



PROVINCIAL ELECTRICITY AUTHORITY  
AND ITS SUBSIDIARY

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2019



(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, 2019, 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, 2019, 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 10, 2020

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

Unit: Baht

	Notes	Consolidated financial statements	
		Dec. 31, 2019	Dec. 31, 2018
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3.1, 5.1	8,286,771,490	3,427,643,764
Short-term investments	5.2	1,117,235,718	18,615,735,678
Trade accounts receivable	3.2, 5.3	35,131,772,274	35,805,167,877
Other current receivables	5.4	379,434,963	717,906,699
Accrued revenues	5.5	3,013,075,421	1,968,193,881
Materials and supplies	3.3, 5.6	2,257,834,191	2,145,836,307
Special-purpose deposits at financial institutions	3.4, 5.7	42,842,735,878	39,868,420,674
Undue input VAT		2,255,637,930	2,536,466,914
Advance payments to suppliers		1,820,431,046	1,729,475,224
Other current assets		129,186,795	304,937,453
Non-current assets held for sale	5.8	-	4,860,892
<b>Total Current Assets</b>		<b>97,234,115,706</b>	<b>107,124,645,363</b>
<b>Non-current Assets</b>			
Investments in associates	3.5, 5.9	508,728,263	366,595,672
Investments in joint venture	3.5, 5.10	5,336,778	5,386,039
Other non-current receivables		548,082,448	83,140,138
Constructions in progress	3.7, 5.12	45,592,616,565	42,477,599,986
Investment property	3.8, 5.13	436,226,646	555,540,242
Property, plant and equipment	3.9, 5.14	279,849,507,149	263,478,587,553
Intangible assets	3.10, 5.15	554,597,881	1,021,866,224
Other non-current assets	5.16	146,821,009	128,774,924
<b>Total Non-current Assets</b>		<b>327,641,916,739</b>	<b>308,117,490,778</b>
<b>Total Assets</b>		<b>424,876,032,445</b>	<b>415,242,136,141</b>

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, 2019

		Unit: Baht	
		Consolidated financial statements	
	Notes	Dec. 31, 2019	Dec. 31, 2018
<b>Liabilities and Equity</b>			
<b>Current Liabilities</b>			
Trade accounts payable		44,382,564,584	47,577,187,663
Other current payables	5.17	3,353,479,327	4,332,306,900
Accrued expenses		3,138,298,503	3,871,353,830
Current portion of long-term loans	3.11, 3.12, 5.18, 7.2, 7.3	5,212,846,317	7,831,840,812
Current portion of finance lease liabilities	5.19	668,384,861	1,160,554,883
Accrued interest payable on loans		605,857,745	630,942,467
Accrued remittance to the Ministry of Finance	5.20	9,581,850,000	8,511,500,000
Advance received per contract		1,288,501,766	1,153,583,242
Deposits payable	5.21	313,831,640	330,539,830
Other current liabilities	5.22	329,965,615	295,579,531
<b>Total Current Liabilities</b>		<b>68,875,580,358</b>	<b>75,695,389,158</b>
<b>Non-current Liabilities</b>			
Long-term loans	3.11, 3.12, 5.18, 7.2, 7.3	70,438,313,146	63,747,736,688
Other non-current payables		51,475,636	72,363,165
Provisions for lawsuits	3.13, 5.23	266,037,174	243,083,436
Provisions for service contracts	3.25	77,227,770	-
Construction obligations	5.24	9,179,726,150	9,094,159,731
Finance lease liabilities	5.19	842,930,742	1,084,912,615
Deferred revenues	3.14, 5.25	53,178,208,953	51,032,361,727
Electricity usage guarantee	3.15	31,269,906,502	29,240,737,965
Sales and service guarantee		1,086,732,667	902,964,486
Employee benefit obligations	3.17, 5.26	18,327,342,655	12,974,244,938
Other non-current liabilities	3.16, 5.27	3,257,396	276,416,636
<b>Total Non-current Liabilities</b>		<b>184,721,158,791</b>	<b>168,668,981,387</b>
<b>Total Liabilities</b>		<b>253,596,739,149</b>	<b>244,364,370,545</b>

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

		Unit: Baht	
		Consolidated financial statements	
	Note	Dec. 31, 2019	Dec. 31, 2018
<b>Equity</b>			
Initial capital		87,003,887	87,003,887
Contributions from the government		4,802,500,915	4,802,500,915
Retained Earnings			
Appropriated		7,722,420	6,089,030
Unappropriated		166,382,066,074	165,982,171,764
<b>Total Equity</b>		<b>171,279,293,296</b>	<b>170,877,765,596</b>
<b>Total Liabilities and Equity</b>		<b>424,876,032,445</b>	<b>415,242,136,141</b>

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

(Mr.Sompong Preeprem)  
Director and Governor

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

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

Unit: Baht

	Notes	Separate financial statements	
		Dec. 31, 2019	Dec. 31, 2018
<b>Assets</b>			
<b>Current Assets</b>			
Cash and cash equivalents	3.1, 5.1	7,322,382,890	2,542,238,359
Short-term investments	5.2	1,001,841,755	18,501,756,571
Trade accounts receivable	3.2, 5.3	35,084,963,174	35,798,896,612
Other current receivables	5.4	377,641,119	712,577,221
Accrued revenues	5.5	3,010,893,134	1,947,890,424
Materials and supplies	3.3, 5.6	2,231,846,111	2,140,515,454
Special-purpose deposits at financial institutions	3.4, 5.7	42,792,735,878	39,818,420,674
Undue input VAT		2,252,775,484	2,535,751,252
Advance payments to suppliers		1,816,548,649	1,698,836,478
Other current assets		128,231,813	302,798,781
Non-current assets held for sale	5.8	-	4,860,892
<b>Total Current Assets</b>		<b>96,019,860,007</b>	<b>106,004,542,718</b>
<b>Non-current Assets</b>			
Investments in subsidiary	3.6, 5.11	1,891,283,750	1,441,283,750
Other non-current receivables		47,170,997	77,049,093
Constructions in progress	3.7, 5.12	45,520,925,752	42,206,717,303
Investment property	3.8, 5.13	436,226,646	555,540,242
Property, plant and equipment	3.9, 5.14	279,843,960,631	263,476,335,170
Intangible assets	3.10, 5.15	554,032,645	1,021,610,884
Other non-current assets	5.16	100,365,724	96,937,573
<b>Total Non-current Assets</b>		<b>328,393,966,145</b>	<b>308,875,474,015</b>
<b>Total Assets</b>		<b>424,413,826,152</b>	<b>414,880,016,733</b>

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, 2019

		Unit: Baht	
		Separate financial statements	
	Notes	Dec. 31, 2019	Dec. 31, 2018
<b>Liabilities and Equity</b>			
<b>Current Liabilities</b>			
Trade accounts payable		44,382,564,584	47,577,187,663
Other current payables	5.17	3,310,585,252	4,271,898,689
Accrued expenses		3,131,268,319	3,837,532,200
Current portion of long-term loans	3.11, 3.12, 5.18, 7.2, 7.3	5,212,846,317	7,831,840,812
Current portion of finance lease liabilities	5.19	667,820,917	1,160,406,174
Accrued interest payable on loans		605,857,745	630,942,467
Accrued remittance to the Ministry of Finance	5.20	9,581,850,000	8,511,500,000
Advance received per contract		1,288,501,766	1,153,583,242
Deposits payable	5.21	313,831,640	330,539,830
Other current liabilities	5.22	328,151,854	290,960,694
<b>Total Current Liabilities</b>		<b>68,823,278,394</b>	<b>75,596,391,771</b>
<b>Non-current Liabilities</b>			
Long-term loans	3.11, 3.12, 5.18, 7.2, 7.3	70,438,313,146	63,747,736,688
Other non-current payables		51,475,636	72,363,165
Long-term provisions	3.13, 5.23	266,037,174	243,083,436
Construction obligations	5.24	9,179,726,150	9,094,159,731
Finance lease liabilities	5.19	840,799,761	1,084,912,615
Deferred revenues	3.14, 5.25	53,178,208,953	51,032,361,727
Electricity usage guarantee	3.15	31,269,936,502	29,240,737,965
Sales and service guarantee		1,085,224,560	902,982,166
Employee benefit obligations	3.17, 5.26	18,324,576,641	12,972,725,917
Other non-current liabilities	3.16, 5.27	3,257,396	276,416,636
<b>Total Non-current Liabilities</b>		<b>184,637,555,919</b>	<b>168,667,480,046</b>
<b>Total Liabilities</b>		<b>253,460,834,313</b>	<b>244,263,871,817</b>

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

		Unit: Baht	
		Separate financial statements	
	Note	Dec. 31, 2019	Dec. 31, 2018
Equity			
Initial capital		87,003,887	87,003,887
Contributions from the government		4,802,500,915	4,802,500,915
Unappropriated retained earnings		166,063,487,037	165,726,640,114
<b>Total Equity</b>		<b>170,952,991,839</b>	<b>170,616,144,916</b>
<b>Total Liabilities and Equity</b>		<b>424,413,826,152</b>	<b>414,880,016,733</b>

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

(Mr.Sompong Preeprem)  
Director and Governor

(Mr.Suchat Chothikatherakul)  
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, 2019

		Unit: Baht	
		Consolidated financial statements	
	Notes	2019	2018
<b>Revenues</b>			
Sales and service revenues		518,256,604,659	497,658,241,704
Other revenues		1,704,099,577	1,865,169,953
<b>Total Revenues</b>	3.19, 5.29	<b>519,960,704,236</b>	<b>499,523,411,657</b>
<b>Expenses</b>			
Cost of electricity		439,967,504,138	417,876,920,354
Employee compensations		22,121,885,153	22,586,009,650
Employee benefit expenses		5,183,632,682	1,160,168,355
Executives' remunerations	3.20, 5.28	127,218,174	129,499,151
Preventive, repair and maintenance, and construction expenses		5,365,207,656	5,325,584,401
Depreciation and amortization expenses		21,519,056,057	20,219,997,889
Other operating expenses		9,057,260,073	8,563,627,726
Other expenses		659,749,899	145,951,853
Financial costs	3.21, 5.29	2,657,522,030	2,903,470,985
<b>Total Expenses</b>	5.29	<b>506,659,035,862</b>	<b>478,911,230,364</b>
Share of profit of associates and joint venture	5.29	82,332,080	71,138,194
<b>Profit before tax</b>	5.29	<b>13,384,000,454</b>	<b>20,683,319,487</b>
Income tax expense	5.29	2,586,016	1,050,852
<b>Profit for the year</b>	5.29	<b>13,381,414,438</b>	<b>20,682,268,635</b>
<b>Other comprehensive income:</b>			
Items that may be reclassified subsequently to profit or loss			
Profit (loss) on available-for-sale investments		18,102	(1,717,770)
Items that will not be reclassified to profit or loss			
Actuarial loss on post-employment benefit plans	3.17, 5.26	(2,176,554,840)	(168,541)
<b>Total comprehensive income for the year</b>		<b>11,204,877,700</b>	<b>20,680,382,324</b>

