



Auditor's Report and Financial Statements

The Provincial Electricity Authority and its subsidiary

For the year ended December 31, 2020



(TRANSLATION)
AUDITOR'S REPORT

To: The Board of Directors of Provincial Electricity Authority

Opinion

The State Audit Office of the Kingdom of Thailand has audited the accompanying consolidated financial statements of Provincial Electricity Authority and its subsidiary (the Group), and separate financial statements of Provincial Electricity Authority (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2020, and the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In the State Audit Office of the Kingdom of Thailand's opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated financial position of Provincial Electricity Authority and its subsidiary, and separate financial position of Provincial Electricity Authority, respectively, as at December 31, 2020, and its consolidated and separate financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

The State Audit Office of the Kingdom of Thailand conducted the audit in accordance with the State Audit Standards and Thai Standards on Auditing (TSAs). The State Audit Office of the Kingdom of Thailand's responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of the State Audit Office of the Kingdom of Thailand's report. The State Audit Office of the Kingdom of Thailand is independent of the Group and the Company in accordance with the State Audit Standards issued by the State Audit Commission and the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are relevant to the audit of the consolidated and separate financial statements. The State Audit Office of the Kingdom of Thailand has fulfilled other ethical responsibilities in accordance with the State Audit Standard and these ethical requirements. The State Audit Office of the Kingdom of Thailand believes that the audit evidence obtained is sufficient and appropriate to provide a basis for the State Audit Office of the Kingdom of Thailand's opinion.

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 the auditor's report thereon. The annual report is expected to be made available to the State Audit Office of the Kingdom of Thailand after the date of this auditor's report.

State Audit Office of the Kingdom of Thailand

English translation of the Auditor's Report has not been reviewed by the State Audit Office of the Kingdom of Thailand.



The State Audit Office of the Kingdom of Thailand's opinion on the consolidated and separate financial statements does not cover the other information and the State Audit Office of the Kingdom of Thailand will not express any form of assurance conclusion thereon.

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

When the State Audit Office of the Kingdom of Thailand reads the annual report, if the State Audit Office of the Kingdom of Thailand concludes that there is a material misstatement therein, the State Audit Office of the Kingdom of Thailand is required to communicate the matter to those charged with governance.

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

The State Audit Office of the Kingdom of Thailand's 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 the State Audit Office of the Kingdom of Thailand's opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the State Audit Standards and 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.

State Audit Office of the Kingdom of Thailand

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As part of an audit in accordance with the State Audit Standards and TSAs, the State Audit Office of the Kingdom of Thailand exercises professional judgment and maintain professional skepticism throughout the audit. The State Audit Office of the Kingdom of Thailand also:

- Identifies and assesses the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the State Audit Office of the Kingdom of Thailand's 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.
- Obtains 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.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Concludes 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 the State Audit Office of the Kingdom of Thailand concludes that a material uncertainty exists, the State Audit Office of the Kingdom of Thailand is required to draw attention in the State Audit Office of the Kingdom of Thailand's auditor report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify the State Audit Office of the Kingdom of Thailand's opinion. The State Audit Office of the Kingdom of Thailand's conclusions are based on the audit evidence obtained up to the date of the State Audit Office of the Kingdom of Thailand's auditor report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluates 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.
- Obtains 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. The State Audit Office of the Kingdom of Thailand is responsible for the direction, supervision and performance of the group audit. The State Audit Office of the Kingdom of Thailand remains solely responsible for the State Audit Office of the Kingdom of Thailand's audit opinion.

State Audit Office of the Kingdom of Thailand

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The State Audit Office of the Kingdom of Thailand communicates 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 the State Audit Office of the Kingdom of Thailand identifies during the State Audit Office of the Kingdom of Thailand's audit.

(Signed)

Monthien Charoenpol
(Mr. Monthien Charoenpol)
Deputy Auditor General

(Signed)

Mrs.Chittina Siriwatcharakul
(Mrs. Chittina Siriwatcharakul)
Director of Financial and Procurement Audit Office No. 17

State Audit Office of the Kingdom of Thailand

June 17, 2021

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

Unit: Baht

	Notes	Consolidated financial statements	
		Dec. 31, 2020	Dec. 31, 2019 (Adjusted)
Assets			
Current Assets			
Cash and cash equivalents	6.1	13,509,470,935	8,286,771,490
Investment in other current financial assets	6.2	1,560,933	-
Short-term investments	6.2	-	1,117,235,718
Trade accounts receivable	6.3, 6.11	36,990,141,381	35,131,772,274
Other current receivables	6.4	1,290,564,263	379,434,963
Accrued revenues	6.5	3,178,958,970	3,013,075,421
Materials and supplies	6.6	2,585,145,486	2,257,834,191
Special-purpose deposits at financial institutions	6.7	37,302,536,178	42,792,735,878
Undue input VAT		2,239,500,195	2,255,637,930
Advance payments to suppliers		1,786,423,924	1,820,431,046
Other current assets		79,384,198	129,186,795
Total Current Assets		98,963,686,463	97,184,115,706
Non-current Assets			
Other non-current assets		241,250,000	-
Investments in associates	6.8	629,085,101	508,728,263
Investments in joint venture	6.9	-	5,336,778
Other non-current receivables	6.11	639,540,489	548,082,448
Constructions in progress	6.12	51,910,377,162	45,592,616,565
Investment property	6.13	501,107,574	436,226,646
Right-of-use asset	6.14	1,639,926,829	-
Property, plant and equipment	6.15	296,292,899,058	279,849,507,149
Intangible assets	6.16	2,669,653,981	554,597,881
Other non-current assets	6.17	228,610,181	213,239,390
Total Non-current Assets		354,752,450,375	327,708,335,120
Total Assets		453,716,136,838	424,892,450,826

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

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

		Unit: Baht	
		Consolidated financial statements	
	Notes	Dec. 31, 2020	Dec. 31, 2019
			(Adjusted)
Liabilities and Equity			
Current Liabilities			
Trade accounts payable		39,168,400,807	44,382,564,584
Other current payables	6.18	4,682,054,486	3,353,479,327
Accrued expenses		2,419,603,362	3,138,298,503
Current portion of long-term loans	6.19	8,244,437,906	5,212,846,317
Current portion of finance lease liabilities	6.20	717,819,437	668,384,861
Accrued interest payable on loans		807,468,258	605,857,745
Accrued remittance to the Ministry of Finance	6.21	15,855,024,000	9,581,850,000
Advance received per contract		1,143,043,694	1,288,501,766
Deposits payable	6.22	429,875,265	313,831,640
Other current liabilities	6.23	403,023,961	329,965,615
Total Current Liabilities		73,870,751,176	68,875,580,358
Non-current Liabilities			
Long-term loans	6.19	99,537,295,513	70,438,313,146
Other non-current payables		39,449,528	51,475,636
Provisions for lawsuits	6.24	369,792,505	266,037,174
Provisions for service contracts		89,089,711	77,227,770
Construction obligations	6.25	7,289,742,985	9,179,726,150
Finance lease liabilities	6.20	1,114,992,953	842,930,742
Deferred revenues	6.26	54,872,413,387	53,178,208,953
Electricity usage guarantee		23,290,014,190	31,269,906,502
Sales and service guarantee		1,554,457,553	1,086,732,667
Employee benefit obligations	6.27	17,879,235,703	18,327,342,655
Other non-current liabilities		34,224,246	3,257,396
Total Non-current Liabilities		206,070,708,274	184,721,158,791
Total Liabilities		279,941,459,450	253,596,739,149

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

		Unit: Baht	
		Consolidated financial statements	
	Note	Dec. 31, 2020	Dec. 31, 2019
			(Adjusted)
Equity			
Initial capital		87,003,887	87,003,887
Contributions from the government		4,802,500,915	4,802,500,915
Retained Earnings			
Appropriated		8,348,598	7,722,420
Unappropriated		174,334,402,754	171,856,861,733
Other components of equity		(5,457,578,766)	(5,458,377,278)
Total Equity		173,774,677,388	171,295,711,677
Total Liabilities and Equity		453,716,136,838	424,892,450,826

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

(Mr.Sompong Preeprem)
Director and Governor

(Mr.Suchat Chothikatheraku)
Deputy Governor
(Accounting and Finance)

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

Unit: Baht

	Notes	Separate financial statements	
		<u>Dec. 31, 2020</u>	<u>Dec. 31, 2019</u>
Assets			
Current Assets			
Cash and cash equivalents	6.1	12,185,954,674	7,322,382,890
Investment in current financial assets	6.2	1,560,933	-
Short-term investments	6.2	-	1,001,841,755
Trade accounts receivable	6.3, 6.11	36,950,588,475	35,084,963,174
Other current receivables	6.4	1,258,765,651	377,641,119
Accrued revenues	6.5	3,145,265,912	3,010,893,134
Materials and supplies	6.6	2,577,636,141	2,231,846,111
Special-purpose deposits at financial institutions	6.7	37,302,536,178	42,792,735,878
Undue input VAT		2,235,948,778	2,252,775,484
Advance payments to suppliers		1,839,322,921	1,816,548,649
Other current assets		65,915,174	128,231,813
Total Current Assets		<u>97,563,494,837</u>	<u>96,019,860,007</u>
Non-current Assets			
Investments in subsidiary	6.10	2,451,283,750	1,891,283,750
Other non-current receivables	6.11	61,766,513	47,170,997
Constructions in progress	6.12	51,513,714,099	45,520,925,752
Investment property	6.13	501,107,574	436,226,646
Right-of-use asset	6.14	1,619,108,685	-
Property, plant and equipment	6.15	296,284,914,948	279,843,960,631
Intangible assets	6.16	2,666,583,051	554,032,645
Other non-current assets	6.17	99,910,721	100,365,724
Total Non-current Assets		<u>355,198,389,341</u>	<u>328,393,966,145</u>
Total Assets		<u>452,761,884,178</u>	<u>424,413,826,152</u>

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

		Unit: Baht	
		Separate financial statements	
	Notes	Dec. 31, 2020	Dec. 31, 2019
Liabilities and Equity			
Current Liabilities			
Trade accounts payable		39,168,400,807	44,382,564,584
Other current payables	6.18	4,596,564,560	3,310,585,252
Accrued expenses		2,394,691,751	3,131,268,319
Current portion of long-term loans	6.19	8,244,437,906	5,212,846,317
Current portion of finance lease liabilities	6.20	713,635,397	667,820,917
Accrued interest payable on loans		807,468,258	605,857,745
Accrued remittance to the Ministry of Finance	6.21	15,855,024,000	9,581,850,000
Advance received per contract		1,143,043,694	1,288,501,766
Deposits payable	6.22	429,875,265	313,831,640
Other current liabilities	6.23	400,943,332	328,151,854
Total Current Liabilities		73,754,084,970	68,823,278,394
Non-current Liabilities			
Long-term loans	6.19	99,194,398,725	70,438,313,146
Other non-current payables		39,449,528	51,475,636
Long-term provisions	6.24	369,792,505	266,037,174
Construction obligations	6.25	7,289,742,985	9,179,726,150
Finance lease liabilities	6.20	1,097,501,855	840,799,761
Deferred revenues	6.26	54,872,413,387	53,178,208,953
Electricity usage guarantee		23,290,044,190	31,269,936,502
Sales and service guarantee		1,552,399,716	1,085,224,560
Employee benefit obligations	6.27	17,877,282,214	18,324,576,641
Other non-current liabilities		34,224,246	3,257,396
Total Non-current Liabilities		205,617,249,351	184,637,555,919
Total Liabilities		279,371,334,321	253,460,834,313

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

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2020

		Unit: Baht	
		Separate financial statements	
	Note	Dec. 31, 2020	Dec. 31, 2019
Equity			
Initial capital		87,003,887	87,003,887
Contributions from the government		4,802,500,915	4,802,500,915
Unappropriated retained earnings		173,960,057,562	171,522,218,722
Other components of equity		(5,459,012,507)	(5,458,731,685)
Total Equity		173,390,549,857	170,952,991,839
Total Liabilities and Equity		452,761,884,178	424,413,826,152

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

(Mr.Sompong Preeprem)
Director and Governor

(Mr.Suchat Chothikatheraku)
Deputy Governor
(Accounting and Finance)

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020

		Unit: Baht	
		Consolidated financial statements	
	Notes	2020	2019
Revenues			
Sales and service revenues		473,703,482,287	503,256,604,659
Income compensation		15,374,040,000	15,000,000,000
Other revenues		1,170,959,050	1,704,099,577
Total Revenues	6.29	490,248,481,337	519,960,704,236
Expenses			
Cost of electricity		414,907,017,167	439,967,504,138
Employee compensations		20,740,582,783	22,121,885,153
Employee benefit expenses		1,441,042,109	5,183,632,682
Executives' remunerations	6.28	116,698,798	127,218,174
Preventive, repair and maintenance, and construction expenses		6,256,059,469	5,365,207,656
Depreciation and amortization expenses		23,667,756,246	21,519,056,057
Other operating expenses		9,246,918,634	9,057,260,073
Other expenses	6.29	1,229,896,602	659,749,899
Financial costs	6.29	2,742,871,472	2,657,522,030
Total Expenses		480,348,843,280	506,659,035,862
Profit before share of profit of associates and joint venture		9,899,638,057	13,301,668,374
Share of profit of associates and joint venture	6.29	77,942,729	82,332,080
Profit before tax		9,977,580,786	13,384,000,454
Income tax expense		7,699,295	13,528,560
Profit for the year	6.29	9,985,280,081	13,397,529,014
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss			
Profit (loss) on available-for-sale investments		(280,822)	18,103
Items that will not be reclassified to profit or loss			
Profit loss on actuarial estimation for employee benefit plans		1,079,334	(2,176,554,840)
Total comprehensive income for the year		9,986,078,593	11,220,992,277

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

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2020

		Unit: Baht	
		Separate financial statements	
	Notes	2020	2019
Revenues			
Sales and service revenues		473,575,070,708	503,127,952,317
Income compensation		15,374,040,000	15,000,000,000
Other revenues		1,160,473,465	1,690,957,844
Total Revenues	6.29	490,109,584,173	519,818,910,161
Expenses			
Cost of electricity		414,907,017,167	439,967,504,138
Employee compensations		20,710,865,623	22,090,794,547
Employee benefit expenses		1,440,505,467	5,182,256,044
Executives' remunerations	6.28	113,409,685	124,362,583
Preventive, repair and maintenance, and construction expenses		6,239,221,857	5,369,789,988
Depreciation and amortization expenses		23,662,047,658	21,517,926,596
Other operating expenses		9,121,740,116	8,932,220,256
Other expenses	6.29	1,229,896,602	659,749,899
Financial costs	6.29	2,740,179,164	2,657,442,805
Total Expenses		480,164,883,339	506,502,046,856
Profit for the year	6.29	9,944,700,834	13,316,863,305
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss		(280,822)	18,103
Profit (loss) on available-for-sale investments			
Items that will not be reclassified to profit or loss			
Profit loss on actuarial estimation for employee benefit plans		-	(2,176,684,485)
Total comprehensive income for the year		9,944,420,012	11,140,196,923

