

boundless possibilities



POWERING THE FUTURE AND BEYOND



ANNUAL REPORT

2017

Gulf Energy Development Public Company Limited

With more than two decades of experience,
17 power projects in operation, and many more in the pipeline,
Gulf remains highly dedicated towards a single goal-
to become the dominant player in power generation
from both conventional and renewable power plants.

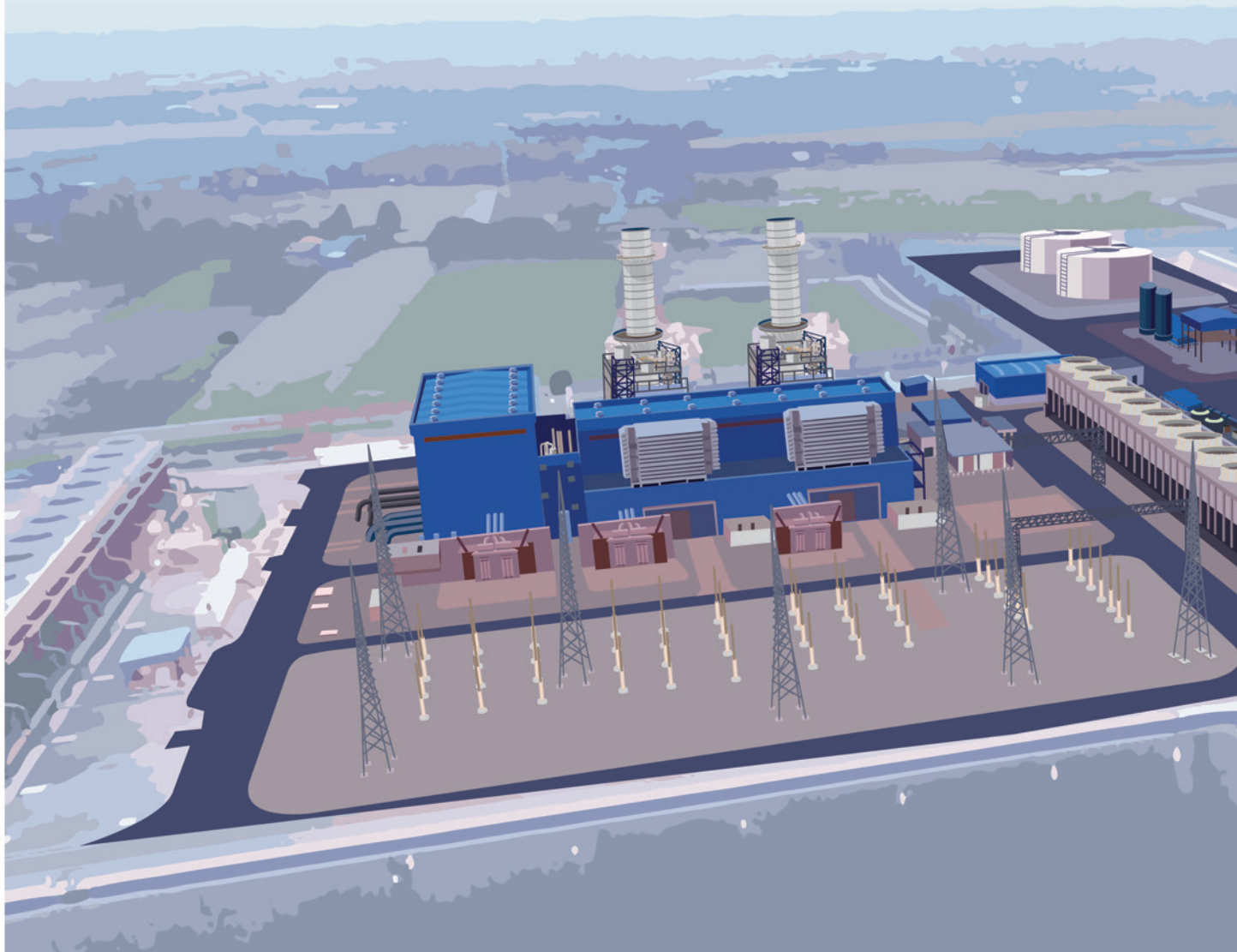
**At Gulf, we operate our businesses with disruptive thinking at our hearts,
as we strive for the best efficiency and reliability for our customers.**

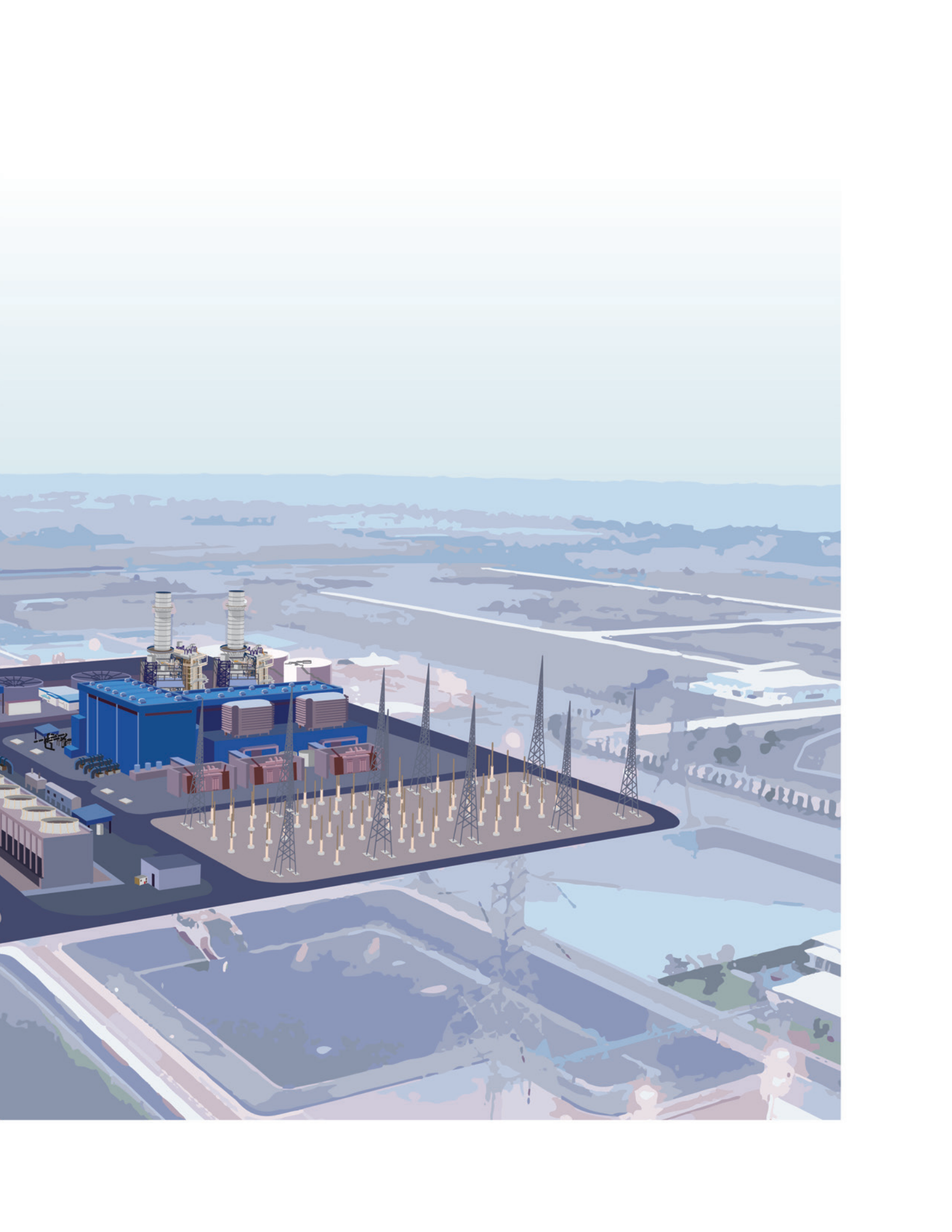
Our ambition fueled the successful IPO in November 2017.

Every step we take reflects our sincere commitment to seeking
innovative solutions while spreading growth across our ecosystem
of shareholders, customers and communities
by minimizing our environmental impact and maximizing our social contribution
as we venture towards true sustainability.



OUR CHALLENGES, YOUR POWER SOLUTIONS







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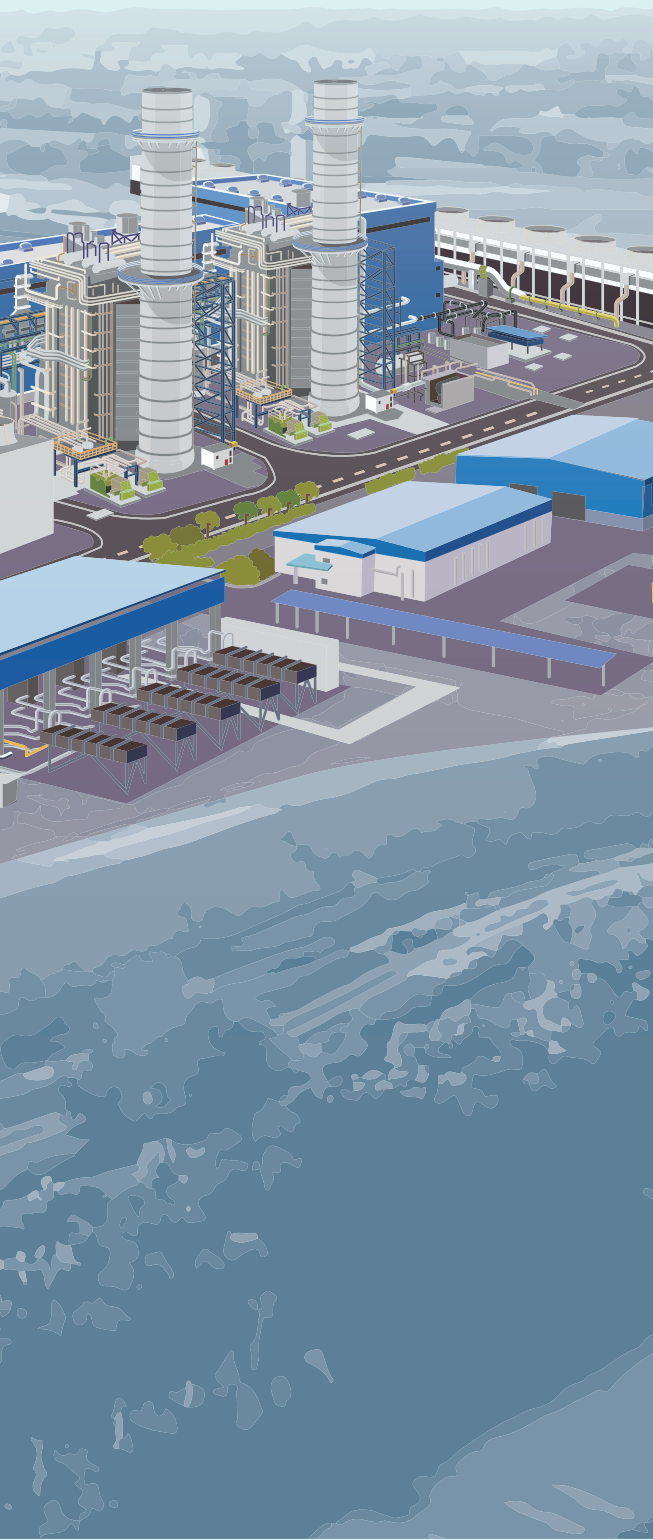
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Vision and Mission





Vision

To be a trusted company that innovates to develop premier energy across boundaries

Mission

To integrate innovative strategy, quality resources, premier technology and culture of commitment to achieve the most reliable energy solution



MESSAGE FROM THE CHAIRMAN OF THE BOARD



I would like to thank you, our investors, for the support and encouragement you have given us and provide my assurance that **we will maintain this operational direction to lead the Company towards continuous, stable growth in a sustainable manner** for the benefit of our investors, stakeholders and society.