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, 2019

		Unit: Baht	
		Separate financial statements	
	Notes	<u>2019</u>	<u>2018</u>
<b>Revenues</b>			
Sales and service revenues		518,127,952,317	497,474,413,667
Other revenues		1,690,957,844	1,841,418,926
<b>Total Revenues</b>	3.19, 5.29	<u><b>519,818,910,161</b></u>	<u><b>499,315,832,593</b></u>
<b>Expenses</b>			
Cost of electricity		439,967,504,138	417,876,920,354
Employee compensations		22,090,794,547	22,561,809,855
Employee benefit expenses		5,182,256,044	1,159,677,798
Executives' remunerations	3.20, 5.28	124,362,583	128,062,306
Preventive, repair and maintenance, and construction expenses		5,369,789,988	5,324,413,262
Depreciation and amortization expenses		21,517,926,596	20,218,832,710
Other operating expenses		8,932,220,256	8,380,579,193
Other expenses		659,749,899	145,951,853
Financial costs	3.21, 5.29	2,657,442,805	2,903,436,102
<b>Total Expenses</b>	5.29	<u><b>506,502,046,856</b></u>	<u><b>478,699,683,433</b></u>
<b>Profit for the year</b>	5.29	<b>13,316,863,305</b>	<b>20,616,149,160</b>
<b>Other comprehensive income:</b>			
Items that may be reclassified subsequently to profit or loss			
Profit (loss) on available-for-sale investments		18,102	(1,717,770)
Items that will not be reclassified to profit or loss			
Actuarial loss on post-employment benefit plans	3.17, 5.26	(2,176,684,484)	-
<b>Total comprehensive income for the year</b>		<u><u><b>11,140,196,923</b></u></u>	<u><u><b>20,614,431,390</b></u></u>

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.

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY  
STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2019

Unit: Baht

	Notes	Consolidated financial statements			Total Equity
		Initial Capital and Contributions from the Government	Retained Earnings		
			Appropriated	Unappropriated	
<b>Balance as at January 1, 2018</b>		<b>4,889,504,802</b>	<b>4,273,341</b>	<b>158,653,605,129</b>	<b>163,547,383,272</b>
Accumulated amount from:					
Legal reserve		-	1,815,689	(1,815,689)	-
Interim remittance to the Ministry of Finance from net profit for the year 2018		-	-	(4,838,500,000)	(4,838,500,000)
Reserve for remittance to the Ministry of Finance from net profit for the year 2018	5.20	-	-	(8,511,500,000)	(8,511,500,000)
Total comprehensive income for the year 2018		-	-	20,680,382,324	<b>20,680,382,324</b>
<b>Balance as at January 1, 2019</b>		<b>4,889,504,802</b>	<b>6,089,030</b>	<b>165,982,171,764</b>	<b>170,877,765,596</b>
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	5.20	-	-	(5,070,350,000)	(5,070,350,000)
Total comprehensive income for the year 2019		-	-	11,204,877,700	<b>11,204,877,700</b>
<b>Balance as at December 31, 2019</b>		<b>4,889,504,802</b>	<b>7,722,420</b>	<b>166,382,066,074</b>	<b>171,279,293,296</b>

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.

(TRANSLATION)

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PROVINCIAL ELECTRICITY AUTHORITY AND ITS SUBSIDIARY  
STATEMENTS OF CHANGES IN EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2019

Unit: Baht

		Separate financial statements		
	Notes	Initial Capital and Contributions from the Government	Unappropriated Retained Earnings	Total Equity
<b>Balance as at January 1, 2018</b>		<b>4,889,504,802</b>	<b>158,462,208,724</b>	<b>163,351,713,526</b>
Accumulated amount from:				
Interim remittance to the Ministry of Finance from net profit for the year 2018		-	(4,838,500,000)	(4,838,500,000)
Reserve for remittance to the Ministry of Finance from net profit for the year 2018	5.20	-	(8,511,500,000)	(8,511,500,000)
Total comprehensive income for the year 2018		-	20,614,431,390	20,614,431,390
<b>Balance as at January 1, 2019</b>		<b>4,889,504,802</b>	<b>165,726,640,114</b>	<b>170,616,144,916</b>
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	5.20	-	(5,070,350,000)	(5,070,350,000)
Total comprehensive income for the year 2019		-	11,140,196,923	11,140,196,923
<b>Balance as at December 31, 2019</b>		<b>4,889,504,802</b>	<b>166,063,487,037</b>	<b>170,952,991,839</b>

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, 2019

Unit: Baht

	Note	Consolidated financial statements	
		2019	2018
<b>Cash Flows from Operating Activities:</b>			
Profit for the year		13,381,414,438	20,682,268,635
Adjustments of profit to net cash provided by (used in)			
operating activities:			
Depreciation and amortization		21,733,636,853	20,423,759,226
Loss from impairment of assets under financing service contracts		1,991,454	-
Bad debts and doubtful accounts		67,906,288	(57,327,470)
Bonuses for employees and directors		1,609,042,547	2,609,298,423
Provision for obsolete materials and supplies		64,934,465	(1,812,799)
Amortization of deferred revenues		(4,358,535,650)	(4,166,471,744)
Contribution revenues		(40,344,973)	(2,229,165)
Employee benefit obligations		5,183,632,682	1,162,030,392
Provisions for lawsuits		20,620,808	37,538,392
Provisions for service contracts		(697,122)	-
(Gain) loss on disposal of assets		28,788,177	(18,999,066)
(Gain) loss on disposal of materials and supplies		(6,972,902)	4,505,350
Gain on foreign exchange		(24,809,492)	(32,921,465)
Other non-operating revenues		(115,648)	(3,474,341)
Revenues from obsolete materials and supplies		(65,671,775)	(87,387,177)
Revenues from renting or using other assets		(18,996,486)	(6,916,636)
Revenues from financing service contracts		(20,601,261)	-
Corporate income tax		2,586,016	1,050,852
Share of profit of associates and joint venture		(82,332,080)	(71,138,194)
Interest income		(1,061,978,649)	(1,085,297,599)
Interest expense		2,657,522,030	2,901,766,235
Profit from operating activities before changes in operating assets and liabilities		39,071,019,720	42,288,241,849
Changes in operating assets (increase) decrease			
Trade accounts receivable		610,575,081	(1,721,198,130)
Other current receivables		331,805,827	(52,636,452)
Accrued revenues		(1,231,697,754)	2,156,865,867

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, 2019

		Unit: Baht	
		Consolidated financial statements	
	Note	2019	2018
<b>Cash Flows from Operating Activities (Continued):</b>			
Interest received		1,246,874,639	1,233,181,855
Materials and supplies		318,303,186	276,819,700
Special-purpose deposits at financial institutions		(2,974,315,204)	(3,361,162,230)
Undue input VAT		280,828,984	(382,542,876)
Advance payments to suppliers		(119,590,266)	237,444,886
Other current assets		175,750,658	(174,067,062)
Other non-current receivables		70,449,685	(63,226,892)
Other non-current assets		(18,046,086)	(16,891,231)
Changes in operating liabilities increase (decrease)			
Trade accounts payable		(3,194,623,078)	9,512,762,066
Other current payables		(1,451,528,593)	2,363,794,554
Advance received per contract		134,918,525	(238,853,140)
Deposits payable		(16,708,190)	(349,983,382)
Accrued expenses		(53,488,991)	349,475,408
Payment of bonuses		(2,536,324,791)	(3,354,916,133)
Payment of corporate income tax		(2,271,543)	(647,951)
Other current liabilities		36,719,014	(29,728,192)
Other non-current payables		(20,887,529)	2,176,500
Construction obligations		85,566,419	29,440,154
Deferred revenues		6,395,433,252	6,103,840,858
Electricity usage guarantee		2,029,168,538	1,886,871,794
Sales and service guarantee		183,768,181	(35,388,020)
Employee gratuity fund		353,018	(5,733,472)
Payment of employee benefit obligations		(2,007,089,805)	(1,271,649,702)
Other non-current liabilities		-	68,085,292
Net cash provided by operating activities		<u>37,344,962,897</u>	<u>55,450,375,918</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, 2019

		Unit: Baht	
		Consolidated financial statements	
	Note	2019	2018
<b>Cash Flows from Investing Activities:</b>			
Proceeds from short-term investments		17,498,518,063	4,434,490,551
Payment of investment in associates and joint venture		(110,200,000)	(32,200,000)
Dividend received from associates		50,448,750	41,332,500
Payment of constructions in progress		(37,318,410,016)	(35,752,373,443)
Payment of investment property		(22,070,750)	(1,950,000)
Payment of property, plant and equipment		(2,700,176,897)	(2,451,890,587)
Proceeds from sales property, plant and equipment		23,095,544	28,532,281
Interest expense capitalized to constructions in progress		(215,950,864)	(205,597,461)
Payment of intangible assets		(238,252,767)	(22,018,435)
Net cash used in investing activities		(23,032,998,937)	(33,961,674,594)
<b>Cash Flows from Financing Activities:</b>			
Interest paid		(2,541,587,199)	(2,794,876,955)
Payment of long-term loans		(7,831,840,812)	(7,538,410,551)
Proceeds from long-term loans		11,927,142,019	3,000,000,000
Payment of financial lease liabilities		(1,273,550,242)	(1,193,728,260)
Remittance to the Ministry of Finance		(9,733,000,000)	(13,003,000,000)
Net cash used in financing activities		(9,452,836,234)	(21,530,015,766)
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>4,859,127,726</b>	<b>(41,314,442)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>3,427,643,764</b>	<b>3,468,958,206</b>
<b>Cash and cash equivalents at the end of the period</b>	5.1	<b>8,286,771,490</b>	<b>3,427,643,764</b>
<b>Non-cash items</b>			
Payables from purchases of property, plant and equipment		73,541,435	60,933,908
Payables from purchases of constructions in progress		1,079,204,384	619,110,891