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

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2020

Unit: Baht

Notes	Consolidated financial statements						Total Equity
	Initial Capital and Contributions from the Government	Retained Earnings		Profit (Loss) from valuation of current financial assets	Other components of Equity		
		Appropriated	Unappropriated		Remeasurement of Employee Benefits	Total other components of equity	
Balance as at January 1, 2019	4,889,504,802	6,089,030	169,264,012,305	(1,717,771)	(3,280,122,770)	(3,281,840,541)	170,877,765,596
Accumulated amount from errors correction	-	-	303,804	-	-	-	303,804
Balance as at January 1, 2019 (after adjusted accumulated amount from errors correction)	4,889,504,802	6,089,030	169,264,316,109	(1,717,771)	(3,280,122,770)	(3,281,840,541)	170,878,069,400
Accumulated amount from:							
Legal reserve	-	1,633,390	(1,633,390)	-	-	-	-
Interim remittance to the Ministry of Finance from net profit for the year 2019	-	-	(5,733,000,000)	-	-	-	(5,733,000,000)
Reserve for remittance to the Ministry of Finance from net profit for the year 2019	-	-	(5,070,350,000)	-	-	-	(5,070,350,000)
Total comprehensive income for the year 2019 (revised)	5	-	13,397,529,014	18,103	(2,176,554,840)	(2,176,536,737)	11,220,992,277
Balance as at January 1, 2020 after adjustment	4,889,504,802	7,722,420	171,856,861,733	(1,699,668)	(5,456,677,610)	(5,458,377,278)	171,295,711,677
Effects from adjustment	4	-	(251,938,882)	-	-	-	(251,938,882)
Balance as at January 1, 2020 after adjustment	4,889,504,802	7,722,420	171,604,922,851	(1,699,668)	(5,456,677,610)	(5,458,377,278)	171,043,772,795
Accumulated amount from:							
Legal reserve	-	626,178	(626,178)	-	-	-	-
Adjusted interim remittance to the Ministry of Finance from net profit for the year 2019	6.21	-	4,088,350,000	-	-	-	4,088,350,000
Reserve for remittance to the Ministry of Finance from net profit for the year 2020	6.21	-	(11,343,524,000)	-	-	-	(11,343,524,000)
Total comprehensive income for the year 2020		-	9,985,280,081	(280,822)	1,079,334	798,512	9,986,078,593
Balance as at December 31, 2020	4,889,504,802	8,348,598	174,334,402,754	(1,980,490)	(5,455,598,276)	(5,457,578,766)	173,774,677,388

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

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY
 STATEMENTS OF CHANGES IN EQUITY
 FOR THE YEAR ENDED DECEMBER 31, 2020

Unit: Baht

Notes	Initial Capital and Contributions from the Government	Unappropriated Retained Earnings	Separate financial statements			Total Equity
			valuation of current financial assets	Other components of Equity Remeasurement of Employee Benefits	Total other components of equity	
Balance as at January 1, 2019	4,889,504,802	169,008,705,417	(1,717,771)	(3,280,347,532)	(3,282,065,303)	170,616,144,916
Accumulated amount from:						
Interim remittance to the Ministry of Finance from net profit for the year 2019	-	(5,733,000,000)	-	-	-	(5,733,000,000)
Reserve for remittance to the Ministry of Finance from net profit for the year 2019	-	(5,070,350,000)	-	-	-	(5,070,350,000)
Total comprehensive income for the year 2019	-	13,316,863,305	18,103	(2,176,684,485)	(2,176,666,382)	11,140,196,923
Balance as at January 1, 2020	4,889,504,802	171,522,218,722	(1,699,668)	(5,457,032,017)	(5,458,731,685)	170,952,991,839
Effects from adjustment	4	(251,687,994)	-	-	-	(251,687,994)
Balance as at January 1, 2020 after adjustment	4,889,504,802	171,270,530,728	(1,699,668)	(5,457,032,017)	(5,458,731,685)	170,701,303,845
Accumulated amount from:						
Adjusted interim remittance to the Ministry of Finance from net profit for the year 2019	6.21	4,088,350,000	-	-	-	4,088,350,000
Reserve for remittance to the Ministry of Finance from net profit for the year 2020	6.21	(11,343,524,000)	-	-	-	(11,343,524,000)
Total comprehensive income for the year 2020	-	9,944,700,834	(280,822)	-	(280,822)	9,944,420,012
Balance as at December 31, 2020	4,889,504,802	173,960,057,562	(1,980,490)	(5,457,032,017)	(5,459,012,507)	173,390,549,857

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

English translation of the Auditor's Report has not been reviewed by the State Audit Office of the Kingdom of Thailand.

PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit: Baht

	Note	Consolidated financial statements	
		2020	2019
Cash Flows from Operating Activities:			
Profit for the year		9,985,280,081	13,397,529,014
Adjustments of profit to net cash provided by (used in)			
operating activities:			
Depreciation and amortization		23,913,196,569	21,733,636,853
Loss from impairment of assets under financing service contracts		13,761,158	1,991,454
Bad debts and impairment loss		320,628,140	67,906,288
Loss from impairment of investment		7,558,919	-
Loss from repossessions		394,576	-
Bonuses for employees and directors		1,204,739,658	1,609,042,547
Provision for obsolete materials and supplies		(105,718,586)	64,934,465
Amortization of deferred revenues		(4,529,403,615)	(4,358,535,650)
Contribution revenues		(11,249,189)	(40,344,973)
Employee benefit obligations		1,441,042,109	5,183,632,682
Provisions for lawsuits		101,958,911	20,620,808
Loss on disposal of assets		534,852,124	28,788,177
(Gain) loss on disposal of materials and supplies		16,116,095	(6,972,902)
(Gain) loss on foreign exchange		11,806,486	(24,809,492)
Revenues from obsolete materials and supplies		(80,233,850)	(65,671,775)
Other non-operating revenues		(12,271,073)	(115,648)
Revenues from renting or using other assets		(10,379,731)	(18,996,486)
Revenues from financing service contracts		(37,276,343)	(20,601,261)
Provision for service contract		5,704,859	(697,122)
Deferred income tax		(7,699,294)	(13,528,560)
Share of profit of associates and joint venture		(77,942,729)	(82,332,080)
Interest income		(717,519,273)	(1,061,978,649)
Interest expense		2,742,871,472	2,657,522,030
Profit from operating activities before changes in operating assets and liabilities		34,710,217,474	39,071,019,720

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

PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

		Unit: Baht	
		Consolidated financial statements	
	Note	2020	2019
Cash Flows from Operating Activities (Continued):			
Changes in operating assets (increase) decrease			
Trade accounts receivable		(2,440,826,920)	610,575,081
Other current receivables		(935,446,613)	331,805,827
Accrued revenues		(235,039,403)	(1,231,697,754)
Interest received		786,675,128	1,246,874,639
Materials and supplies		136,524,694	318,303,186
Special-purpose deposits at financial institutions		5,490,199,700	(2,924,315,204)
Undue input VAT		16,137,735	280,828,984
Advance payments to suppliers		31,725,872	(119,590,266)
Other current assets		50,159,302	175,750,658
Other non-current receivables		106,212,555	70,449,685
Other non-current assets		(7,878,609)	(68,046,086)
Changes in operating liabilities increase (decrease)			
Trade accounts payable		(5,214,163,777)	(3,194,623,078)
Other current payables		815,723,980	(1,451,528,593)
Advance received per contract		(145,458,072)	134,918,525
Deposits payable		116,043,625	(16,708,190)
Accrued expenses		(314,158,376)	(53,488,991)
Payment of bonuses		(1,608,951,688)	(2,536,324,791)
Payment of corporate income tax		(1,821,843)	(2,271,543)
Other current liabilities		74,854,766	36,719,014
Other non-current payables		(12,259,584)	(20,887,529)
Provision for service contract liabilities		(429,732)	-
Construction obligations		(1,889,983,165)	85,566,419
Deferred revenues		6,102,782,334	6,395,433,252
Electricity usage guarantee		(7,979,892,313)	2,029,168,538
Sales and service guarantee		467,724,886	183,768,181
Employee gratuity fund		(1,603,970)	353,018
Payment of employee benefit obligations		(1,887,799,893)	(2,007,089,805)
Other non-current liabilities		32,570,820	-
Net cash provided by operating activities		<u>26,261,838,913</u>	<u>37,344,962,897</u>

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

PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit: Baht

	Note	Consolidated financial statements	
		2020	2019
Cash Flows from Investing Activities:			
Proceeds from investments in current financial assets		1,115,393,963	-
Proceeds from short-term investments		-	17,498,518,063
Payment of other non-current financial assets		(241,250,000)	-
Payment of investment in associates and joint venture		(94,837,500)	(110,200,000)
Dividend received from associates		50,201,250	50,448,750
Advanced payment for the decrease in a associates' share price		2,281,250	-
Payment of constructions in progress		(45,501,628,152)	(37,318,410,016)
Payment of investment property		-	(22,070,750)
Payment of property, plant and equipment		(3,700,788,383)	(2,700,176,897)
Proceeds from sales property, plant and equipment		54,551,153	23,095,544
Interest expense capitalized to constructions in progress		(339,089,292)	(215,950,864)
Payment of intangible assets		(248,860,053)	(238,252,767)
Net cash used in investing activities		(48,904,025,764)	(23,032,998,937)
Cash Flows from Financing Activities:			
Proceeds from short-term loans		5,000,000,000	-
Interest paid		(2,449,635,542)	(2,541,587,199)
Payment of long-term loans		(10,212,846,317)	(7,831,840,812)
Proceeds from long-term loans		37,344,000,000	11,927,142,019
Payment of financial lease liabilities		(834,631,845)	(1,273,550,242)
Remittance to the Ministry of Finance		(982,000,000)	(9,733,000,000)
Net cash used in financing activities		27,864,886,296	(9,452,836,234)
Net increase in cash and cash equivalents		5,222,699,445	4,859,127,726
Cash and cash equivalents at the beginning of the period		8,286,771,490	3,427,643,764
Cash and cash equivalents at the end of the period	6.1	13,509,470,935	8,286,771,490
Non-cash items			
Payables from purchases of property, plant and equipment		361,379,733	73,541,435
Payables from purchases of constructions in progress		1,304,217,265	1,079,204,384

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

PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2020

Unit: Baht

	Note	Separate financial statements	
		2020	2019
Cash Flows from Operating Activities:			
Profit for the year		9,944,700,834	13,316,863,305
Adjustments of profit to net cash provided by (used in)			
operating activities:			
Depreciation and amortization		23,907,487,981	21,732,507,393
Bad debts and doubtful accounts		311,781,595	67,906,288
Bonuses for employees and directors		1,204,739,658	1,606,248,776
Provision for obsolete materials and supplies		(108,460,138)	64,934,465
Amortization of deferred revenues		(4,529,403,615)	(4,358,535,650)
Contribution revenues		(11,249,189)	(39,860,473)
Employee benefit obligations		1,440,505,467	5,182,256,044
Provisions for lawsuits		101,958,911	20,620,808
Loss on disposal of assets		534,852,124	28,788,174
(Gain) loss on disposal of materials and supplies		16,116,095	(6,972,902)
(Gain) loss on foreign exchange		11,806,486	(24,809,492)
Revenues from obsolete materials and supplies		(80,233,850)	(65,671,775)
Other non-operating revenues		(12,271,073)	-
Interest income		(710,710,613)	(1,049,140,231)
Interest expense		2,740,179,164	2,657,442,805
Profit from operating activities before changes in operating assets and liabilities		34,761,799,837	39,132,577,535
Changes in operating assets (increase) decrease			
Trade accounts receivable		(2,430,373,988)	631,370,339
Other current receivables		(906,546,314)	328,384,402
Accrued revenues		(201,931,225)	(1,250,726,177)
Interest received		778,269,060	1,236,863,698
Materials and supplies		122,845,639	338,970,413
Special-purpose deposits at financial institutions		5,490,199,700	(2,974,315,204)
Undue input VAT		16,826,706	282,975,768
Advance payments to suppliers		(22,774,273)	(117,712,170)

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

PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

	Unit: Baht	
	Separate financial statements	
Note	2020	2019
Cash Flows from Operating Activities (Continued):		
Other current assets	62,673,345	174,566,967
Other non-current receivables	35,184,904	51,086,607
Other non-current assets	455,003	(3,428,151)
Changes in operating liabilities increase (decrease)		
Trade accounts payable	(5,214,163,777)	(3,194,623,078)
Other current payables	776,897,969	(1,434,014,457)
Advance received per contract	(145,458,072)	134,918,525
Deposits payable	116,043,625	(16,708,190)
Accrued expenses	(335,526,826)	(52,891,546)
Payment of bonuses	(1,606,182,038)	(2,533,133,369)
Other current liabilities	74,587,898	39,524,090
Other non-current payables	(12,259,584)	(20,887,529)
Construction obligations	(1,889,983,165)	85,566,419
Deferred revenues	6,102,782,334	6,395,433,252
Electricity usage guarantee	(7,979,892,313)	2,029,198,538
Sales and service guarantee	467,175,156	182,242,394
Employee gratuity fund	(1,603,970)	353,018
Payment of employee benefit obligations	(1,887,799,893)	(2,007,089,805)
Other non-current liabilities	32,570,820	-
Net cash provided by operating activities	26,203,816,558	37,438,502,289
Cash Flows from Investing Activities:		
Proceeds from investments in current financial assets	1,000,000,000	-
Proceeds from short-term investments	-	17,499,932,918
Payment of investment in subsidiary	(560,000,000)	(450,000,000)
Payment of constructions in progress	(45,074,285,427)	(37,103,862,493)
Payment of investment property	-	(22,070,750)
Payment of property, plant and equipment	(3,699,824,169)	(2,699,077,041)
Proceeds from sales property, plant and equipment	54,551,153	23,095,544
Interest expense capitalized to constructions in progress	(339,089,292)	(215,950,864)
Payment of intangible assets	(248,768,641)	(237,865,767)
Net cash used in investing activities	(48,867,416,376)	(23,205,798,453)

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

PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

		Unit: Baht	
		Separate financial statements	
	Note	2020	2019
		_____	_____
Cash Flows from Financing Activities:			
Payment of short-term loans		5,000,000,000	-
Interest paid		(2,446,708,536)	(2,541,587,199)
Payment of long-term loans		(10,212,846,317)	(7,831,840,812)
Proceeds from long-term loans		37,000,000,000	11,927,142,019
Payment of financial lease liabilities		(831,273,545)	(1,273,273,313)
Remittance to the Ministry of Finance		(982,000,000)	(9,733,000,000)
Net cash used in financing activities		_____	_____
		27,527,171,602	(9,452,559,305)
Net increase in cash and cash equivalents		4,863,571,784	4,780,144,531
Cash and cash equivalents at the beginning of the period		7,322,382,890	2,542,238,359
Cash and cash equivalents at the end of the period	6.1	_____	_____
		12,185,954,674	7,322,382,890
Non-cash items			
Payables from purchases of property, plant and equipment		357,609,893	73,541,435
Payables from purchases of constructions in progress		1,304,217,265	1,079,204,384

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

PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2020

1. General information

1.1 General information of the Provincial Electricity Authority

Provincial Electricity Authority was established as a state enterprise for public utility under Provincial Electricity Authority Act, B.E. 2503 (1960) and is located at 200 Ngamwongwan Road, Ladyao, Chatuchak, Bangkok 10900. The main objective of Provincial Electricity Authority is to generate, obtain, distribute and sell electricity energy to people, businesses and industrial sectors in 74 provinces throughout Thailand, with the exception of Bangkok, Nonthaburi, and Samut Prakan provinces.

1.2 The spread of Coronavirus disease 2019

The pandemic situation of Coronavirus disease 2019 has been continuously spreading, causing an economic slowdown and affecting most of businesses and industries. Therefore, the cabinet approved measures to assist people who has been affected by the effect of Coronavirus disease 2019 pandemic and alleviating their suffering by reducing basic utility expenses as follows:

1.2.1 Measures to refund the electricity meter deposits to customers of type 1: a residential user, and type 2: a small business user, starting from March 31, 2020, onwards.

1.2.2 Measures for residential users, with electricity usage of no more than 150 units per month, to have electricity usages free of charge for three months from March to May 2020.

1.2.3 Measures for residential users, with electricity usage of more than 150 units per month, to receive the monthly electricity bills during March to May 2020 charged based on the electricity usage units of February 2020.

1.2.4 Measures to reduce electricity bills by 3% on the net billing amount including VAT for all type of users for three months from April to June 2020.

1.2.5 Measures of free electricity usages for residential user with power meters of no more than 5 amps, in which the free electricity usages are increased from 50 to 90 units per month from April until June 2020.

2. Basis of financial statement presentation

2.1 Basis of consolidated and separate financial statements preparation

The consolidated and the separate financial statements have been prepared in accordance with Thai Financial Reporting Standards and generally accepted accounting principles under Accounting Act, B.E. 2543 (2000), which include accounting standards under the Accounting Profession Act, B.E. 2547 (2004), including interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP), and the notification of Department of Business Development "Definition of the abbreviated components required in the Financial Statements (2nd Edition), B.E. 2559 (2016)", dated October 11, B.E. 2559 (2016).

