agreement entered into by the Company to EGAT, whichever is sooner.

Land Lease Agreements

The Company has land lease agreements with a related company to lease/sublease certain parcels of land ending in September 2022 with total rental fee for the year 2017 of Baht 6.9 million (*for the year 2016 of Baht 6.4 million*), and the rate will be adjusted every 5 years.

Office Building Space Rental and Service Agreements

The Company and its subsidiary entered into two agreements of office building space rental and service with a related company for the period of 2 and 3 years. These agreements are renewable.

Service and Supplies Agreement

The Company has a services and supplies agreement with a related company, whereby a related company provides the Company for material acquisition service, advisory and consultancy services and etc. The agreement is effective for a period of 3 years commencing from date as specified in the agreement and the last payment will be on December 2018.

Management Service Agreements

The Company has management service agreements with related companies. The agreements are effective from date as specified in the agreement with a service fee as stipulated in the agreements. Management service fee shall be increasingly adjusted by the contract rate in an annual basis.

Technical Management and Project Supporting Services Agreement

A subsidiary has technical management and project supporting services agreement with related party effective from agreement date with service fees stipulated in the agreement.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Insurance Agreements

The Company and subsidiaries has all risks insurance contracts with a local insurance company with total sum insures as stipulated in the agreements and annually renew. However, the Company and certain subsidiaries entered into agreements to assign their rights to proceeds from insurance claims under the insurance agreements to the lenders under certain borrowing agreements.

Maintenance Agreements

The Company and a subsidiary has preventive and corrective maintenance agreement with related company (“service provider”), whereby a related company provides the overall machines and equipment maintenance service in the power plant. The agreement is effective for 1 and 2 years with service fees stipulated in the agreement.

Land sale and purchase contract

On 29 December 2017, the Company has entered into land sale and purchase contract of Baht 269.3 million with the ultimate parent company. The purpose is for construction and operating Company’s power plant. The land has been paid and transferred on 15 January 2018.

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Cash on hand	139	177	9	-
Cash at banks - current and saving accounts	1,960,633	1,119,915	1,917,027	1,044,879
Fixed deposits (maturity period is less than 3 months from the investment date)	2,000,002	-	2,000,002	-
Promissory notes (maturity period is less than 3 months from the investment date)	4,007	4,301,578	-	3,709,806
Total	3,964,781	5,421,670	3,917,038	4,754,685



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

6 Restricted accounts

As at 31 December 2017, the Group pledged its restricted cash at banks in Baht 137.1 million and JPY 515.3 million or totaling Baht 286.4 million which will be withdrawn when needed as specified the borrowing agreements. (2016: Baht 359.2 million)

7 Other investments

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Current investments				
Cash at banks - fixed deposits	-	987,667	-	987,667
Promissory note	6,000	1,044,436	-	1,044,436
	6,000	2,032,103	-	2,032,103
Other long-term investments				
Other non-marketable equity securities	2,923,375	2,923,125	2,923,375	2,923,125
	2,923,375	2,923,125	2,923,375	2,923,125
Total	2,923,375	4,955,228	2,923,375	4,955,228



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Other investments as at 31 December 2017 and 2016, and dividend income from those investments for the years then ended, were as follows:

Consolidated financial statements / Separate financial statements								
Type of business	Ownership interest		Paid-up capital		Cost		Dividend income	
	2017	2016	2017	2016	2017	2016	2017	2016
(in thousand Baht)								
Other non-marketable equity securities								
Ordinary shares								
Ratchaburi Power Co., Ltd. San Palung Social Enterprise Co., Ltd.	15	15	7,325,000	7,325,000	2,207,000	2,207,000	270,000	420,000
	10	-	2,500	-	250	-	-	-
					2,207,250	2,207,000	270,000	420,000
Preferred shares								
Business Services Alliance Co., Ltd. 24M Technologies, Inc. (Paid-up capital in thousand U.S. dollars)	25	25	2,000	2,000	500	500	5	7
	18	19	34	32	715,625	715,625	-	-
					716,125	716,125	5	7
Total					2,923,375	2,923,125	270,005	420,007



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Recoverability of loan to and interest receivable from and investment in 24M Technologies, Inc.

At 31 December 2017, the Company has loan to including accrued interest receivable totalling to Baht 171.1 million and investment of Baht 715.6 million, representing 18% share in the capital of 24M Technologies, Inc. in the form of an unquoted equity instrument which is carried at cost.

The Company assessed the recoverability of the investment based on the qualitative and quantitative analysis, including; the investee's revenue and earnings trends relative to pre-defined milestones and overall business prospects; the technological feasibility of the investee's products and technologies; the general market conditions in the investee's industry or geographic area, including adverse regulatory or economic changes; factors related to 24M Technologies, Inc.'s ability to remain in business.

Management also evaluates the appropriateness of the recoverable amount and the key assumptions, including sales volumes and prices, operating costs and long-term growth rates, which included comparing these inputs with externally derived data and the latest selling price of preferred stock. The company calculated the recoverable amount by discounted estimated future cashflow and using the key assumption of terminal growth rate at 2.5% from year 2024 onwards and discount rate at 20%. The increase of discount rate over 6.94% will cause the book value higher than recoverable amount.

As at 31 December 2017, 24M Technologies, Inc.'s operation was in line with the agreed milestone and the investee is in process to obtain new funding from new investors. The Group believed that the recoverability amount of the investment is higher than the book value.

8 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
		(in thousand Baht)			
Related parties	4	2,211,351	1,303,713	1,907,904	913,600
Other parties		1,452,054	876,220	866,098	844,493
Total		3,663,405	2,179,933	2,774,002	1,758,093
Less allowance for doubtful accounts		-	-	-	-
Net		3,663,405	2,179,933	2,774,002	1,758,093
Bad and doubtful debts expense for the year		-	-	-	-



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Aging analyses for trade accounts receivable were as follows:

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Related parties					
Within credit terms		2,181,719	1,303,713	1,878,272	913,600
Overdue:					
Less than 3 months		11,564	-	11,564	-
3 - 6 months		7,524	-	7,524	-
6 - 12 months		10,544	-	10,544	-
	4	2,211,351	1,303,713	1,907,904	913,600
Less allowance for doubtful accounts		-	-	-	-
		2,211,351	1,303,713	1,907,904	913,600
Other parties					
Within credit terms		1,452,054	795,601	866,098	763,874
Overdue:					
Less than 3 months		-	80,587	-	80,587
6 - 12 months		-	32	-	32
		1,452,054	876,220	866,098	844,493
Less allowance for doubtful accounts		-	-	-	-
		1,452,054	876,220	866,098	844,493
Net		3,663,405	2,179,933	2,774,002	1,758,093

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



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

9 Finance lease receivable

Consolidated financial statements / Separate financial statements

	The periods to maturity within one year		The periods to maturity after one year but within five years		The periods to maturity after five years		Total
	2017	2016	2017	2016	2017	2016	
<i>(in thousand Baht)</i>							
Finance lease receivable	1,148,037	1,028,432	4,566,537	4,546,723	2,589,728	3,757,579	9,332,734
Less unearned interest income	(542,850)	(591,731)	(1,511,544)	(1,787,513)	(290,531)	(557,412)	(2,936,656)
	605,187	436,701	3,054,993	2,759,210	2,299,197	3,200,167	6,396,078
Less allowance for doubtful accounts	-	-	-	-	-	-	-
Net	605,187	436,701	3,054,993	2,759,210	2,299,197	3,200,167	6,396,078

As at 31 December 2017 and 2016, the Group and the Company has no overdue balance of finance lease receivable.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