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, 2019

	Note	Unit: Baht	
		Separate financial statements	
		2019	2018
<b>Cash Flows from Operating Activities:</b>			
Profit for the year		13,316,863,305	20,616,149,160
Adjustments of profit to net cash provided by (used in)			
operating activities:			
Depreciation and amortization		21,732,507,393	20,422,594,047
Bad debts and doubtful accounts		67,906,288	(57,327,470)
Bonuses for employees and directors		1,606,248,776	2,606,055,169
Provision for obsolete materials and supplies		64,934,465	(1,812,799)
Amortization of deferred revenues		(4,358,535,650)	(4,166,471,744)
Contribution revenues		(39,860,473)	(2,229,165)
Employee benefit obligations		5,182,256,044	1,161,539,834
Provisions for lawsuits		20,620,808	37,538,392
(Gain) loss on disposal of assets		28,788,174	(18,999,066)
(Gain) loss on disposal of materials and supplies		(6,972,902)	4,505,350
Gain on foreign exchange		(24,809,492)	(32,921,465)
Other non-operating revenues		-	(3,474,341)
Revenues from obsolete materials and supplies		(65,671,775)	(87,387,177)
Interest income		(1,049,140,231)	(1,077,778,111)
Interest expense		2,657,442,805	2,901,731,352
Profit from operating activities before changes in operating assets and liabilities		39,132,577,535	42,301,711,966
Changes in operating assets (increase) decrease			
Trade accounts receivable		631,370,339	(1,734,124,619)
Other current receivables		328,384,402	(51,104,716)
Accrued revenues		(1,250,726,177)	2,083,131,833
Interest received		1,236,863,698	1,226,385,960
Materials and supplies		338,970,413	275,796,920
Special-purpose deposits at financial institutions		(2,974,315,204)	(3,361,162,230)
Undue input VAT		282,975,768	(381,963,649)
Advance payments to suppliers		(117,712,170)	272,161,109

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, 2019

		Unit: Baht	
		Separate financial statements	
	Note	2019	2018
<b>Cash Flows from Operating Activities (Continued):</b>			
Other current assets		174,566,967	(172,835,540)
Other non-current receivables		51,086,607	(64,077,914)
Other non-current assets		(3,428,151)	302,622
Changes in operating liabilities increase (decrease)			
Trade accounts payable		(3,194,623,078)	9,512,762,066
Other current payables		(1,434,014,457)	2,330,400,186
Advance received per contract		134,918,525	(242,741,772)
Deposits payable		(16,708,190)	(349,983,382)
Accrued expenses		(52,891,546)	392,972,179
Payment of bonuses		(2,533,133,369)	(3,351,750,852)
Other current liabilities		39,524,090	(33,257,336)
Other non-current payables		(20,887,529)	2,176,500
Construction obligations		85,566,419	29,440,154
Deferred revenues		6,395,433,252	6,103,840,858
Electricity usage guarantee		2,029,198,538	1,886,871,794
Sales and service guarantee		182,242,394	(35,370,340)
Employee gratuity fund		353,018	(5,733,472)
Payment of employee benefit obligations		(2,007,089,805)	(1,271,649,702)
Other non-current liabilities		-	68,085,292
Net cash provided by operating activities		<u>37,438,502,289</u>	<u>55,430,283,915</u>
<b>Cash Flows from Investing Activities:</b>			
Proceeds from short-term investments		17,499,932,918	4,435,888,058
Payment of investment in subsidiary		(450,000,000)	(659,000,000)
Payment of constructions in progress		(37,103,862,493)	(35,481,490,759)
Payment of investment property		(22,070,750)	(1,950,000)
Payment of property, plant and equipment		(2,699,077,041)	(2,450,713,703)
Proceeds from sales property, plant and equipment		23,095,544	28,532,281
Interest expense capitalized to constructions in progress		(215,950,864)	(205,597,461)
Payment of intangible assets		(237,865,767)	(21,858,435)
Net cash used in investing activities		<u>(23,205,798,453)</u>	<u>(34,356,190,019)</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, 2019

		Unit: Baht	
		Separate financial statements	
	Note	2019	2018
<b>Cash Flows from Financing Activities:</b>			
Interest paid		(2,541,587,199)	(2,794,876,955)
Payment of long-term loans		(7,831,840,812)	(7,538,410,551)
Proceeds from long-term loans		11,927,142,019	3,000,000,000
Payment of financial lease liabilities		(1,273,273,313)	(1,192,993,618)
Remittance to the Ministry of Finance		(9,733,000,000)	(13,003,000,000)
Net cash used in financing activities		<u>(9,452,559,305)</u>	<u>(21,529,281,124)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>4,780,144,531</b>	<b>(455,187,228)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>2,542,238,359</b>	<b>2,997,425,587</b>
<b>Cash and cash equivalents at the end of the period</b>	5.1	<b><u>7,322,382,890</u></b>	<b><u>2,542,238,359</u></b>
<b>Non-cash items</b>			
Payables from purchases of property, plant and equipment		73,541,435	60,933,908
Payables from purchases of constructions in progress		1,079,204,384	619,110,891

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, 2019

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**1. General Information**

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.

**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 (2<sup>nd</sup> Edition), B.E. 2559 (2016)”, dated October 11, B.E. 2559 (2016).

The consolidated and the separate financial statements have been prepared under the historical cost convention with the exception as disclosed in Note 3 Summary of Significant Accounting Policies.

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 Co., Ltd. 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 5.9, 5.10 and 5.11, 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.

English translation of the financial statements has been prepared from the statutory financial statements that were issued in Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

**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, 2019 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.

**2.2.2 Effective for accounting periods beginning on or after January 1, 2020** are as follows:

<b>Thai Accounting Standards</b>	<b>Title</b>
No.1	Presentation of Financial Statements
No.2	Inventories
No.7	Statement of Cash Flows
No.8	Accounting Policies, Changes in Accounting Estimates and Errors
No.10	Events after the Reporting Period
No.12	Income Taxes
No.16	Property, Plant and Equipment
No.19	Employee Benefits
No.20	Accounting for Government Grants and Disclosure of Government Assistance
No.21	The Effects of Changes in Foreign Exchange Rates
No.23	Borrowing Costs
No.24	Related Party Disclosures
No.26	Accounting and Reporting by Retirement Benefit Plans
No.27	Separate Financial Statements
No.28	Investment in Associates and Joint Ventures
No.29	Financial Reporting in Hyperinflationary Economies
No.32	Financial Instruments: Presentation
No.33	Earnings per Share
No.34	Interim Financial Reporting
No.36	Impairment of Assets
No.37	Provisions, Contingent Liabilities and Contingent Assets

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<b>Thai Accounting Standards (Continued)</b>	<b>Title</b>
No.38	Intangible Assets
No.40	Investment Property
No.41	Agriculture
<b>Thai Financial Reporting Standards</b>	<b>Title</b>
No.1	First-time Adoption of Thai Financial Reporting Standards
No.2	Share-based Payment
No.3	Business Combinations
No.4	Insurance Contracts
No.5	Non-current Assets Held for Sale and Discontinued Operations
No.6	Exploration for and Evaluation of Mineral Resources
No.7	Financial Instruments: Disclosures
No.8	Operating Segments
No.9	Financial Instruments
No.10	Consolidated Financial Statements
No.11	Joint Arrangements
No.12	Disclosure of Interests in Other Entities
No.13	Fair Value Measurement
No.15	Revenue from Contracts with Customers
No.16	Leases
<b>Thai Standing Interpretations</b>	<b>Title</b>
No.10	Government Assistance - No Specific Relation to Operating Activities
No.25	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
No.29	Service Concession Arrangements: Disclosures
No.32	Intangible Assets - Web Site Costs

Thai Financial Reporting Interpretations	Title
No.1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
No.5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
No.7	Applying the Restatement Approach Under TAS 29 Financial Reporting in Hyperinflationary Economies
No.10	Interim Financial Reporting and Impairment
No.12	Service Concession Arrangements
No.14	TAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
No.17	Distributions of Non-cash Assets to Owners
No.19	Extinguishing Financial Liabilities with Equity Instruments
No.20	Stripping Costs in the Production Phase of a Surface Mine
No.21	Levies
No.22	Foreign Currency Transactions and Advance Consideration
No.23	Uncertainty over Income Tax Treatments

The management of Provincial Electricity Authority and its subsidiary have assessed that the adoption of these new and revised Thai Financial Reporting Standards for the accounting periods beginning on or after January 1, 2020, believing that except for the Thai Financial Reporting Standards group of financial instruments and the Thai Financial Reporting Standard No. 16 Leases, the adoption of the new and revised Thai Financial Reporting Standards will not be material effect on the consolidated and separate financial statements.

### 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

Trade accounts receivable are stated at net realizable value. Allowance for doubtful accounts are based on contingent loss from uncollectible receivables which are estimated from historical collection experiences and a review of the current status of the non-governmental or state enterprise receivables outstanding at the statements of financial position date, after deducting electricity usage guarantee in accordance with the regulation of the Ministry of Finance regarding “Accounting and Finance of Government Enterprise, B.E. 2548 (2005)” and a resolution of PEA’s Audit Committee Meeting No. 3/2549 dated on March 10, 2006 as follows:

Overdue period	Percentage of allowance for doubtful accounts
Over 6 months - 1 year	50
Over 1 year	100

Increases and decreases in allowance for doubtful accounts are recognized as expenses or income for the period when incurred.

### 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.

**3.8 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).

### **3.10 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 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.

### **3.12 Financial instruments**

Financial assets, presented at the statement of financial position date of Provincial Electricity Authority, comprise of cash and cash equivalents, and trade accounts receivable. Financial liabilities are obligations under contracts comprising trade accounts payable, other accounts payable, other current liabilities, short-term loans, and long-term loans.