2. Basis of financial statement presentation (Continued)

2.1 Basis of consolidated and separate financial statements preparation (Continued)

Consolidated financial statements include financial statements of Provincial Electricity Authority and financial statements of its subsidiary, PEA Encom International Company Limited, after elimination of related company's significant transactions and balances. PEA Encom International Company Limited was established in Thailand in which Provincial Electricity Authority has controlled and held over 50% of paid-up share capital.

Shareholding proportion and amount of investments in associates, investments in joint venture and investments in subsidiary are presented in Notes 6.8, 6.9 and 6.10, respectively.

Investments in associates and joint venture have been presented in the consolidated financial statements under the equity method.

Separate financial statements include financial statements of Provincial Electricity Authority, which include transactions of PEA Employee Gratuity Fund and investments in subsidiary have been presented under the cost method.

2.2 Thai Accounting Standards, Thai Financial Reporting Standards, Thai Standing Interpretations and Thai Financial Reporting Interpretations are announced in Government Gazette as follows:

2.2.1 Effective for the current accounting period

Provincial Electricity Authority has applied Thai Accounting Standards, Thai Financial Reporting Standards, Thai Standing Interpretations and Thai Financial Reporting Interpretations, which are newly issued and revised by FAP which are effective for accounting periods beginning on or after January 1, 2020 onward. The management of Provincial Electricity Authority determined that the applications will not have significant impacts on accounting policies and the financial statements of Provincial Electricity Authority and its subsidiary except for the following Thai Financial Reporting Standards:

Thai Financial Reporting Standard - Group of

Financial Instruments	Title
Thai Accounting Standard No. 32	Financial Instruments: Presentation
Thai Financial Reporting Standard No. 7	Financial Instruments: Disclosures
Thai Financial Reporting Standard No. 9	Financial Instruments

The group of Financial Reporting Standards on Financial Instruments as mentioned above replace the following Financial Reporting Standards:

Thai Accounting Standard No. 107 (revised 2016)	Financial Instruments: Disclosure and Presentation
Thai Accounting Standard No. 101	Doubtful Accounts and Bad Debts
Thai Accounting Standard No. 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities

2. Basis of financial statement presentation (Continued)

2.2.1 Effective for the current accounting period (Continued)

Thai Financial Reporting Standards - Group of Financial Instruments establishes the concept relating to classification and measurement requirement for financial instruments at fair value basis or amortized cost basis by considering type of financial instruments, contractual cash flow characteristics, and the business model of the entity. The standards also include principles for calculating impairment of financial assets apply the concept of expected credit losses, principles of hedge accounting, and presentation and disclosure of financial instruments.

Thai Financial Reporting Standard No. 16 Leases replaced Thai Financial Reporting Standards as follows:

Thai Financial Reporting Standard	Title
Thai Accounting Standard No. 17 (revised 2018)	Leases
Thai Financial Reporting Interpretations No. 4 (revised 2018)	Determining Whether an Arrangement Contains a Lease

This Thai Financial Reporting Standard established principles for identifying a lease, recognition, valuation, presentation and disclosure of leases on both the lessee and the lessor side, which has changed the terms materially by removing the distinction between operating leases and finance leases under Thai Accounting Standard No. 17, and requiring the lessee to recognize the rights-of-use assets and lease liabilities at the effective date for all leases with an exception for short-term leases and leases where the underlying asset has a low value. Accounting for lessors are continued to classify a lease as an operating lease or a finance lease using the same principles as Thai Accounting Standard No. 17.

Provincial Electricity Authority has adopted Thai Financial Reporting Standard - Group of Financial Instruments and Thai Financial Reporting Standard No. 16 Leases by recognizing the cumulative effect on the first-time adoption of Thai Financial Reporting Standards by adjusting the brought forward balance of retained earnings or other components of shareholders' equity as at January 1, 2020, without any retrospective adjustment to the prior year's comparative financial statements.

2.2.2 Effective for accounting periods beginning on or after January 1, 2021 are as follows:

The Federation of Accounting Professions has issued Thai Financial Reporting Standards and revised Thai Financial Reporting Interpretations which are effective for financial statements with accounting periods beginning on or after January 1, 2021. Such Thai Financial Reporting Standards have been revised or made available to provide the content equivalent to International Financial Reporting Standards most of which clarify accounting practices and provides guidelines to standard users.

The management of the Provincial Electricity Authority and its subsidiary have assessed the effect of adopting these Thai Financial Reporting Standards, believing that there will not be any material effect.

3. Summary of significant accounting policies

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, deposits at banks and financial institutions with original maturities of 3 months or less, excluding deposits at banks used as collateral.

3.2 Trade accounts receivable and other receivables

Trade accounts receivable and other receivables are stated at net realizable value. Allowance for doubtful accounts is based on contingent loss from uncollectible receivables which are estimated from historical collection experiences and a review of the current status of the receivables. It is also based on the percentage receivables' age of the receivables balance at the end of the period. The expected credit loss is recognized through profit or loss as part of operating expenses.

3.3 Materials and supplies

Materials and supplies are stated at the lower of the cost or net realizable value. The cost is determined using the weighted average cost method. Allowance is made in full for obsolete materials and supplies and for materials and supplies pending for improvement.

3.4 Special-purpose deposits at financial institutions

Special-purpose deposits at financial institutions consist of:

3.4.1 Special-purpose deposits at financial institutions, which are presented as **current assets** in statements of financial position, are deposits to be used within one accounting period and with the specific purposes and conditions. Special-purpose deposits comprises of electricity usage guarantee fund, sinking fund for repayment of bonds, and restricted cash. All of which can be used in Provincial Electricity Authority's activities in case of Provincial Electricity Authority having the deficits in working capital. Interest from electricity usage guarantee fund is used for benefits of electricity users and KFW special fund is used for scholarships, training, analysis and research.

3.4.2 Special-purpose deposits at financial institutions, which are presented as **non-current assets** in the statements of financial position, are deposits to be used longer than one accounting period and cannot be used for operating activities are PEA Employee Gratuity Fund.

3.5 Investments in associates and joint venture

Investments in associates and joint venture are presented in the consolidated financial statements under the equity method.

3.6 Investments in subsidiary

Investments in subsidiary are presented in the separate financial statements under the cost method.

In case an impairment of investment has occurred, the impairment loss of investment will be recognized in the statements of comprehensive income.

3.7 Constructions in progress

Constructions in progress include construction costs, borrowing costs incurred on direct costs associated with the borrowing of funds used for the construction, and other costs which are directly related to construction or preparation of the property for its intended use. Constructions in progress do not include calculation of depreciation.

3. Summary of significant accounting policies (Continued)

3.8 Investment property

Investment property comprises of property and plant acquired for used in the operation but has not been utilized and/or property and plant owned to earn rentals. Provincial Electricity Authority has adopted to measure using the cost method. Subsequently investment property is presented at cost after deducting accumulated depreciation (if any).

3.9 Property, plant and equipment

Provincial Electricity Authority's policies for property, plant and equipment, and depreciation are summarized as follows:

Property, plant and equipment are initially recognized at cost which is calculated from purchase prices plus any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operation in the manner intended. Self-constructed assets are recorded as construction costs, consisting of material costs, direct labor and construction-related expenses.

Property is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses of assets (if any).

Property comprises of land used in the operation and land acquired for operating objective with certain plan of usage within one year.

Depreciation of plant and equipment is calculated using the straight-line method over the estimated useful lives of the assets as follows:

	Percentage per annum
Buildings and constructions	3 and 6.25
Electricity generating systems	3 - 20
Electricity distributing systems	4 - 20
Furniture, tools, equipment and vehicles	4 - 20

When property, plant and equipment are impaired, the impairment losses will be recognized in the statements of comprehensive income.

In case of disposal, Provincial Electricity Authority writes off cost of assets and its accumulated depreciation from the accounts, and recognizes gain or loss on disposal of assets as other incomes or other expenses in the statements of comprehensive income.

3.10 Intangible assets

Intangible assets comprise of computer software licenses and computer software systems for core business that are stated at cost less accumulated amortization and allowance for impairment of assets (if any).

3. Summary of significant accounting policies (Continued)

3.10 Intangible assets (Continued)

Amortization of computer software licenses and computer software systems for core business is calculated using the straight-line method over the lease period and recognized as expenses in the statements of comprehensive income.

Impairment loss of intangible assets will be recognized as operating expenses in the statements of comprehensive income when incurred.

3.11 Leases

Provincial Electricity Authority as a lessee

Right-of-use assets

The Provincial Electricity Authority recognizes right-of-use assets on the date the lease becomes effective. Right-of-use assets are measured at cost less accumulated depreciation. The cost of the right-to-use assets comprise the amount of the lease liability at its initial measurement, the initial direct costs incurred, the amount of the lease payments as at the date the lease becomes effective.

Lease liabilities

As at the date the lease becomes effective, the Provincial Electricity Authority recognizes the lease liability at the present value of the amount expected to be payable under the lease, discounted with the incremental borrowing rate of the Provincial Electricity Authority after the effective date of the lease. The carrying amount of the lease liability increases reflecting the interest on the lease liability and decreases reflecting the payment under the lease payment.

Short-term leases and leases where the underlying asset has a low value

The payment of a lease with a lease term of 12 months or less from the effective date or a lease where the underlying asset has a low value is recognized as an expense based on a straight-line basis over the lease term.

3.12 Foreign currency transactions

Foreign currency transactions are translated into Thai Baht by using the exchange rates prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies at the fiscal year-end date are translated into Baht at the reference exchange rates announced by the Bank of Thailand at such date. Gains or losses on exchange arising on settlements and translations are recognized as revenues or expenses for the period when incurred.

3.13 Financial instruments

Classification and measurement

The Provincial Electricity Authority measures equity instruments with fair value in other comprehensive income which cannot be later transferred to profit or loss.

3. Summary of significant accounting policies (Continued)

3.13 Financial instruments (Continued)

Impairment of financial assets

The Provincial Electricity Authority measures the impairment credit losses equal to the expected credit loss over the life of financial instruments for receivables and measures the expected credit losses in the next 12 months for financial assets with low credit risk.

3.14 Long-term provisions

Provincial Electricity Authority records the provisions in the statements of financial position if Provincial Electricity Authority has contingent liabilities arising from legal claims or result of past events which is probable that an outflow of resources embodying economic benefits will be required to settle the obligations, and it can be estimated with sufficient reliability. The actual results may differ from those estimates.

Provincial Electricity Authority recognizes the provisions with the best estimate of the expenditure required to settle the present obligation at the statements of financial position date by considering risks and uncertainties that inevitably surround obligations. The provisions are measured based on expected cash flows associated with the present obligation as present value of the expected cash flows associated with that present obligation.

Provisions due within one year are classified as short-term provisions and provisions due more than one year are classified as long-term provisions.

3.15 Deferred revenues

3.15.1 Contributions for constructing electricity distributing systems represent cash collected from people who request to use the electricity in order to reduce the burden of Provincial Electricity Authority for construction of the electricity distributing systems. Ownership of the systems, including responsibility for maintenance and repair belongs to Provincial Electricity Authority. Such contributions are presented as deferred revenues in the statements of financial position and recognized as revenues at the rate of 5% per annum when the construction is completed (the rate is equal to the depreciation rate of Provincial Electricity Authority's electricity distributing system assets).

3.15.2 Revenues from transferring of operating assets represent assets received from donations which are used in operations. Most of such assets are electricity distribution systems that the electricity users donate to Provincial Electricity Authority, which Provincial Electricity Authority is responsible for maintenance. Such assets are presented as deferred revenues from transferring of operating assets in the statements of financial position and recognized as revenues at the rate in accordance with depreciation rates of such assets over their useful lives.

Assets received from donations, which are not used in operations are recognized as other non-operating revenues in the statements of comprehensive income in the period of acquisitions.

3.15.3 Contribution revenues from foreign financial institutions represent contributions from foreign financial institutions in forms of interest discount to be used for various purposes of Provincial Electricity Authority. Such revenues are presented as deferred revenues in the statements of financial position and recognized as revenues based on the actual amount of expenses incurred.

3. Summary of significant accounting policies (Continued)

3.15 Deferred revenues (Continued)

3.15.4 Deferred revenues from rental represent rental income which Provincial Electricity Authority has received in advance from third parties who rent the raw lands of Provincial Electricity Authority. And, deferred revenues will be recognized as rental income from investment property over the lease period.

3.15.5 Deferred revenues from services represent services income which Provincial Electricity Authority has received in advance from providing services to third parties. And, deferred revenues will be recognized as revenues over the contract period.

3.16 Electricity usage guarantee

Electricity usage guarantee is the money that electricity users deposit to Provincial Electricity Authority for guarantee of electricity usage. Provincial Electricity Authority deposits into the bank account named "Electricity Usage Guarantee Fund" to reserve fund for refunding of electricity usage guarantee to electricity users. Any interest income earned is separately deposited in the bank account named "Interest from Electricity Usage Guarantee Fund." Provincial Electricity Authority will use interest of the fund to repaid as interest on deposit for electricity usage guarantee to the electricity users according to the requirement of the Energy Regulatory Commission and will use in activities for public interests and/or beneficial activities for electricity users.

Provincial Electricity Authority has set the Regulation on Supervision of Electricity Usage Guarantee Fund, B.E.2557 (2014) and appointed the committee which is responsible for supervising and controlling an operation of Electricity Usage Guarantee Fund and interest from Electricity Usage Guarantee Fund. Provincial Electricity Authority has to made fund transfer at the amount equal to the net increase in electricity usage guarantee for each month to the "Electricity Usage Guarantee Fund" account. In case of working capital deficiency or liquidity difficulty, Provincial Electricity Authority can use the electricity usage guarantee fund as a working capital under consideration and approval of the Board of Directors of Provincial Electricity Authority. Then, Provincial Electricity Authority will be required to repay to electricity usage guarantee fund for not less than Baht 100 million on each month by depositing into the "Electricity Usage Guarantee Fund" account until the amount is fully covered. Also, Provincial Electricity Authority is required to make a payment of interest at the interest rate of savings account for state enterprises specified by Krung Thai Bank Public Company Limited by depositing into the "Interest from Electricity Usage Guarantee Fund". In case of working capital deficiency or liquidity difficulty, the repayment can be postponed under the approval of the Governor and should be reported to the Board of Directors.

3.17 Employee gratuity fund

Provincial Electricity Authority has established Employee Gratuity Fund for the purpose of giving aid to employees in case of termination without guilt in accordance with the Regulations of Provincial Electricity Authority on Employee Gratuity Fund and Benefit for PEA Employees, B.E. 2522 (1979). Provincial Electricity Authority pays monthly contribution at the rate of 10% of employee salaries and recognizes as an expense in the statements of comprehensive income of Provincial Electricity Authority. In this regard, transactions of employee gratuity fund are included in the financial statements of Provincial Electricity Authority and also eliminate the related party transactions.

3. Summary of significant accounting policies (Continued)

3.18 Employee benefits obligation

3.18.1 Short-term employee benefits

Short-term employee benefits comprise salaries, overtimes, bonuses, compensated absences and other short-term benefits in accordance with the contract of employment. Short-term employee benefits will be recognized as employee expenses in the statements of comprehensive income on accrual basis.

3.18.2 Post-employment benefits

3.18.2.1 Defined contribution plan

Provincial Electricity Authority has established the provident fund in accordance with the Provident Fund Act, B.E. 2530 (1987) which employees have option to pay into the fund accumulated at the rate of 3 – 15% of the salary of each and Provincial Electricity Authority will pay into the fund at the rate of 9 – 11% of salary of members of the fund to defined contribution plans.

Provincial Electricity Authority's contributions are recognized as employee expenses in the statements of comprehensive income. Moreover, Provincial Electricity Authority has also established employee gratuity fund according to Note 3.17.