10 Other receivables

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
		(in thousand Baht)			
Related parties	4	269,444	466,064	268,158	425,179
Other parties					
Prepaid expenses		234,094	101,768	156,134	56,540
Other receivable		161,918	27,170	30,133	26,576
Refundable value added tax		15,205	14,657	-	-
Accrued interest income		6,678	12,588	6,650	12,305
Others		4,532	5,878	4,410	4,426
		422,427	162,061	197,327	99,847
Total		691,871	628,125	465,485	525,026
Less allowance for doubtful accounts		(4,290)	-	(4,290)	-
Net		687,581	628,125	461,195	525,026

11 Inventories

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Raw material	6,412	7,988	6,412	7,988
Finished goods	1,433	1,380	1,433	1,380
Factory supplies	476,941	448,390	460,919	442,806
	484,786	457,758	468,764	452,174
Less allowance for Inventories devaluation	-	-	-	-
Net	484,786	457,758	468,764	452,174



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

12 Investments in associates and joint ventures

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Associates				
At 1 January	4,461,337	3,413,934	673,438	673,438
Share of net profit of associates	66,334	5,410	-	-
Share of other comprehensive income	580	27	-	-
Dividend income	(20,288)	(40,575)	-	-
Increase in share capital	1,640,353	1,082,541	250,312	-
At 31 December	6,148,316	4,461,337	923,750	673,438
Joint ventures				
At 1 January	2,476,611	2,177,010	2,496,553	2,258,274
Share of net profit of joint ventures	450,797	340,797	-	-
Dividend income	(301,000)	(291,667)	-	-
Increase in share capital	26,120	238,279	26,120	238,279
Exchange differences on translating financial statement	(26,404)	12,192	-	-
At 31 December	2,626,124	2,476,611	2,522,673	2,496,553
Total				
At 1 January	6,937,948	5,590,944	3,169,991	2,931,712
Share of net profit of associates and joint ventures	517,131	346,207	-	-
Share of other comprehensive income	580	27	-	-
Dividend income	(321,288)	(332,242)	-	-
Increase in share capital	1,666,473	1,320,820	276,432	238,279
Exchange differences on translating financial statement	(26,404)	12,192	-	-
At 31 December	8,774,440	6,937,948	3,446,423	3,169,991



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

During the year ended 31 December 2017 there were increase in share capital of investment in associates and joint ventures as follows:

Bangpa-in Cogeneration Company Limited

During the year ended 31 December 2017, the company paid for the additional share capital in the remaining proportion of investment 75.0% of par value, totalling paid-up share capital amounting to Baht 250.3 million.

Xayaburi Power Company Limited

During the year ended 31 December 2017, Natee Synergy Company Limited paid for the additional share capital in the remaining proportion of investment 52.4% of par value of Xayaburi Power Company Limited amounting to Baht 1,390.0 million.

Nam Lik 1 Power Company Limited

During the year ended 31 December 2017, the company paid for the additional share capital in the remaining proportion of investment 5.6% of par value, totalling paid-up share capital amounting to U.S. Dollars 0.8 million or equivalent to Baht 26.1 million.

For the year ended 31 December 2017

Investments in associates and joint ventures as at 31 December 2017 and 2016, and dividend income from those investments for the years then ended, were as follows:

Consolidated financial statements										
Ownership interest		Paid-up capital		Cost		Equity		Dividend income		
2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	
(in thousand Baht)										
(%)										
<i>Joint ventures</i>										
Thai Solar Renewable Co., Ltd. Navanakorn Electricity Generating Co., Ltd. Nam Lik 1 Power Co., Ltd. (Paid-up capital in thousand U.S. Dollars)	40	40	583,333	583,333	1,697,000	1,697,000	1,711,829	1,713,577	301,000	291,667
	30	30	1,525,000	1,525,000	480,900	480,900	588,631	466,579	-	-
	40	40	25,400	23,400	344,773	318,653	325,664	296,455	-	-
<i>Associate</i>										
Bangpa-in Cogeneration Co., Ltd.	25	25	2,705,000	1,707,050	923,750	673,438	817,512	498,966	20,288	40,575
					923,750	673,438	817,512	498,966	20,288	40,575
<i>Indirect associate</i>										
Xayaburi Power Co., Ltd	25	25	22,064,828	16,504,664	5,794,469	4,404,428	5,330,804	3,962,371	-	-
					5,794,469	4,404,428	5,330,804	3,962,371	-	-
Total					9,240,892	7,574,419	8,774,440	6,937,948	321,288	332,242



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	(%)		(in thousand Baht)									
Joint ventures												
Thai Solar Renewable Co., Ltd.	40	40	583,333	583,333	1,697,000	1,697,000	-	-	1,697,000	1,697,000	301,000	291,667
Navanakorn Electricity Generating Co., Ltd.	30	30	1,525,000	1,525,000	480,900	480,900	-	-	480,900	480,900	-	-
Nam Lik 1 Power Co., Ltd. (Paid-up capital in thousand U.S. dollars)	40	40	25,400	23,400	344,773	318,653	-	-	344,773	318,653	-	-
					2,522,673	2,496,553	-	-	2,522,673	2,496,553	301,000	291,667
Associate												
Bangpa-in Cogeneration Co., Ltd.	25	25	2,705,000	1,707,050	923,750	673,438	-	-	923,750	673,438	20,288	40,575
					923,750	673,438	-	-	923,750	673,438	20,288	40,575
Total					3,446,423	3,169,991	-	-	3,446,423	3,169,991	321,288	332,242

None of the Company's associates and joint ventures are publicly listed and consequently do not have published price quotations.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Associates and joint ventures

The following table summarises the financial information of the associates and joint ventures as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarized financial information to the carrying amount of the Group's interest in these companies.

	Xayaburi Power Co., Ltd		Thai Solar Renewable Co., Ltd.	
	2017	2016	2017	2016
	(in thousand Baht)			
Revenue	-	-	1,480,733	1,478,238
Profit (loss) from continuing operations	(86,432)	(174,541)	738,215 ^a	708,704 ^a
Other comprehensive income	-	-	-	-
Total comprehensive income (100%)	(86,432)	(174,541)	738,215	708,704
Group's share of total comprehensive income	(21,608)	(43,635)	295,286	283,482
Current assets	948,252	434,667	580,833 ^b	555,744 ^b
Non-current assets	106,802,916	89,411,742	6,835,951	7,405,333
Current liabilities	(1,098,376)	(2,670,181)	(779,798) ^c	(781,797) ^c
Non-current liabilities	(85,468,933)	(71,466,101)	(2,445,610) ^d	(2,983,475) ^d
Net assets (100%)	21,183,859	15,710,127	4,191,376	4,195,805
Group's share of net assets	5,295,965	3,927,532	1,676,550	1,678,298
Adjustment	34,839	34,839	35,279	35,279
Carrying amount of interest in associate/joint venture	5,330,804	3,962,371	1,711,829	1,713,577

	Thai Solar Renewable Co., Ltd.	
	2017	2016
	(in thousand Baht)	
a. Includes :		
- depreciation and amortisation	233,027	232,998
- interest expense	150,236	177,711
- income tax expense	7,079	2,495
b. Includes cash and cash equivalents	2,281	1,314
c. Includes current financial liabilities (excluding trade and other payables and provisions)	537,750	537,750
d. Includes non-current financial liabilities (excluding trade and other payables and provisions)	2,397,041	2,934,791



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Immaterial associate and joint ventures

The following is summarized financial information for the Group's interest in immaterial associate and joint ventures based on the amounts reported in the Group's consolidated financial statements:

	2017 (in thousand Baht)	2016
Carrying amount of interests in immaterial associates and joint ventures	1,731,807	1,262,000
Group's share of:		
- Profit from continuing operations	242,088	106,360
- Other comprehensive income (loss)	(25,824)	-
- Total comprehensive income (loss)	216,264	106,360

13 Investments in subsidiaries

	Separate financial statements	
	2017 (in thousand Baht)	2016
At 1 January	7,626,921	5,360,948
Increase in share capital	872,198	2,265,973
At 31 December	8,499,119	7,626,921

During the year ended 31 December 2017 there were increase in share capital of investment in subsidiaries as follows:

Combined Heat and Power Producing Company Limited

During the year ended 31 December 2017, the Company paid for the additional share capital amounting to Baht 10.5 million, totalling paid-up share capital amount of Baht 371.7 million.