Mr. Viset Choopiban
Independent Director and
Chairman of the Board





Dear Valued Shareholders

The Thai economy and industrial sector have been growing continuously over the past several years. Demand for electricity has also increased consistently, driven especially by significant growth of the industrial sector. The Thai economy is now recovering from the global financial crisis and countries in the ASEAN region are showing rapid economic growth. Coupled with the establishment of the Thailand Eastern Economic Corridor (EEC) in 2016, a strategic plan under the Thailand 4.0 model which not only aims to develop basic infrastructure to establish Thailand as an industrial hub in Asia but also serves as a plan to improve the economy and well-being of the Thai people, these factors will drive the demand for energy even more.

However, the government has recognized that Thailand relies heavily on domestic and imported natural gas to generate electricity. Thus, the latest Thailand Power Development Plan (PDP 2015) aims to reduce the proportion of natural gas used to generate electricity and increase the proportion of renewables and clean coal. As Gulf Energy Development Public Company Limited (the “Company”) mainly operates gas-fired power plants, it is vital to be able to predict and adapt to the constantly evolving trends in the energy industry.

I am proud to report that Gulf has been able to rise to the challenges of the industry, as evidenced by our rapid growth and successful entry into the stock market in December of 2017. I believe that this success is the result of the clear, outstanding strategic direction laid out by the Company executives coupled with the excellence of our personnel who have good knowledge, expertise, experience and understanding of the industry, the Company also has a strong organizational culture with employees that are unified and dedicated to a common goal to help carry the Company forward towards greater growth.

Throughout its growth, the Company has adhered firmly to the belief that we should not only provide a quality product, but we should do so in a trustworthy

and responsible manner. Accordingly, the Board of Directors has overseen the Company’s operations to ensure they comply with accepted standards of corporate governance, focusing especially on developing a system of internal control, risk management and auditing. Along with our responsibility to our investors and stakeholders, we also have a responsibility to serve the society and local communities we operate in. We have therefore established a number of programs to improve the well-being of the population, covering a range of environmental and social issues. These include educational scholarships and sponsorships, medical and public health improvement projects, agricultural training and teaching, and water and air quality testing and conservation programs. Investors can be assured that these governance and responsibility measures will be implemented to ensure accountability and transparency in our operations and bring the benefits to our society and the environment.

In the coming years, the Company expects to expand our business beyond conventional power generation in Thailand to include emerging renewable power sources as well as other power-related businesses both in the country and overseas. With the strong economic growth in ASEAN, especially in Cambodia, Laos, Malaysia and Vietnam (CLMV), coupled with the development of the EEC and the increased demand for renewables, the Company sees several opportunities for the business to grow and achieve even greater success, bringing benefits not only to our investors but to the Thai economy as a whole.

On behalf of the Board of Directors, the management and employees of the Company, I would like to thank you, our investors, for the support and encouragement you have given us and provide my assurance that we will maintain this operational direction to lead the Company towards continuous, stable growth in a sustainable manner for the benefit of our investors, stakeholders and society.



MESSAGE

FROM THE CHIEF EXECUTIVE OFFICER



Moving forward,
we would like to reiterate
our pledge to provide the most
reliable energy solution for
Thailand and other countries
through environmentally and
socially responsible use of
innovative strategies
and quality resources.



Sarath Ratanavadi

Sarath Ratanavadi
CHIEF EXECUTIVE OFFICER





Dear Valued Shareholders

It is my honor to share with you some of the significant developments that happened in Gulf Energy Development over the past year and our strategies for the future. This past year has seen our company continue to grow, with Gulf Energy Development being listed on the Stock Exchange of Thailand in December 2017. The overwhelming welcome we received from individual and institutional investors has reinforced our drive to achieve mutual success for the company, our shareholders and our clients.

We currently have close to twenty facilities in operation, with several more in the development or construction phase that are expected to begin commercial operations within the next few years. We are continually improving performance at our facilities by increasing our operating efficiency through adoption of the latest technology and innovative practices. The trust our clients place in our standards has allowed us to enter into long-term agreements to supply electricity to EGAT for distribution to household consumers and to supply electricity, steam and chilled water to industrial users. With our commitment to growth, we are also exploring ways to take the organization even further, seeking out greater opportunities both in Thailand and internationally. We endeavor to push the limits of the industry, combining knowledge and initiative to bring more value to our investors and pursue business on a global scale.

We recognize that, to be a leader in the energy sector, we must strive not only for the dynamic growth and development of the company, but of the country as well. We view energy as a public utility; thus, while expanding our business and maximizing shareholder value is a major priority for GULF, we have not abandoned our pledge to grow

sustainably and uphold our responsibility to the environment, to the communities around our facilities, and to society as a whole. We have continued our work to improve the well-being of the Thai people through programs focused on healthcare, sports and education for children and adults all over the country. We have also gained recognition for our efforts to minimize our environmental impact and encourage sustainability through community-building initiatives around our facilities.

In keeping with our commitment to sustainability, we are also making preparations for the changing landscape of the energy industry. We recognize the larger role renewable and alternative energies will play and are exploring opportunities to invest more in renewable projects including biomass and solar power facilities in Thailand and the surrounding region. We are laying the groundwork for strategic directives that are appropriate in the current conservative context of conventional power generation but that will also allow the business to be flexible in adapting to the challenges of the future. As our company continues to grow, we will work to ensure that we continue to maintain a strong standing in the energy market while exemplifying the characteristics of a responsible company.

None of this would have been possible without the hard work and dedication of our GULF family. Moving forward, we would like to reiterate our pledge to provide the most reliable energy solution for Thailand and other countries through environmentally and socially responsible use of innovative strategies and quality resources. On behalf of the employees and management at Gulf Energy Development, I would like to thank you for your trust and support over the past two decades and look forward to several more decades of sustainable growth.



Summary of Key Events 2017



January

- Gulf WHA MT established WHA NGD4 to develop gas distribution project and supply to industrial users in Hemaraj Eastern Seaboard Industrial Estate 4

February

- The Company transferred 51.0% of its shares in Gulf WHA MT to Hemaraj in accordance with their joint business development plan. Subsequently, in October 2017, Hemaraj transferred the shares to WHAUP, Hemaraj's subsidiary.

April

- The Company signed a memorandum of understanding with the Faculty of Engineering, Kasetsart University to collaborate on environmental and natural resource conservation and education, research and knowledge management

March

- The Board of Investment of Thailand (BOI) approved investment privileges for the GSRC and GPD power projects.

June

- The Company received interim dividends from its associate, GJP, for the first time, totaling 658 million baht.

May

- The Company registered its conversion from a Private Company Limited to a Public Limited Company.
- The Company changed its par value from 10.0 baht per share to 5.0 baht per share and increased its registered capital from 3,100.0 million baht to 10,666.5 million baht by issuing 1,513.3 million new ordinary shares.
- The GVTP power project, under the Company's subsidiary, GMP, commenced commercial operations.





August

- The Company raised 4,900.0 million baht in capital by issuing 980.0 million new ordinary shares offered to existing shareholders at the par value of 5.0 baht per share.

July

- The GTS1 power project, under the Company's subsidiary, GMP, commenced commercial operations.



October

- The GSRC and GPD power projects received BOI Certificates.
- The GPD power project received its Power Generation License and Factory License.
- The Company and Mitsui & Co. signed an addendum to the Joint Development Agreement agreeing that the Company will increase its shareholding in IPD to 70.0% of issued and paid-up shares while receiving 75.0% of IPD's total dividends.

September

- The GTS2 power projects, under the Company's subsidiary, GMP, commenced commercial operations.



December

- The Company's ordinary shares were registered and began trading on the Stock Exchange of Thailand on December 6, 2017.
- The Company used the IPO proceeds to pay off 10,200 million baht of its principal debt to financial institutions.

November

- The GTS3 power project, under the Company's subsidiary, GMP, commenced commercial operations.
- IPD increased its registered capital by issuing 198.9 million new shares at a par value of 10.0 baht per share. Mitsui & Co. renounced its right to subscribe for the new shares, resulting in the Company increasing its shareholding in IPD from 51.0% to 70.0%.
- The Company raised capital through an Initial Public Offering to the general public of 533.5 million new ordinary shares at the offering price of 45.0 baht per share.





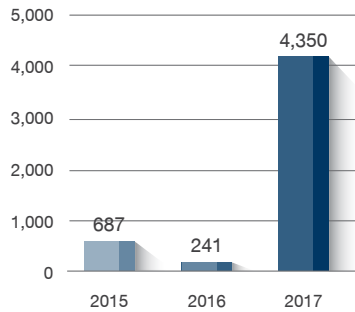
Financial Highlights

	2017	2016	2015
Consolidated Statements of Comprehensive income (Million Baht)			
Total revenues from sales and services	4,350	241	687
Total cost of sales and services	(3,286)	(235)	(466)
Gain (loss) on exchange rate	995	(32)	(83)
Share of profit from an associate and a joint venture	3,982	1,437	78
Profit (loss) for the year	3,907	221	(1,079)
Profit (loss) attributable to owners of the parent	3,451	418	(811)
Consolidated Statement of Financial Position (Million Baht)			
Total assets	100,652	59,816	20,822
Total liabilities	61,304	56,033	18,327
Total equity	39,348	3,782	2,495
Total equity attributable to owners of the parent	34,565	2,321	1,693
Financial Ratio			
Book value per share (Baht)	16.2	4.2	3.6
Earnings per share – weighted (Baht)	3.2	0.8	(1.7)
Earnings per share – diluted (Baht)	1.6	0.8	(1.7)
Profit to total revenues*(%)	46.9%	13.2%	-141.0%
Return on equity (%)	18.1%	7.0%	-35.1%
Return on assets (%)	4.9%	0.5%	-6.9%
Debt to equity (times)	1.6	14.8	7.3

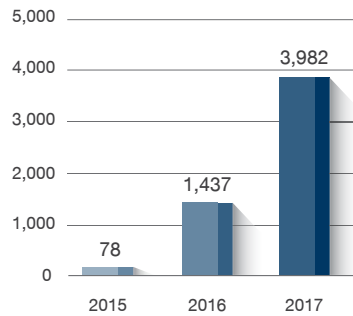
*Total revenues = revenues from sales and services and share of profit from an associate and a joint venture



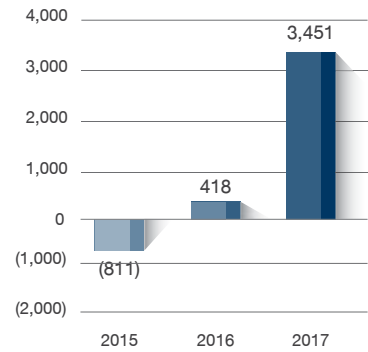
Total Revenues
(Million Baht)



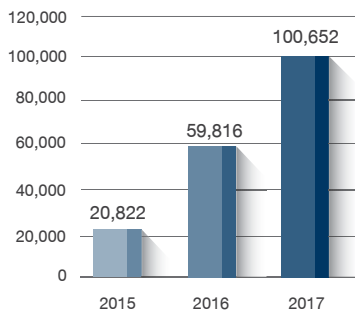
**Profit sharing from an associate
and a joint venture**
(Million Baht)