3.18.2.2 Defined benefit plan

Provincial Electricity Authority's defined benefit plan comprises remuneration under the State Enterprise Labor Relations Act, B.E. 2543 (2000), compensation under Labor Law, compensated absences of employees who are dismissed without committing an offense under the law, unused portion of personal leaves of employees, souvenir for retired employees and other post-employment benefits in accordance with the contract of employment.

Since January 1, 2011, the estimation of employee benefits are calculated by the actuarial technique using the Projected Unit Credit Method. This method estimate the present value of expected future payments which are calculated on the basis of employee salaries, turnover rate, mortality, length of service and other factors.

Provincial Electricity Authority recognizes provisions for defined benefit plan in the statements of financial position at net present value of employee benefit obligations based on unrecognized past service cost and fair value of project assets (if any). Provincial Electricity Authority also recognizes defined benefit plan expenses as expenses related to employment in the statements of comprehensive income.

Actuarial gains (losses) occurred are recognized in other comprehensive income.

3. Summary of significant accounting policies (Continued)

3.18 Employee benefits obligation (Continued)

3.18.3 Other long-term employee benefits

Provincial Electricity Authority has given a welfare for employees who work for the complete agreed period as other long-term employee benefits. Provincial Electricity Authority recorded these employee benefits by using projected unit credit method which are calculated by the actuary.

3.19 Technology research and development fund

Provincial Electricity Authority has established technology research and development fund, according to the policy of the Office of the National Economic and Social Development Board, to continuously promote and support existing and new technology research and development in highly efficient manner. The fund aims to reduce the dependence and importation of technology from abroad. Consequently, Provincial Electricity Authority is able to apply the results of research and development to its operations in the highest efficiency. Provincial Electricity Authority has contributed from its budget as a fund granted to domestic educational institutions, domestic research and development institutions, and business units within Provincial Electricity Authority.

The contributions of technology research and development are recognized as an expense when incurred.

3.20 Revenue recognition

The Provincial Electricity Authority recognizes revenue when a performance obligation is satisfied by transferring of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services, according to the principles as follows:

1. Identify the contract(s) with a customer.
2. Identify the performance obligations in the contract and may include implied agreements in accordance with customary business practice.
3. Determine the amount of transaction price to which the Provincial Electricity Authority expected to be reasonably entitled in exchange for transferring promised goods or services to a customer taking into account variable considerations such as discounts, penalties, non-cash rewards, and a significant element of money with the contract.
4. Allocate the transaction price to each performance obligation on the basis of the stand-alone selling prices.
5. Recognize revenue when (or while) a performance obligation is satisfied by transferring a promised good or service to a customer. The amount of revenue recognized is the amount allocated to the completed performance obligation. For a contract of transferring goods, it is an obligation that must be fulfilled at a point in time. The transferring of services is a performance obligation that must be satisfied over time at the end of the reporting period. The Provincial Electricity Authority recognizes revenue by measuring progress on the performance obligation.

3.21 Executives' remunerations

Executives' remunerations represent the compensation paid to directors and management who have the power to decide which includes both of monetary and remunerations benefit.

3. Summary of significant accounting policies (Continued)

3.22 Financial costs

Financial costs represent costs incurred from seeking operational funds which include interest expense and fee paid.

Interest expense and other expenses, directly attributable to constructions of buildings and electricity generating and distributing systems, are incurred from loans made specifically for purpose of acquiring fixed assets are capitalized as costs of assets.

Interest and other expenses incurred subsequent to the completion of construction are recognized as expenses for the period in the statements of comprehensive income.

3.23 Related party transactions

Related parties are individuals or enterprises that control or are controlled, directly or indirectly by Provincial Electricity Authority, or are under common control with Provincial Electricity Authority. Moreover, related parties also include associates and individuals who have direct or indirect voting rights that result in significant influence on Provincial Electricity Authority, executives, directors or employees and close member of that person's family is related to Provincial Electricity Authority's executives who have a power for the planning, directing and controlling over operation of Provincial Electricity Authority.

3.24 Use of judgments and significant accounting estimates

To prepare of financial statements in conformity with generally accepted accounting principles, management has to make estimates and several assumptions that affect amount of revenues, expenses, assets and liabilities, and disclosure of contingent assets and liabilities. Actual results may differ from the estimates such as allowance for doubtful accounts, allowance for obsolete materials and supplies and allowance for loss or misstated or lost materials.

3.25 Operating segments

Provincial Electricity Authority presents operating segments by geographical areas in which Provincial Electricity Authority's management, administration and financial reporting structure are criteria for determination segmentation.

Provincial Electricity Authority has 5 geographical segments which include northern, northeastern, central, southern areas and headquarter. Each area is responsible for distributing electricity in its own area. The headquarter is responsible for setting policies and plans as well as providing all necessary materials and equipment to the regional areas.

According to PEA accounting policies for operating segments, each of the operating segments recognize revenues based on the amount of electricity sold in its own areas. Provincial Electricity Authority also allocates its cost of sales from headquarter to each of the operating segments based on actual cost occurred.

3. Summary of significant accounting policies (Continued)

3.25 Operating segments (Continued)

Operating income of each segment derives from total revenues deducted cost and operating expenses.

Assets of each regional area are those assets used in operating activities by each of the operating segment or related activities.

Liabilities of each regional area are those liabilities incurred from operating activities by each of the operating segment and related activities, except trade accounts payable, long-term loans, accrued remittance to the Ministry of Finance and liabilities under financial leases which the headquarter does not allocate those items to each of the operating segments.

3.26 Assets under long-term financing service contracts

3.26.1 The group recognized solar rooftop electricity generating system as assets when construction and installation were completed. Assets under long-term financing service contracts have been classified by the period that the customers have to pay according to the service contract as follows:

- In case the customer pays according to the service contract within 1 year, it will be recognized as current assets in the statements of financial position.

- In case the customer pays according to the service contract for over 1 year until it becomes due, it will be recognized as non-current assets in the statements of financial position.

3.26.2 Assets under the financing service contract which most of risks and rewards related to the ownership have been transferred to the customers are recognized as financing service contracts and will be recognized as capital expenditure at the lower of the fair value of the assets that provide service, including the estimated direct expenses expected to occur throughout the service contract or the net present value of the amount that has to be paid according to the service contract.

3.27 Provisions for long-term service contracts

The Group recognizes the provisions in the statements of financial position when the obligation as a result of past events has occurred and it's probable that an outflow of cash or other economic resources will be required to settle the provision, and the Group can measure the value of the obligation reliably.

3.28 Deferred revenue

Deferred revenue from assets under financing service contracts will be recognized as revenue using the Effective Interest Rate method throughout the service contract based on the effective interest rate of each contract.

3. Summary of significant accounting policies (Continued)

3.29 Impairment of assets

At the end of each reporting period, the Group is required to assess whether there is any indication that an asset under financing service contract may be impaired. If there is an indication that an asset under financing service contract may be impaired, the Group will recognize an impairment loss when the asset under financing service contract's recoverable amount is lower than its carrying amount and will reverse impairment loss recognized in a preceding period when there are changes in estimation that determine the recoverable amount after recognizing the most recent impairment loss. The asset's carrying amount increased from the reversal of impairment loss must not be higher than the supposed carrying amount. If the Group never recognizes the asset's impairment loss in a preceding period, the Group will recognize the reversal of impairment loss in the profit and loss immediately.

However, if the assets under the financing service contract have an indication of permanent impairment, the Group will re-estimate the revenue and deferred revenue throughout the project.

4. The effect of the change in accounting policies

The effect on brought forward balance of retained earnings at the beginning of 2020 from the change in accounting policy due to the first-time adoption of the Thai Financial Reporting standards – Group of Financial Instruments are as follows:

	Unit: Million Baht
	Consolidated financial statements
Effect on retained earnings as at January 1, 2020	
Recognition of expected credit losses on financial assets	251.94
Total effect on retained earnings	251.94
	Unit: Million Baht
	Separate financial statements
Effect on retained earnings as at January 1, 2020	
Recognition of expected credit losses on financial assets	251.69
Total effect on retained earnings	251.69

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4. The effect of the change in accounting policies (Continued)

The amounts of adjustments affecting the statement of financial position as at January 1, 2020, of the change in accounting policies due to the adoption of Thai Financial Reporting Standards – Group of Financial Instruments and Thai Financial Reporting Standard No. 16 Leases are as follows:

	Consolidated financial statements			Unit: Million Baht
	Increase (Decrease)			
	As per original accounting policies Dec. 31, 2019	Thai Financial Reporting Standards - Group of Financial Instruments	Thai Financial Reporting Standard No. 16	As per new accounting policies Jan. 1, 2020
Statement of financial position				
Assets				
Current assets				
Investments in other current financial assets	-	1,117.24	-	1,117.24
Current investments	1,117.24	(1,117.24)	-	-
Accounts receivable for electricity	33,865.56	(132.51)	-	33,733.05
Accounts receivable from sales of equipment and rendering services	1,266.21	(107.92)	-	1,158.29
Other current receivables	361.35	(11.26)	-	350.09
Non-current assets				
Other non-current receivables	548.08	(0.31)	-	547.77
Right-of-use assets	-	-	1,496.93	1,496.93
Property, plant and equipment	279,849.51	-	(1,190.43)	278,659.08
Intangible assets	554.60	-	(148.14)	406.46
Other non-current assets	196.82	0.06	-	196.88
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities due within 1 year	668.38	-	64.85	733.23
Non-current liabilities				
Lease liabilities	842.93	-	93.97	936.90
Shareholders' equity				
Retained earnings-unappropriated	171,856.86	(251.94)	-	171,604.92

4. The effect of the change in accounting policies (Continued)

Unit: Million Baht

	As per original accounting policies Dec. 31, 2019	Separate financial statements Increase (Decrease)		As per new accounting policies Jan. 1, 2020
		Thai Financial Reporting Standards - Group of Financial Instruments	Thai Financial Reporting Standard No. 16	
Statement of financial position				
Assets				
Current assets				
Investments in other current financial assets	-	1,001.84	-	1,001.84
Current investments	1,001.84	(1,001.84)	-	-
Accounts receivable for electricity	33,865.57	(132.51)	-	33,733.06
Accounts receivable from sales of equipment and rendering services	1,219.39	(107.92)	-	1,111.47
Other current receivables	361.49	(11.26)	-	350.23
Non-current assets				
Right-of-use assets	-	-	1,483.10	1,483.10
Property, plant and equipment	279,843.96	-	(1,187.44)	278,656.52
Intangible assets	554.03	-	(148.14)	405.89
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities due within 1 year	667.82	-	62.69	730.51
Non-current liabilities				
Lease liabilities	840.80	-	84.83	925.63
Shareholders' equity				
Retained earnings-unappropriated	171,522.22	(251.69)	-	171,270.53

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4. The effect of the change in accounting policies (Continued)

The reconciliation between lease liabilities as at January 1, 2020, and operating lease liabilities as at December 31, 2019, is as follows:

	Unit: Million Baht
	<u>Consolidated financial statements</u>
Operating lease obligations as at 31 December 2019	299.71
<u>Less</u> Leases subjected to recognition exemption and practical expedients	
- Short-term leases	(26.79)
- Variable lease payments	(107.40)
- Leases where the underlying asset has a low value	(0.07)
Lease liabilities increased from the first-time adoption of Thai Financial Reporting Standard No. 16 Leases	165.45
<u>Less</u> The effect of the discount rate	(6.63)
Lease liabilities after adjustment	158.82
<u>Add</u> Finance lease liabilities as at 31 December 2019	1,511.31
Lease liabilities as at 1 January 2020	1,670.13
	<hr/> <hr/>
	Unit: Million Baht
	<u>Separate financial statements</u>
Operating lease obligations as at 31 December 2019	286.41
<u>Less</u> Leases subjected to recognition exemption and practical expedients	
- Short-term leases	(26.79)
- Variable lease payments	(107.40)
Lease liabilities increased from the first-time adoption of Thai Financial Reporting Standard No. 16 Leases	152.22
<u>Less</u> The effect of the discount rate	(4.70)
Lease liabilities after adjustment	147.52
<u>Add</u> Finance lease liabilities as at 31 December 2019	1,508.62
Lease liabilities as at 1 January 2020	1,656.14
	<hr/> <hr/>

4. The effect of the change in accounting policies (Continued)

Reclassification and remeasurement

Unit: Million Baht

		Consolidated financial statements			
		December 31, 2019	January 1, 2020		
		Original classification	Original book value	Reclassification under Thai Financial Reporting Standard No. 9	New book value under Thai Financial Reporting Standard No. 9
Financial assets					
Fixed deposits	Short-term investments		1,115.40	Investments in current financial assets	1,115.40
Equity instruments	Short-term investments		1.84	Investments in current financial assets	1.84
			<u>1,117.24</u>		<u>1,117.24</u>

Unit: Million Baht

		Separate financial statements			
		December 31, 2019	January 1, 2020		
		Original classification	Original book value	Reclassification under Thai Financial Reporting Standard No. 9	New book value under Thai Financial Reporting Standard No. 9
Financial assets					
Fixed deposits	Short-term investments		1,000.00	Investments in current financial assets	1,000.00
Equity instruments	Short-term investments		1.84	Investments in current financial assets	1.84
			<u>1,001.84</u>		<u>1,001.84</u>

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5. Reclassification and correction of errors

Some items presented in the statements of financial position as at December 31, 2019, the statements of comprehensive income for the year ended December 31, 2019, and the statements of cash flows for the year ended December 31, 2019, are reclassified in accordance with the presentation of statements of financial position as at December 31, 2020. The statements of comprehensive income for the year ended December 31, 2020 and the statements of cash flows for the year ended December 31, 2020, which are summarized as follows:

Unit: Million Baht

Consolidated financial statements				
	<u>Before</u>	<u>Reclassification</u>	<u>Cumulative impact of errors correction</u>	<u>After</u>
Statements of financial position				
As at December 31, 2019				
Special-purpose deposits at financial institutions	42,842.74	(50.00)	-	42,792.74
Other non-current assets	146.82	50.00	16.42	213.24
Retained earnings - unappropriated	166,382.07	5,458.37	16.42	171,856.86
Other components of equity	-	(5,458.37)	-	(5,458.37)

Unit: Million Baht

Separate financial statements				
	<u>Before</u>	<u>Reclassification</u>	<u>Cumulative impact of errors correction</u>	<u>After</u>
Retained earnings - unappropriated	166,063.49	5,458.73	-	171,522.22
Other components of equity	-	(5,458.73)	-	(5,458.73)

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5. Reclassification and correction of errors (Continued)

	Unit: Million Baht			
	Consolidated financial statements			
	<u>Before</u>	<u>Reclassification</u>	<u>After</u>	
Statements of comprehensive income				
For the year ended December 31, 2019				
Sales and service revenues	518,256.60	(15,000.00)	503,256.60	
Revenue compensations	-	15,000.00	15,000.00	
			Unit: Million Baht	
	Separate financial statements			
	<u>Before</u>	<u>Reclassification</u>	<u>After</u>	
Statements of comprehensive income				
For the year ended December 31, 2019				
Sales and service revenues	518,127.95	(15,000.00)	503,127.95	
Revenue compensations	-	15,000.00	15,000.00	
			Unit: Million Baht	
	Consolidated financial statements			
	<u>Before</u>	<u>Reclassification</u>	<u>Correction of errors</u>	<u>After</u>
Statements of cash flows				
For the year ended December 31, 2019				
Profit for the year	13,381.41	-	16.12	13,397.53
Deferred income tax	-	2.59	(16.12)	(13.53)
Corporate income tax	2.59	(2.59)	-	-
Special-purpose deposits at financial institutions	(2,974.32)	50.00	-	(2,924.32)
Other non-current assets	(18.05)	(50.00)	-	(68.05)

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6. Supplementary information

6.1 Cash and cash equivalents consist of:

	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Cash	37.98	41.89	37.84	41.75
Cash at banks: - Current accounts	3.35	0.44	0.49	0.43
- Savings accounts	12,338.34	7,389.51	12,147.62	7,280.20
- Fixed deposits	1,129.80	854.93	-	-
Total	13,509.47	8,286.77	12,185.95	7,322.38

Unit: Million Baht

6.2 Investments in current financial assets

As at January 1, 2020, the Provincial Electricity Authority and its subsidiary have reclassified the short-term investments in the consolidated financial statements of Baht 1,117.24 million and the separate financial statements of Baht 1,001.84 million to investments in current financial assets in accordance with the requirements of the new Thai Financial Reporting Standards mentioned in Note 4.