### **3.13 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.

### **3.14 Deferred revenues**

**3.14.1 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).

### 3.14 Deferred revenues (Continued)

**3.14.2 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.

**3.14.3 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.

**3.14.4 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.

**3.14.5 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.

### 3.15 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.

### **3.16 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.

### **3.17 Employee benefits obligation**

#### **3.17.1 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.

#### **3.17.2 Post-employment benefits**

##### **3.17.2.1 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 5.27.

##### **3.17.2.2 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.

### **3.17 Employee benefits obligation (Continued)**

#### **3.17.2.2 Defined benefit plan (Continued)**

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

#### **3.17.3 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.

### **3.18 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.

### **3.19 Revenue recognition**

Sales of electricity energy are recognized on a monthly basis in accordance with a cyclical recording of electricity usage units of the customers from electric meters.

Sales of electricity equipment are recognized when goods are delivered, and the ownership is transferred to customers.

Income from constructions for electricity users is recognized based on proportion to actual costs incurred.

Deferred contributions for construction are recognized as income at the rate of 5% per annum (equal to depreciation rate of Provincial Electricity Authority's electricity distributing system assets).

Interest income is recognized as it accrues on a time proportion basis taking into account the principal amount outstanding and the effective interest rate.

### **3.20 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.

### **3.21 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.

### **3.22 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.

### **3.23 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.

### **3.24 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.

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.

In addition, the Group has provided commercial solar rooftop power services since January 1, 2019, therefore, there are additional significant accounting policies other than those disclosed in the financial statements for the year ended December 31, 2019 as follows:

### **3.25 Assets under long-term financing service contracts**

**3.25.1** 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.

**3.25.2** 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.

### **3.26 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.

### **3.27 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.

### **3.28 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. Reclassification**

Some items presented in statements of financial position as at December 31, 2018 and statements of cash flows for the year ended December 31, 2018 are reclassified in accordance with the presentation of statements of financial position as at December 31, 2019 and statements of cash flows for the year ended December 31, 2019 which are summarized as follows:

	Unit: Million Baht		
	Consolidated financial statements		
	<u>Before</u>	<u>Reclassification</u>	<u>After</u>
<b>Statements of financial position</b>			
<b>As at December 31, 2018</b>			
Other current receivables	736.14	(18.23)	717.91
Other non-current assets	110.54	18.23	128.77

	Unit: Million Baht		
	Consolidated financial statements		
	<u>Before</u>	<u>Reclassification</u>	<u>After</u>
<b>Statements of cash flows</b>			
<b>For the year ended December 31, 2018</b>			
Net profit	20,683.32	(1.05)	20,682.27
Bonuses for employees and directors	-	2,609.30	2,609.30
Employee benefit obligations	(109.62)	1,271.65	1,162.03
Revenues from obsolete materials and supplies	-	(87.39)	(87.39)
Corporate income tax	-	1.05	1.05
Other current receivables	(70.87)	18.23	(52.64)
Materials and supplies	217.96	58.86	276.82
Other non-current assets	0.69	(17.58)	(16.89)
Accrued expenses	(396.14)	745.62	349.48
Payment of bonuses	-	(3,354.92)	(3,354.92)
Payment of corporate income tax	-	(0.65)	(0.65)
Payment of employee benefit obligations	-	(1,271.65)	(1,271.65)
Proceeds from sales of property, plant and equipment	-	28.53	28.53

## 4. Reclassification (Continued)

	Unit: Million Baht		
	Before	Separate financial statements Reclassification	After
<b>Statements of cash flows</b>			
<b>For the year ended December 31, 2018</b>			
Bonuses for employees and directors	-	2,606.06	2,606.06
Employee benefit obligations	(110.11)	1,271.65	1,161.54
Revenues from obsolete materials and supplies	-	(87.39)	(87.39)
Materials and supplies	216.94	58.86	275.80
Accrued expenses	(352.72)	745.69	392.97
Payment of bonuses	-	(3,351.75)	(3,351.75)
Payment of employee benefit obligations	-	(1,271.65)	(1,271.65)
Proceeds from sales of property, plant and equipment	-	28.53	28.53

## 5. Supplementary information

## 5.1 Cash and cash equivalents consist of:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Cash	41.89	37.49	41.75	37.49
Cash at banks: - Current accounts	0.44	2.66	0.43	2.66
- Savings accounts	7,389.51	2,948.51	7,280.20	2,502.09
- Fixed deposits	854.93	438.98	-	-
<b>Total</b>	<b>8,286.77</b>	<b>3,427.64</b>	<b>7,322.38</b>	<b>2,542.24</b>

## 5.2 Short-term investments

Short-term investments presented in the consolidated and separate financial statements are fixed deposits at the financial institutions with maturity of 12 months, short-term debt instruments which are zero-coupon bonds and available-for-sale securities.

As at December 31, 2019 and 2018, Provincial Electricity Authority and its subsidiary have short-term investments in the consolidated financial statement amounting to Baht 1,117.24 million and Baht 18,615.74 million, respectively.

As at December 31, 2019 and 2018, Provincial Electricity Authority has short-term investments in the separate financial statement amounting to Baht 1,001.84 million and Baht 18,501.76 million, respectively.

Provincial Electricity Authority has received 352,725 ordinary shares from WP Energy Public Company Limited on March 22, 2018, at a price of Baht 9.85 per share, amounting to Baht 3.47 million, which are presented as short-term investments. As at December 31, 2019, the ordinary shares have a fair value of Baht 5.05 per share.

## 5.3 Trade accounts receivable consist of:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Accounts receivable from sales				
of electricity	33,865.56	34,625.25	33,865.57	34,625.25
Accounts receivable from sales of				
equipment and rendering services	1,266.21	1,179.92	1,219.39	1,173.65
<b>Total</b>	<b>35,131.77</b>	<b>35,805.17</b>	<b>35,084.96</b>	<b>35,798.90</b>

## 5.3.1 Accounts receivable from sales of electricity are as follows:

	Unit: Million Baht			
	Consolidated financial statements			
	Dec. 31, 2019			Dec. 31, 2018
Outstanding period	Public Sector	Private Sector	Total	Total
1 month - 6 months	4,416.17	31,276.33	35,692.50	36,448.34
Over 6 months - 1 year	197.33	34.41	231.74	380.07
Over 1 year	174.14	1,368.71	1,542.85	1,466.57
	4,787.64	32,679.45	37,467.09	38,294.98
<u>Less Undue output VAT</u>	(312.52)	(2,118.30)	(2,430.82)	(2,484.74)
	4,475.12	30,561.15	35,036.27	35,810.24
<u>Less Allowance for doubtful accounts</u>	-	(1,170.71)	(1,170.71)	(1,184.99)
<b>Total</b>	<b>4,475.12</b>	<b>29,390.44</b>	<b>33,865.56</b>	<b>34,625.25</b>

	Unit: Million Baht			
	Separate financial statements			
	Dec. 31, 2019			Dec. 31, 2018
Outstanding period	Public Sector	Private Sector	Total	Total
1 month - 6 months	4,416.17	31,276.34	35,692.51	36,448.34
Over 6 months - 1 year	197.33	34.41	231.74	380.07
Over 1 year	174.14	1,368.71	1,542.85	1,466.57
	4,787.64	32,679.46	37,467.10	38,294.98
<u>Less Undue output VAT</u>	(312.52)	(2,118.30)	(2,430.82)	(2,484.74)
	4,475.12	30,561.16	35,036.28	35,810.24
<u>Less Allowance for doubtful accounts</u>	-	(1,170.71)	(1,170.71)	(1,184.99)
<b>Total</b>	<b>4,475.12</b>	<b>29,390.45</b>	<b>33,865.57</b>	<b>34,625.25</b>

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## 5.3 Trade accounts receivable (Continued)

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

Unit: Million Baht

	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Accounts receivable from sales and rendering services	257.81	390.72	230.84	384.70
Accounts receivable from construction obligations	899.61	531.02	899.61	531.02
Other trade accounts receivable	356.03	410.06	335.20	409.16
	1,513.45	1,331.80	1,465.65	1,324.88
<u>Less</u> Undue output VAT	(115.44)	(86.51)	(114.46)	(85.86)
	1,398.01	1,245.29	1,351.19	1,239.02
<u>Less</u> Allowance for doubtful accounts	(131.80)	(65.37)	(131.80)	(65.37)
<b>Total</b>	<b>1,266.21</b>	<b>1,179.92</b>	<b>1,219.39</b>	<b>1,173.65</b>

## 5.4 Other current receivables consist of:

Unit: Million Baht

	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Other accounts receivable	361.35	699.50	361.49	699.49
Prepaid expenses	18.08	18.41	16.15	13.09
<b>Total</b>	<b>379.43</b>	<b>717.91</b>	<b>377.64</b>	<b>712.58</b>

## 5.5 Accrued revenues consist of:

Unit: Million Baht

	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Accrued interest	92.80	279.62	90.62	278.34
Accrued revenues from the				
Power Development Fund	2,849.43	1,384.15	2,849.43	1,384.15
Other accrued revenues	70.84	304.42	70.84	285.40
<b>Total</b>	<b>3,013.07</b>	<b>1,968.19</b>	<b>3,010.89</b>	<b>1,947.89</b>

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## 5.6 Materials and supplies consist of:

	Unit: Million Baht			
	Consolidated financial statements		Separate financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Materials and supplies				
Operating materials and supplies	62.70	41.80	62.70	41.80
Materials and supplies for construction and maintenance	352.19	395.66	346.19	390.34
Materials and supplies for repair	1,329.12	1,255.72	1,329.12	1,255.72
Demolition materials and supplies, and obsolete materials and supplies	586.25	471.60	586.25	471.60
Materials and supplies pending for adjustments	55.68	53.80	55.68	53.80
Cars waiting for delivery	19.98	-	-	-
	<u>2,405.92</u>	<u>2,218.58</u>	<u>2,379.94</u>	<u>2,213.26</u>
Materials and supplies in transit	0.04	10.45	0.04	10.45
	<u>2,405.96</u>	<u>2,229.03</u>	<u>2,379.98</u>	<u>2,223.71</u>
<u>Less</u> Allowance for obsolete materials and supplies	(92.45)	(29.39)	(92.45)	(29.39)
Allowance for loss or misstated or lost materials and supplies under investigation	(55.68)	(53.80)	(55.68)	(53.80)
<b>Total</b>	<u><u>2,257.83</u></u>	<u><u>2,145.84</u></u>	<u><u>2,231.85</u></u>	<u><u>2,140.52</u></u>

For the years ended December 31, 2019 and 2018, allowance for obsolete materials and supplies and allowance for loss or misstated or lost materials and supplies under investigation are recognized as expenses amounting to Baht 64.93 million and reversal of expenses amounting to Baht 1.81 million, respectively.