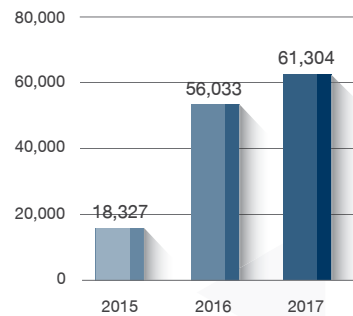
**Net Profit attributable to owners
of the parent**
(Million Baht)



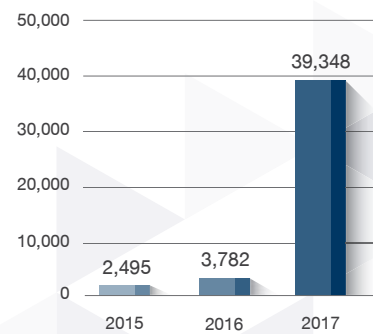
Assets
(Million Baht)



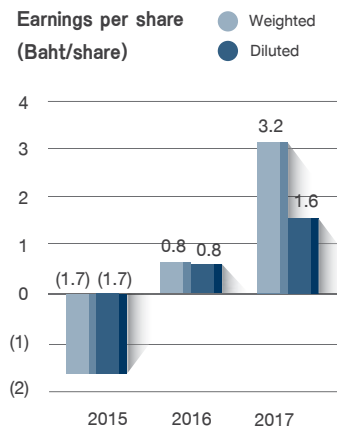
Liabilities
(Million Baht)



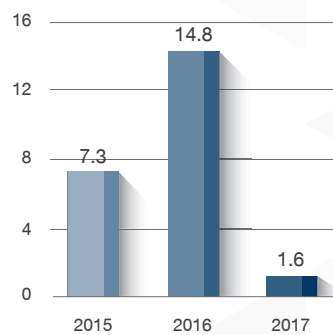
Equity
(Million Baht)



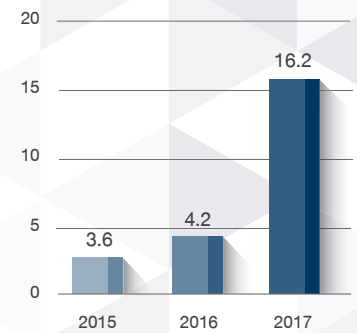
Earnings per share
(Baht/share)



Debt to Equity ratio
(Times)



Book Value per share
(Baht/share)

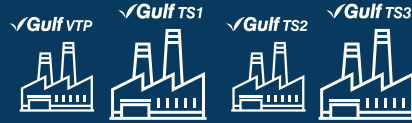


HIGHLIGHTS OF 2017



01

4 New SPPs
in commercial operation



02

Largest Thai corporate equity IPO in 13 years

24 Billion baht



✓Gulf WHA MT

03

Commencement construction
of the first gas distribution project

Shareholding in IPD
increased from 51% to

70%

04



32 environmental,
health and safety awards



05

Remark: Environmental Health and Safety awards that Gulf has received;

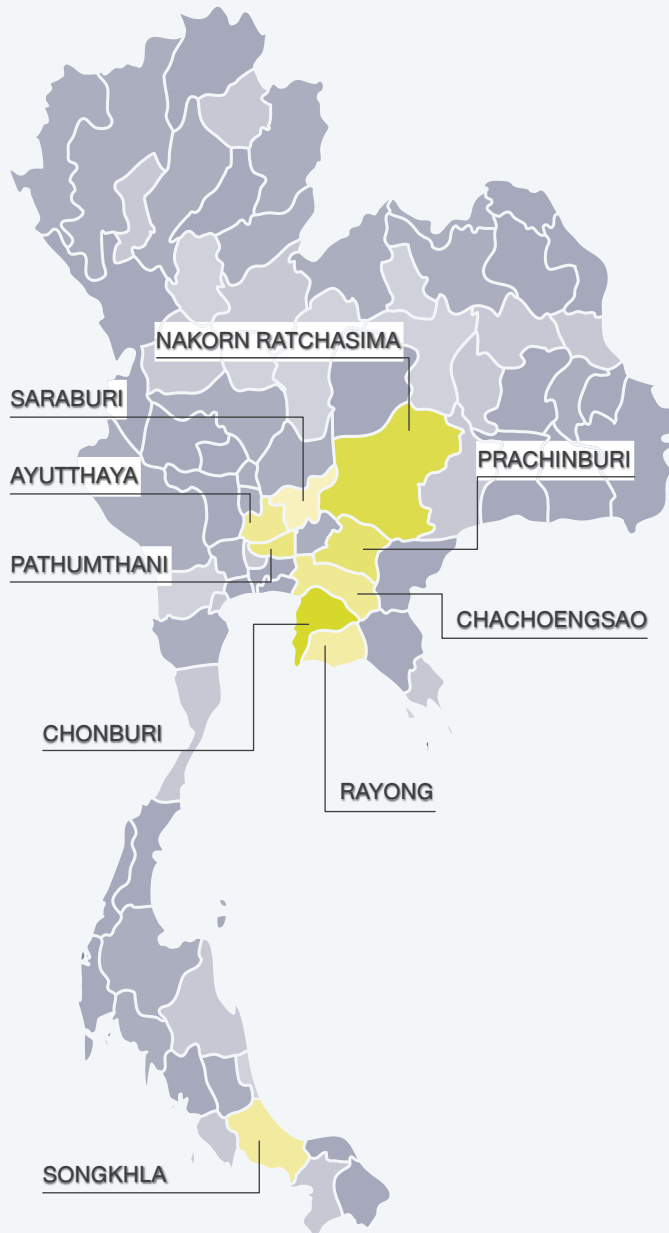
- EIA Monitoring Award granted by the Ministry of Industry: GNLL
- Corporate Social Responsibility: Department of Industrial Works (CSR DIW) Award granted by the Ministry of Labour: GCRN
- Carbon Footprint for Organizations (CFO) granted by the Thailand Greenhouse Gas Management Organization (Public Organization); GNLL GCRN GNK2 GKP1 GKP2
- Environmental governance/Environmental governance and Safety Award granted by the Ministry of Industry: GNS
- Green Industry Award granted by the Ministry of Industry: GNLL GCRN GNK2 GKP1 GKP2 GTLC
- Zero Accident Campaign Award granted by the Ministry of Labour: GNLL GCRN GNS GNK2 GKP1 GKP2 GTLC GNNK
- Outstanding Model Business for Environmental Health and Safety in the Workplace (provincial level): GNNK
- Workplace Substance Abuse Prevention Standard granted by the Ministry of Labour: GCRN GNK2
- Happy, Healthy Workplace granted by the Ministry of Public Health: GNK2 GTLC
- Development of Wastewater Quality Improvement and Monitoring Systems for the Promotion of Eco-Industry granted by the Ministry of Industry: GNS
- Green Star - White Flag Awards for the Environment and Safety Good Governance granted by Industrial Estate of Authority of Thailand: GKP1 GKP2
- Thai Labour Standard: The Social Responsibility of Thai Business (TLS, 8001-2010): GTLC
- Drug Free Workplace recognition granted by the Ministry of Labour: GUT

*** Green Meeting granted by the Thailand Environment Institute: All plants

28 POWER PLANTS IN 9 PROVINCES



All projects will fully operate by 2024



INDEPENDENT POWER PRODUCER (4)

AYUTTHAYA

- GULF JP UT*

SARABURI

- GULF JP NS*

RAYONG

- GULF PD

CHONBURI

- GULF SRC



COGENERATION (19)

PATHUMTHANI

- GULF JP CRN*

CHACHOENGSAO

- GULF JP NNK*

SARABURI

- GULF JP KP1*
- GULF JP KP2*
- GULF JP TLC*
- GULF JP NK2*
- GULF NPM

RAYONG

- GULF JP NLL*
- GULF VTP*
- GULF TS1*
- GULF TS2*
- GULF TS3*

PRACHINBURI

- GULF JP NC

CHONBURI

- GULF TS4
- GULF NLL2

AYUTTHAYA

- GULF BL
- GULF BP

NAKORN RATCHASIMA

- GULF NRV1
- GULF NRV2



SOLAR ROOFTOP (4)

CHONBURI

- GULF SOLAR BV**
- GULF SOLAR KKS

RAYONG

- GULF SOLAR TS1*
- GULF SOKAR TS2



BIOMASS (1)

SONGKHLA

- GULF CHANA GREEN

*Projects in operation



Background and Key Milestones

2011

- The Company was incorporated
- 12 gas-fired SPPs under GHC signed PPAs with EGAT
- GHC transferred all of its stake in 12 gas-fired SPPs to the Company

2012

- GHC transferred its 10.0% stake in GJP to the Company
- IIPD was established by the Company to participate in the IPP solicitation program in 2012

2008

- 2 gas-fired IPPs under GJP signed PPAs with EGAT

2010

- GHC was awarded 12 gas-fired SPPs

2009

2009

- GHC acquired a 10.0% equity interest in GJP from J-Power
- 7 gas-fired SPPs under GJP signed PPAs with EGAT

2007

- GHC was established by Mr. Sarath Ratanavadi, as his wholly-owned company
- GJP was established by J-Power, as its wholly-owned subsidiary
- GJP was awarded 7 gas-fired SPPs and won the bidding to develop 2 gas-fired IPPs