Natee Synergy Company Limited

During the year ended 31 December 2017, the Company paid for the additional share capital amounting to Baht 798.6 million, totalling paid-up share capital amount of Baht 5,627.5 million.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Investments in subsidiaries as at 31 December 2017 and 2016, and dividend income from those investments for the years then ended, were as follows:

	Ownership interest 2017		Paid-up capital 2017		Paid-up capital 2016		Separate financial statements						At cost - net 2017		Dividend income 2017		2016		2016	
							Cost		Impairment		(in thousand Baht)									
Subsidiaries																				
Combined Heat and Power Producing Co., Ltd.	100	100	371,730	361,220	265,510	255,000	-	-	265,510	255,000	-	-	-	-						
Natee Synergy Co., Ltd.	100	100	5,627,457	4,828,813	5,862,693	5,064,049	-	-	5,862,693	5,064,049	-	-	-	-						
IRPC Clean Power Co., Ltd.	51	51	3,083,000	2,965,575	1,822,330	1,762,443	-	-	1,822,330	1,762,443	-	-	-	-						
Ichinoseki Solar Power 1 GK																				
(Paid-up capital in thousand JPY)	99	99	10	10	545,250	545,250	-	-	545,250	545,250	-	-	-	-						
GPSC International Holdings Limited																				
(Paid-up capital in thousand U.S. Dollars)	100	100	98	5	3,336	179	-	-	3,336	179	-	-	-	-						
Total					8,499,119	7,626,921	-	-	8,499,119	7,626,921	-	-	-	-						

None of the Group's subsidiaries are publicly listed and consequently do not have published price quotations.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

14 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest, before any intra-group eliminations:

	31 December 2017			
	IRPC Clean Power Co., Ltd.	Other individually immaterial subsidiaries	Intra-group eliminations	Total
	<i>(in thousand Baht)</i>			
Non-controlling interest percentage	49%			
Current assets	1,238,483			
Non-current assets	12,186,948			
Current liabilities	(1,988,637)			
Non-current liabilities	(7,716,564)			
Net assets	3,720,230			
Carrying amount of non-controlling interest	1,822,913	2,051	2,077	1,827,041
Revenue	2,093,963			
Profit	338,318			
Total comprehensive income	338,318			
Profit (loss) allocated to non-controlling interest	165,776	(189)	-	165,587
Other comprehensive income (loss) allocated to non-controlling interest	-	(130)	(159)	(289)
Cash flows from operating activities	447,394			
Cash flows used in investing activities	(1,008,950)			
Cash flows from financing activities	518,012			
Net decrease in cash and cash equivalents	(43,544)			



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

	31 December 2016			
	IRPC Clean Power Co., Ltd.	Other individually immaterial subsidiaries (in thousand Baht)	Intra-group eliminations	Total
Non-controlling interest percentage	49%			
Current assets	671,749			
Non-current assets	11,130,193			
Current liabilities	(325,780)			
Non-current liabilities	(8,211,674)			
Net assets	3,264,488			
Carrying amount of non-controlling interest	1,599,599	2,370	2,336	1,604,205
Revenue	2,055,207			
Loss	352,192			
Total comprehensive income (loss)	352,192			
Profit (loss) allocated to non-controlling interest	172,574	(503)	-	172,071
Other comprehensive income (loss) allocated to non-controlling interest	-	2	74	76
Cash flows from operating activities	561,521			
Cash flows used in investing activities	(3,017,785)			
Cash flows from financing activities	2,396,014			
Net decrease in cash and cash equivalents	(60,250)			



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Global Power Synergy Public Company Limited and its Subsidiaries

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15 Property, plant and equipment

Consolidated financial statements						
	Land and improvement	Buildings and building improvements	Power plant, Machinery and factory equipment	Furniture, fixtures and equipment <i>(in thousand Baht)</i>	Vehicles	Construction in progress
Cost						Total
At 1 January 2016	1,117,737	948,019	24,241,559	97,676	3,126	30,722,845
Additions	50,511	16,733	202,813	20,373	-	4,031,227
Transfers	-	2,515	524,283	17,581	-	(108,546)
Disposals	-	(20,230)	(33,173)	(14,571)	-	(69,921)
At 31 December 2016 and 1 January 2017	1,168,248	947,037	24,935,482	121,059	3,126	34,575,605
Additions	77	9,068	7,200	11,763	16,721	2,717,626
Transfers	(253,489)	822,477	8,195,389	3,082	-	(253,489)
Disposals	-	-	(3,807)	(802)	-	(4,609)
At 31 December 2017	914,836	1,778,582	33,134,264	135,102	19,847	37,035,133
Depreciation and impairment losses						
At 1 January 2016	-	251,108	6,940,184	61,419	2,934	7,255,645
Depreciation charged for the year	-	36,895	1,183,355	11,045	95	1,231,390
Transfers	-	-	(8,318)	-	-	(8,318)
Disposals	-	(4,728)	(20,903)	(6,000)	-	(31,631)
At 31 December 2016 and 1 January 2017	-	283,275	8,094,318	66,464	3,029	8,447,086
Depreciation charged for the year	-	40,425	1,245,679	13,031	2,225	1,301,360
Impairment loss	-	-	-	-	-	42,990
Disposals	-	-	(1,780)	(236)	-	(2,016)
At 31 December 2017	-	323,700	9,338,217	79,259	5,254	9,789,420
Net book value						
At 1 January 2016	1,117,737	696,911	17,301,375	36,257	192	23,467,200
At 31 December 2016 and 1 January 2017	1,168,248	663,762	16,841,164	54,595	97	26,128,519
At 31 December 2017	914,836	1,454,882	23,745,887	55,843	14,593	27,245,713



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

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The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2017 amounted to Baht 421.8 million (2016: Baht 295.9 million).

Security

At 31 December 2017 the Group's land, construction, and machinery including future capital investment with a net book value of Baht 12,666.3 million was used as collateral to secure long-term loans (2016: Baht 23,497.3 million) (see note 19).

Borrowing costs

Capitalised borrowing costs of a subsidiaries relating to the acquisition of the land and the construction of the new factories amounted to Baht 226.4 million (2016: Baht 221.6 million), with capitalisation rate of 6 months FDR plus margin and JPY-LIBOR plus margin per annum (2016: with capitalisation rate of 6 months FDR plus margin and JPY-LIBOR plus margin per annum).

Transfer assets

During the year 2017, a subsidiary transferred its ownership of land, locating substation, amounting to Bath 253.5 million, and assets builded on this land to Electricity Generating Authority of Thailand ("EGAT") as agreed in power purchase agreement. After transferring, a subsidiary shall obtain right for connecting electricity grid distribution of EGAT. This right were presented in right of use of assets in financial statements.

Impairment loss on old machines

A subsidiary holds old machines with net book value of Bath 109.6 million which are not used for several years and in the modification phase to resume its operation.