Investments in current financial assets presented in the consolidated and the separate financial statements are fixed deposits at the financial institutions with maturity of 6 months and equity instruments.

As at December 31, 2020 and 2019, Provincial Electricity Authority and its subsidiary have investments in current financial assets in the consolidated financial statement amounting to Baht 1.56 million and Baht 1,117.24 million, respectively.

As at December 31, 2020 and 2019, Provincial Electricity Authority has investments in current financial assets in the separate financial statement amounting to Baht 1.56 million and Baht 1,001.84 million, respectively.

Provincial Electricity Authority has received ordinary shares from WP Energy Public Company Limited on March 22, 2018, and April 30, 2019, amounting to 352,725 and 11,979 shares at the price of Baht 9.85 and 5.60 per share, amounting to Baht 3.54 million, which are presented as investments in current financial assets. As at December 31, 2020, the ordinary shares have a fair value of Baht 4.28 per share.

6.3 Trade accounts receivable consist of:

	Consolidated financial		Separate financial	
	statements		statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Accounts receivable from sales of electricity	36,504.66	33,865.56	36,504.67	33,865.57
Accounts receivable from sales of equipment and rendering services	476.81	1,249.77	445.39	1,219.39
Receivable under the capital lease agreement due within 1 year (Note 6.11)	8.67	16.44	0.53	-
Total	36,990.14	35,131.77	36,950.59	35,084.96

Unit: Million Baht

6.3 Trade accounts receivable consist of (Continued):

6.3.1 Accounts receivable from sales of electricity are as follows:

Outstanding period	Consolidated financial statements			Unit: Million Baht
	Dec. 31, 2020			Dec. 31, 2019
	<u>Public Sector and state enterprises</u>	<u>Private Sector</u>	<u>Total</u>	<u>Total</u>
Not over 6 months	4,228.37	34,503.37	38,731.74	35,692.50
Over 6 months - 1 year	262.01	410.46	672.47	231.74
Over 1 year	98.37	1,091.82	1,190.19	1,542.85
	4,588.75	36,005.65	40,594.40	37,467.09
<u>Less</u> Undue output VAT	(299.50)	(2,338.38)	(2,637.88)	(2,430.82)
	4,289.25	33,667.27	37,956.52	35,036.27
<u>Less</u> Impairment loss	(86.20)	(1,365.66)	(1,451.86)	(1,170.71)
Total	4,203.05	32,301.61	36,504.66	33,865.56

Outstanding period	Separate financial statements			Unit: Million Baht
	Dec. 31, 2020			Dec. 31, 2019
	<u>Public Sector and state enterprises</u>	<u>Private Sector</u>	<u>Total</u>	<u>Total</u>
Not over 6 months	4,228.37	34,503.38	38,731.75	35,692.51
Over 6 months - 1 year	262.01	410.46	672.47	231.74
Over 1 year	98.37	1,091.82	1,190.19	1,542.85
	4,588.75	36,005.66	40,594.41	37,467.10
<u>Less</u> Undue output VAT	(299.50)	(2,338.38)	(2,637.88)	(2,430.82)
	4,289.25	33,667.28	37,956.53	35,036.28
<u>Less</u> Impairment loss	(86.20)	(1,365.66)	(1,451.86)	(1,170.71)
Total	4,203.05	32,301.62	36,504.67	33,865.57

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6.3 Trade accounts receivable consist of (Continued):

6.3.2 Accounts receivable from sales of equipment and rendering of services are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Accounts receivable from sales and rendering services	118.15	257.81	96.12	230.84
Accounts receivable from construction obligations	384.36	899.61	384.36	899.61
Other trade accounts receivable	423.65	339.59	402.76	335.20
	926.16	1,497.01	883.24	1,465.65
<u>Less</u> Undue output VAT	(60.07)	(115.44)	(57.73)	(114.46)
	866.09	1,381.57	825.51	1,351.19
<u>Less</u> Impairment loss	(389.28)	(131.80)	(380.12)	(131.80)
Total	476.81	1,249.77	445.39	1,219.39

6.4 Other current receivables consist of

	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Other accounts receivable	1,469.63	551.48	1,443.80	551.62
<u>Less</u> Allowance on expected credit loss	(215.32)	(190.13)	(215.32)	(190.13)
Prepaid expenses	36.25	18.08	30.29	16.15
Total	1,290.56	379.43	1,258.77	377.64

6.5 Accrued revenues consist of:

	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Accrued interest	23.64	92.80	23.06	90.62
Accrued revenues from the Power Development Fund	2,427.35	2,849.43	2,427.35	2,849.43
Other accrued revenues	727.97	70.84	694.86	70.84
Total	3,178.96	3,013.07	3,145.27	3,010.89

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6.6 Materials and supplies consist of:

	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Materials and supplies				
Operating materials and supplies	66.55	62.70	66.55	62.70
Materials and supplies for construction and maintenance	403.41	352.19	400.67	346.19
Materials and supplies for repair	1,582.08	1,329.12	1,582.08	1,329.12
Demolition materials and supplies, and obsolete materials and supplies	520.11	586.25	520.11	586.25
Materials and supplies pending for adjustments	36.28	55.68	36.28	55.68
Cars waiting for delivery	7.51	19.98	-	-
	<u>2,615.94</u>	<u>2,405.92</u>	<u>2,605.69</u>	<u>2,379.94</u>
Materials and supplies in transit	11.62	0.04	11.62	0.04
	<u>2,627.56</u>	<u>2,405.96</u>	<u>2,617.31</u>	<u>2,379.98</u>
<u>Less</u> Allowance for obsolete materials and supplies	(6.14)	(92.45)	(3.39)	(92.45)
Allowance for loss or misstated or lost materials and supplies under investigation	(36.28)	(55.68)	(36.28)	(55.68)
Total	<u>2,585.14</u>	<u>2,257.83</u>	<u>2,577.64</u>	<u>2,231.85</u>

For the years ended December 31, 2020 and 2019, allowance for obsolete materials and supplies and allowance for loss or misstated or lost materials and supplies under investigation in the consolidated financial statements are recognized as reversal of expenses amounting to Baht 105.72 million and expenses amounting to Baht 64.93 million, respectively.

For the years ended December 31, 2020 and 2019, allowance for obsolete materials and supplies and allowance for loss or misstated or lost materials and supplies under investigation in the separate financial statements are recognized as reversal of expenses amounting to Baht 108.46 million and expenses amounting to Baht 64.93 million, respectively.

As at December 31, 2020 and 2019, Provincial Electricity Authority and its subsidiary have cars waiting for delivery in the consolidated financial statements amounting to Baht 7.51 million and Baht 19.98 million, respectively.

6.7 Special-purpose deposits at financial institutions consist of:

	Unit: Million Baht	
	Consolidated and Separate financial statements	
	Dec. 31, 2020	Dec. 31, 2019
Electricity usage guarantee fund	23,160.23	30,966.48
Sinking fund for repayment of bonds	1,426.76	1,261.46
Interest from electricity usage guarantee fund	4,783.02	5,242.46
KFW special fund	211.75	203.86
Restricted cash	3,444.06	3,504.53
Funding under the energy conservation policy from Energy Policy and Planning Office and other government agencies	15.23	8.75
Deposits on incomes reimburse to users based on the Energy Regulatory Commission's directives	4,261.49	1,605.20
Total	37,302.54	42,792.74

Electricity usage guarantee fund, sinking fund for repayment of bonds and restricted cash are deposits at financial institutions that can be used in Provincial Electricity Authority's activities in case of Provincial Electricity Authority have deficits in working capital.

Sinking fund for repayment of bonds is used as Provincial Electricity Authority guarantee for repayment of bonds at the maturity date. Provincial Electricity Authority will periodically deposit to the account for repayment of bonds with maturity period within 3 years.

Interest from electricity usage guarantee fund, interest from KFW special fund, and funding under the energy conservation policy from Energy Policy and Planning Office and other government agencies are deposited at financial institutions which are restricted for specific purposes as determined by Provincial Electricity Authority.

Restricted cash – savings accounts are used as a guarantee for Provincial Electricity Authority's employee loans. Provincial Electricity Authority has to maintain a balance of savings accounts at an average of Baht 3,100 million per month.

Deposits on incomes reimburse to users based on the Energy Regulatory Commission's directives are deposits at financial institutions that Provincial Electricity Authority uses according to a resolution directive by the Energy Regulatory Commission.

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6.8 Investments in associates

Investments in associated companies in the consolidated financial statements It is a transaction that PEA ENCOM International Co., Ltd., a subsidiary of the Provincial Electricity Authority, has jointly invested by accounting for the equity method.

As at December 31, 2020 and 2019, investments in associated companies in the consolidated financial statements consist of:

<u>Associates</u>	Proportion of Investment (percent)	Dec. 31, 2020		Dec. 31, 2019	
		Cost Method	Equity Method	Cost Method	Equity Method
1. Solar Power (Surin 1) Co., Ltd.	25	41.25	101.41	41.25	93.06
2. Solar Power (Surin 2) Co., Ltd.	25	41.25	99.03	41.25	90.81
3. Solar Power (KhonKaen 10) Co., Ltd.	25	41.25	100.28	41.25	91.84
4. Solar Power (Loei 2) Co., Ltd.	25	41.25	100.96	41.25	93.07
5. Pracharath Biomass Narathiwat Co., Ltd.	40	2.40	2.24	2.40	2.25
6. Pracharath Biomass Maelan Co., Ltd.	50.13	57.80	56.58	22.00	21.38
7. Pracharath Biomass Bannangsata Co., Ltd.	50.55	61.60	59.87	23.00	22.36
8. Thai Serm Suk Energy Co., Ltd.	25	25.00	23.61	25.00	24.12
9. Thai Digital Energy Development Co., Ltd.	25	50.00	49.78	50.00	49.84
10. Set Energy Co., Ltd.	20	20.00	18.94	20.00	20.00
11. Encom Waste To Energy (Phranakhonsri- ayutthaya) Co., Ltd.	25	8.13	7.90	-	-
12. Salo Tech (Thailand) Co., Ltd.	25	1.25	0.74	-	-
13. Siam Electrail Co., Ltd.	25	3.12	3.13	-	-

Unit: Million Baht

6.8 Investments in associates (Continued)

<u>Associates</u>	Proportion of Investment (percent)	Dec. 31, 2020		Dec. 31, 2019	
		Cost Method	Equity Method	Cost Method	Equity Method
14. R E N Korat Energy Co., Ltd.	25	6.44	5.36	-	-
15. PEA Intelligent Technology Co., Ltd.	25	1.50	1.50	-	-
		<u>402.24</u>	<u>631.33</u>	<u>307.40</u>	<u>508.73</u>
<u>Less</u> Allowance for impairment on investments		(2.40)	(2.24)	-	-
Total		<u><u>399.84</u></u>	<u><u>629.09</u></u>	<u><u>307.40</u></u>	<u><u>508.73</u></u>

Unit: Million Baht

6.9 Investments in joint venture

Investments in joint venture in the consolidated financial statements is the investment of PEA Encom International Company Limited, the subsidiary of Provincial Electricity Authority, which has entered into a joint venture agreement in the name of PEA Encom Fah Chai joint venture to install and provide service on solar cell electricity generating system on March 8, 2017 and are accounted using the equity method.

As at December 31, 2020 and 2019, investments in joint venture in the consolidated financial statements consists of:

<u>Joint venture</u>	Proportion of Investment (percent)	Dec. 31, 2020		Dec. 31, 2019	
		Cost Method	Equity Method	Cost Method	Equity Method
PEA Encom Fah Chai joint venture	25	5.47	5.33	5.47	5.34
<u>Less</u> Allowance for impairment of investment		(5.47)	(5.33)	-	-
Total		<u><u>-</u></u>	<u><u>-</u></u>	<u><u>5.47</u></u>	<u><u>5.34</u></u>

Unit: Million Baht

6.10 Investments in subsidiary

Investments in subsidiary in the separate financial statements represent the investments in PEA Encom International Company Limited. The Company is registered in Thailand with a purpose of investing in electricity-related businesses and conducting training services concerning electricity systems for public organizations and private organizations both domestically and internationally. Provincial Electricity Authority has acquired 100% shareholding of its ordinary shares. The investments in subsidiary are recorded under the cost method.

As at December 31, 2020 and 2019, the investments in subsidiary presented in the separate financial statements of Baht 2,451.28 million and Baht 1,891.28 million, respectively.

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6.11 Other non-current receivables consist of:

Unit: Million Baht

	Consolidated financial statements							
	Dec. 31, 2020				Dec. 31, 2019			
	Due				Due			
	Within 1 year	Over 1-5 years	Over 5 years	Total	Within 1 year	Over 1-5 years	Over 5 years	Total
Installment receivables - net	34.83	38.42	0.84	74.09	35.36	46.11	1.06	82.53
Lease receivables	4.41	0.63	-	5.04	7.64	27.96	-	35.60
<u>Less</u> Deferred lease interest	(0.26)	(0.02)	-	(0.28)	(2.81)	(6.07)	-	(8.88)
<u>Less</u> Undue output VAT	-	-	-	-	(0.44)	(1.83)	-	(2.27)
Lease receivables - net	4.15	0.61	-	4.76	4.39	20.06	-	24.45
Receivable under finance lease	65.45	254.43	730.40	1,050.28	60.25	227.00	683.66	970.91
<u>Less</u> Deferred interest	(41.03)	(146.28)	(238.88)	(426.19)	(41.82)	(153.65)	(276.16)	(471.63)
<u>Less</u> Accumulated impairment	(15.75)	-	-	(15.75)	(1.99)	-	-	(1.99)
Receivables under finance lease - net	8.67	108.15	491.52	608.34	16.44	73.35	407.50	497.29
Total	47.65	147.18	492.36	687.19	56.19	139.52	408.56	604.27

Unit: Million Baht

	Separate financial statements							
	Dec. 31, 2020				Dec. 31, 2019			
	Due				Due			
	Within 1 year	Over 1-5 years	Over 5 years	Total	Within 1 year	Over 1-5 years	Over 5 years	Total
Installment receivables - net	34.83	38.42	0.84	74.09	35.36	46.11	1.06	82.53
Receivable under operating lease	1.69	7.26	33.32	42.27	-	-	-	-
<u>Less</u> Deferred interest	(1.16)	(4.77)	(13.30)	(19.23)	-	-	-	-
Receivables under finance lease - net	0.53	2.49	20.02	23.04	-	-	-	-
Total	35.36	40.91	20.86	97.13	35.36	46.11	1.06	82.53

6.12 Constructions in progress consist of:

Unit: Million Baht

Consolidated financial statements

	Constructions in progress		
	PEA capital budget	Partially funded by electricity users	Total
As at January 1, 2020	27,998.06	5,541.80	33,539.86
- Additions	36,140.01	6,735.83	42,875.84
- Decreases	(32,482.28)	(7,265.69)	(39,747.97)
	<u>31,655.79</u>	<u>5,011.94</u>	<u>36,667.73</u>
Materials and supplies			15,240.64
Work in progress			2.01
As at December 31, 2020			<u>51,910.38</u>

Unit: Million Baht

Separate financial statements

	Constructions in progress		
	PEA capital budget	Partially funded by electricity users	Total
As at January 1, 2020	27,926.37	5,541.80	33,468.17
- Additions	35,712.66	6,735.83	42,448.49
- Decreases	(32,379.91)	(7,265.69)	(39,645.60)
	<u>31,259.12</u>	<u>5,011.94</u>	<u>36,271.06</u>
Materials and supplies			15,240.64
Work in progress			2.01
As at December 31, 2020			<u>51,513.71</u>

6.12 Constructions in progress consist of (Continued):

Unit: Million Baht

Consolidated financial statements

	Constructions in progress		
	PEA capital budget	Partially funded by electricity users	Total
As at January 1, 2019	25,769.65	5,435.44	31,205.09
- Additions	30,335.44	6,735.91	37,071.35
- Decreases	(28,107.03)	(6,629.55)	(34,736.58)
	<u>27,998.06</u>	<u>5,541.80</u>	<u>33,539.86</u>
Materials and supplies			12,051.28
Work in progress			<u>1.48</u>
As at December 31, 2019			<u>45,592.62</u>

Unit: Million Baht

Separate financial statements

	Constructions in progress		
	PEA capital budget	Partially funded by electricity users	Total
As at January 1, 2019	25,498.77	5,435.44	30,934.21
- Additions	30,263.74	6,735.91	36,999.65
- Decreases	(27,836.14)	(6,629.55)	(34,465.69)
	<u>27,926.37</u>	<u>5,541.80</u>	<u>33,468.17</u>
Materials and supplies			12,051.28
Work in progress			<u>1.48</u>
As at December 31, 2019			<u>45,520.93</u>

Materials and supplies and work in progress presented in constructions in progress are the materials and supplies which PEA has purchased with specific purposes for use in the projects.