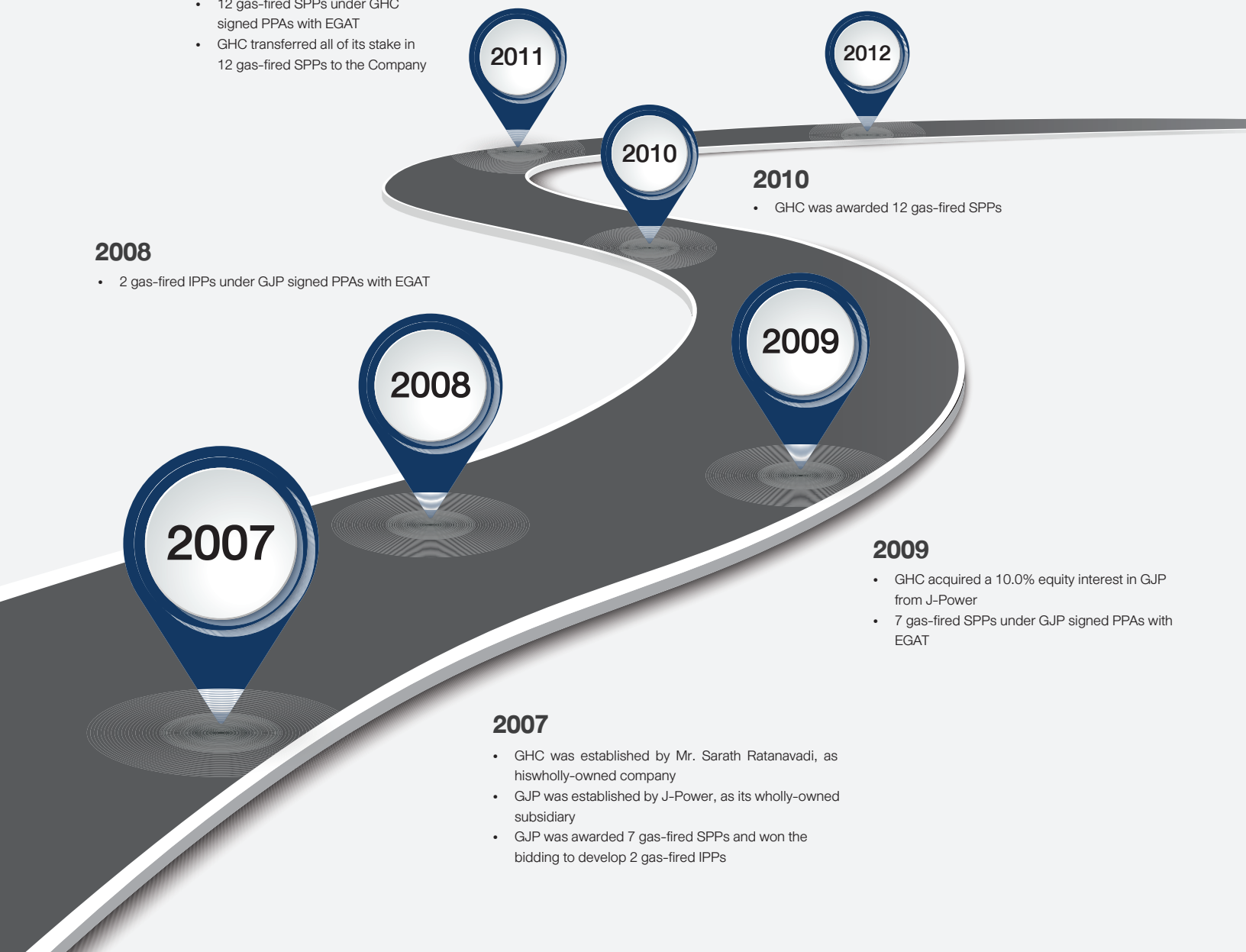
2007

2008

2010

2011

2012





2013

- Mitsui & Co. acquired a 49.0% equity interest in IPD
- IPD was awarded 2 gas-fired IPPs, GSRC and GPD, which subsequently signed PPAs with EGAT
- GMP was established by the Company, and the Company transferred all of its stake in the 12 gas-fired SPPs to GMP
- Gulf Solar was established by the Company, which secured the rights to develop and operate 4 rooftop solar power projects

2013

2014

- WHA Energy, a subsidiary of WHAUP, acquired a 25.0% equity interest in Gulf Solar
- The Company established GCG, as its wholly-owned subsidiary

2014

2015

- The Company established Gulf WHA MT
- MIT-Power (wholly owned by Mitsui & Co.) acquired a 30.0% equity interest in GMP
- The Company divested Pomodoro Group Co., Ltd., a non-power related subsidiary
- Gulf HK bought 0.5% of EDL-Gen's issued and paid-up shares.

2015

2016

- The Company was awarded the GCG biomass project
- The Company acquired an additional 30.0% equity interest in GJP from J-Power, increasing its total stake to 40.0%
- The Company divested Gulf Sport, a non-power related subsidiary
- WHA NGD2 was established

2016

2017

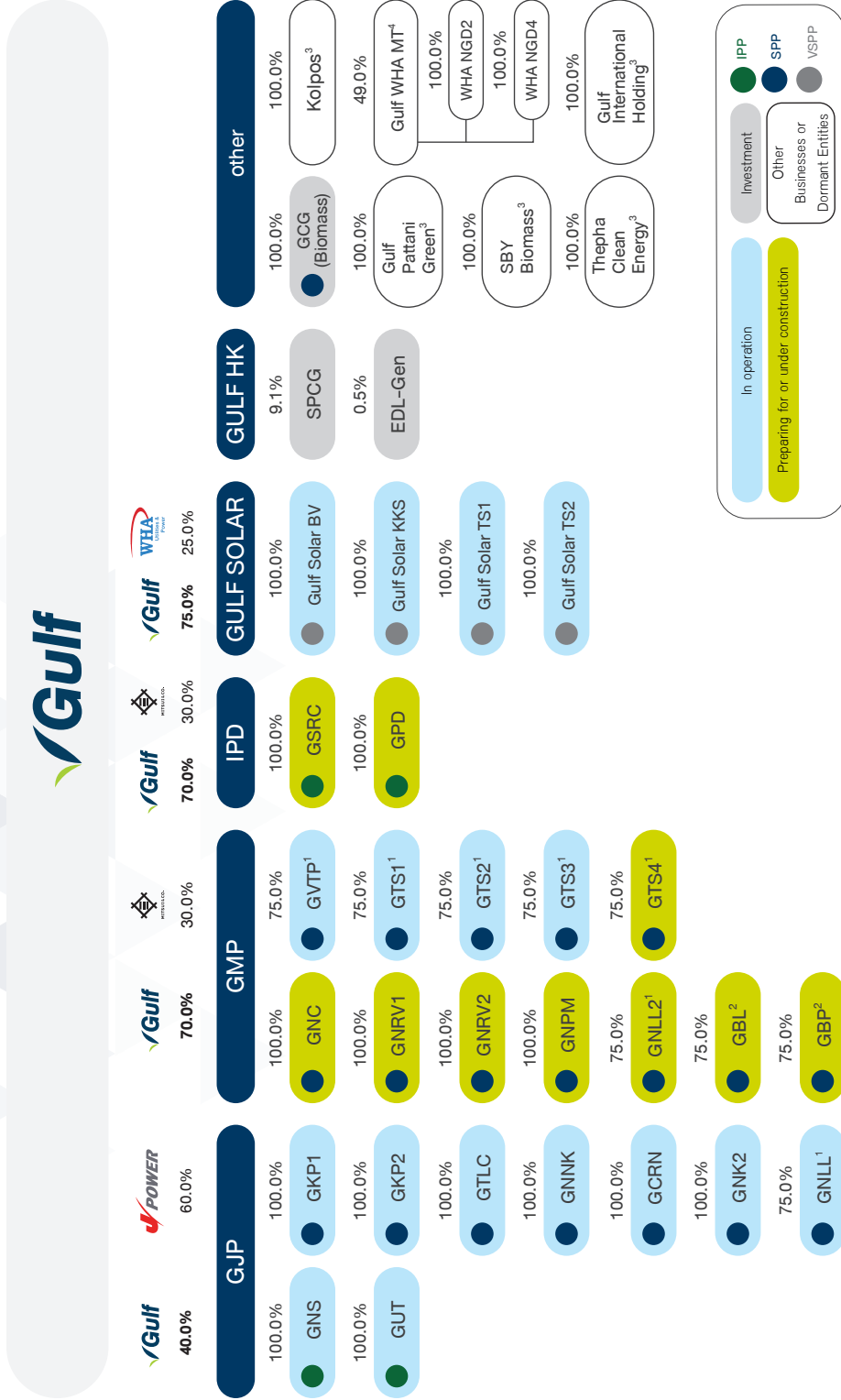
2017

- WHA NGD4 was established
- The Company transferred the 51.0% share capital of Gulf WHA MT to Hemaraj¹
- The Company registered its conversion to a public company limited with the MOC
- 4 gas-fired SPPs under GMP commenced commercial operations
- The Company's shares were listed and began first trading on the Stock Exchange of Thailand on December 6, 2017.

¹ Later Hemaraj transferred the share capital to WHAUP, Hemaraj's subsidiary



Investment Structure



Notes:

1. WHA Energy, a subsidiary of WHAUP, holds a 25.0% equity interest in GNLL GVTP, GTS1, GTS2, GTS3, GTS4 and GNLL2
2. Thai Industrial Estate Corp., Ltd. holds 25.0% equity interests in GBL and GBP
3. Gulf Pattani Green, SBY Biomass, Thepha Clean Energy, Kolpos and Gulf International Holding are dormant companies
4. As of December 31, 2017, the Company and WHAUP held 49.0% and 51.0% in Gulf WHA MT, respectively. But at present, the Company, WHAUP and MITG hold 35.0%, 35.0% and 30.0%, respectively.



Nature of Business

The Company is a holding company with a portfolio of electricity, steam and chilled water generating projects and other related businesses, and is one of Thailand's largest private power producers. Taking into account power projects in operation and power projects under construction and development which will commence commercial operations by 2024, the Group has a total installed power generation capacity of 11,125.6 MW, or 6,329.2 MW on an equity basis. As of December 31, 2017, the Company's power projects currently in operation have a total installed power generation capacity of 4,772.1 MW, or 1,963.5 MW on an equity basis.

The Group's business structure can be divided into 3 main business groups, namely, the gas-fired power business, the renewable energy business, and other businesses.

1. Gas-fired Power Business



The Group's gas-fired IPPs generate and sell electricity to EGAT under a 25-year long-term power purchase agreement, while the Group's gas-fired SPPs sell approximately 70.0% to 80.0% of their installed power generation capacity to EGAT under a power purchase agreement with 25-year terms starting from the commercial operation date. The electricity sold to EGAT is distributed through EGAT's grid, whose network covers the entire country, so that it may be sold to PEA and MEA who will then

distribute the electricity to consumers around the country. Furthermore, the gas-fired SPPs also generate and sell electricity, steam and chilled water to industrial users according to purchase agreements.

The Company invests in, develops and operates gas-fired power projects through subsidiaries and an associate, which can be classified into 3 groups as follows:

1. GJP

The Company holds a 40.0% equity interest in the associate GJP to operate 9 power projects, including 2 gas-fired IPPs, namely GNS power project located in Saraburi province and GUT power project located in Ayutthaya province, and 7 gas-fired SPPs, located in Saraburi, Ayutthaya, Chachoengsao, Rayong and Pathumthani provinces, with a total installed power generation capacity of 4,236.6 MW or 1,682.3 MW on an equity basis. All of these power projects commenced operations between 2013 and 2015.

2. GMP

The Company holds a 70.0% equity interest in the subsidiary GMP to operate 12 gas-fired SPPs, located in Rayong, Prachinburi, Ayutthaya, Saraburi and Nakorn Ratchasima provinces, with a total installed power generation capacity of 1,563.4 MW or 911.4 MW. These power projects are scheduled to commence commercial operations between 2017 and 2019.

3. IPD

The Company holds a 70.0% equity interest in the subsidiary IPD to operate 2 gas-fired IPPs, namely GSRC power project located in Chonburi province and GPD power project located in Rayong province, with a total installed power generation capacity of 5,300.0 MW or 3,710.0 MW. At present, these power projects have been granted all required key permits and are scheduled to commence commercial operations between 2021 and 2024.



2. Renewable energy business



Rooftop solar power projects

The Company holds 75.0% equity interest in the subsidiary Gulf Solar, which operates four rooftop solar VSPPs located in Chonburi and Rayong provinces with a total installed power generation capacity of 0.6 MW. All of these power projects commenced commercial operations between 2014 and 2015.

Biomass power project

The Company wholly owns the subsidiary GCG which operates a biomass SPP located in Songkhla province. The power project will receive an extra adder of 1.0 baht per kilowatt-hour for being located in one of the 4 districts in Songkhla province for 7 years, thereby receiving a total adder of 1.3 baht per kilowatt-hour. At present, the GCG power project has been granted all required key permits. Construction is scheduled to begin in 2018 with commercial operations commencing in 2020.

3. Other businesses

Gas distribution business

The Company is developing its gas distribution business serving industrial users in industrial estates

owned by the WHA Group through the Company's joint venture, Gulf WHA MT. As of the end of 2017, the Company held 49.0% equity interest in Gulf WHA MT, but currently have reduced its stake to 35.0%; WHAUP holds 35% of shares, and MITG holds 30% of shares. Gulf WHA MT wholly owns 2 subsidiaries, namely WHA NGD2 and WHA NGD4, which are the operators of gas distribution projects in Hemaraj Eastern Seaboard Industrial Estate 2 and Hemaraj Eastern Seaboard Industrial Estate 4. At present, these projects have been granted all required key permits and are expected to commence commercial operations between 2018 and 2019.