As at 31 December 2017, the subsidiary has measuring a recoverable amount of old machines under construction, which is an old electricity generator. As a result, a subsidiary has to record loss from impairment of asset totaling Baht 43.0 million in the Group's statement of income. The recoverable amount was determined by the value in use and calculated from the discounted future cash flow projection based on past information from both internal and external sources and using the significant assumption of discount rate at 7.7%.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

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Separate financial statements

	Land and improvement	Buildings and building improvements	Power plant, machinery and factory equipment	Furniture, fixtures and equipment (in thousand Baht)	Vehicles	Construction in progress	Total
Cost							
At 1 January 2016	250,197	742,814	20,437,650	96,026	3,126	989,117	22,518,930
Additions	50,511	15,594	40,892	19,950	-	164,723	291,670
Transfers	-	2,515	494,792	17,582	-	(623,435)	(108,546)
Disposals	-	(20,230)	(33,173)	(14,457)	-	(1,947)	(69,807)
At 31 December 2016 and 1 January 2017	300,708	740,693	20,940,161	119,101	3,126	528,458	22,632,247
Additions	77	9,068	16,313	11,451	16,410	578,000	631,319
Transfers	-	15,848	318,968	2,842	-	(337,658)	-
Disposals	-	-	(3,807)	(802)	-	-	(4,609)
At 31 December 2017	300,785	765,609	21,271,635	132,592	19,536	768,800	23,258,957
Depreciation							
At 1 January 2016	-	204,244	6,826,739	60,537	2,934	-	7,094,454
Depreciation charged for the year	-	29,482	998,222	10,775	94	-	1,038,573
Transfers	-	-	(8,318)	-	-	-	(8,318)
Disposals	-	(4,728)	(20,903)	(5,934)	-	-	(31,565)
At 31 December 2016 and 1 January 2017	-	228,998	7,795,740	65,378	3,028	-	8,093,144
Depreciation charged for the year	-	28,220	1,011,450	12,716	2,173	-	1,054,559
Disposals	-	-	(1,780)	(236)	-	-	(2,016)
At 31 December 2017	-	257,218	8,805,410	77,858	5,201	-	9,145,687
Net book value							
At 1 January 2016	250,197	538,570	13,610,911	35,489	192	989,117	15,424,476
At 31 December 2016 and 1 January 2017	300,708	511,695	13,144,421	53,723	98	528,458	14,539,103
At 31 December 2017	300,785	508,391	12,466,225	54,734	14,335	768,800	14,113,270



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The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2017 amounted to Baht 406.3 million. (2016: Baht 295.9 million).

Security

At 31 December 2017 the Company's land, construction, and machinery wasn't used as collateral to secure long-term loans. (2016: Baht 13,625.7 million) (see note 19).

16 Assets not used in operation

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Cost				
At 1 January	350,822	369,247	108,547	-
Transfers	-	(18,425)	-	108,547
At 31 December	350,822	350,822	108,547	108,547
Depreciation and impairment losses				
At 1 January	289,839	226,023	108,547	-
Transfers	-	(36,413)	-	8,318
Impairment losses (reversal)	(12,132)	100,229	-	100,229
At 31 December	277,707	289,839	108,547	108,547
Net book value				
At 1 January	60,983	143,224	-	-
At 31 December	73,115	60,983	-	-

Impairment on assets not used in operation

As at 31 December 2017, the Group holds power generating machines and certain group of assets which are not used in operation.

The Group has engaged an independent appraiser to determine the fair value of the power generating machine using market approach in November 2017. As a result, a subsidiary has to record reversal of impairment loss totaling Baht 12.1 million.



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Measurement of fair value

Fair value hierarchy

The fair value of assets not used in operation was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's assets not used in operation portfolio on a timely basis.

The fair value measurement for assets not used in operation of Baht 73.1 million has been categorised as a Level 3 fair value based on the inputs to the valuation technique used by using market approach.

17 Intangible assets

	Consolidated financial statements		
	Right to power purchase agreement and right to operate	Software licenses <i>(in thousand Baht)</i>	Total
<i>Cost</i>			
At 1 January 2016	431,363	103,992	535,355
Additions	-	30,892	30,892
Disposal	-	(1,699)	(1,699)
Effect of movements in exchange rates	12,018	-	12,018
At 31 December 2016 and 1 January 2017	443,381	133,185	576,566
Additions	-	22,184	22,184
Effect of movements in exchange rates	(26,125)	-	(26,125)
At 31 December 2017	417,256	155,369	572,625
<i>Amortisation</i>			
At 1 January 2016	-	38,339	38,339
Amortisation for the year	-	11,901	11,901
Disposal	-	(580)	(580)
At 31 December 2016 and 1 January 2017	-	49,660	49,660
Amortisation for the year	-	12,982	12,982
At 31 December 2017	-	62,642	62,642
<i>Net book value</i>			
At 1 January 2016	431,363	65,653	497,016
At 31 December 2016 and 1 January 2017	443,381	83,525	526,906
At 31 December 2017	417,256	92,727	509,983



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

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	Separate financial statements Software licenses (in thousand Baht)
Cost	
At 1 January 2016	99,687
Additions	24,970
Disposal	(1,699)
At 31 December 2016 and 1 January 2017	122,958
Additions	15,747
At 31 December 2017	138,705
Amortisation	
At 1 January 2016	35,446
Amortisation for the year	10,562
Disposal	(580)
At 31 December 2016 and 1 January 2017	45,428
Amortisation for the year	11,538
At 31 December 2017	56,966
Net book value	
At 1 January 2016	64,241
At 31 December 2016 and 1 January 2017	77,530
At 31 December 2017	81,739

18 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2017	2016	2017	2016
	(in thousand Baht)			
Total	786,447	924,799	(1,294,137)	(1,382,453)
Set off of tax	(786,447)	(918,736)	786,447	918,736
Net deferred tax assets (liabilities)	-	6,063	(507,690)	(463,717)

	Separate financial statements			
	Assets		Liabilities	
	2017	2016	2017	2016
	(in thousand Baht)			
Total	783,358	918,736	(1,191,876)	(1,279,216)
Set off of tax	(783,358)	(918,736)	783,358	918,736
Net deferred tax liabilities	-	-	(408,518)	(360,480)



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Global Power Synergy Public Company Limited and its Subsidiaries

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Movements in total deferred tax assets and liabilities during the year were as follows:

	At 1 January 2017	Consolidated financial statements (Charged) / Credited to:			At 31 December 2017
		Profit or loss	Equity	Exchange differences	
			(in thousand Baht)		
Deferred tax assets					
Other long-term investment	42,000	(50)	-	-	41,950
Property, plant and equipment	824,112	(116,444)	-	-	707,668
Provisions for employee benefits	12,769	1,806	-	-	14,575
Investment expense	41,672	(19,418)	-	-	22,254
Others	4,246	(4,246)	-	-	-
Total	924,799	(138,352)	-	-	786,447
Deferred tax liabilities					
Finance lease receivable	(1,279,216)	87,340	-	-	(1,191,876)
Property, plant and equipment	-	(5,107)	-	-	(5,107)
Intangible assets	(103,237)	-	-	6,083	(97,154)
Total	(1,382,453)	82,233	-	6,083	(1,294,137)
Net	(457,654)	(56,119)	-	6,083	507,690

	At 1 January 2016	Consolidated financial statements (Charged) / Credited to:			At 31 December 2016
		Profit or loss	Equity	Exchange differences	
			(in thousand Baht)		
Deferred tax assets					
Other long-term investment	42,000	-	-	-	42,000
Property, plant and equipment	925,411	(101,299)	-	-	824,112
Provisions for employee benefits	11,131	1,638	-	-	12,769
Investment expense	20,300	21,372	-	-	41,672
Others	-	4,246	-	-	4,246
Total	998,842	(74,043)	-	-	924,799
Deferred tax liabilities					
Finance lease receivable	(1,385,728)	106,512	-	-	(1,279,216)
Intangible assets	(100,439)	-	-	(2,798)	(103,237)
Total	(1,486,167)	106,512	-	(2,798)	(1,382,453)
Net	(487,325)	32,469	-	(2,798)	(457,654)