6.13 Investment property consist of:

	Unit: Million Baht		
	Consolidated and separate financial statements		
	Land and land improvements	Vacant building	Total
Cost			
As at January 1, 2020	68.00	477.15	545.15
- Additions	83.04	0.52	83.56
- Decreases	(1.54)	(2.16)	(3.70)
As at December 31, 2020	<u>149.50</u>	<u>475.51</u>	<u>625.01</u>
Accumulated depreciation			
As at January 1, 2020	-	108.92	108.92
- Additions	-	16.71	16.71
- Decreases	-	(1.73)	(1.73)
As at December 31, 2020	<u>-</u>	<u>123.90</u>	<u>123.90</u>
Net book value			
As at December 31, 2019	<u>68.00</u>	<u>368.23</u>	<u>436.23</u>
As at December 31, 2020	<u>149.50</u>	<u>351.61</u>	<u>501.11</u>

As at December 31, 2020 and 2019, according to the appraisal value announced by the Treasury department, land has fair value totaling approximate of Baht 421.47 million and of Baht 350.81 million, respectively, and buildings have fair value as at December 31, 2020 and 2019 of Baht 176.25 million and Baht 178.42 million, respectively.

Provincial Electricity Authority has rental income on investment property for the years ended December 31, 2020 and 2019, amounting to Baht 21.16 million and Baht 25.45 million, respectively. The acquisition cost of land used for rentals as at December 31, 2020 and 2019, are Baht 43.08 million and Baht 42.41 million, respectively.

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6.14 Right-of-use-assets consist of :

	Consolidated financial statements						Unit: Million Baht
	Land and land improvements	Buildings and constructions	Electricity generating systems	Furniture, tools and equipment	Vehicles	Intangible assets	
As at January 1, 2020							
Net book value	-	-	-	-	-	-	-
Effect of the change in accounting policies (Note 4)	58.04	100.78	6.50	7.31	1,176.16	148.14	1,496.93
Adjusted beginning book value	58.04	100.78	6.50	7.31	1,176.16	148.14	1,496.93
For the year ended December 31, 2020							
Adjusted beginning book value	58.04	100.78	6.50	7.31	1,176.16	148.14	1,496.93
- Additions	74.85	58.67	48.57	2.80	692.91	12.96	890.76
- Disposal/transfer (net)	-	(0.79)	-	-	-	-	(0.79)
- Depreciation for the period	(31.84)	(55.72)	(8.63)	(2.82)	(497.62)	(150.34)	(746.97)
Book value at the end of the period	101.05	102.94	46.44	7.29	1,371.45	10.76	1,639.93
As at December 31, 2020							
Cost	132.89	158.37	48.57	14.55	2,571.14	12.96	2,938.48
Less: Accumulated depreciation	(31.84)	(55.43)	(2.13)	(7.26)	(1,199.69)	(2.20)	(1,298.55)
Book value at the end of the period	101.05	102.94	46.44	7.29	1,371.45	10.76	1,639.93

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6.14 Right-of-use-assets consist of (Continued)

	Separate financial statements						Total
	Land and land improvements	Buildings and constructions	Electricity generating systems	Furniture, tools and equipment	Vehicles	Intangible assets	
As at January 1, 2020							Unit: Million Baht
Net book value	-	-	-	-	-	-	-
Effect of the change in accounting policies (Note 4)	58.04	89.48	6.50	7.31	1,173.63	148.14	1,483.10
Adjusted beginning book value	58.04	89.48	6.50	7.31	1,173.63	148.14	1,483.10
For the year ended December 31, 2020							
Adjusted beginning book value	58.04	89.48	6.50	7.31	1,173.63	148.14	1,483.10
- Additions	74.85	48.50	48.57	2.80	692.91	12.96	880.59
- Disposal/transfer (net)	-	(0.79)	-	-	-	-	(0.79)
- Depreciation for the period	(31.84)	(53.09)	(8.63)	(2.82)	(497.07)	(150.34)	(743.79)
Book value at the end of the period	101.05	84.10	46.44	7.29	1,369.47	10.76	1,619.11
As at December 31, 2020							
Cost	132.89	136.90	48.57	14.55	2,568.37	12.96	2,914.24
Less: Accumulated depreciation	(31.84)	(52.80)	(2.13)	(7.26)	(1,198.90)	(2.20)	(1,295.13)
Book value at the end of the period	101.05	84.10	46.44	7.29	1,369.47	10.76	1,619.11

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6.15 Property, plant and equipment consist of:

	Consolidated financial statements							Unit: Million Baht
	Land and land improvements	Buildings and constructions	Electricity generating systems	Electricity distributing systems	Furniture, tools and equipment	Vehicles	Vehicles under Finance leases	
As at January 1, 2020								
Net book value	14,750.64	11,870.34	1,367.25	239,220.33	9,129.45	2,334.88	1,176.62	279,849.51
Effect of the change in accounting policies (Note 4)	-	-	(6.50)	-	(7.31)	-	(1,176.62)	(1,190.43)
Adjusted beginning book value	14,750.64	11,870.34	1,360.75	239,220.33	9,122.14	2,334.88	-	278,659.08
For the year ended December 31, 2020								
Adjusted beginning book value	14,750.64	11,870.34	1,360.75	239,220.33	9,122.14	2,334.88	-	278,659.08
- Additions	1,660.65	1,599.35	18.51	32,899.74	3,578.71	1,514.17	-	41,271.13
- Disposal/transfer (net)	(91.12)	(52.94)	(2.11)	(994.18)	(32.76)	(0.34)	-	(1,173.45)
- Depreciation for the period	(145.77)	(605.07)	(92.72)	(19,336.91)	(1,818.72)	(464.67)	-	(22,463.86)
Book value at the end of the period	16,174.40	12,811.68	1,284.43	251,788.98	10,849.37	3,384.04	-	296,292.90
As at December 31, 2020								
Cost	17,998.69	20,414.31	2,688.31	521,192.34	27,946.96	11,933.13	-	602,173.74
Less Accumulated depreciation	(1,824.29)	(7,602.63)	(1,403.88)	(269,403.36)	(17,097.59)	(8,549.09)	-	(305,880.84)
Book value at the end of the period	16,174.40	12,811.68	1,284.43	251,788.98	10,849.37	3,384.04	-	296,292.90

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6.15 Property, plant and equipment consist of (Continued):

	Separate financial statements						Total
	Land and land improvements	Buildings and constructions	Electricity generating systems	Electricity distributing systems	Furniture, tools and equipment	Vehicles under Finance leases	
As at January 1, 2020							Unit: Million Baht
Net book value	14,750.64	11,870.34	1,367.25	239,220.33	9,126.89	2,334.88	279,843.96
Effect of the change in accounting policies (Note 4)	-	-	(6.50)	-	(7.31)	-	(1,187.44)
Adjusted beginning book value	14,750.64	11,870.34	1,360.75	239,220.33	9,119.58	2,334.88	278,656.52
For the year ended December 31, 2020							
Adjusted beginning book value	14,750.64	11,870.34	1,360.75	239,220.33	9,119.58	2,334.88	278,656.52
- Additions	1,666.65	1,599.35	18.51	32,895.13	3,577.65	1,512.05	41,263.34
- Disposal/transfer (net)	(91.12)	(52.94)	(2.11)	(994.18)	(32.76)	(0.34)	(1,173.45)
- Depreciation for the period	(145.77)	(605.07)	(92.72)	(19,335.99)	(1,817.80)	(464.15)	(22,461.50)
Book value at the end of the period	16,174.40	12,811.68	1,284.43	251,785.29	10,846.67	3,382.44	296,284.91
As at December 31, 2020							
Cost	17,998.69	20,414.31	2,688.31	521,187.73	27,940.99	11,930.98	602,161.01
Less: Accumulated depreciation	(1,824.29)	(7,602.63)	(1,403.88)	(269,402.44)	(17,094.32)	(8,548.54)	(305,876.10)
Book value at the end of the period	16,174.40	12,811.68	1,284.43	251,785.29	10,846.67	3,382.44	296,284.91

The fully depreciated plant and equipment that continue to be used by Provincial Electricity Authority and its subsidiary as at December 31, 2020 is amounting to Baht 99,399,40 million.

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6.16 Intangible assets consist of:

Unit: Million Baht

	Consolidated financial statements			Total
	Computer software licenses	Finance lease assets	Ready-made software computer system for core business	
As at January 1, 2020				
Net book value	406.46	148.14	-	554.60
Effect of the change in accounting policy (Note 4)	-	(148.14)		(148.14)
Adjusted beginning book value	406.46	-	-	406.46
For the year ended December 31, 2020				
Adjusted beginning book value	406.46	-	-	406.46
- Additions	942.67	-	2,006.79	2,949.46
- Depreciation for the period	(384.70)	-	(301.57)	(686.27)
Book value at the end of the period	964.43	-	1,705.22	2,669.65
As at December 31, 2020				
Cost	4,741.09	-	2,006.79	6,747.88
<u>Less</u> Accumulated depreciation	(3,776.66)	-	(301.57)	(4,078.23)
Book value at the end of the period	964.43	-	1,705.22	2,669.65

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6.16 Intangible assets consist of (Continued):

Unit: Million Baht

	Separate financial statements			Total
	Computer software licenses	Finance lease assets	Ready-made software computer system for core business	
As at January 1, 2020				
Net book value	405.89	148.14	-	554.03
Effect of the change in accounting policy (Note 4)	-	(148.14)	-	(148.14)
Adjusted beginning book value	405.89	-	-	405.89
For the year ended December 31, 2020				
Adjusted beginning book value	405.89	-	-	405.89
- Additions	939.91	-	2,006.79	2,946.70
- Depreciation for the period	(384.44)	-	(301.57)	(686.01)
Book value at the end of the period	961.36	-	1,705.22	2,666.58
As at December 31, 2020				
Cost	4,737.55	-	2,006.79	6,744.34
<u>Less</u> Accumulated depreciation	(3,776.19)	-	(301.57)	(4,077.76)
Book value at the end of the period	961.36	-	1,705.22	2,666.58

The fully amortized intangible assets that are continued to be used by Provincial Electricity Authority and its subsidiary as at December 31, 2020 is amounting to Baht 3,102.80 million.

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6.17 Other non-current assets consist of:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Employee receivables	75.64	74.72	75.64	74.72
Deferred expenses	21.02	22.23	21.02	22.23
Retentions and deposits	2.08	15.39	2.28	2.58
Deferred tax assets	23.91	16.42	-	-
Revenue Department receivables	54.99	33.65	-	-
Financial assets used as collateral	50.00	50.00	-	-
PEA Employee Gratuity Fund				
Cash	0.004	0.004	0.004	0.004
Current accounts	0.01	0.011	0.01	0.011
Savings accounts	0.96	0.82	0.96	0.82
Total	228.61	213.24	99.91	100.37

6.18 Other current payables consist of:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Accounts payable for goods or services – domestic	3,072.65	2,073.34	2,971.31	2,027.87
Accounts payable for goods or services – foreign	0.03	0.72	0.03	0.72
Suspense payable – unbilled	994.50	647.45	998.17	651.18
Other accounts payable	345.19	403.69	356.87	402.54
Unearned revenues	269.68	228.28	270.18	228.28
Total	4,682.05	3,353.48	4,596.56	3,310.59

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6.18 Other current payables consist of (Continued):

As at December 31, 2020 and 2019, suspense payable – unbilled in the consolidated financial statements amounting to Baht 994.50 million and Baht 647.45 million, respectively, represent payable for goods or services received but Provincial Electricity Authority has not received invoices on payables.

As at December 31, 2020 and 2019, suspense payable – unbilled in the separate financial statements in the amount of Baht 998.17 million and Baht 651.18 million, respectively, represent payable for goods or services received but Provincial Electricity Authority has not received invoices on payables.

6.19 Long-term loans are as follows

Unit: Million Baht

Consolidated financial statements					
Type of loans	Repayment terms	Currency	Fixed interest rate per contract (%)	Dec. 31, 2020	Dec. 31, 2019
Domestic loans					
- Ministry of Finance	1988 – 2031	Canadian Dollar	Interest free	132.52	155.80
- Bonds	2006 – 2040	Baht	Fixed interest rate 1.68% - 6.53%	104,197.00	74,298.23
- Financial institutions	2019 – 2021	Baht	BIBOR 6 months -0.01%	3,000.00	1,000.00
- Financial institutions	2020 – 2031	Baht	BIBOR 1 month +1.40%	342.90	-
Total domestic loans				107,672.42	75,454.03
Foreign loans					
- Financial institutions	2000 – 2020	Euro	2.00	-	63.78
	2007 – 2023	Euro	8.00 *	109.32	133.35
Total foreign loans				109.32	197.13
Total long – term loans				107,781.74	75,651.16
<u>Less</u> Current portion				(8,244.44)	(5,212.85)
Total				99,537.30	70,438.31

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6.19 Long-term loans are as follows (Continued):

Unit: Million Baht

Separate financial statements					
Type of loans	Repayment terms	Currency	Fixed interest rate per contract (%)	Dec. 31, 2020	Dec. 31, 2019
Domestic loans					
- Ministry of Finance	1988 – 2031	Canadian Dollar	Interest free	132.52	155.80
- Bonds	2006 – 2040	Baht	Fixed interest rate 1.68% - 6.53%	104,197.00	74,298.23
- Financial institutions	2019 – 2021	Baht	BIBOR 6 months -0.01%	3,000.00	1,000.00
Total domestic loans				<u>107,329.52</u>	<u>75,454.03</u>
Foreign loans					
- Financial institutions	2000 – 2020	Euro	2.00	-	63.78
	2007 – 2023	Euro	8.00 *	109.32	133.35
Total foreign loans				<u>109.32</u>	<u>197.13</u>
Total long – term loans				107,438.84	75,651.16
<u>Less</u> Current portion				<u>(8,244.44)</u>	<u>(5,212.85)</u>
Total				<u>99,194.40</u>	<u>70,438.31</u>

* Borrowing interest rate of 8% per annum under the loan contract includes interest expense that Provincial Electricity Authority paid to KFW special fund at the rate of 6% per annum. The objective is to be used to develop the personnel of the Provincial Electricity Authority. Another 2% per year is paid to lenders.

Provincial Electricity Authority has obtained loans to construct buildings, electricity generating and distributing systems. The borrowing costs that directly attributable to the construction of qualifying assets and incurred from loans made for specific purposes are capitalized as cost of assets at interest rates of 0.72277 – 6.53 per annum.

Interest expenses on loans for the years ended December 31, 2020 and 2019 in consolidated financial statements amounting to Baht 2,992.69 million and Baht 2,734.76 million are capitalized as cost of constructions in progress amounting to Baht 338.89 million and Baht 215.88 million and are recognized as expenses in the statements of comprehensive income for Baht 2,653.80 million and Baht 2,518.88 million, respectively.