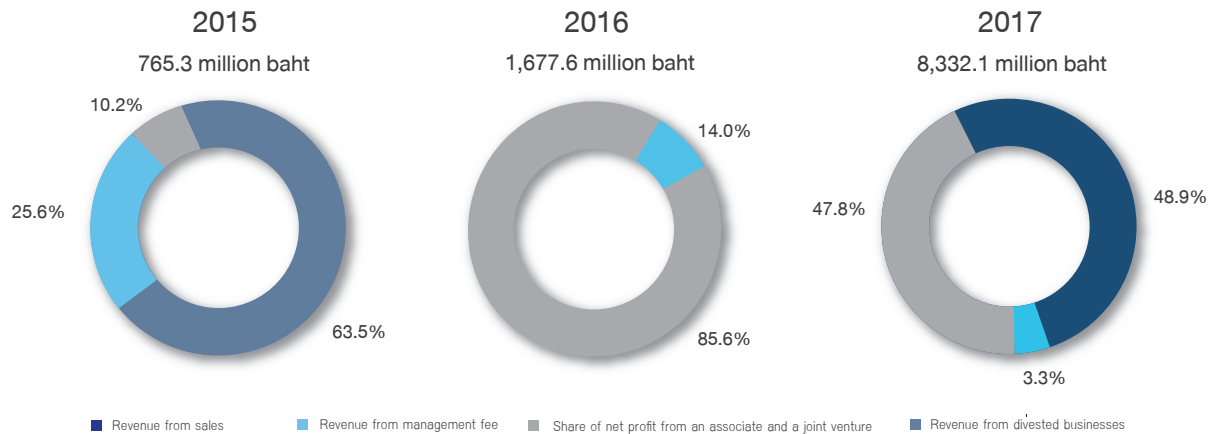
Management services business

The Company provides management services to power projects within the group from the development and construction stage to the management stage after commencement of commercial operation, including planning and providing operational policy management services, operation and maintenance services, accounting, finance and administrative support to the power projects.



Revenue structure

In 2017, the majority of the Group's revenues came from the gas-fired power business through the sales revenue from GMP and share of profit from GJP.



The table shows selected data for the Group's operating power projects and power projects currently in operation and preparing for or under construction under GMP, IPD, Gulf Solar and GJP as of December 31, 2017

Project name	Category	Location	Type of power project	Installed power/steam/chilled water generation capacity	Direct and indirect shareholding	Equity installed power/steam/chilled water generation capacity	Commercial operation dates/Scheduled commercial operation dates
GMP Group:							
<i>In operation</i>							
GVTP	SPP	Rayong	Gas-fired (CG)	EE: 137.0MW ST: 20.0TPH	52.5%	EE: 71.9MW ST: 10.5TPH	May 16, 2017
GTS1	SPP	Rayong	Gas-fired (CG)	EE: 134.0MW ST: 30.0TPH	52.5%	EE: 70.3MW ST: 15.7TPH	July 8, 2017
GTS2	SPP	Rayong	Gas-fired (CG)	EE: 134.0MW ST: 30.0TPH	52.5%	EE: 70.3MW ST: 15.7TPH	September 1, 2017
GTS3	SPP	Rayong	Gas-fired (CG)	EE: 129.9MW ST: 25.0TPH	52.5%	EE: 68.2MW ST: 13.1TPH	November 1, 2017
<i>Preparing for or under construction</i>							
GTS4	SPP	Rayong	Gas-fired (CG)	EE: 129.9MW ST: 25.0TPH	52.5%	EE: 68.2MW ST: 13.1TPH	January 1, 2018
GNC	SPP	Prachinburi	Gas-fired (CG)	EE: 126.5MW ST: 20.0TPH	70.0%	EE: 88.5MW ST: 14.0TPH	March 1, 2018



Project name	Category	Location	Type of power project	Installed power/ steam/chilled water generation capacity	Direct and indirect shareholding	Equity installed power/steam/chilled water generation capacity	Commercial operation dates/ Scheduled commercial operation dates
GBL	SPP	Ayutthaya	Gas-fired (CG)	EE: 126.8MW ST: 10.0TPH	52.5%	EE: 66.6MW ST: 5.3TPH	Expected September 2018
GBP	SPP	Ayutthaya	Gas-fired (CG)	EE: 126.8MW ST: 10.0TPH	52.5%	EE: 66.6MW ST: 5.3TPH	Expected November 2018
GNULL2	SPP	Rayong	Gas-fired (CG)	EE: 126.9MW ST: 10.0TPH	52.5%	EE: 66.6MW ST: 5.2TPH	Expected January 2019
GNPM	SPP	Saraburi	Gas-fired (CG)	EE: 135.2MW ST: 25.0TPH	70.0%	EE: 94.7MW ST: 17.5TPH	Expected March 2019
GNRV1	SPP	Nakorn Ratchasima	Gas-fired (CG)	EE: 128.2MW ST: 10.0TPH	70.0%	EE: 89.8MW ST: 7.0TPH	Expected May 2019
GNRV2	SPP	Nakorn Ratchasima	Gas-fired (CG)	EE: 128.2MW ST: 10.0TPH	70.0%	EE: 89.8MW ST: 7.0TPH	Expected July 2019
Subtotal				EE: 1,563.4 MW ST: 225.0TPH		EE: 911.4 MW ST: 129.5TPH	
IPD : Preparing for or under construction							
GSRC	IPP	Chonburi	Gas-fired (CCGT)	EE: 2,650.0MW	70.0%	EE: 1,855.0MW	Unit 1 and 2: Expected 2021 Unit 3 and 4: Expected 2022
GPD	IPP	Rayong	Gas-fired (CCGT)	EE: 2,650.0MW	70.0%	EE: 1,855.0MW	Unit 1 and 2: Expected 2023 Unit 3 and 4: Expected 2024
Subtotal				EE: 5,300.0MW		EE: 3,710.0MW	
Gulf Solar : In operation							
Gulf Solar BV	VSPP	Chonburi	Solar	EE: 0.13MW	75.0%	EE: 0.10MW	June 23, 2014
Gulf Solar TS1	VSPP	Rayong	Solar	EE: 0.13MW	75.0%	EE: 0.09MW	August 27, 2014
Gulf Solar KKS	VSPP	Chonburi	Solar	EE: 0.25MW	75.0%	EE: 0.19MW	December 26, 2014
Gulf Solar TS2	VSPP	Rayong	Solar	EE: 0.09MW	75.0%	EE: 0.07MW	January 8, 2015
Subtotal				EE: 0.60MW		EE: 0.45MW	



Project name	Category	Location	Type of power project	Installed power/steam/chilled water generation capacity	Direct and indirect shareholding	Equity installed power/steam/chilled water generation capacity	Commercial operation dates/Scheduled commercial operation dates
GCG: Preparing for or under construction							
GCG	SPP	Songkhla	Biomass	EE: 25.0MW	100.00%	EE: 25.0MW	Expected 2020
Subtotal				EE: 25.0MW		EE: 25.0MW	
GJP (associate) : In operation							
GNS	IPP	Saraburi	Gas-fired (CCGT)	EE: 1,653.2MW	40.0%	EE: 661.3MW	Unit 1: June 1, 2014 Unit 2: December 1, 2014
GUT	IPP	Ayutthaya	Gas-fired (CCGT)	EE: 1,752.4MW	40.0%	EE: 701.0MW	Unit 1: June 1, 2015 Unit 2: December 1, 2015
GKP1	SPP	Saraburi	Gas-fired (CG)	EE: 114.0MW ST: 22.0TPH	40.00%	EE: 45.6MW ST: 8.8TPH	January 5, 2013
GKP2	SPP	Saraburi	Gas-fired (CG)	EE: 114.0MW ST: 22.0TPH	40.00%	EE: 45.6MW ST: 8.8TPH	February 1, 2013
GTLC	SPP	Saraburi	Gas-fired (CG)	EE: 114.0MW ST: 15.0TPH	40.00%	EE: 45.6MW ST: 6.0TPH	March 1, 2013
GNNK	SPP	Chachoengsao	Gas-fired (CG)	EE: 114.0MW CW: 3,200.0RT	40.00%	EE: 45.6MW CW: 1,280.0RT	April 1, 2013
GNULL	SPP	Rayong	Gas-fired (CG)	EE: 123.0MW ST: 8.0TPH CW: 4,600.0RT	30.00%	EE: 36.9MW ST: 2.4TPH CW: 1,379.8RT	May 1, 2013
GCRN	SPP	Pathumthani	Gas-fired (CG)	EE: 119.0MW ST: 15.0TPH	40.00%	EE: 47.6MW ST: 6.0TPH	July 1, 2013
GNK2	SPP	Saraburi	Gas-fired (CG)	EE: 133.0MW ST: 10.0TPH	40.00%	EE: 53.2MW ST: 4.0TPH	October 1, 2013
Subtotal				EE: 4,236.6MW ST: 92.0TPH CW: 7,800.0RT		EE: 1,682.3MW ST: 36.0TPH CW: 2,659.8RT	



Project name	Installed power /steamchilled water generation capacity	The Company's equity installed power/steam/chilled water generation capacity
Total in operation	EE: 4,772.1MW ST: 197.0TPH CW: 7,800.0RT	EE: 1,963.5MW ST: 91.1TPH CW: 2,659.8RT
Total preparing for or under construction	EE: 6,353.6MW ST: 120TPH	EE: 4,365.7MW ST: 74.4TPH
Total	EE: 11,125.6MW ST: 317.0TPH CW:7,800.0RT	EE: 6,329.2MW ST: 165.5TPH CW:2,659.8RT



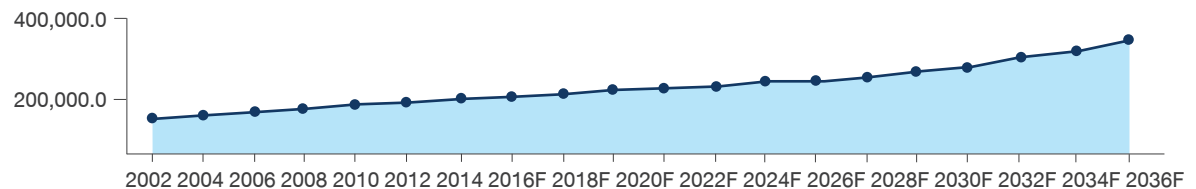


Industry Overview

Demand

Electricity demand in Thailand is expected to grow in tandem with economic growth. Based on the anticipated annual growth of electricity generation requirement as forecasted by the Thailand Power Development Plan (“PDP”) 2015, electricity consumption in Thailand will continue growing in the next five years (2018-2022) at a CAGR of 3.2%, from 196,359.3 GWh in 2018 to 222,931.0 GWh in 2022. In addition, long-term electricity consumption is expected to grow at a CAGR of 2.6% from 185,124.1 GWh in 2017 to 301,326.9 GWh in 2036.