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## 5.7 Special-purpose deposits at financial institutions consist of:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Electricity usage guarantee fund	30,966.48	29,096.48	30,966.48	29,096.48
Sinking fund for repayment of bonds	1,261.46	2,212.41	1,261.46	2,212.41
Interest from electricity usage guarantee fund	5,242.46	5,203.57	5,242.46	5,203.57
KFW special fund	203.86	202.42	203.86	202.42
Restricted cash	3,554.53	3,153.54	3,504.53	3,103.54
Funding under the energy conservation policy from Energy Policy and Planning Office and other government agencies	8.75	-	8.75	-
Deposits on incomes reimburse to users based on the Energy Regulatory Commission's directives	1,605.20	-	1,605.20	-
<b>Total</b>	<b>42,842.74</b>	<b>39,868.42</b>	<b>42,792.74</b>	<b>39,818.42</b>

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 each of the resolution directive by the Energy Regulatory Commission.



### 5.9 Investments in associates

Investments in associates in the consolidated financial statements represent the investments of PEA Encom International Company Limited, the subsidiary of Provincial Electricity Authority, has jointly invested and is accounted using the equity method as follows:

- 4 solar power plant projects, on May 12, 2014, each project amounting to Baht 41.25 million.
- 2 power plant projects from biomass fuel on September 10, 2018, and on September 14, 2018, a total of 3 places, each project amounting to Baht 2.4 million. Then, there was a capital increase on February 18, 2019, amounting to Baht 7.2 million and on June 21, 2019, amounting to Baht 33 million.
- 1 Bacho biogas power plant project on November 8, 2018, amounting to Baht 25 million.
- 1 Digital Energy Platform business operation project on October 24, 2019, amounting to Baht 50 million.
- 1 electrical system project for Smart Grid energy management on November 15, 2019, amounting to Baht 1 million and there was a capital increase on December 12, 2019, amounting to Baht 19 million.

As at December 31, 2019 and 2018, investments in associates in the consolidated financial statements consist of:

Associates	Proportion of Investment (percent)	Unit: Million Baht			
		Dec. 31, 2019		Dec. 31, 2018	
		Cost Method	Equity Method	Cost Method	Equity Method
1. Solar Power (Surin 1) Co., Ltd.	25	41.25	93.06	41.25	85.34
2. Solar Power (Surin 2) Co., Ltd.	25	41.25	90.81	41.25	82.70
3. Solar Power (KhonKaen 10) Co., Ltd.	25	41.25	91.84	41.25	83.45
4. Solar Power (Loei 2) Co., Ltd.	25	41.25	93.07	41.25	84.79
5. Pracharath Biomass Narathiwat Co., Ltd.	40	2.40	2.25	2.40	2.31
6. Pracharath Biomass Maelan Co., Ltd.	40	22.00	21.38	2.40	2.27
7. Pracharath Biomass Bannangsata Co., Ltd.	40	23.00	22.36	2.40	2.27
8. Thai Serm Suk Energy Co., Ltd.	25	25.00	24.12	25.00	23.47

## 5.9 Investments in associates (Continued)

Unit: Million Baht

	Proportion of Investment (percent)	Dec. 31, 2019		Dec. 31, 2018	
		Cost Method	Equity Method	Cost Method	Equity Method
<b>Associates</b>					
8. Thai Digital Energy Development Co., Ltd.	25	50.00	49.84	-	-
9. Set Energy Co., Ltd.	20	20.00	20.00	-	-
<b>Total</b>		<b>307.40</b>	<b>508.73</b>	<b>197.20</b>	<b>366.60</b>

## 5.10 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, 2019 and 2018, investments in joint venture in the consolidated financial statements consists of:

	Proportion of Investment (percent)	Dec. 31, 2019		Dec. 31, 2018	
		Cost Method	Equity Method	Cost Method	Equity Method
<b>Joint venture</b>					
PEA Encom Fah Chai joint venture	25	5.47	5.34	5.47	5.39
<b>Total</b>		<b>5.47</b>	<b>5.34</b>	<b>5.47</b>	<b>5.39</b>

## 5.11 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, 2019 and 2018, the investments in subsidiary presented in the separate financial statements of Baht 1,891.28 million and Baht 1,441.28 million, respectively.

## 5.12 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, 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			1.48
<b>As at December 31, 2019</b>			<b><u>45,592.62</u></b>

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			1.48
<b>As at December 31, 2019</b>			<b><u>45,520.93</u></b>

## 5.12 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, 2018	18,294.20	4,989.40	23,283.60
- Additions	25,688.76	6,437.68	32,126.44
- Decreases	(18,213.31)	(5,991.64)	(24,204.95)
	<u>25,769.65</u>	<u>5,435.44</u>	<u>31,205.09</u>
Materials and supplies			11,271.16
Work in progress			1.35
<b>As at December 31, 2018</b>			<b><u>42,477.60</u></b>

Unit: Million Baht

	Separate financial statements		
	Constructions in progress		
	PEA capital budget	Partially funded by electricity users	Total
As at January 1, 2018	18,294.20	4,989.40	23,283.60
- Additions	25,417.88	6,437.68	31,855.56
- Decreases	(18,213.31)	(5,991.64)	(24,204.95)
	<u>25,498.77</u>	<u>5,435.44</u>	<u>30,934.21</u>
Materials and supplies			11,271.16
Work in progress			1.35
<b>As at December 31, 2018</b>			<b><u>42,206.72</u></b>

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.

## 5.13 Investment property consist of:

Unit: Million Baht

	Consolidated and separate financial statements		
	Land and land improvements	Vacant building	Total
<b>Cost</b>			
As at January 1, 2019	171.09	477.15	648.24
- Additions	22.18	-	22.18
- Decreases	(125.27)	-	(125.27)
As at December 31, 2019	<u>68.00</u>	<u>477.15</u>	<u>545.15</u>
<b>Accumulated depreciation</b>			
As at January 1, 2019	-	92.70	92.70
- Additions	-	16.22	16.22
As at December 31, 2019	<u>-</u>	<u>108.92</u>	<u>108.92</u>
<b>Net book value</b>			
As at December 31, 2018	<u>171.09</u>	<u>384.45</u>	<u>555.54</u>
As at December 31, 2019	<u>68.00</u>	<u>368.23</u>	<u>436.23</u>

As at December 31, 2019 and 2018, according to the appraisal value announced by the Treasury department, land has fair value totaling approximate of Baht 350.81 million and of Baht 449.90 million, respectively, and buildings have fair value as at December 31, 2019 and 2018 of Baht 178.42 million and Baht 180.83 million, respectively.

Provincial Electricity Authority has rental income on investment property for the years ended December 31, 2019 and 2018, amounting to Baht 25.45 million and Baht 28.54 million, respectively. The acquisition cost of land used for rentals as at December 31, 2019 and 2018, are Baht 42.41 million and Baht 42.21 million, respectively.

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## 5.14 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	
<b>Cost</b>								
As at January 1, 2019	14,543.10	16,260.29	2,588.70	463,719.81	22,860.29	10,106.58	2,036.45	532,115.22
- Additions	2,521.02	2,776.24	137.76	30,334.58	2,236.57	470.18	404.39	38,880.74
- Disposals/decreases	(632.03)	(133.90)	(3.68)	(1,948.31)	(297.34)	(7.43)	(224.03)	(3,246.72)
As at December 31, 2019	16,432.09	18,902.63	2,722.78	492,106.08	24,799.52	10,569.33	2,216.81	567,749.24
<b>Accumulated depreciation</b>								
As at January 1, 2019	1,585.03	6,492.03	1,243.49	236,314.27	14,306.74	7,861.63	833.44	268,636.63
- Additions	135.96	585.31	113.98	17,925.06	1,567.02	380.18	430.78	21,138.29
- Disposals/decreases	(39.54)	(45.05)	(1.94)	(1,353.58)	(203.69)	(7.36)	(224.03)	(1,875.19)
As at December 31, 2019	1,681.45	7,032.29	1,355.53	252,885.75	15,670.07	8,234.45	1,040.19	287,899.73
<b>Net book value</b>								
As at December 31, 2018	12,958.07	9,768.26	1,345.21	227,405.54	8,553.55	2,244.95	1,203.01	263,478.59
As at December 31, 2019	14,750.64	11,870.34	1,367.25	239,220.33	9,129.45	2,334.88	1,176.62	279,849.51

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## 5.14 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		Vehicles under Finance leases
<b>Cost</b>								
As at January 1, 2019	14,543.10	16,260.29	2,588.70	463,719.81	22,856.49	10,106.58	2,033.38	532,108.35
- Additions	2,521.02	2,776.24	137.76	30,334.58	2,235.47	470.18	401.14	38,876.39
- Disposals/decreases	(632.03)	(133.90)	(3.68)	(1,948.31)	(297.34)	(7.43)	(220.96)	(3,243.65)
As at December 31, 2019	16,432.09	18,902.63	2,722.78	492,106.08	24,794.62	10,569.33	2,213.56	567,741.09
<b>Accumulated depreciation</b>								
As at January 1, 2019	1,585.03	6,492.03	1,243.49	236,314.27	14,305.12	7,861.63	830.45	268,632.02
- Additions	135.96	585.31	113.98	17,925.06	1,566.30	380.18	430.45	21,137.24
- Disposals/decreases	(39.54)	(45.05)	(1.94)	(1,353.58)	(203.69)	(7.36)	(220.97)	(1,872.13)
As at December 31, 2019	1,681.45	7,032.29	1,355.53	252,885.75	15,667.73	8,234.45	1,039.93	287,897.13
<b>Net book value</b>								
As at December 31, 2018	12,958.07	9,768.26	1,345.21	227,405.54	8,551.37	2,244.95	1,202.93	263,476.33
As at December 31, 2019	14,750.64	11,870.34	1,367.25	239,220.33	9,126.89	2,334.88	1,173.63	279,843.96

Unit: Million Baht

The fully depreciated plant and equipment that continue to be used by Provincial Electricity Authority and its subsidiary as at December 31, 2019 is amounting to Baht 12.56 million.