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	At 1 January 2017	Separate financial statements (Charged) / Credited to:		At 31 December 2017
		Profit or loss (in thousand Baht)	Equity	
Deferred tax assets				
Other long-term investment	42,000	(50)	-	41,950
Property, plant and equipment	820,854	(113,186)	-	707,668
Employee benefit	9,964	1,522	-	11,486
Investment expense	41,672	(19,418)	-	22,254
Others	4,246	(4,246)	-	-
Total	918,736	(135,378)	-	783,358
Deferred tax liability				
Finance lease receivable	(1,279,216)	87,340	-	(1,191,876)
Total	(1,279,216)	87,340	-	(1,191,876)
Net	(360,480)	(48,038)	-	(408,518)

	At 1 January 2016	Separate financial statements (Charged) / Credited to:		At 31 December 2016
		Profit or loss (in thousand Baht)	Equity	
Deferred tax assets				
Other long-term investment	42,000	-	-	42,000
Property, plant and equipment	925,411	(104,557)	-	820,854
Employee benefit	8,589	1,375	-	9,964
Investment expense	20,300	21,372	-	41,672
Others	-	4,246	-	4,246
Total	996,300	(77,564)	-	918,736
Deferred tax liability				
Finance lease receivable	(1,385,728)	106,512	-	(1,279,216)
Total	(1,385,728)	106,512	-	(1,279,216)
Net	(389,428)	28,948	-	(360,480)



Notes to the financial statements

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19 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Current				
Current portion of long-term borrowings from financial institutions				
Secured	996,290	1,925,096	-	1,601,050
Less: deferred financing costs	(5,721)	(11,818)	-	(6,214)
Total current interest-bearing liabilities	990,569	1,913,278	-	1,594,836
Non-current				
Long-term borrowings from financial institutions				
Secured	9,908,102	14,406,480	-	5,617,636
Less: deferred financing costs	(84,071)	(111,671)	-	(18,194)
	9,824,031	14,294,809	-	5,599,442
Debentures	5,000,000	-	5,000,000	-
Less: deferred financing fee	(6,536)	-	(6,536)	-
	4,993,464	-	4,993,464	-
Total non-current interest-bearing liabilities	14,817,495	14,294,809	4,993,464	5,599,442

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Within one year	990,569	1,913,278	-	1,594,836
After one year but within five years	7,027,239	8,245,072	3,495,464	5,156,891
After five years	7,790,256	6,049,737	1,498,000	442,551
Total	15,808,064	16,208,087	4,993,464	7,194,278



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Secured interest-bearing liabilities as at 31 December were secured on the following assets:

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Restricted accounts	6	286,421	359,236	-	-
Land	15	614,050	864,247	-	250,197
Building and power plant - carrying value	15	12,052,255	22,633,009	-	13,375,564
Total		12,952,726	23,856,492	-	13,625,761

Long-term borrowings from financial institutions

Details of principal features of the Group's borrowings as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
The Company				
1) Baht 3,500 million Credit Facility Agreement at interest of 6 months FDR plus a margin, payable in semi-annual instalments commencing in February 2009	-	700,000	-	700,000
2) Baht 3,600 million Credit Facility Agreement at interest of 6 months FDR plus a margin, payable in semi-annual instalments commencing in December 2011	-	1,620,000	-	1,620,000
3) Baht 3,400 million Credit Facility Agreement at interest of 6 months FDR plus a margin, payable in semi-annual instalments commencing in September 2012	-	1,870,000	-	1,870,000
4) Baht 5,510 million Credit Facility Agreement at interest of 6 months FDR plus a margin, payable in semi-annual instalments commencing in June 2012	-	3,028,687	-	3,028,686



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	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Subsidiaries				
1) Baht 10,000 million Credit Facility Agreement at interest rate of 6 months FDR plus margin, payable in semi-annual instalments commencing in June 2018.	8,610,000	8,090,000	-	-
2) JPY 8,503 million Credit Facility Agreement at interest rate of JPY-LIBOR plus margin, payable in semi-annual instalments commencing in May 2018.	2,136,631	1,014,390	-	-
3) Baht 169 million Credit Facility Agreement at fixed interest rate, payable in semi-annual instalments commencing in June 2017.	157,761	8,499	-	-
Total	10,904,392	16,331,576	-	7,218,686
Less: deferred financing costs	(89,792)	(123,489)	-	(24,408)
Total interest-bearing liabilities	10,814,600	16,208,087	-	7,194,278

During the year 2017, the Company has made early repayment for long-term borrowings from financial institutions totalling Baht 7,218.7 million.

The loan agreements contain certain conditions such as timing of future capital increase, dividend payment, reduction of share capital, merger and acquisition and maintaining financial ratios e.g. debt to equity ratio and debt service coverage ratio.

As at 31 December 2017, the Group had unutilised credit facilities totalling Baht 2,517.5 million. (31 December 2016: the Group and the Company totalling Baht 13,774.3 million and Baht 9,300.0 million, respectively).

Debentures

On 29 September 2017, The Company issued unsubordinated and unsecured debentures for institution investors and high net worth investors. The purposes of these debentures are for repayment of long-term borrowings and/or for operation and/or for working capital. The Company agrees to certain financial ratios to comply with the terms and conditions stating the rights and duties of debentures issuer.



Notes to the financial statements

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Details of the Company's debentures as at 31 December 2017 were as follows:

	Total offering amount (in million Baht)	Face value per unit (Baht)	Period (Year)	Interest rate (% p.a)	Maturity date
Unsubordinated and unsecured debenture	3,500	1,000	4	2.21	29 September 2021
Unsubordinated and unsecured debenture	1,500	1,000	7	2.82	29 September 2024

20 Trade accounts payable

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		(in thousand Baht)			
Related parties	4	1,572,447	1,102,347	994,703	972,343
Other parties		50,420	37,891	43,843	31,376
Total		1,622,867	1,140,238	1,038,546	1,003,719

21 Other payables

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		(in thousand Baht)			
Related parties	4	152,436	250,305	118,660	231,972
Others					
Other payables		277,866	336,932	232,609	259,122
Accrued operating expenses		82,318	91,090	54,394	71,408
Advance received		30,437	30,209	30,429	30,098
Accrued interest		33,231	23,427	30,568	7,670
Other payable - employees		31,407	16,193	31,241	16,023
		455,259	497,851	379,241	384,321
Total		607,695	748,156	497,901	616,293



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

22 Provision

The Company has been assessed by the Revenue Department for the corporate income tax in respect to 1999 and 2000 revenues resulting to the utilisation of tax loss carry forwards in subsequent years (the Central Tax Court ruled in favour of the Company). Later, the Revenue Department has filed a notice of appeal. On 12 May 2015, the Central Tax Court has read the judgment of the Supreme Court which reversed the judgment into not withdraw the letters of change in loss carry forwards of year 1999 and 2000 and the adjudication of Appeal Committee. The Supreme Court judgment was related to the utilization of tax loss carry forwards of 2003 and 2005 which the Revenue Department has sent the notice letter to the Company regarding the income tax assessment of year 2003 and 2005 including penalty and surcharge amounting to Baht 121 million. Accordingly, the Company filed a notice of appeal to the Appeal Committee. The Appeal Committee rules that the facts in this case are final in accordance with the Supreme Court judgment. However, the Company submitted appeal to the Central Tax Court in respect to the relevant taxable expense matter under Revenue Code Section 65 which has not been addressed and considered.