Interest expenses on loans for the years ended December 31, 2020 and 2019 in separate financial statements amounting to Baht 2,990.87 million and Baht 2,734.76 million are capitalized as cost of constructions in progress amounting to Baht 338.89 million and Baht 215.88 million and are recognized as expenses in the statements of comprehensive income for Baht 2,651.98 million and Baht 2,518.88 million, respectively.

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6.20 Lease liabilities consist of (Continued):

The statements of comprehensive income contains the items related to the lease agreements for the year ended December 31, 2020 as follows:

	Consolidated financial statements	Unit: Million Baht Separate financial statements
Depreciation expense of right-of-use assets	746.97	743.79
Interest expense on lease liabilities	87.97	87.10
Expenses related to short-term leases	59.77	59.15
Expenses related to leases of low-value assets	5.01	4.84
Expenses related to variable leases payment that are not included in the lease liabilities	30.65	30.46

6.21 Accrued remittance to the Ministry of Finance consists of:

	Unit: Million Baht Consolidated and separate financial statements	
	Dec. 31, 2020	Dec. 31, 2019
Beginning balance	9,581.85	8,511.50
Adjustment for remittance to the Ministry of Finance for the year 2019	(4,088.35)	-
Reserve for remittance to public revenues	11,343.52	10,803.35
Remit to public revenues during the year	(982.00)	(9,733.00)
Total	15,855.02	9,581.85

Adjustment for the remittance to the Ministry of Finance in the year 2019 amounting to Baht 4,088.35 million is an item that the State Enterprise Policy Office approved the Provincial Electricity Authority to reduce the projection of the estimated remittance to the Ministry of Finance to be in accordance with the actual operating results.

6.22 Deposits payable consist of:

	Unit: Million Baht Consolidated and separate financial statements	
	Dec. 31, 2020	Dec. 31, 2019
Accrued remittance to the Power Development Fund	0.41	(0.02)
Pending repayment electricity usage guarantee	157.68	259.02
Other deposits payable	271.78	54.83
Total	429.87	313.83

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6.23 Other current liabilities consist of:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Retentions and deposits	283.48	307.49	282.58	306.26
Withholding tax payable	1.18	0.59	-	-
Suspense accounts	118.36	20.10	118.36	20.10
Short-term provisions for lawsuits	-	1.79	-	1.79
Total	403.02	329.97	400.94	328.15

6.24 Provisions for lawsuits

	Unit: Million Baht	
	Consolidated and separate financial statements	
	Dec. 31, 2020	
Provisions for lawsuits as at December 31, 2019		
before deducting short-term provisions for lawsuits	267.83	
<u>Less</u> Short-term provisions for lawsuits	(1.79)	
Provisions for lawsuits as at December 31, 2019	266.04	
- Reclassification	1.79	
- Lawsuits expected to increase during the year	103.56	
- Reversal of liabilities	(1.60)	
As at December 31, 2020	369.79	

Provisions for lawsuits as at December 31, 2020 represent the provisions that Provincial Electricity Authority was filed in litigation as a defendant, which Provincial Electricity Authority assesses the status of the lawsuits and estimates that Provincial Electricity Authority will be obliged to the liabilities for 74 lawsuits.

6.25 Construction obligations

Consolidated and separate financial statements as at December 31, 2020 and 2019, amounting to Baht 7,289.74 million and Baht 9,179.73 million, respectively, represent the obligations of Provincial Electricity Authority to expand the electricity distributing areas for electricity users which the electricity users have fully or partially funded the construction costs. The ownership of the assets belongs to Provincial Electricity Authority.

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6.26 Deferred revenues consist of:

	Unit: Million Baht	
	Consolidated and separate financial statements	
	Dec. 31, 2020	Dec. 31, 2019
Contributions for construction	52,982.23	51,245.21
Deferred revenues from transferring of assets	1,429.41	1,434.24
Deferred revenues from rental	336.56	351.22
Deferred revenues from services	119.98	147.54
Deferred revenues from energy management	4.23	-
Total	54,872.41	53,178.21

6.27 Employee benefit obligations

Employee benefits of Provincial Electricity Authority and its subsidiary consist of post-employment benefits including defined contribution plans (provident fund), defined benefit plans and other long-term employee benefits according to the State Enterprise Labor Relations Act, B.E. 2543 (2000).

As at December 31, 2020 and 2019, employee benefit obligations of Provincial Electricity Authority are as follows:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Post-employment benefits under defined benefit plans				
Retirement pension	16,178.20	16,549.14	16,176.25	16,546.38
Retirement souvenir gift	271.62	301.03	271.62	301.03
Accumulate vacation leave remains at retirement	1,224.11	1,245.78	1,224.11	1,245.78
Total post-employment benefits under defined benefit plans	17,673.93	18,095.95	17,671.98	18,093.19
Other long-term employee benefits				
Souvenir gifts for completing agreed period	205.30	231.39	205.30	231.39
Total other long-term employee benefits	205.30	231.39	205.30	231.39
Total	17,879.23	18,327.34	17,877.28	18,324.58

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6.27 Employee benefit obligations (Continued)

Post-employment benefits under defined benefit plans and other long-term employee benefits presented in the statements of comprehensive income for the years ended December 31, 2020 and 2019, consist of:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Current service costs	1,149.14	4,778.07	1,148.64	4,776.72
Interest cost	291.90	405.56	291.86	405.54
Actuarial losses on post-employment benefit plans	(1.35)	2,176.56	-	2,176.68
Total	1,439.69	7,360.19	1,440.50	7,358.94

Changes in the present value of the provisions for benefit plans for the years ended December 31, 2020 and 2019, are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Beginning balance of the defined benefit obligations	18,327.34	12,974.24	18,324.58	12,972.73
Current service costs	1,149.14	4,778.07	1,148.64	4,776.72
Interest cost	291.90	405.56	291.86	405.54
Actual cost	(1,887.80)	(2,007.09)	(1,887.80)	(2,007.09)
Actuarial losses on post-employment benefit plans				
Resulting from experience improvement	-	374.48	-	374.48
Resulting from changes in demographic assumptions	-	59.85	-	59.85
Resulting from changes in financial assumptions	(1.35)	1,742.23	-	1,742.35
Ending balance of the defined benefit obligations	17,879.23	18,327.34	17,877.28	18,324.58

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6.27 Employee benefit obligations (Continued)

Actuarial assumptions used for the calculation of provisions under post-employment benefit plans as at December 31, 2020 and 2019, are as follows:

	Dec. 31, 2020	Dec. 31, 2019
	(percentage)	(percentage)
Discount rate	1.87	1.87
Inflation rate	2.50	2.50
Salary growth rate	7.00 – 9.00	7.00 – 9.00
Employee turnover rate	0.20 – 8.00	0.20 – 8.00
Mortality rate	Thai mortality table for the year 2017	Thai mortality table for the year 2017

The sensitivity analysis for main assumptions used for the estimation under actuarial concept, which is used to determine the present value of obligation under the defined benefit plans as at December 31, 2020, are as followed:

	Unit: Million Baht		
	Change in present value of defined benefit obligation		
	<u>Percent</u>	<u>Increase in rate</u>	<u>Decrease in rate</u>
Discount rate	1	(1,915.32)	2,342.36
Inflation rate	1	67.38	(57.03)
Salary growth rate	1	2,494.92	(2,084.40)
Employee turnover rate	20	(140.56)	146.93
Mortality rate	1	84.02	(97.37)

Employee benefits expected to be paid

Year	Unit: Million Baht
2021	1,513.84
2022	1,512.09
2023	1,453.78
2024	1,403.68
2025	1,286.13
2026	1,291.55
2027	1,228.65
2028	1,289.61
2029	1,239.28
2030 onward	49,067.21

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6.27 Employee benefit obligations (Continued)

For the post-employment benefits under defined contribution plans, Provincial Electricity Authority has established the provident fund. The Fund is monthly contributed by salary of employee and by Provincial Electricity Authority. Provincial Electricity Authority registered provident fund in accordance with the Provident Fund Act, B.E. 2530 (1987).

For the years ended December 31, 2020 and 2019, Provincial Electricity Authority contributes to the provident fund amounting to Baht 1,441.51 million and Baht 1,484.66 million, respectively.

6.28 Executives' remunerations consist of:

	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Directors' remunerations	16.36	24.65	13.07	21.79
Management's remunerations	100.34	102.57	100.34	102.57
Total	116.70	127.22	113.41	124.36

Unit: Million Baht

6.29 Operating results

According to the resolution of Energy Regulatory Commission No. ERC 5502/14051 dated on December 4, 2020, regarding the management on the impact of the Provincial Electricity Authority from the implementation of measures to assist the electricity users affected by the pandemic of Coronavirus disease 2019 (COVID-19), which the Provincial Electricity Authority has an obligation from assisting electricity users amounting to Baht 21,128.59 million as follows:

1) Request to withdraw funds from the Power Development Fund amounting to Baht 414.68 million for measures to assist electricity users for free electricity charge for the residential user that using electricity no more than 50 units.

2) Support the operation by using the Provincial Electricity Authority's reimbursement fund that are used for maintaining the specified financial position criteria for the year 2014-2019, amounting to Baht 9,884.32 million, consisting of:

Reimbursement	Resolution from ERC	Amount (Million Baht)
2014-2017	January 11, 2019	7,217.73
2018	May 27, 2020	1,375.59
2019 (preliminary actual value)	January 17, 2020	1,291.00
	Total	9,884.32

3) Support the operation by using the Electricity Generating Authority of Thailand's reimbursement fund that are used for maintaining the specified financial position criteria as a discount on electricity bills of November 2020 amounting to Baht 5,652.30 million.

4) Support the operation by using the Metropolitan Electricity Authority's reimbursement fund that are used for maintaining the specified financial position criteria for the year 2014-2019. The fund has been transferred to the PEA within December 2020 at the amount of Baht 3,544.17 million.

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6.29 Operating results (Continued)

The Provincial Electricity Authority has recorded the money received from the Power Development Fund under 1) and the reimbursement from the Metropolitan Electricity Authority under 4) as revenues from sales and rendering of services while recording the reimbursement of the Provincial Electricity Authority under 2) as a deduction from revenues from sales and rendering of services. The reimbursement of the Electricity Generating Authority of Thailand has been recorded as a deduction from the cost of electricity.

Operating results for the years ended December 31, 2020, and 2019 are as follows:

Consolidated financial statements				Unit: Million Baht
	Dec. 31, 2020	Dec. 31, 2019	Increase (Decrease)	Percentage
		(revised)		
Operating revenues	473,703.48	503,256.60	(29,553.12)	(5.87)
Operating expenses	476,376.07	503,341.76	(26,965.69)	(5.36)
Operating profit(loss)	(2,672.59)	(85.16)	(2,587.43)	(3,038.32)
Revenue compensation	15,374.04	15,000.00	374.04	2.49
Other revenues	1,170.96	1,704.10	(533.14)	(31.28)
Other expenses	1,229.90	659.75	570.15	86.42
Financial costs	2,742.87	2,657.52	85.35	3.21
Share of profits of associates	77.94	82.33	(4.39)	(5.33)
Tax income	7.70	13.53	(5.83)	(43.09)
Profit for the year	9,985.28	13,397.53	(3,412.25)	(25.47)

For the year ended December 31, 2020, Provincial Electricity Authority and its subsidiary have a profit of Baht 9,985.28 million which decreases from the same period of the prior year by Baht 3,412.25 million and by 25.47%. The decrease is attributable to decrease in operating profit by Baht 2,587.43 million, decrease in other revenues by Baht 533.14 million, increase in other expenses by Baht 570.15 million, decrease in financial costs by Baht 85.35 million while share profits of associates are decreased by Baht 4.39 million.

Separate financial statements				Unit: Million Baht
	Dec. 31, 2020	Dec. 31, 2019	Increase (Decrease)	Percentage
Operating revenues	473,575.07	503,127.95	(29,552.88)	(5.87)
Operating expenses	476,194.81	503,184.86	(26,990.05)	(5.36)
Operating profit(loss)	(2,619.74)	(56.91)	(2,562.83)	(4,503.30)
Revenue compensations	15,374.04	15,000.00	374.04	2.49
Other revenues	1,160.48	1,690.96	(530.48)	(31.37)
Other expenses	1,229.90	659.75	570.15	86.42
Financial costs	2,740.18	2,657.44	82.74	3.11
Profit for the year	9,944.70	13,316.86	(3,372.16)	(25.32)

6.29 Operating results (Continued)

For the year ended December 31, 2020, Provincial Electricity Authority has profit of Baht 9,944.70 million which decreases from the same period of prior year by Baht 3,372.16 million and by 25.32%. The decrease is attributable to decrease in operating profit by Baht 2,562.83 million, decrease in other revenues by Baht 530.48 million, increase in other expenses by Baht 570.15 million and increase in financial costs by Baht 82.74 million.

Office of The National Broadcasting and Telecommunications Commission allowed Provincial Electricity Authority to operate the third type of telecommunication business (fiber optic) since March 1, 2007. For the year 2020, Provincial Electricity Authority has revenues from telecommunication business amounting to Baht 158.71 million which are recognized as sales and service revenues.

Provincial Electricity Authority has received license to operate broadcasting and television business No. B1-F22051-0004-56 in providing assistance on broadcasting and television. The service includes a rental of electric pole for putting up cable line by National Broadcasting and Telecommunications Commission beginning from December 16, 2013 to December 15, 2028. For the year 2020 and 2019, Provincial Electricity Authority has revenues on rental of electric pole for putting up cable line from Cable TVs business amounting to Baht 16.92million and Baht 16.96 million, respectively.

According to the resolution of Energy Regulatory Commission No. ERC 5502/3289.2 dated on July 31, 2012, the committee has agreed on refunding interest from electricity usage guarantee fund in the form of interest payment on an annual basis from Provincial Electricity Authority to the electricity user of medium general services, of large general services and of specific business services who has paid the deposit in cash. The amount of refund is based on annual average interest rate of Krung Thai Bank Public Company Limited's savings account for the state enterprises. In the case of power meter has been cut out of power supply and customers who discontinued using the electricity services during the year, this benefit would not be given. For the year 2020, Provincial Electricity Authority has refunded the benefit to the customers amounting to Baht 28.36 million and recorded as other expenses.

According to the resolution of Energy Regulatory Commission No. ERC 5502/๓5088 dated on June 19, 2014 and No. ERC 5502/๓8907 dated on October 14, 2014, the committee has agreed on refunding interest from electricity usage guarantee fund to user of residential general service and of small general service, according to the concept of refunding interest to user of medium general service, of large general service, and of specific business services. In case that the users' power meter has been cut out of power supply but the electricity supply service agreement has not been terminated, the users are still entitled to receive the refunding interest. The refunding will be made on every 5 years basis. The amount of refunding interest is calculated from the period beginning from January 2015 to December 2019 and the interest will be paid within the first quarter of the year 2020. In the year 2020, Provincial Electricity Authority is obliged to refund interest to the customers amounted to Baht 57.82 million and recorded as other expenses.