## 5.15 Intangible assets consist of:

Unit: Million Baht

	Consolidated financial statements		
	Computer software	Finance lease	Total
	licenses	assets	
<b>Cost</b>			
As at January 1, 2019	3,440.03	2,201.31	5,641.34
- Additions	355.18	-	355.18
- Disposals/decreases	(18.93)	-	(18.93)
As at December 31, 2019	<u>3,776.28</u>	<u>2,201.31</u>	<u>5,977.59</u>
<b>Accumulated amortization</b>			
As at January 1, 2019	3,226.63	1,392.84	4,619.47
- Additions	162.12	660.33	822.45
- Disposals/decreases	(18.93)	-	(18.93)
As at December 31, 2019	<u>3,369.82</u>	<u>2,053.17</u>	<u>5,422.99</u>
<b>Net book value</b>			
As at December 31, 2018	<u>213.40</u>	<u>808.47</u>	<u>1,021.87</u>
As at December 31, 2019	<u><u>406.46</u></u>	<u><u>148.14</u></u>	<u><u>554.60</u></u>

Unit: Million Baht

	Separate financial statements		
	Computer software	Finance lease	Total
	licenses	assets	
<b>Cost</b>			
As at January 1, 2019	3,439.64	2,201.32	5,640.96
- Additions	354.80	-	354.80
- Disposals/decreases	(18.93)	-	(18.93)
As at December 31, 2019	<u>3,775.51</u>	<u>2,201.32</u>	<u>5,976.83</u>
<b>Accumulated amortization</b>			
As at January 1, 2019	3,226.51	1,392.84	4,619.35
- Additions	162.04	660.34	822.38
- Disposals/decreases	(18.93)	-	(18.93)
As at December 31, 2019	<u>3,369.62</u>	<u>2,053.18</u>	<u>5,422.80</u>
<b>Net book value</b>			
As at December 31, 2018	<u>213.13</u>	<u>808.48</u>	<u>1,021.61</u>
As at December 31, 2019	<u><u>405.89</u></u>	<u><u>148.14</u></u>	<u><u>554.03</u></u>

The fully amortized intangible assets that are continued to be used by Provincial Electricity Authority and its subsidiary as at December 31, 2019 is amounting to Baht 0.005 million.

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## 5.16 Other non-current assets consist of:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Employee receivables	74.72	70.81	74.72	70.81
Deferred expenses	22.23	22.72	22.23	22.72
Retentions and deposits	15.39	15.14	2.58	2.74
Withholding taxes	-	1.20	-	-
Revenue Department receivables	33.65	18.23	-	-
PEA Employee Gratuity Fund				
Cash	0.004	0.004	0.004	0.004
Current accounts	0.011	0.011	0.011	0.011
Savings accounts	0.82	0.66	0.82	0.66
<b>Total</b>	<b>146.82</b>	<b>128.77</b>	<b>100.37</b>	<b>96.94</b>

## 5.17 Other current payables consist of:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Accounts payable for goods or services - domestic	2,073.34	2,592.44	2,027.87	2,532.81
Accounts payable for goods or services - foreign	0.72	-	0.72	-
Suspense payable - unbilled	647.45	655.01	651.18	655.01
Other accounts payable	403.69	765.59	402.54	765.06
Unearned revenues	228.28	319.27	228.28	319.02
<b>Total</b>	<b>3,353.48</b>	<b>4,332.31</b>	<b>3,310.59</b>	<b>4,271.90</b>

As at December 31, 2019 and 2018, suspense payable - unbilled in the consolidated financial statements amounting to Baht 647.45 million and Baht 655.01 million, respectively, represent payable for goods or services received but Provincial Electricity Authority has not received invoices on payables.

As at December 31, 2019 and 2018, suspense payable - unbilled in the separate financial statements in the amount of Baht 651.18 million and Baht 655.01 million, respectively, represent payable for goods or services received but Provincial Electricity Authority has not received invoices on payables.

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5.18 Long-term loans are as follows:

Unit: Million Baht

Consolidated and separate financial statements					
Type of loans	Repayment terms	Currency	Fixed interest rate per contract (%)	Dec. 31, 2019	Dec. 31, 2018
<b>Domestic loans</b>					
- Ministry of Finance	1988 - 2031	Canadian Dollar	Interest free	155.80	177.17
- Bonds	2005 - 2040	Baht	1.90 – 6.53	74,298.23	71,070.00
- Financial institutions	2019 - 2021	Baht	1.47175	1,000.00	-
Total domestic loans				75,454.03	71,247.17
<b>Foreign loans</b>					
- Financial institutions	2000 - 2020	Euro	2.00	63.78	149.09
	2007 - 2023	Euro	8.00 *	133.35	183.32
Total foreign loans				197.13	332.41
Total long - term loans				75,651.16	71,579.58
<u>Less</u> Current portion				(5,212.85)	(7,831.84)
<b>Total</b>				<b>70,438.31</b>	<b>63,747.74</b>

\* 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, and that are recorded as interest expense at the rate of 2% per annum.

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 1.47175 - 6.53 per annum.

Interest expenses on loans for the years ended December 31, 2019 and 2018, amounting to Baht 2,734.76 million and Baht 2,934.38 million are capitalized as cost of constructions in progress amounting to Baht 215.88 million and Baht 205.60 million and are recognized as expenses in the statements of comprehensive income for Baht 2,518.88 million and Baht 2,728.78 million, respectively.

## 5.19 Finance lease liabilities consist of:

Unit: Million Baht

Consolidated financial statements						
	Within 1 year		After 1 year but within 5 years		Total	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
	Present value of finance lease liabilities					
- Computer software systems	242.65	756.43	-	181.45	242.65	937.88
- Vehicles	406.70	382.92	837.46	878.96	1,244.16	1,261.88
- Other assets	19.03	21.20	5.47	24.50	24.50	45.70
<b>Total</b>	<b>668.38</b>	<b>1,160.55</b>	<b>842.93</b>	<b>1,084.91</b>	<b>1,511.31</b>	<b>2,245.46</b>

Unit: Million Baht

Separate financial statements						
	Within 1 year		After 1 year but within 5 years		Total	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
	Present value of finance lease liabilities					
- Computer software systems	242.65	756.43	-	181.45	242.65	937.88
- Vehicles	406.14	382.77	835.33	878.96	1,241.47	1,261.73
- Other assets	19.03	21.20	5.47	24.50	24.50	45.70
<b>Total</b>	<b>667.82</b>	<b>1,160.40</b>	<b>840.80</b>	<b>1,084.91</b>	<b>1,508.62</b>	<b>2,245.31</b>

## 5.19 Finance lease liabilities (Continued)

## 5.19.1 Finance lease liabilities – computer software systems

Unit: Million Baht

	Consolidated and separate financial statements					
	Within 1 year		After 1 year but within 5 years		Total	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Finance lease liabilities	244.80	795.60	-	183.60	244.80	979.20
<u>Less</u> Future financial charge	(2.15)	(39.17)	-	(2.15)	(2.15)	(41.32)
Present value of finance lease liabilities	<u>242.65</u>	<u>756.43</u>	<u>-</u>	<u>181.45</u>	<u>242.65</u>	<u>937.88</u>

## 5.19.2 Finance lease liabilities – vehicles

Unit: Million Baht

	Consolidated financial statements					
	Within 1 year		After 1 year but within 5 years		Total	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Finance lease liabilities	481.99	460.76	919.41	975.44	1,401.40	1,436.20
<u>Less</u> Future financial charge	(75.29)	(77.84)	(81.95)	(96.48)	(157.24)	(174.32)
Present value of finance lease liabilities	<u>406.70</u>	<u>382.92</u>	<u>837.46</u>	<u>878.96</u>	<u>1,244.16</u>	<u>1,261.88</u>

Unit: Million Baht

	Separate financial statements					
	Within 1 year		After 1 year but within 5 years		Total	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Finance lease liabilities	481.26	460.61	917.00	975.44	1,398.26	1,436.05
<u>Less</u> Future financial charge	(75.12)	(77.84)	(81.67)	(96.48)	(156.79)	(174.32)
Present value of finance lease liabilities	<u>406.14</u>	<u>382.77</u>	<u>835.33</u>	<u>878.96</u>	<u>1,241.47</u>	<u>1,261.73</u>

## 5.19 Finance lease liabilities (Continued)

## 5.19.3 Finance lease liabilities – other assets

Unit: Million Baht

	Consolidated and separate financial statements					
	Within 1 year		After 1 year but within 5 years		Total	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Finance lease liabilities	20.79	26.79	5.90	26.69	26.69	53.48
<u>Less</u> Future financial charge	(1.76)	(5.59)	(0.43)	(2.19)	(2.19)	(7.78)
Present value of finance lease liabilities	19.03	21.20	5.47	24.50	24.50	45.70

## 5.20 Accrued remittance to the Ministry of Finance consists of:

Unit: Million Baht

	Consolidated and separate financial statements	
	Dec. 31, 2019	Dec. 31, 2018
Beginning balance	8,511.50	8,164.50
Reserve for remittance to public revenues	10,803.35	13,350.00
Remit to public revenues during the year	(9,733.00)	(13,003.00)
<b>Total</b>	<b>9,581.85</b>	<b>8,511.50</b>

## 5.21 Deposits payable consist of:

Unit: Million Baht

	Consolidated and separate financial statements	
	Dec. 31, 2019	Dec. 31, 2018
Accrued remittance to the Power Development Fund	(0.02)	0.26
Pending repayment electricity usage guarantee	259.02	245.48
Other deposits payable	54.83	84.80
<b>Total</b>	<b>313.83</b>	<b>330.54</b>

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## 5.22 Other current liabilities consist of:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Retentions and deposits	307.49	255.29	306.26	251.09
Withholding tax payable	0.59	0.42	-	-
Suspense accounts	20.10	35.74	20.10	35.74
Short-term provision (Note 5.23)	1.79	4.13	1.79	4.13
<b>Total</b>	<b>329.97</b>	<b>295.58</b>	<b>328.15</b>	<b>290.96</b>

## 5.23 Long-term provisions

	Unit: Million Baht	
	Consolidated and separate financial statements	
	Dec 31, 2019	
As at January 1, 2019		247.21
Increase		27.65
Decrease		(6.53)
Reversal		(0.50)
		267.83
<u>Less</u> Short-term provision (Note 5.22)		(1.79)
<b>As at December 31, 2019</b>		<b>266.04</b>

Long-term provisions as at December 31, 2019 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 60 lawsuits. Provincial Electricity Authority expects that it will be required to pay the compensation to the damage of the cases within one year for 6 lawsuits amounting to Baht 1.79 million, which are classified as other current liabilities (Note 5.22).