Subsequently, on 26 September 2017, the Central Tax Court dismissed the case. Therefore, the Company recognised net provision at the amount of Baht 101.2 million due to the obligation is highly probable. However, the Company has filed a notice of appeal to the Court of Appeal for Specialised Cases regarding the relevant taxable expense matter.

23 Provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Statement of financial position				
provisions for:				
Post-employment benefits	72,545	62,658	53,978	46,377
Other long-term employee benefits	4,125	4,024	3,457	3,442
Total	76,670	66,682	57,435	49,819



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Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Year ended 31 December				
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits	9,887	8,714	7,600	7,084
Other long-term employee benefits	727	912	576	589
	10,614	9,626	8,176	7,673
Recognised in other comprehensive income:				
Actuarial losses recognised in the year	-	816	-	-

Movement in the present value of the defined benefit obligations.

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
At 1 January		66,682	57,126	49,819	42,943
Include in profit or loss:					
Current service cost		8,286	7,637	6,430	6,180
Interest on obligation		2,328	1,989	1,746	1,494
	28	10,614	9,626	8,176	7,674
Included in other comprehensive income					
Actuarial loss		-	816	-	-
		-	816	-	-
Benefit paid		(626)	(886)	(560)	(798)
At 31 December		76,670	66,682	57,435	49,819

Actuarial gains and losses recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
Financial assumptions	-	814	-	-
Experience adjustment	-	2	-	-
Total	-	816	-	-



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Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(%)			
Discount rate	2.9 - 3.5	2.9 - 3.5	3.5	3.5
Future salary growth	4.0 - 10.0	4.0 - 10.0	4.0 - 10.0	4.0 - 10.0

Assumptions regarding future mortality have been based on published statistics and mortality tables

At 31 December 2017, the weighted-average duration of the defined benefit obligation was 23 years (2016: 23 years).

Sensitivity analysis

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

	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	(in thousand Baht)			
At 31 December 2017				
Discount rate (1% movement)	(11,398)	13,409	(8,309)	10,279
Future salary growth (1% movement)	12,895	(11,229)	9,905	(8,190)
At 31 December 2016				
Discount rate (1% movement)	(9,674)	11,861	(7,147)	8,842
Future salary growth (1% movement)	11,388	(9,501)	8,519	(7,044)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.



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For the year ended 31 December 2017

24 Share capital

	Par value per share (in baht)	Number of shares	Consolidated financial statements / Separate financial statements		Amount
			2017	2016	
			Amount (thousand shares/thousand Baht)	Number of shares	
Authorised					
At 1 January					
- Ordinary shares	10	1,498,301	14,983,008	1,498,301	14,983,008
Issue of new shares	10	-	-	-	-
At 31 December					
- Ordinary shares	10	<u>1,498,301</u>	<u>14,983,008</u>	<u>1,498,301</u>	<u>14,983,008</u>

	Par value per share (in baht)	Number of shares	Consolidated financial statements / Separate financial statements		Amount
			2017	2016	
			Amount (thousand shares/thousand Baht)	Number of shares	
Issued and paid-up					
At 1 January					
- Ordinary shares	10	1,498,301	14,983,008	1,498,301	14,983,008
Issue of new shares	10	-	-	-	-
At 31 December					
- Ordinary shares	10	<u>1,498,301</u>	<u>14,983,008</u>	<u>1,498,301</u>	<u>14,983,008</u>

25 Legal reserve and other components of equity

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

Other components of equity

Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations to Thai Baht.



Notes to the financial statements

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26 Segment information

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different size of power plant, and are managed separately because they require different technologies and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Independent Power Producer
- Segment 2 Small Power Producer
- Segment 3 Very Small Power Producer

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

Information about reportable segments

	Segment 1	Segment 2	Segment 3	Elimination	Total
	(in thousand Baht)				
For the year ended 31 December 2017					
Revenue from sale of goods and rendering of services					
- External	3,828,085	15,276,502	220,442	-	19,325,029
Revenue from finance lease	591,731	-	-	-	591,731
Finance costs	(16,752)	(329,508)	(28,860)	14,109	(361,011)
Depreciation and amortisation	(39,207)	(1,278,721)	(33,377)	-	(1,351,305)
Share of net profit (loss) of investment in associates and joint ventures	(21,608)	239,486	299,253	-	517,131
Profit before tax expense	392,196	2,934,483	270,252	-	3,596,931
Tax expense	(72,633)	(183,957)	(172)	-	(256,762)
Profit for the year	319,563	2,750,526	270,080	-	3,340,169
For the year ended 31 December 2016					
Revenue from sale of goods and rendering of services					
- External	4,522,939	15,318,675	194,991	-	20,036,605
Revenue from finance lease	638,336	-	-	-	638,336
Finance costs	(12,343)	(397,445)	(23,328)	15,591	(417,525)
Depreciation and amortisation	(40,506)	(1,203,252)	(22,000)	-	(1,265,758)
Share of profit (loss) of investment in associates and joint ventures	(43,634)	106,401	283,440	-	346,207
Profit before tax expense	479,805	2,283,440	248,956	7	3,012,208
Tax expense	(86,430)	(53,714)	(90)	-	(140,234)
Profit for the year	393,375	2,229,726	248,866	7	2,871,974



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Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

	Segment 1	Segment 2	Segment 3	Elimination	Total
	(in thousand Baht)				
As at 31 December 2017					
Investment in associates and joint ventures	5,330,804	1,731,808	1,711,829	-	8,774,441
Capital expenditure	4,431	1,517,318	1,323,290	-	2,845,039
Segment assets	13,724,796	51,625,840	3,264,047	(8,646,258)	59,968,425
Segment liabilities	1,604,822	15,443,211	2,759,900	(213,428)	19,594,505
As at 31 December 2016					
Investment in associates and joint ventures	3,962,371	1,262,000	1,713,577	-	6,937,948
Capital expenditure	12,724	3,075,897	877,293	-	3,965,914
Segment assets	13,770,369	49,518,643	2,667,054	(7,927,782)	58,028,284
Segment liabilities	801,407	17,104,288	1,647,236	(278,760)	19,274,171

Geographical segments

The Group is managed and operates principally in Thailand. There is no material revenues derived from, or assets located in, foreign countries.

Major customers

During the year, the Group has two major customers, the first customer has revenue from sale of goods and rendering of services and revenue from finance lease amounting to Baht 5,903.9 million and Baht 591.7 million, respectively (2016: Baht 6,030.8 million and Baht 638.3 million, respectively). The second customer has revenue from sale of goods and rendering of services amounting to Baht 3,976.8 million (2016: Baht 3,986.4 million). These revenues are from all segments.

27 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Outsourcing expenses	202,504	354,018	185,996	311,673
Personnel expenses	291,662	209,920	256,877	179,237
Provision expense	101,171	-	101,171	-
Impairment losses	30,860	100,229	-	100,229
Office supplies and utilities expenses	44,148	37,126	43,503	37,151
Rental expenses	37,982	33,575	35,399	31,344
Depreciation and amortisation	24,560	25,469	23,522	24,591
System monitoring and maintenance expenses	13,559	13,772	13,540	13,767
Others	93,075	117,545	73,247	93,071
Total	839,521	891,654	733,255	791,063



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

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28 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
		(in thousand Baht)			
Management					
Salaries and wages		34,242	7,465	32,727	7,465
Contribution to provident fund		1,935	535	1,935	535
Others		700	15	700	15
		36,877	8,015	35,362	8,015
Other employees					
Salaries and wages		377,929	311,978	321,251	277,087
Contribution to provident fund		18,309	15,259	15,945	13,567
Pension costs - defined benefit plans	23	10,614	9,626	8,176	7,673
Others		74,164	62,006	73,543	61,960
		481,016	398,869	418,915	360,287
Total		517,893	406,884	454,277	368,302

Defined benefit plans

Details of the defined benefit plans are disclosed in note 23.