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6.29 Financial Information of Operating Segments

6.29.1 Statement of Financial position of operating segments are as follows:

	Unit: Million Baht										Consolidated financial Statements	
	North		Northeast		Central		South		Headquarter		Dec. 31, 2020	Dec. 31, 2019
	Dec. 31, 2020	Dec. 31, 2019 (Adjusted)	Dec. 31, 2020	Dec. 31, 2019 (Adjusted)	Dec. 31, 2020	Dec. 31, 2019 (Adjusted)	Dec. 31, 2020	Dec. 31, 2019 (Adjusted)	Dec. 31, 2020	Dec. 31, 2019 (Adjusted)	Dec. 31, 2020	Dec. 31, 2019 (Adjusted)
Information from statements of financial position												
Trade accounts receivable	5,355.61	4,963.23	5,875.45	5,483.20	18,918.40	17,619.52	6,641.26	6,414.89	199.42	650.93	36,990.14	35,131.77
Other current assets	835.80	624.30	967.62	718.61	940.75	1,149.13	888.59	680.92	58,340.79	58,879.38	61,973.55	62,052.34
Property, plant and equipment	64,510.81	60,934.98	64,429.28	59,295.26	95,707.02	91,563.68	66,900.28	64,022.86	4,745.51	4,032.73	296,292.90	279,849.51
Other non-current assets	8,257.51	7,462.34	13,510.28	11,140.27	13,840.62	10,960.13	10,903.30	9,383.56	11,947.84	8,912.53	58,459.55	47,858.83
Total Assets	78,959.73	73,984.85	84,782.63	76,637.34	129,406.79	121,292.46	85,333.43	80,502.23	75,233.56	72,475.57	453,716.14	424,892.45
Current Liabilities	59,486.27	49,966.74	69,286.28	55,697.21	(265,280.33)	(248,973.75)	27,313.44	19,677.42	183,065.09	192,507.96	73,870.75	68,875.58
Long-term loans	-	-	-	-	-	-	-	-	99,537.30	70,438.31	99,537.30	70,438.31
Other non-current liabilities	18,733.33	20,847.24	25,339.27	27,421.20	37,824.28	39,992.64	20,206.44	22,139.79	4,430.09	3,881.98	106,533.41	114,282.85
Total Liabilities	78,219.60	70,813.98	94,625.55	83,118.41	(227,456.05)	(208,981.11)	47,519.88	41,817.21	287,032.48	266,828.25	279,941.46	253,596.74
Equity	740.13	3,170.87	(9,842.92)	(6,481.07)	356,862.84	330,273.57	37,813.55	38,685.02	(211,798.92)	(194,352.68)	173,774.68	171,295.71
Total Liabilities and Equity	78,959.73	73,984.85	84,782.63	76,637.34	129,406.79	121,292.46	85,333.43	80,502.23	75,233.56	72,475.57	453,716.14	424,892.45

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6.29.2 Operational results of operating segments are as follows:

	Unit: Million Baht										Consolidated financial Statements	
	North		Northeast		Central		South		Headquarter		Dec. 31, 2020	Dec. 31, 2019
	Dec. 31, 2020	Dec. 31, 2019 (Adjusted)	Dec. 31, 2020	Dec. 31, 2019 (Adjusted)	Dec. 31, 2020	Dec. 31, 2019 (Adjusted)	Dec. 31, 2020	Dec. 31, 2019 (Adjusted)	Dec. 31, 2020	Dec. 31, 2019 (Adjusted)	Dec. 31, 2020	Dec. 31, 2019 (Adjusted)
Information from statements of comprehensive income												
Sales and service revenues	71,817.51	75,585.88	79,446.04	83,975.75	242,729.60	256,496.49	79,203.56	86,822.43	506.77	376.05	473,703.48	503,256.60
Revenue compensations	2,337.09	2,210.95	2,617.49	2,472.86	7,876.09	7,765.35	2,543.37	2,550.84	-	-	15,374.04	15,000.00
Other revenues	52.89	79.76	87.81	94.08	184.08	170.34	102.20	120.90	743.98	1,239.02	1,170.96	1,704.10
Total revenues	74,207.49	77,876.59	82,151.34	86,542.69	250,789.77	264,432.18	81,849.13	89,494.17	1,250.75	1,615.07	490,248.48	519,960.70
Cost of electricity	64,716.68	67,068.18	72,042.39	74,861.33	208,166.70	221,902.87	69,981.25	76,135.12	-	-	414,907.02	439,967.50
Employee compensations	4,041.12	4,397.99	4,661.72	5,086.06	4,783.14	4,910.69	3,699.06	3,973.76	3,555.54	3,753.38	20,740.58	22,121.88
Employee benefit expenses	281.41	1,045.94	325.72	1,242.25	345.52	1,207.64	266.21	931.16	222.18	756.64	1,441.04	5,183.63
Executives' remunerations	5.44	6.57	5.52	5.76	5.34	5.43	5.65	5.67	94.75	103.79	116.70	127.22
Preventive, repair and maintenance, and construction expenses	935.74	867.68	1,109.81	1,049.74	1,784.02	1,621.34	1,289.38	1,153.63	1,137.11	672.82	6,256.06	5,365.21
Depreciation and amortization expenses	4,866.31	4,387.74	5,082.60	4,491.51	6,969.22	6,464.74	5,296.40	4,853.53	1,453.23	1,321.54	23,667.76	21,519.06
Other operating expenses	1,609.18	1,497.66	2,040.99	2,013.04	1,958.05	1,918.02	1,853.97	1,846.93	1,784.73	1,781.61	9,246.92	9,057.26
Other expenses	134.72	9.51	141.10	(63.17)	120.33	79.06	254.48	99.36	579.26	534.99	1,229.89	659.75
Financial costs	17.84	20.65	14.37	17.18	21.35	21.32	21.51	27.14	2,667.80	2,571.23	2,742.87	2,657.52
Total expenses	76,608.44	79,301.92	85,424.22	88,703.70	224,153.67	238,131.11	82,667.91	89,026.30	11,494.60	11,496.00	480,348.84	506,659.03
Share of profit of associates	-	-	-	-	-	-	-	-	77.94	82.33	77.94	82.33
Profit before tax	(2,400.95)	(1,425.33)	(3,272.88)	(2,161.01)	26,636.10	26,301.07	(818.78)	467.87	(10,165.91)	(9,798.60)	9,977.58	13,384.00
Income tax expense	-	-	-	-	-	-	-	-	7.70	13.53	7.70	13.53
Income (loss) for the year	(2,400.95)	(1,425.33)	(3,272.88)	(2,161.01)	26,636.10	26,301.07	(818.78)	467.87	(10,158.21)	(9,785.07)	9,985.28	13,397.53
Other comprehensive loss	-	-	-	-	-	-	-	-	0.80	(2,176.54)	0.80	(2,176.54)
Total comprehensive income for the year	(2,400.95)	(1,425.33)	(3,272.88)	(2,161.01)	26,636.10	26,301.07	(818.78)	467.87	(10,157.41)	(11,961.61)	9,986.08	11,220.99

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7. Related party transactions

Significant related party transactions are as follows:

7.1 Assets and liabilities as at December 31, 2020 and 2019, significant related party transactions are as follows:

Item/Company's name	Relationship	Unit : Million Baht			
		Consolidated financial statements		Separate financial statements	
		Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Accounts receivable					
PEA Encom International Co., Ltd.	Subsidiary	-	-	0.02	0.01
Other current receivables					
PEA Encom International Co., Ltd.	Subsidiary	-	-	0.17	0.30
Advance payment to vendors					
PEA Encom International Co., Ltd.	Subsidiary	-	-	92.54	-
Investments in associates					
Solar Power (SR1) Co., Ltd.	Subsidiary's associate	101.41	93.06	-	-
Solar Power (SR2) Co., Ltd.	Subsidiary's associate	99.03	90.81	-	-
Solar Power (KK10) Co., Ltd.	Subsidiary's associate	100.28	91.84	-	-
Solar Power (LO2) Co., Ltd.	Subsidiary's associate	100.96	93.07	-	-
Pracharath Biomass					
Narathiwat Co., Ltd.	Subsidiary's associate	2.24	2.25	-	-
Pracharath Biomass Maelan Co., Ltd.	Subsidiary's associate	56.58	21.38	-	-
Pracharath Biomass					
Bannangsata Co., Ltd.	Subsidiary's associate	59.87	22.36	-	-
Thai Serm Suk Energy Co., Ltd.	Subsidiary's associate	23.61	24.12	-	-
Set Energy Co., Ltd.	Subsidiary's associate	18.94	20.00	-	-
Thai Digital Energy					
Development Co., Ltd.	Subsidiary's associate	49.78	49.84	-	-
Encom Waste To Energy					
(Phranakhonsriyutthaya) Co., Ltd.	Subsidiary's associate	7.90	-	-	-
Salo Tech (Thailand) Co., Ltd.	Subsidiary's associate	0.74	-	-	-
Siam Electrail Co., Ltd.	Subsidiary's associate	3.13	-	-	-
R E N Korat Energy Co., Ltd.	Subsidiary's associate	5.36	-	-	-
PEA Intelligent Technology Co., Ltd.	Subsidiary's associate	1.50	-	-	-
Investments in joint venture					
PEA Encom Fah Chai joint venture	Subsidiary's joint venture	-	5.34	-	-
Investments in subsidiary					
PEA Encom International Co., Ltd.	Subsidiary's associate	-	-	2,451.28	1,891.28
Other current payable					
PEA Encom International Co., Ltd.	Subsidiary's associate	-	-	16.13	3.75

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7. Related party transactions (Continued)

7.1 Assets and liabilities (Continued)

Item/Company's name	Relationship	Unit: Million Baht			
		Consolidated financial statements		Separate financial statements	
		Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Electricity usage guarantee					
PEA Encom International Co., Ltd.	Subsidiary	-	-	0.03	0.03
Sales and service guarantee					
PEA Encom International Co., Ltd.	Subsidiary	-	-	0.25	0.02

7.2 Revenues and expenses, related party transaction for the years ended December 31, 2020 and 2019, are as follows:

Item/Company's name	Relationship	Unit: Million Baht			
		Consolidated financial statements		Separate financial statements	
		Dec. 31, 2020	Dec. 31, 2019	Dec. 31, 2020	Dec. 31, 2019
Revenue from sales and services					
PEA Encom International Co., Ltd.	Subsidiary	-	-	5.53	7.59
Cost of electricity					
Solar Power (SR1) Co., Ltd.	Subsidiary's associate	127.22	132.49	127.22	132.49
Solar Power (SR2) Co., Ltd.	Subsidiary's associate	126.27	132.55	126.27	132.55
Solar Power (KK10) Co., Ltd.	Subsidiary's associate	118.79	124.34	118.79	124.34
Solar Power (LO2) Co., Ltd.	Subsidiary's associate	114.17	122.20	114.17	122.20
Maintenance cost					
PEA Encom International Co., Ltd.	Subsidiary	-	-	0.03	5.51
Administrative expenses					
PEA Encom International Co., Ltd.	Subsidiary	-	-	142.08	3.74

7.3 Key executives' remunerations

The Provincial Electricity Authority and its subsidiary have remuneration for the key executives for the year ended December 31, 2020 and 2019 as follows:

	Unit: Million Baht	
	Consolidated and separate financial statements	
	Dec. 31, 2020	Dec. 31, 2019
Retirement pension	3.78	3.51
Retirement souvenir gift	0.04	0.06
Accumulate vacation leave remains at retirement	0.28	0.35
Souvenir gifts for completing agreed period	0.01	0.02
	4.11	3.94

8. Disclosure of financial instruments**8.1 Credit risk**

Credit risk arises when accounts receivable do not comply with the terms and conditions of credit agreements, causing losses to Provincial Electricity Authority. Also, a concentration exposure in credit portfolios is regarded as an important aspect of credit risk. Most of Provincial Electricity Authority's accounts receivable are juristic person and natural person, however, there has been no significant losses that affects PEA financial statements in the past. Therefore, it is assumed that Provincial Electricity Authority has no credit risk.

In case of financial assets recognition in the statements of financial position, book values of the assets presented in the statements of financial position represent the maximum amount of exposure to the credit risk of breach of contract by Provincial Electricity Authority.

8.2 Interest rate risk

Interest rate risk arises when interest rate changes and may have a negative effect on operations of Provincial Electricity Authority, however, most of Provincial Electricity Authority's loans have fixed interest rates and Provincial Electricity Authority's loans are not significant amount except as mentioned in Note 6.18 and 6.19.

8.3 Foreign exchange rate risk

Foreign exchange rate risk arises when there is a change in foreign exchange rates and may effect on Provincial Electricity Authority and its subsidiary's financial position in current and following years. However, most of Provincial Electricity Authority and its subsidiary's transactions are incurred in Thai Baht, therefore, changes in foreign exchange rate do not have significant impact on Provincial Electricity Authority and its subsidiary's assets and liabilities.

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8.4 Fair value of financial Instruments

Provincial Electricity Authority and its subsidiary estimate fair value of financial Instruments by using following assumptions:

Cash and cash equivalents, short-term investments, trade accounts receivable, other current receivables, accrued revenues, special-purpose deposits at financial institutions, other current assets, other non-current assets, accounts payable, other current payable, accrued expenses, loans, accrued interest on loans, accrued remittance to the Ministry of Finance, deposits payable, other current liabilities, electricity usage guarantee, sales and service guarantee, and other non-current liabilities have the carrying amounts based on a reasonable estimate of fair value, except for the items shown in the table as follows.

	Consolidated financial statements				Unit: Million Baht
	Fair Value				Book Value
	Level 1	Level 2	Level 3	Total	
As at December 31, 2020					
Financial assets					
measured at fair value					
Investments measured at fair value through other comprehensive income					
- Equity instruments	1.56	-	-	1.56	1.56
Financial liabilities					
disclosed at fair value					
Loan	3,342.90	111,868.02	246.58	115,457.50	107,781.74
As at December 31, 2019					
Financial assets					
measured at fair value					
Short-term investment					
- Equity instruments	1.84	-	-	1.84	1.84
- Fixed deposit	1,115.39	-	-	1,115.39	1,115.39
Financial liabilities					
measured at fair value					
Loan	-	75,502.34	1,312.63	76,814.97	75,651.16

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8.4 Fair value of financial instruments (Continued)

	Separate financial statements				Unit: Million Baht
	Fair Value				Book Value
	Level 1	Level 2	Level 3	Total	
As at December 31, 2020					
Financial assets					
measured at fair value					
Investments measured at fair value through other comprehensive income					
- Equity instruments	1.56	-	-	1.56	1.56
Financial liabilities					
disclosed at fair value					
Loan	3,000.00	111,868.02	246.58	115,114.60	107,438.84
As at December 31, 2019					
Financial assets					
measured at fair value					
Short-term investment					
- Equity instruments	1.84	-	-	1.84	1.84
- Fixed deposit	1,000.00	-	-	1,000.00	1,000.00
Financial liabilities					
measured at fair value					
Loan	-	75,502.34	1,312.63	76,814.97	75,651.16

Valuation techniques and data input for Level 1 fair value measurements

The equity instruments' fair value is calculated based on the fair value of the instrument's latest publicly available price on the last business day of the ending of the reporting period or net asset value on the reporting date.

The fair value of the long-term loan, which the interest is fluctuated according to the market rate, is estimated to be equaled to the carrying amount in the statements of financial position.

Valuation techniques and data input for Level 2 fair value measurements

The fair value of the long-term loan is calculated from the present value of the future cash flow discounted by the market borrowing interest rate and the fair value of the bond, which is estimated based on the last closing price or the interest rate referenced from the Thai Bond Market Association or calculated based on the observable trading price in the secondary market of the Thai Bond Market Association market that are trading in the liquidity market.

8.4 Fair value of financial instruments (Continued)**Valuation techniques and data input for Level 3 fair value measurements**

The fair value of the long-term loan is estimated by using technique on calculating present value of future cash flow and by using valuation models employing material data that cannot be observed in the market, which is discount rate adjusted by the risk on the cash receiving date. The rate is used because the reference risk in the market at the end of the fiscal period is not available. The related observable data in the market includes spot rate, interest rate and the yield curve of debt instruments.

9. Obligation

9.1 Lease obligations, in the case where the Provincial Electricity Authority and its subsidiary is a lessee. The minimum amount to be paid in the future under the non-cancellable lease as at December 31, 2020, is as follows:

	Unit: Million Baht	
	Consolidated financial statements	Separate financial statements
- 1 month - 12 months	42.80	42.30
- Over 1 year - 5 years	58.48	58.45
Total	101.28	100.75

9.2 The Provincial Electricity Authority and its subsidiary have obligations under other contracts as follows:

9.2.1 The contract for the setting-up of the accounting software system which has to be paid under the remaining contract amounting to Baht 0.13 million

9.2.2 The contract for the consultant for accounting review and analysis to study the suitability to acquire 2 companies which have to be paid under the remaining contract amounting to Baht 4.15 million

10. Approval of financial statements

These financial statements were approved for issuance by PEA Governor on June 17, 2021.