## 5.24 Construction obligations

Consolidated and separate financial statements as at December 31, 2019 and 2018, amounting to Baht 9,179.73 million and Baht 9,094.16 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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## 5.25 Deferred revenues consist of:

	Unit: Million Baht	
	Consolidated and separate financial statements	
	Dec. 31, 2019	Dec. 31, 2018
Contributions for construction	51,245.21	49,147.88
Deferred revenues from transferring of assets	1,434.24	1,518.64
Deferred revenues from rental	351.22	365.84
Deferred revenues from services	147.54	-
<b>Total</b>	<b>53,178.21</b>	<b>51,032.36</b>

## 5.26 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, 2019 and 2018, employee benefit obligations of Provincial Electricity Authority are as follows:

	Unit: Million Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Post-employment benefits under defined benefit plans				
Retirement pension	16,549.14	11,136.12	16,546.38	11,134.61
Retirement souvenir gift	301.03	324.10	301.03	324.10
Accumulate vacation leave remains at retirement	1,245.78	1,118.79	1,245.78	1,118.79
<b>Total post-employment benefits under defined benefit plans</b>	<b>18,095.95</b>	<b>12,579.01</b>	<b>18,093.19</b>	<b>12,577.50</b>
Other long-term employee benefits				
Souvenir gifts for completing agreed period	231.39	395.23	231.39	395.23
<b>Total other long-term employee benefits</b>	<b>231.39</b>	<b>395.23</b>	<b>231.39</b>	<b>395.23</b>
<b>Total</b>	<b>18,327.34</b>	<b>12,974.24</b>	<b>18,324.58</b>	<b>12,972.73</b>

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## 5.26 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, 2019 and 2018, consist of:

	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Current service costs	4,778.07	752.39	4,776.72	751.93
Interest cost	405.56	409.64	405.54	409.61
Actuarial losses on post-employment benefit plans	2,176.56	0.16	2,176.68	-
<b>Total</b>	<b>7,360.19</b>	<b>1,162.19</b>	<b>7,358.94</b>	<b>1,161.54</b>

Provincial Electricity Authority and its subsidiary have current service costs for the years ended December 31, 2019 and 2018 in the consolidated financial statements amounting to Baht 4,778.07 million and Baht 752.39 million, which are employee benefit expenses amounting to Baht 4,778.07 million and Baht 750.53 million and cost of constructions in progress for the year 2018 amounting to Baht 1.86 million.

Provincial Electricity Authority has current service costs for the years ended December 31, 2019 and 2018 in the separate financial statements amounting to Baht 4,776.72 million and Baht 751.93 million, which are employee benefit expenses amounting to Baht 4,776.72 million and Baht 750.07 million and costs of constructions in progress for the year 2018 amounting to Baht 1.86 million.

Changes in the present value of the provisions for benefit plans for the years ended December 31, 2019 and 2018, are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Beginning balance of the defined benefit obligations	12,974.24	13,083.70	12,972.73	13,082.84
Current service costs	4,778.07	752.39	4,776.72	751.93
Interest cost	405.56	409.64	405.54	409.61
Actual cost	(2,007.09)	(1,271.65)	(2,007.09)	(1,271.65)
Actuarial losses on post-employment benefit plans	2,176.56	0.16	2,176.68	-
<b>Ending balance of the defined benefit obligations</b>	<b>18,327.34</b>	<b>12,974.24</b>	<b>18,324.58</b>	<b>12,972.73</b>

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## 5.26 Employee benefit obligations (Continued)

Actuarial assumptions used for the calculation of provisions under post-employment benefit plans as at December 31, 2019 and 2018, are as follows:

	Dec. 31, 2019	Dec. 31, 2018
	(percentage)	(percentage)
Discount rate	1.87	3.13
Inflation rate	2.50	2.50
Salary growth rate	7.00 – 9.00	7.00 – 9.00
Employee turnover rate	0.20 – 8.00	0.00 – 7.00
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, 2019, are as followed:

	Unit: Million Baht		
	Change in present value of defined benefit obligation		
	Percent	Increase in rate	Decrease in rate
Discount rate	1	(1,856.17)	2,259.96
Inflation rate	1	59.63	(50.84)
Salary growth rate	1	2,234.54	(1,883.40)
Employee turnover rate	20	(121.60)	126.67
Mortality rate	1	74.65	(86.04)

## Employee benefits expected to be paid

Year	Unit: Million Baht
2020	1,502.47
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

**5.26 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, 2019 and 2018, Provincial Electricity Authority contributes to the provident fund amounting to Baht 1,484.66 million and Baht 1,516.66 million, respectively.

**5.27 Other non-current liabilities** consist of:

	Unit: Million Baht	
	Consolidated and separate financial statements	
	Dec. 31, 2019	Dec. 31, 2018
Employee gratuity fund	3.26	2.90
Other non-current liabilities	-	273.52
<b>Total</b>	<b>3.26</b>	<b>276.42</b>

**5.28 Executives' remunerations** consist of:

	Consolidated		Separate	
	financial statements		financial statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Directors' remunerations	24.65	16.31	21.79	14.87
Management's remunerations	102.57	113.19	102.57	113.19
<b>Total</b>	<b>127.22</b>	<b>129.50</b>	<b>124.36</b>	<b>128.06</b>

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## 5.29 Operating results

Operating results for the years ended December 31, 2019 and 2018 are as follows:

Unit: Million Baht				
Consolidated financial statements				
	Dec. 31, 2019	Dec. 31, 2018	Increase (Decrease)	Percentage
Operating revenues	518,256.60	497,658.24	20,598.36	4.14
Operating expenses	503,341.76	475,861.81	27,479.95	5.77
Operating profit	14,914.84	21,796.43	(6,881.59)	(31.57)
Other revenues	1,704.10	1,865.17	(161.07)	(8.64)
Other expenses	659.75	145.95	513.80	352.04
Financial costs	2,657.52	2,903.47	(245.95)	(8.47)
Share of profits of associates	82.33	71.14	11.19	15.73
Income tax expense	2.59	1.05	1.54	146.67
<b>Profit for the year</b>	<b>13,381.41</b>	<b>20,682.27</b>	<b>(7,300.86)</b>	<b>(35.30)</b>

For the year ended December 31, 2019, Provincial Electricity Authority and its subsidiary have profit of Baht 13,381.41 million which decreases from the same period of prior year by Baht 7,300.86 million and by 35.30% from the year 2018. The decrease is attributable to a decrease in operating profit by Baht 6,881.59 million, decrease in other revenues by Baht 161.07 million, increase in other expenses by Baht 513.80 million, decrease in financial costs by Baht 245.95 million and increase in share profits of associates by Baht 11.19 million.

Unit: Million Baht				
Separate financial statements				
	Dec. 31, 2019	Dec. 31, 2018	Increase (Decrease)	Percentage
Operating revenues	518,127.95	497,474.41	20,653.54	4.15
Operating expenses	503,184.86	475,650.29	27,534.57	5.79
Operating profit	14,943.09	21,824.12	(6,881.03)	(31.53)
Other revenues	1,690.96	1,841.42	(150.46)	(8.17)
Other expenses	659.75	145.95	513.80	352.04
Financial costs	2,657.44	2,903.44	(246.00)	(8.47)
<b>Profit for the year</b>	<b>13,316.86</b>	<b>20,616.15</b>	<b>(7,299.29)</b>	<b>(35.41)</b>

For the year ended December 31, 2019, Provincial Electricity Authority has profit of Baht 13,316.86 million which decreases from the same period of prior year by Baht 7,299.29 million and by 35.41% from the year 2018. The decrease is attributable to decrease in operating profit by Baht 6,881.03 million, decrease in other revenues by Baht 150.46 million, increase in other expenses by Baht 513.80 million and decrease in financial costs by Baht 246.00 million.

### 5.29 Operating results (Continued)

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 2019, Provincial Electricity Authority has revenues from telecommunication business amounting to Baht 167.68 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 2019 and 2018, Provincial Electricity Authority has revenues on rental of electric pole for putting up cable line from Cable TVs business amounting to Baht 16.96 million and Baht 19.94 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 2019, Provincial Electricity Authority has refunded the benefit to the customers amounting to Baht 29.00 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 2019, Provincial Electricity Authority is obliged to refund interest to the customers amounted to Baht 60.78 million and recorded as other expenses.

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## 5.30 Financial Information of Operating Segments

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

	Unit: Million Baht											
	North		Northeast		Central		South		Headquarter		Consolidated financial Statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Information from statements of financial position												
Trade accounts receivable	4,963.23	5,284.10	5,483.20	5,655.31	17,619.52	17,962.66	6,414.89	6,420.34	650.93	482.76	35,131.77	35,805.17
Other current assets	624.30	520.82	718.61	614.87	1,149.13	874.59	680.92	685.85	58,929.38	68,623.35	62,102.34	71,319.48
Property, plant and equipment	60,934.98	56,963.92	59,295.26	56,474.47	91,563.68	84,820.96	64,022.86	62,199.04	4,032.73	3,020.20	279,849.51	263,478.59
Other non-current assets	7,462.34	7,763.61	11,140.27	9,325.32	10,960.13	13,015.91	9,383.56	8,093.89	8,846.11	6,440.17	47,792.41	44,638.90
<b>Total Assets</b>	<b>73,984.85</b>	<b>70,532.45</b>	<b>76,637.34</b>	<b>72,069.97</b>	<b>121,292.46</b>	<b>116,674.12</b>	<b>80,502.23</b>	<b>77,399.12</b>	<b>72,459.15</b>	<b>78,566.48</b>	<b>424,876.03</b>	<b>415,242.14</b>
Current Liabilities	49,966.74	46,063.53	55,697.21	51,034.84	(248,973.75)	(224,984.17)	19,677.42	18,125.23	192,507.96	185,455.96	68,875.58	75,695.39
Long-term loans	-	-	-	-	-	-	-	-	70,438.31	63,747.74	70,438.31	63,747.74
Other non-current liabilities	20,847.24	19,424.20	27,421.20	24,853.69	39,992.64	37,225.57	22,139.79	20,678.33	3,881.98	2,739.45	114,282.85	104,921.24
Total Liabilities	70,813.98	65,487.73	83,118.41	75,888.53	(208,981.11)	(187,758.60)	41,817.21	38,803.56	266,828.25	251,943.15	253,596.74	244,364.37
Equity	3,170.87	5,044.72	(6,481.07)	(3,818.56)	330,273.57	304,432.72	38,685.02	38,595.56	(194,369.10)	(173,376.67)	171,279.29	170,877.77
<b>Total Liabilities and Equity</b>	<b>73,984.85</b>	<b>70,532.45</b>	<b>76,637.34</b>	<b>72,069.97</b>	<b>121,292.46</b>	<b>116,674.12</b>	<b>80,502.23</b>	<b>77,399.12</b>	<b>72,459.15</b>	<b>78,566.48</b>	<b>424,876.03</b>	<b>415,242.14</b>