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at rates ranging from 5% to 10% of their basic salaries and by the Group at rates ranging from 5% to 10% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed Fund Managers.

29 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<i>(in thousand Baht)</i>				
Raw materials and consumables used	13,651,704	14,698,081	12,232,204	13,249,282
Manufacturing overhead	275,053	247,633	218,847	232,076
Depreciation and amortisation	1,351,305	1,265,758	1,091,969	1,071,603
Personnel expenses and outsourcing	846,891	890,618	759,327	789,240
Repair and maintenance expenses	681,650	772,016	617,144	724,062
Total cost of sales of goods, distribution costs and administrative expenses	16,806,603	17,874,106	14,919,491	16,066,263



Notes to the financial statements

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30 Finance costs

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Interest expense					
Related party	4	1,639	-	1,639	-
Financial institutions		513,503	568,203	174,622	276,606
Total interest expense		515,142	568,203	176,261	276,606
Fees					
Finance costs		26,840	38,473	14,877	25,680
Amortisation of deferred financing cost and other finance costs		45,459	32,439	41,928	29,088
Total fees		72,299	70,912	56,805	54,768
Less: amounts included in the cost of qualifying assets		(226,430)	(221,590)	-	-
Net		361,011	417,525	233,066	331,374

31 Income tax expense

Income tax recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
		<i>(in thousand Baht)</i>			
Current tax expense					
Current year		203,493	171,786	179,513	171,697
Under (over) provided in prior years		(2,850)	917	(2,850)	917
		200,643	172,703	176,663	172,614
Deferred tax expense					
Movements in temporary differences	18	56,119	(32,469)	48,038	(28,949)
Total		256,762	140,234	224,701	143,665



Notes to the financial statements

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Reconciliation of effective tax rate

	Consolidated financial statements			
	Rate (%)	2017 (in thousand Baht)	Rate (%)	2016 (in thousand Baht)
Profit before income tax expense		3,596,931		3,012,208
Income tax using the Thai corporation tax rate	20.00	719,386	20.00	602,442
Tax effect from				
Income not subject to tax or double deductible expenses	(17.48)	(628,856)	(16.20)	(487,953)
Expenses not deductible for tax purposes	4.53	163,090	0.43	12,833
Under (over) provided in prior years	(0.08)	(2,850)	0.03	917
Current year losses for which no deferred tax asset was recognised	0.17	5,992	0.40	11,995
Total	7.14	256,762	4.66	140,234

	Separate financial statements			
	Rate (%)	2017 (in thousand Baht)	Rate (%)	2016 (in thousand Baht)
Profit before income tax expense		3,060,469		2,683,681
Income tax using the Thai corporation tax rate	20.00	612,094	20.00	536,736
Tax effect from				
Income not subject to tax or double deductible expenses	(17.89)	(547,633)	(15.16)	(406,821)
Expenses not deductible for tax purposes	5.33	163,090	0.48	12,833
Under (over) provided in prior years	(0.09)	(2,850)	0.03	917
Total	7.35	224,701	5.35	143,665



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Income tax reduction

Revenue code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

32 Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, the Group has been granted privileges by the Board of Investment relating to production of electricity, steam, water and chilled water. The privileges granted include:

- (a) exemption from payment of income tax for certain operations for a period of eight years from the date on which the income is first derived from such operations;
- (b) a 50% reduction in the normal income tax rate on the net profit derived from certain operations for a period of five years, commencing from the expiry date in (a) above; and
- (c) exemption from payment of import duty on machinery approved by the Board.

As promoted companies, the Group must comply with certain terms and conditions prescribed in the promotional certificates.

Summary of revenue of the Company and the Group during the year from promoted and non-promoted businesses:

Consolidated financial statements						
	Promoted businesses	2017 Non- promoted businesses	Total <i>(in thousand Baht)</i>	Promoted businesses	2016 Non- promoted businesses	Total
Local sales	<u>5,907,275</u>	<u>13,417,754</u>	<u>19,325,029</u>	<u>8,606,731</u>	<u>11,429,874</u>	<u>20,036,605</u>
Separate financial statements						
	Promoted businesses	2017 Non- promoted businesses	Total <i>(in thousand Baht)</i>	Promoted businesses	2016 Non- promoted businesses	Total
Local sales	<u>3,773,596</u>	<u>13,237,028</u>	<u>17,010,624</u>	<u>6,356,533</u>	<u>11,429,875</u>	<u>17,786,408</u>



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33 Basic earnings per share

The calculations of basic earnings per share for the year ended 31 December were based on the profit for the year attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the year as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company	3,174,581	2,699,903	2,835,768	2,540,016
Weighted average number of ordinary shares outstanding during the year	1,498,301	1,498,301	1,498,301	1,498,301
Basic earnings per share (in Baht)	2.12	1.80	1.89	1.70

34 Financial instruments

Financial risk management policies

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group is primarily exposed to interest rate risk from loan to related parties and loan from financial institutions as at 31 December 2017 and 2016 as disclosed in Note 4 and Note 19, respectively.

Foreign currency risk

The Group is exposed to foreign currency risk relating to financial assets and liabilities which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts to hedge some short-term foreign currency risk when appropriate.



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At 31 December, the Group were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	<i>(in thousand Baht)</i>			
<i>United States Dollars</i>				
Cash and cash equivalents	272	37	34	37
Other investments	715,625	715,625	715,625	715,625
Other payables	(10,358)	(6,782)	(10,358)	(6,782)
<i>Euro</i>				
Cash and cash equivalents	646,871	-	646,871	-
Other payables	-	(7,251)	-	(7,251)
<i>Japanese Yen</i>				
Cash and cash equivalents	14	15	14	15
Trade accounts receivable	2,051	-	-	-
Other receivable	9,758	19,225	-	-
Restricted account	149,332	184,078	-	-
Other payables	(2,866)	(5,446)	-	(2,146)
Payable for assets under construction	(59,496)	(67,679)	-	-
Long-term borrowings from financial institution	(2,101,258)	(973,413)	-	-
<i>New Zealand Dollars</i>				
Other payables	-	(212)	-	(212)
<i>Pound Sterling</i>				
Other payables	(211)	(778)	(211)	(778)
<i>Hong Kong Dollars</i>				
Other payables	-	(67)	-	(67)
Gross balance sheet exposure	(650,266)	(142,648)	1,351,975	698,441
Estimated purchase of asset	(1,280,972)	(648,644)	(1,262,177)	-
Gross exposure	(1,931,238)	(791,292)	89,798	698,441
Currency forwards	631,879	621,362	612,881	-
Net exposure	<u>(1,299,359)</u>	<u>(169,930)</u>	<u>702,679</u>	<u>698,441</u>

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due. The Group has no significant credit risk with any counterparties since the Group maintains business with large customers in petroleum and power industries.



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Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

Fair values of financial assets and liabilities

As at 31 December 2017, the Group has forward exchange contracts and interest rate swap contract and the Company has forward exchange contracts which the fair value of liabilities from derivative instruments are at the amount of Baht 11.4 million and Baht 9.2 million, respectively (*2016: the Group has liabilities from derivative instruments at the amount of Baht 57.5 million*). The Group determined the fair value by level 2 input.