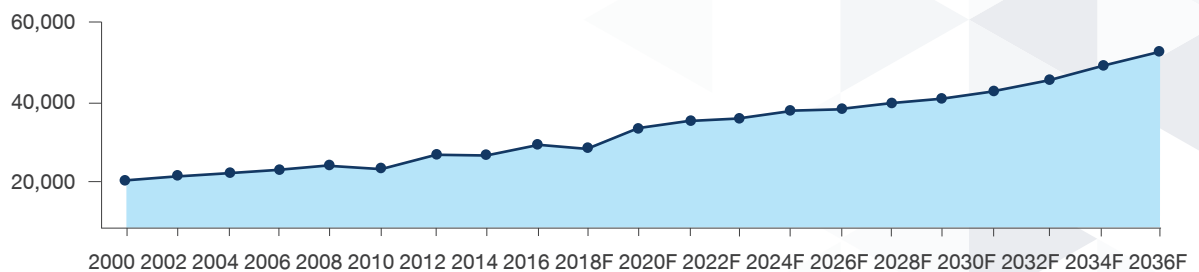
Total Electricity Consumption in Thailand, 2002-2036F



Source: EPPO, Ministry of Energy Thailand and Frost & Sullivan

In the last two decades, peak power demand has grown at a CAGR of 3.9%, with peak power demand reaching 28,578.0 MW in 2017. Estimates published in PDP 2015 indicate that peak power demand is forecasted to grow at 2.4%, from 32,429.0 MW in 2018 to 49,655.0 MW in 2036. Generally, peak power demand increases with the rising temperatures in April or May due to the hot weather, drought and increased air conditioner use among consumers. Typically, increased peak power demand occurred after the Songkran festival where higher consumption of electricity is experienced in the industrial, services and household sectors.

Peak Power Demand in Thailand, 2000-2036F



Source: Thailand PDP 2008-2021, Thailand PDP 2012-2030, and Thailand PDP 2015-2036, Ministry of Energy Thailand and Frost & Sullivan

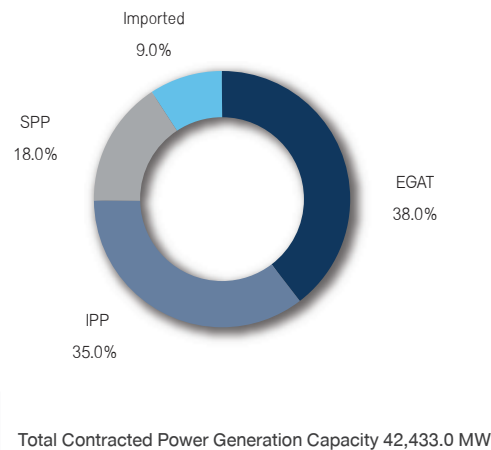


Supply

According to EPPO Energy Statistics, in December 2017, total contracted power generation capacity in Thailand was 42,433.0 MW, of which 16,071.0 MW or 38.0% of total power generation capacity was generated by EGAT and 14,949.0 MW or 35.0% and 7,536.0 MW or 18.0% was generated by IPPs and SPPs, respectively.

In addition, Thailand also imported 3,878.0 MW or 9.0% of its total contracted power generation capacity from Lao PDR and Malaysia.

Total Contracted Power Generation Capacity in Thailand, by Types of Power Operators, 2017



Note: The information above includes contracted power generation capacity on EGAT's transmission system and direct supply to the industrial sector, but excludes generation capacity of VSPPs due to unavailability of data.

Source: Energy statistics, EPPO

Contracted power generation capacity in Thailand between 2011 and 2017 was dominated by EGAT and IPPs. EGAT accounted for the largest share of capacity at 47.7%, or 14,998.0 MW, in 2011 and 38%, or 16,071.0 MW, in 2017, with the lowest CAGR of 1.2% among all power generation players. IPPs accounted for the second largest share of contracted capacity at 38.4% or 12,082.0 MW in 2011 and 35.0% or 14,949.0 MW in 2017, with a CAGR of 3.6%.

Contracted power generation capacity of SPPs and imported sources increased between 2011 and 2017, with contracted power generation capacity of SPPs growing at a CAGR of 22.9% from 2,182.0 MW in 2011 to 7,536.0 MW in 2017. The growth of SPPs is mainly supported by the PDP that promotes SPPs to ensure power system reliability in Thailand.

At the same time, contracted power generation capacity from imported sources (Lao PDR and Malaysia) grew at a CAGR of 10.0% from 2,185.0 MW to 3,878.0 MW. The increased power generation capacity resulted mainly from the increased power generation capacity of Hongsa Power Plant in Lao PDR



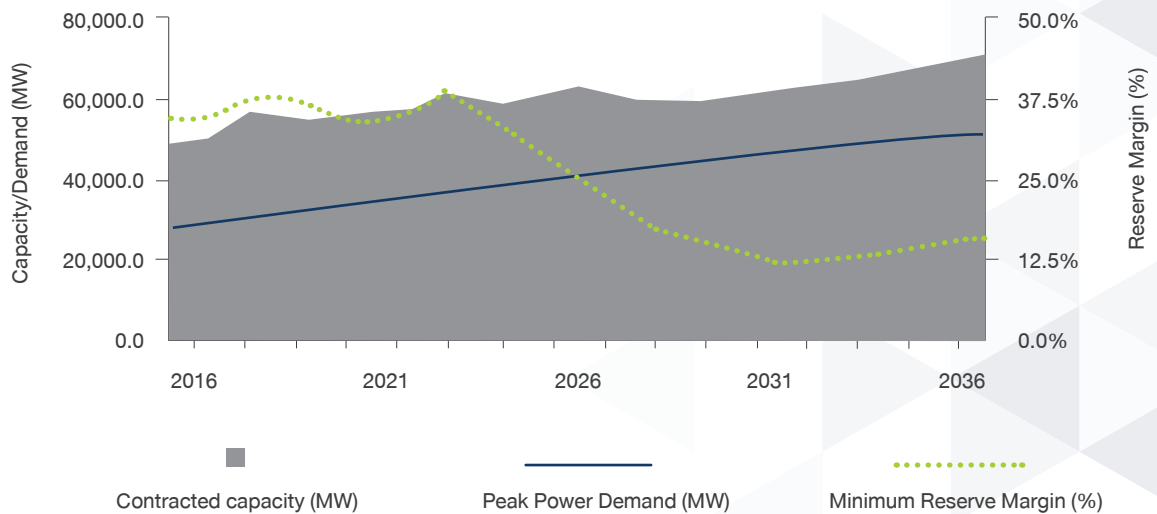
which has commenced commercial operations, with a power generation capacity of 1,878.0 megawatts. According to the information published in PDP 2015, from 2018-2024, Thailand will see increased contracted power generation capacity from new power plants and power plants built to replace some old plants, totaling 16,541.0 MW of power generation capacity, including 10 power projects belonging to the Group with a total contracted power generation capacity of 5,720.0 MW.

Reserve Margin

The PDP 2015 set a minimum reserve margin target at 15.0% above peak power demand to ensure minimal disruption of electricity supply in the country.

The minimum reserve margin in Thailand is estimated to be 33.9% in 2017 and is projected to peak at 39.4% in 2024 before stabilizing at around 15.0% from 2033 onwards. The increase in the minimum reserve margin in Thailand is mainly supported by the additional power generation capacity of 14,878.0 MW from combined cycle power plants between 2015 and 2026 and 10,644.0 MW from renewable energy power plants (excluding large-scale hydro power plants) in the same period.

Contracted Power Generation Capacity (MW), Peak Power Demand (MW) and Minimum Reserve Margin (%) in Thailand, 2016-2036, according to PDP 2015



Source: PDP 2015 and analysis from Frost & Sullivan



Risk Factors

Operational risks

Risks resulting from reliance on EGAT and certain downstream industrial users

Currently, EGAT is the sole buyer for the power generated by the Group's gas-fired IPPs and purchase approximately 70.0% to 80.0% of the power generated by each of the Group's gas-fired SPPs. Therefore, the Group's power generation and sales business relies heavily on EGAT.

In regards to the Group's gas-fired SPPs, approximately 20.0% to 30.0% of the total installed capacity were utilized to produce power, steam and chilled water and sell to industrial users in or near the industrial estates where the power projects are located. Thus, the Group is reliant on certain groups of downstream industrial users who represent major offtakers. In any case, the Company has clear measures and criteria to evaluate offtakers' reliability which take into account each industrial client's financial position and payment history in order to reduce associated risks before entering into any agreement with a client.

Risks resulting from reliance on procurement and delivery of natural gas from one supplier

PTT, a state-owned company, is the only entity that supplies natural gas to gas-fired power projects in Thailand under the current structure of the fuel supply industry in Thailand. Therefore, each of the Group's gas-fired power projects has entered into an agreement to purchase natural gas from PTT covering the entire term of the PPAs made with EGAT. As the majority of the Group's power projects use natural gas as the major fuel source, the Group is heavily reliant on the procurement and delivery of natural gas from PTT.

In this regard, the PPAs made between EGAT and the Group's gas-fired IPPs and SPPs are different in that the PPAs for IPPs include a clause requiring EGAT to make availability payments in all cases

where PTT is unable to supply sufficient quantities of natural gas or with the appropriate quality requirements. However, under the PPAs for SPPs, in cases where PTT is unable to supply sufficient quantities of natural gas or with the appropriate quality requirements, EGAT is not required to make the capacity payments except in cases of force majeure event where the Company will receive partial capacity payments from EGAT according to the formula set out under the PPAs whereas under power, steam and chilled water purchase agreements with industrial users, the Company will not receive any compensation. In cases where the quality of the natural gas from PTT have changed, the SPPs may modify the power generation machinery or equipment to suit the quality of the natural gas with a reasonable modifying cost.

Risks resulting from the inability to develop its pipeline projects within the designated period or specified budget

The Group's projects under construction or development may be affected by different factors such as delays in issuance of permits from the relevant authorities, legal disputes or litigation, cancellation of key project development contracts, changes in laws and regulations which adversely affect the Group's business, natural disasters, accidents, delays in delivery of fuel or key equipment, design and construction flaws, and lack or increased prices of construction equipment and materials.

The abovementioned factors may result in the Group being unable to complete project construction or development, or may delay the commencement of commercial operation of the power project, or may cause the return on investment of the power project to decline which includes cost overrun, loss of income, and fines or payment for damages set out in relevant contracts, or may lead to contract cancellation. In any case, so far, the Group's power projects currently in operation have been completed within



budget as the agreements the Group signed with contractors have clearly stated the construction value and completion periods, and have included a provision allowing the power project to levy fines against contractors which are estimated to cover expenses caused by delays in construction.

Financial risks

Risks from currency exchange rate volatility

The Group's project costs and operational results may be affected by currency exchange rate volatility as (a) a portion of financing is dominated in the U.S. dollar, (b) a portion of payments under EPC contracts is denominated in foreign currencies including the U.S. dollar, Swedish Krona, Euro and/or Japanese Yen, (c) a portion of payments under long-term service and parts agreements is denominated in foreign currencies including the U.S. dollar, Swedish Krona and/or Japanese Yen, and (d) a portion of the power project's sales revenue is linked to the U.S. dollar (approximately 50% of availability payment and capacity payment will be affected by exchange rate volatility between the U.S. dollar and Thai Baht).

The Group seeks to manage the currency exposure through a natural hedge both during the construction phase (cash inflows from the portion of loans made in the U.S. dollar will offset the portion of payments under EPC contracts to be made in the U.S. dollar) and after the commencement of commercial operations (cash inflows from the portion of sales revenue linked to the U.S. dollar will offset loan repayment burdens and power project maintenance costs in the same currency). Nevertheless, the natural hedge process cannot completely eliminate the risk incurred by exchange rate volatility. Thus, the Group has entered into currency forward contracts to reduce the remaining risk from exchange rate volatility so that it may manage this risk to the fullest possible extent.

Risks from interest rate volatility

The Group's project costs and operational results may be affected by interest rate volatility as the Group needs to seek a significant amount of borrowings to finance the development and construction of its power projects. To date, the aforementioned borrowings tended to have floating interest rates referenced against LIBOR, MLR or THBFIX. The Group therefore entered into interest rate swaps to reduce risks resulting from interest rate volatility to the fullest extent.