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## 5.30 Financial Information of Operating Segments (Continued)

5.30.2 Operational results of operating segments are as follows:

	Unit: Million Baht											
	North		Northeast		Central		South		Headquarter		Consolidated financial Statements	
	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
Information from statements of comprehensive income												
Sales and service revenues	77,796.83	73,216.52	86,448.61	81,036.50	264,261.84	255,841.03	89,373.27	86,838.06	376.05	726.13	518,256.60	497,658.24
Other revenues	79.76	86.64	94.08	151.82	170.34	198.49	120.90	62.00	1,239.02	1,366.22	1,704.10	1,865.17
<b>Total revenues</b>	<b>77,876.59</b>	<b>73,303.16</b>	<b>86,542.69</b>	<b>81,188.32</b>	<b>264,432.18</b>	<b>256,039.52</b>	<b>89,494.17</b>	<b>86,900.06</b>	<b>1,615.07</b>	<b>2,092.35</b>	<b>519,960.70</b>	<b>499,523.41</b>
Cost of electricity	67,068.18	62,396.61	74,861.33	69,142.81	221,902.87	213,016.39	76,135.12	73,321.11	-	-	439,967.50	417,876.92
Employee compensations	4,397.99	4,562.33	5,086.06	5,097.74	4,910.69	5,051.79	3,973.76	4,075.04	3,753.38	3,799.11	22,121.88	22,586.01
Employee benefit expenses	1,045.94	236.08	1,242.25	268.68	1,207.64	275.15	931.16	214.28	756.64	165.98	5,183.63	1,160.17
Executives' remunerations	6.57	7.57	5.76	7.00	5.43	6.52	5.67	6.43	103.79	101.98	127.22	129.50
Preventive, repair and maintenance, and construction expenses	867.68	814.48	1,049.74	898.05	1,621.34	1,428.29	1,153.63	1,059.30	672.82	1,125.46	5,365.21	5,325.58
Depreciation and amortization expenses	4,387.74	4,114.49	4,491.51	4,270.06	6,464.74	5,959.31	4,853.53	4,651.60	1,321.54	1,224.54	21,519.06	20,220.00
Other operating expenses	1,497.66	1,331.66	2,013.04	1,733.02	1,918.02	1,883.77	1,846.93	1,911.40	1,781.61	1,703.78	9,057.26	8,563.63
Other expenses	9.51	19.32	(63.17)	21.57	79.06	36.75	99.36	18.82	534.99	49.49	659.75	145.95
Financial costs	20.65	21.66	17.18	18.35	21.32	22.20	27.14	22.10	2,571.23	2,819.16	2,657.52	2,903.47
<b>Total expenses</b>	<b>79,301.92</b>	<b>73,504.20</b>	<b>88,703.70</b>	<b>81,457.28</b>	<b>238,131.11</b>	<b>227,680.17</b>	<b>89,026.30</b>	<b>85,280.08</b>	<b>11,496.00</b>	<b>10,989.50</b>	<b>506,659.03</b>	<b>478,911.23</b>
Share of profit of associates	-	-	-	-	-	-	-	-	82.33	71.14	82.33	71.14
<b>Profit before tax</b>	<b>(1,425.33)</b>	<b>(201.04)</b>	<b>(2,161.01)</b>	<b>(268.96)</b>	<b>26,301.07</b>	<b>28,359.35</b>	<b>467.87</b>	<b>1,619.98</b>	<b>(9,798.60)</b>	<b>(8,826.01)</b>	<b>13,384.00</b>	<b>20,683.32</b>
Income tax expense	-	-	-	-	-	-	-	-	2.58	1.05	2.58	1.05
<b>Income (loss) for the year</b>	<b>(1,425.33)</b>	<b>(201.04)</b>	<b>(2,161.01)</b>	<b>(268.96)</b>	<b>26,301.07</b>	<b>28,359.35</b>	<b>467.87</b>	<b>1,619.98</b>	<b>(9,801.18)</b>	<b>(8,827.06)</b>	<b>13,381.42</b>	<b>20,682.27</b>
Other comprehensive loss	-	-	-	-	-	-	-	-	(2,176.54)	(1.89)	(2,176.54)	(1.89)
<b>Total comprehensive income for the year</b>	<b>(1,425.33)</b>	<b>(201.04)</b>	<b>(2,161.01)</b>	<b>(268.96)</b>	<b>26,301.07</b>	<b>28,359.35</b>	<b>467.87</b>	<b>1,619.98</b>	<b>(11,977.72)</b>	<b>(8,828.95)</b>	<b>11,204.88</b>	<b>20,680.38</b>

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## 6. Related party transactions

Significant related party transactions are as follows:

6.1 Assets and liabilities, as at December 31, 2019 and 2018, significant related party transactions are as follows:

Item/Company's name	Relationship	Unit: Million Baht			
		Consolidated		Separate	
		financial statements	financial statements	financial statements	financial statements
		Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
<b>Accounts receivable from sales of electricity</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	0.01	-
<b>Accounts receivable from sales of equipment and rendering of services</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	-	0.18
<b>Other current receivables</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	0.30	-
<b>Investments in associates</b>					
Solar Power (SR1) Co., Ltd.	Subsidiary's associate	93.06	85.34	-	-
Solar Power (SR2) Co., Ltd.	Subsidiary's associate	90.81	82.70	-	-
Solar Power (KK10) Co., Ltd.	Subsidiary's associate	91.84	83.45	-	-
Solar Power (LO2) Co., Ltd.	Subsidiary's associate	93.07	84.79	-	-
Pracharath Biomass Narathiwat Co., Ltd.	Subsidiary's associate	2.25	2.31	-	-
Pracharath Biomass Maelan Co., Ltd.	Subsidiary's associate	21.38	2.27	-	-
Pracharath Biomass Bannangsata Co., Ltd.	Subsidiary's associate	22.36	2.27	-	-
Thai Serm Suk Energy Co., Ltd.	Subsidiary's associate	24.12	23.47	-	-
Set Energy Co., Ltd.	Subsidiary's associate	20.00	-	-	-
Thai Digital Energy Development Co., Ltd.	Subsidiary's associate	49.84	-	-	-
<b>Investments in joint venture</b>					
PEA Encom Fah Chai joint venture	Subsidiary's joint venture	5.34	5.39	-	-
<b>Investments in subsidiary</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	1,891.28	1,441.28
<b>Suspense payable</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	3.74	-
<b>Other accounts payable</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	-	0.02

## 6. Related party transactions (Continued)

Item/Company's name	Relationship	Unit: Million Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
<b>Unearned revenues</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	0.01	0.01
<b>Guarantee</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	0.05	0.02

6.2 Revenues and expenses, related party transaction for the years ended December 31, 2019 and 2018, are as follows:

Item/Company's name	Relationship	Unit: Million Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		Dec. 31, 2019	Dec. 31, 2018	Dec. 31, 2019	Dec. 31, 2018
<b>Sales of electricity</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	0.09	-
<b>Other operating revenues</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	-	1.24
<b>Other revenues</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	7.50	1.15
<b>Cost of electricity</b>					
Solar Power (SR1) Co., Ltd.	Subsidiary's associate	132.49	127.02	132.49	127.02
Solar Power (SR2) Co., Ltd.	Subsidiary's associate	132.55	125.58	132.55	125.58
Solar Power (KK10) Co., Ltd.	Subsidiary's associate	124.34	119.77	124.34	119.77
Solar Power (LO2) Co., Ltd.	Subsidiary's associate	122.20	116.12	122.20	116.12
<b>Public relations expenses</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	3.74	-
<b>Maintenance cost</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	-	0.06
<b>Construction expenses</b>					
PEA Encom International Co., Ltd.	Subsidiary	-	-	5.51	6.32

## **7. Disclosure of financial instruments**

### **7.1 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.

### **7.2 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 5.18.

### **7.3 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.

### **7.4 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 and trade accounts payable have book values approximate fair values due to their short-term nature in period of settlement.

## **8. Contingent liabilities**

As at December 31, 2019, Provincial Electricity Authority was filed in litigation as a defendant for 221 cases in which dispute amount are totaling at Baht 13,553.00 million. Provincial Electricity Authority expects that the court's judgment will not cause any damage and hold no liabilities. Details of litigation cases are as follows:

8.1 Litigation cases, which the injured person file the complaint against Provincial Electricity Authority to demolish assets or to complete the pending construction, are at 47 cases and the claimed compensation is amounting to Baht 25.49 million.

8.2 Litigation cases, which the injured person claim for damage against Provincial Electricity Authority regarding worker employment and employee benefits, are at 53 cases and the claimed compensation is amounting to Baht 3,373.78 million.

**8. Contingent liabilities (Continued)**

8.3 Litigation cases, which the injured person claim for damage against Provincial Electricity Authority for cases that others persons or plaintiffs are damaged from Provincial Electricity Authority's assets, are at 21 cases and the claimed compensation is amounting to Baht 182.70 million.

8.4 Litigation cases, which the injured person claim for damage against Provincial Electricity Authority regarding breaking contract of sales and infringement of right, are at 100 cases and the claimed compensation is amounting to Baht 9,971.03 million.

**9. Approval of financial statements**

These financial statements were approved for issuance by PEA Governor on June 10, 2020.

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