The fair value of long-term loans and borrowings carrying a floating rate, which is considered to be market rate, are taken to approximate their fair values.

The fair value of other financial assets and liabilities are taken to approximate carrying value due to the relatively short-term maturity of these financial instruments.

Measurement of Fair values

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward exchange contracts and interest rate swap	<i>Market comparison technique:</i> The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.	Not applicable.	Not applicable



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35 Dividend

At the Company's Board of Directors meeting held on 15 August 2017, the board of directors approved the appropriation of 2017 interim dividend for the operating result from 1 January 2017 till 30 June 2017 of Baht 0.45 per share, totaling Baht 674.2 million. The interim dividend was paid to shareholders on 11 September 2017.

At the annual general meeting of the shareholders of the Company held on 3 April 2017, the shareholders approved the appropriation of 2016 annual dividend at Baht 1.15 per share, totalling Baht 1,723.0 million. After a deduction of the interim dividends of Baht 0.45 per share which were paid to the Company's shareholders in September 2016, the remaining dividends of Baht 0.70 per share, totalling Baht 1,048.8 million, were paid to shareholders on 11 April 2017.

At the Company's Board of Directors meeting held on 18 August 2016, the board of directors approved the appropriation of 2016 interim dividend for the operating result from 1 January 2016 till 30 June 2016 of Baht 0.45 per share, totaling Baht 674.2 million. The interim dividend was paid to shareholders on 14 September 2016.

At the annual general meeting of the shareholders of the Company held 4 April 2016, the shareholders approved the appropriation of 2015 annual dividend of Baht 0.95, amounting to Baht 1,423.4 million. This amount include the interim dividends of Baht 0.35 per share which were paid to the Company's shareholders in September 2015, the remaining dividends of Baht 0.60 per share, totalling Baht 899.0 million, were paid to shareholders on 12 April 2016.

36 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in thousand Baht)			
Capital commitments				
<i>Contracted but not provided for:</i>				
Design, construction and installment for machinery and equipment and project construction	3,328,851	2,267,739	3,014,857	104,637
Total	3,328,851	2,267,739	3,014,857	104,637
Future minimum lease payments under non-cancellable operating leases				
Within one year	68,610	84,982	66,345	82,718
After one year but within five years	164,243	194,778	155,186	185,721
After five years	207,144	231,194	165,732	192,970
Total	439,997	510,954	387,263	461,409



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Forward Foreign Exchange Contracts

As at 31 December 2017, the Company has outstanding forward contract to buy Euro 15.8 million, equivalent to Baht 621.8 million with maturity date in January to November 2018.

As at 31 December 2017, a local subsidiary has outstanding forward contract to buy U.S. Dollars 0.6 million, equivalent to Baht 18.8 million with maturity date in January to July 2018. (2016: U.S. Dollars 0.8 million equivalent to Baht 28.1 million)

Interest Rate Swap Contract

A overseas subsidiary has entered into interest rate swap contract with a commercial bank in other country to manage exposure and fluctuations in interest rates of long-term loans for JPY currency, whereby exchanging floating interest rate based on JPY-LIBOR plus margin with fixed interest rate. The swap contract effective from 28 February 2018 to 31 May 2036.

Long-term Maintenance Agreements

The Company and a subsidiary have combustion turbine supply and maintenance agreements with local and overseas companies ("service provider"), whereby the service providers will supply and repair parts used for yearly and scheduled repairs. In this regard, the Company and a subsidiary are committed to pay for the parts and maintenance service fees to the service providers at the prices specified in the agreements. The period of agreements are 10-17 years. These agreements are effective till the end of agreement period or maximum number of hours usage or at the specified maintenance period as stipulated in each agreement.

Product Sale and Purchase Agreements

The Company and a subsidiary have power purchase agreements for 25 years with the Electricity Generating Authority of Thailand ("EGAT") whereby the Company and a subsidiary will supply the electric energy to EGAT at the agreed quantity and price. As a contracted party with EGAT.

The Group entered into agreements with domestic companies to purchase and sell electricity, steam, water for industrial purpose for the period of 15 years or as indicated in the agreements at volume, price as stipulated in agreements.

Equity Contribution Agreement

As specified in Equity Contribution Agreements between the Group's entities, creditor financial institutions (as Intercreditor Agent) and shareholders, the Company and a subsidiary as a shareholder of those entities are committed for additional investments to the entities whenever they acquire loans from their creditors in order to constantly maintain debt to equity ratio as specified in the agreements.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

Loan agreements

Under the Group's loan agreements with financial institutions, the Group and the Company, as a shareholder, has some commitments as specified in the agreements such as maintain its shareholding, provide financial support in proportion of its shareholding and additional investment required in order to maintain debt to equity ratio.

Letters of Guarantee

As at 31 December 2017, the Group and the Company had commitment to local banks and Thailand office of foreign financial institutions for letter of guarantee issued for sale and purchase electricity and natural gas, electricity used, purchase of machinery and rental agreements to certain government sector and private sectors totalling Baht 669.4 million and Baht 207.7 million, respectively (2016: Baht 1,443.0 million and Baht 196.0 million, respectively).

Long-Term Land Lease Agreement

The subsidiary has non-cancellable land lease agreement with an oversea company, using for power plant operation in Japan for the period of 20 years commencing from commercial operation date with total rental fee of JPY 45.0 million per annum.

The subsidiary has land lease agreement with a domestic individual, using for solar power plant operation for the period of 25 years commencing from commercial operation date. The initial rental fee will be paid at the agreement signed date of Baht 6.0 million. The first annual rental fee of Baht 1.5 million is due on 1 August 2016 and the remaining instalments will be due on 1 August of years. The annual rental fee will be increase 5% every three years.

37 Event after the reporting period

At the meeting of the Board of Directors of the Company held on 12 February 2018, the Company's Board of Directors approved the submission for approval at the annual general meeting of the shareholders of the Company the appropriation of 2017 annual dividends at Baht 1.25 per share, totalling Baht 1,872.9 million. After a deduction of the interim dividends of Baht 0.45 per share which were paid to the Company's shareholders in September 2017, the remaining dividends of Baht 0.80 per share, totalling Baht 1,198.6 million. This dividend is subject to the approval of the Company's shareholders at the 2018 annual general meeting.



Notes to the financial statements

Global Power Synergy Public Company Limited and its Subsidiaries

For the year ended 31 December 2017

38 Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2016, which are included in the 2017 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2017 interim financial statements as follows:

	2016		
	Consolidated financial statements		
	Before reclassification	Reclassification (in thousand Baht)	After reclassification
Statement of financial position as at 31 December 2016			
Long-term loans to and interest receivables from related parties	-	2,529,589	2,529,589
Long-term loans to related parties	2,463,160	(2,463,160)	-
Other non-current assets	398,354	(66,429)	331,925
Surplus on share-based payment transactions	78,467	(78,467)	-
Discount on common control transactions	(1,196,681)	1,196,681	-
Other surpluses (deficits)	-	(1,118,214)	(1,118,214)
		-	
	2016		
	Separate financial statements		
	Before reclassification	Reclassification (in thousand Baht)	After reclassification
Statement of financial position as at 31 December 2016			
Long-term loans to and interest receivables from related parties	-	2,733,089	2,733,089
Long-term loans to related parties	2,666,660	(2,666,660)	-
Other non-current assets	247,262	(66,429)	180,833
Surplus on share-based payment transactions	78,467	(78,467)	-
Other surpluses (deficits)	-	78,467	78,467
		-	

The reclassifications have been made in order to comply with the classification set out in the Pronouncement of the Department of Business Development “*Determination of items in the financial statements B.E. 2559*” dated 11 October 2016.





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