Risks from financial market liquidity and the ability to procure funding under acceptable conditions

The Group requires to invest a considerable amount of money to fund the development and construction of its power projects and may require additional investment as a result of future expansion to maintain its business competitiveness. The Company expects to use the proceeds raised through its IPO and external funding options such as loans from banks, debentures, bills of exchange and other options of funding to expand the Group's business. That being said, the Company's ability to procure external funding under terms that benefit the Company is dependent on several uncertain factors such as the Group's financial position, operational performance and future cash flow, the overall condition of the global money market and capital market, the volatility of the Thai Baht and interest rates in Thailand and abroad, supportive state policies and favorable regulations in the form of tax incentives. To prepare for such contingencies, the Company has arranged an experienced and expert team to continually monitor and analyze the impacts from the aforementioned factors. In addition, the Company is exploring innovative fund raising options, while seeking for financially stable and reliable strategic alliances in order to be ready for any investment and business development opportunities that may arise in the future.



Securities and Shareholders Structure

1. Registered Capital and Paid-up Capital of the Company

The Company has a registered capital of 10,666,500,000 baht, of which 10,666,500,000 is paid-up, comprising 2,133,300,000 ordinary shares at the par value of 5.0 baht per share.

2. Shareholders

Ten largest shareholders whose names appear in the shareholders' registration as of December 29, 2017.

Shareholders	Number of Shares	Shareholding (%)
1. Mr. Sarath Ratanavadi's group	1,539,500,000	72.2
1.1 Mr. Sarath Ratanavadi	755,999,994	35.4
1.2 Mrs. Nalinee Ratanavadi ⁽¹⁾	3,500,000	0.2
1.3 Gulf Holding (Thailand) Company Limited ⁽²⁾	100,000,002	4.7
1.4 Gulf Capital Holdings Limited ⁽³⁾	476,000,002	22.3
1.5 Gulf Investment and Trading Pte. Ltd. ⁽⁴⁾	204,000,002	9.6
2. Bangkok Bank Public Company Limited	64,000,000	3.0
3. Euroclear Nominees Limited	64,000,000	3.0
4. Sino-Thai Engineering & Construction Public Company Limited	40,000,000	1.9
5. UBS AG Singapore Branch	34,577,000	1.6
6. Rojana Industrial Park Public Company Limited	20,000,000	0.9
7. Bualuang Long-Term Equity Fund	15,687,900	0.7
8. SCB Dividend Stock 70/30 Long Term Equity Fund	8,302,700	0.4
9. TISCO Master Pooled Fund	5,924,900	0.3
10. Bangkok Life Assurance Public Company Limited	5,500,000	0.3
Total	1,797,492,500	84.3

Note: 1) Mrs. Nalinee Ratanavadi is the spouse of Mr. Sarath Ratanavadi

2) A company limited registered under the laws of Thailand wholly owned by Mr. Sarath Ratanavadi

3) A company limited registered under the laws of Hong Kong of which Mr. Sarath Ratanavadi is a beneficiary

4) A company limited registered under the laws of Singapore of which Mr. Sarath Ratanavadi is a beneficiary

2.2 The free float proportion is 27.7% (Information as of December 29, 2017).

2.3 Major shareholders comprising persons involved in management of the Company include Mr. Sarath Ratanavadi, holding 755,999,994 shares, equivalent to 35.4% (Information as of December 29, 2017).

2.4 Shareholders agreements that significantly impact the Company or other shareholders:

- none -

3. Other securities

As of December 31, 2017, the Company holds debt securities in the form of name-registered unsubordinated secured debentures with debenture holders' representatives. The debentures, totalling 6,000 million baht, have not reached maturity and will reach maturity on August 15, 2019. The debentures are guaranteed by two financial institutions.



Dividend Payment Policy of the Company and its Subsidiaries

Dividend payment policy of the Company

The Company has a policy to pay dividends at no less than 30% of net profit, referenced against the Company's non-consolidated financial statements, after deducting taxes, legal reserves and other obligations of loan agreement conditions. However, dividend payment may be adjusted depending on the Company's performance, cash flow, investment requirements, conditions and limitations established in loan agreements and other appropriate factors that may arise in the future. Once the Board of Directors has passed a resolution to pay out annual dividends, the resolution must be submitted for approval in the Company's Shareholders Meeting, except in the case of interim dividend payment where the Board of Directors has the authority to authorize dividend payment and will report payments in the subsequent Shareholders Meeting.

That said, it should be noted that the Company is a holding company whose income is earned from holding shares in other companies and which does not conduct any significant income-earning business of its own, with its major assets being money invested in subsidiary companies and joint ventures. Thus, the Company's ability to pay out dividends is mainly dependent on the operating performance and dividend payment of the Company's subsidiaries and joint ventures.

Dividend payment policy of subsidiaries

The dividend payment policy of the Company's subsidiaries is set in accordance with the consideration of the subsidiary company's Board of Directors, subject to presentation to and approval from each company's shareholders in the Shareholders Meeting each year. Dividend payment is made from the subsidiary company's net profit, referenced against the Company's non-consolidated financial statements, after deducting taxes, legal reserves and other obligations of loan agreement conditions. However, dividend payment may be adjusted depending on the subsidiary company's performance, cash flow, investment requirements, conditions and limitations established in loan agreements and other appropriate factors that may arise in the future. The subsidiary company's Board of Directors is authorized to make interim dividend payments and will report said payments in the subsequent Shareholders Meeting.

The Company's Board of Directors Meeting no. 2/2018, held on 26 February 2018, passed a resolution to propose to the Annual General Meeting of Shareholders, to be held on 23 April 2018, dividend payment for 2017 at the rate of 0.40 Thai baht per share, equivalent to 853.32 million Thai baht in total.



Analysis of Operational performance and financial position

Overview

The Company is a holding company with a portfolio of electricity, steam and chilled water generating projects and other related businesses. It is currently one of Thailand's largest private power producers. At present, the Company invests in key subsidiaries, associate and joint venture as follows.

The Company holds 70.0% in GMP, a subsidiary, which invests in 12 gas-fired SPPs with a total installed power generation capacity of 1,563.4 MW and a total installed steam generation capacity of 225.0 TPH, or 991.4 MW and 129.5 TPH, respectively, on an equity basis. For the year ended December 31, 2017, 4 power projects under GMP, namely the GVTP, GTS1, GTS2 and GTS3 power projects, commenced commercial operations with a total installed power generation capacity of 534.9 MW and a total installed steam capacity of 105 TPH. GMP's 8 power projects in construction phase will gradually commence commercial operations; 4 power projects with a total installed power and steam generation capacity of 510.0 MW and 65 TPH, respectively, to commence commercial operations in 2018, and another 4 projects with a total installed power and steam generation capacity of 518.6 MW and 55 TPH, respectively, to commence commercial operations in 2019.

The Company holds 70.0% in IPD, a subsidiary, after the Company increased its shareholding in IPD from 51.0% to 70.0% on November 13, 2017, through a capital increase at par value (the Company acquired all the new shares issued by IPD). IPD invests in 2 gas-fired IPPs with a total installed power generation capacity of 5,300 MW, or 3,710 MW on an equity basis. At present, the projects are preparing for or under construction.

In addition to gas-fired power projects, the Company has 4 rooftop solar VSPPs operating under

Gulf Solar, a subsidiary in which the Company holds 74.99%. The projects have a total installed power generation capacity of 598.3 KW, or 448.6 KW on an equity basis. It also has a wholly-owned 25 MW biomass project, GCG, which is preparing for or under construction.

Furthermore, the Company holds 40.0% in GJP, an associate, after the Company increased its shareholding in GJP from 10.0% to 40.0% on August 15, 2016 through acquiring the stake from JPHT, a subsidiary of J-Power, for 14,398.6 million baht. The Company recorded the investment in GJP using equity method and recognized share of profit and loss from an associate proportionately in the Company's consolidated statements of comprehensive income. The share of profit from GJP had a significant impact on the Company's performance in previous years as the power projects under subsidiaries just commenced commercial operations in 2017. GJP invests in 2 gas-fired IPPs with a total installed power generation capacity of 3,405.6 MW and 7 gas-fired SPPs with a total installed power generation capacity of 831 MW, a total installed steam generation capacity of 92 TPH and a total installed chilled water generation capacity 7,800 RT, or 1,682.3 MW, 36 TPH and 2,659.8 RT, respectively, on an equity basis.

Upon commencing commercial operations of all projects mentioned above, the Group will have a total installed power generation capacity of 11,125.6 MW, or 6,329.2 MW on an equity basis.

Apart from the investments mentioned above, the Company invests in other power generating companies through a wholly-owned subsidiary Gulf HK. Gulf HK holds 9.09% in SPCG, one of the largest generators and distributors of solar power in Thailand, and holds 0.46% in EDL-Gen, a generator and

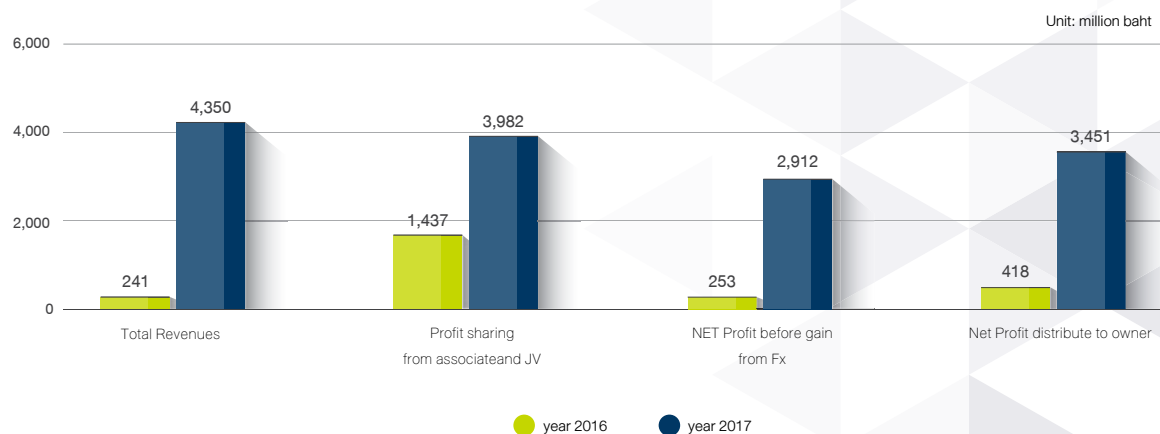


distributor of electric power in Laos. It also invests in Gulf WHA MT, a joint venture which is developing 2 gas distribution projects serving industrial users in industrial estates owned by the WHA Group. The projects are under construction and expected to commence commercial operations in 2018 and 2019. As of January 26, 2018, MITG partnered in Gulf WHA MT, resulting in a decrease in the Company's shareholding in Gulf WHA MT from 49.0% to 35.0%.

With regards to the Company's critical accounting policies, the Company has been in compliance with Thai Financial Reporting Standards and selected to apply hedge accounting for only its currency forward contracts, which mitigate cash flow risk. The financial derivatives will be recorded at fair value as of an entering date and recognized changes in the fair value of the financial derivatives as gain or loss in proportion of effectiveness of the financial derivatives, which is change in fair value

or cash flow of hedge instruments subtracted by change in fair value or cash flow of hedged items. The effective portion will be recognized as change in value of cash flow hedges, a separate item in the consolidated statements of comprehensive income. The ineffective portion will be recognized as gain or loss immediately. Moreover, the Company has applied TFRIC 4 "Determining whether an arrangement contains a lease.", which affects 2 IPPs under GJP. Key changes in the accounting recording include (1) Change in revenue recognition from availability payment received from EGAT to income from financial lease and amortization of financial lease receivables, (2) change in asset recording from property, plant and equipment to financial lease receivables without recording depreciation as an expense; however, fuel cost and other operating expenses, including depreciation of assets incurred subsequently, will be recorded using the conventional method.

Financial Performance Comparison Year 2016 and Year 2017



The Company began generating significant earnings from its power business in 2016, in which most of the Group's earnings came from the share

of profit from its associate, GJP, as 2016 marked the first year that all power projects under GJP opened for commercial operation through the entire year.



Prior to August 15, 2016, the Company recognized the profit from GJP in an equity interest of 10.0%, while from August 15, 2016 onwards, the Company recognized the profit from GJP in an equity interest of 40.0%, resulting in a significant increase in the Group's share of profit recognition. In addition, 2017 was the first year that the Group began recognizing revenue from electricity and steam sales as four power projects under GMP commenced commercial operations. Consequently, in 2017, the Group posted a profit attributable to owners of the parent of 3,451.4 million baht, compared to 417.6 million baht in 2016, a 726.6% increase. The substantial increase in the profit is a result of the followings:

1) In 2017, the Company generated higher revenue from sales of electricity and steam through four power projects under GMP, namely the GVTP, GTS1, GTS2 and GTS3 power projects, which commenced commercial operations in May, July, September and November, 2017, respectively, while in 2016 the Company generated revenue from

electricity sales through Gulf Solar only.

2) Share of profit from an associate markedly increased as 2017 was the first year that the Group recognized the profit from GJP in an equity interest of 40.0% for the entire year. The power projects under GJP also witnessed an overall increase in availability factor and better heat rate, resulting from an increase in electricity sold to EGAT and industrial users and plant reliability. In addition, GJP recognized gains on exchange rate.

3) The Group made additional gains on exchange rate resulting from appreciation of Thai Baht against the U.S. dollar. The majority of the gains on exchange rate resulted from revaluation of the liabilities at the prevailing exchange rate as at the end of the accounting period. As the subsidiaries under GMP and GJP incurred borrowings denominated in the U.S. dollar, effects from changes in the exchange rate must be recognized as gains/losses on exchange rate.

Analysis of the Results of Operations for the Year Ended December 31, 2017

The following table compares the revenue structure for the years ended December 31, 2016 and 2017.

	For the years ended December 31					
	2017		2016		Change	
	M. Baht	%	M. Baht	%	M. Baht	%
Revenue from electricity sold to EGAT and PEA	3,050.0	70.1	5.3	2.2	3,044.7	57,509.6
Revenue from electricity sold to industrial users	931.0	21.4	-	0.0	931.0	N.A.
Revenue from steam sold to industrial users	97.4	2.2	-	0.0	97.5	N.A.
Revenue from management fee	272.0	6.3	235.7	97.8	36.3	15.4
Total	4,350.4	100.0	241.0	100.0		

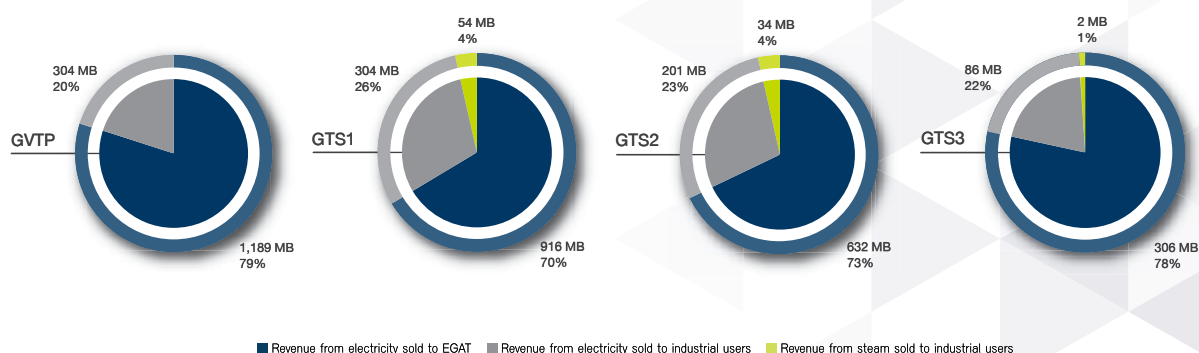


The following table shows the volume of electricity and steam sold by the SPPs under the subsidiary GMP for the year ended December 31, 2017.

Power project	Commercial operation date	Volume of electricity sold (Gigawatt-hour)		Volume of steam sold (Ton)
		EGAT	Industrial user	Industrial user
GVTP	May 16, 2017	408.1	89.5	8,469.0
GTS1	July 8, 2017	315.5	96.8	67,764.4
GTS2	September 1, 2017	218.5	61.9	41,355.6
GTS3	November 1, 2017	106.2	21.1	2,689.9
Total		1,048.3	269.3	120,278.8

Revenue from sales

Revenue from sales in 2017 was 4,078.4 million baht, an increase of 4,073.1 million baht due to the commencement of commercial operations and revenue recognition from sales of electricity to EGAT and from sales of electricity and steam to industrial users of four power projects under GMP, namely the GVTP, GTS1, GTS2 and GTS3 power projects.



Revenue from management fee

Revenue from management fee in 2017 was 272.0 million baht, an increase of 36.3 million baht or 15.4% as in 2017, the Company and GJP agreed to restructure their Secondment Agreement by entering into another agreement, the Major Maintenance Service Agreement for the power projects under GJP, resulting in an increase in the management fee.



The following table compares the cost of sales and services for the years ended December 31, 2016 and 2017.

	For the years ended December 31				Change	
	2017		2016			
	M. Baht	%	M. Baht	%	M. Baht	%
Cost of sales	3,096.9	94.2	2.6	1.1	3,094.3	119,260.2
Cost of management fee	189.3	5.8	232.4	98.9	(43.1)	(18.6)
Total	3,286.2	100.0	235.0	100.0	3,051.2	1,298.0

Cost of sales and services

Cost of sales and services in 2017 was 3,286.2 million baht, an increase of 3,051.2 million baht, due to an increase in cost of sales of electricity and steam, resulting from four power projects under GMP commencing commercial operations. 76.3% of the total cost of electricity and steam sales came from fuel cost, in which the SPPs' annual average gas price was 235.0 baht per MMBTU.

Cost of management fee, which was the cost of management services for GJP, in 2017 was 189.3 million baht, a decrease from 232.4 million baht in 2016. The decrease was caused by the Company's ability to allocate personnel of the management services for GJP more efficiently, resulting in a lower cost of management services for GJP.

Gross profit

Gross profit in 2017 was 1,064.2 million baht, an increase of 1,058.3 million baht, a result of the increase in revenue from sales resulting from the commencement of commercial operations and revenue recognition from sales of electricity and steam of four power projects under GMP.

Administrative expenses

Administrative expenses in 2017 was 957.4 million baht, an increase of 363.7 million baht or 61.3% due primarily to gradual commencement of the construction phase of twelve power projects under GMP in 2017, resulting in an increase in

administrative expenses for the power projects. The Company also incurred expenses from the IPO and the listing on the SET, of which a portion was recognized by subtracting the share premium and the remaining 64.1 million baht was recognized as an expense in the statements of comprehensive income.

Share of net profit from an associate and a joint venture

Share of net profit from an associate and a joint venture, including adjustment for the application of TFRIC 4, in 2017 was 3,981.7 million baht, an increase of 2,545.1 million baht or 177.2%. The significant increase is a result of the share of profit from GJP in 2017 amounting to 3,984.7 million baht, compared to 1,436.6 million baht in 2016. This increase was partly because 2017 was the first year that the Company recognized the profit from GJP in an equity interest of 40.0% for the entire year. The power projects under GJP also witnessed an overall increase in availability factor and better heat rate, resulting from an increase in electricity sold to EGAT and industrial users and plant reliability. In addition, GJP recognized higher gains on exchange rate in 2017, compared to 2016. The remainder of the share of net profit was the share of loss from Gulf WHA MT amounting to 3.0 million baht as projects under the joint venture were under construction or preparing for construction.



The following table compares GJP's volume of electricity, steam and chilled water sold by the IPPs and SPPs under the associate GJP for the years ended December 31, 2016 and 2017.

	For the years ended December 31	
	2017	2016
IPPs		
Volume of electricity sold (gigawatt-hour)		
GNS	6,208.5	4,524.7
GUT	4,139.6	4,925.4
Total	10,348.0	9,450.1
SPPs		
Volume of electricity sold to EGAT (gigawatt-hour)	4,521.7	4,296.8
Volume of electricity sold to industrial users (gigawatt-hour)	937.7	933.1
Volume of steam sold (ton)	285,849.8	257,593.5
Volume of chilled water (refrigeration ton)	29,039,291.0	24,784,881.1

Finance costs

Finance costs in 2017 was 1,427.7 million baht, an increase of 635.4 million baht or 80.2%. The increase was attributable to:

- An increase in the Company's interest-bearing debts after the acquisition of a 30.0% stake in GJP in August 2016, resulting in higher finance costs of 286.2 million baht
- The commencement of commercial operations of four power projects under GJP in 2017 leading to the change of recognizing finance costs in the statements of comprehensive income instead of capitalizing them as part of capital cost for power projects under construction, resulting in an increase of finance costs by 358.5 million baht

Profit before effects from exchange rate

Profit before effects from exchange rate in 2017 was 2,912.1 million baht, an increase of 2,659.4 million baht. The majority of the increase was partly from the increase in the share of profit from GJP and

the increase in gross profit from the commencement of commercial operations of power projects under GMP in 2017.

Gains (losses) on exchange rate

Gains on exchange rate in 2017 was 994.9 million baht, while the Group incurred losses on exchange rate in 2016 of 32.0 million baht, resulting from appreciation of Thai Baht against the U.S. dollar and an increase in borrowings denominated in the U.S. dollar in 2017 to finance construction costs and expenses of the power projects.

Profit for the period and profit attributable to owners of the parent

Profit for the period in 2017 was 3,906.9 million baht, an increase of 3,686.3 million baht, of which the amount attributable to owners of the parent was 3,451.4 million baht, an increase of 3,033.9 million baht or 726.6%.



Analysis of the Financial Position as of December 31, 2017

Assets

Total assets as of December 31, 2017 was 100,651.9 million baht, an increase of 40,836.3 million baht or 68.3%. The increase was attributable to the following factors:

- An increase in cash and cash equivalents of 17,461.1 million baht, mainly from net proceeds of the IPO
- An increase in property, plant and equipment, net of 20,634.2 million baht, due to ongoing construction of GMP's power projects as planned.

Liabilities

Total liabilities as of December 31, 2017 was 61,303.7 million baht, an increase of 5,270.5 million baht or 9.4%. The increase was primarily due to the drawdown of long-term loans by the twelve SPPs under GMP to finance construction costs and expenses of the power projects amounting to 15,888.6 million baht. Also, the Company repaid debenture and bills of exchange during the year amounting to 12,500.0 million baht.

The following table shows the maturity profile of long-term borrowings as of December 31, 2017.

Due date	Long-term borrowings					
	THB (M. Baht)					USD (M. US\$)
	Company	IPD	GMP	Gulf Solar	รวม	GMP
Within 1 year	-	1,200.0	923.6	2.5	2,126.2	10.5
1 – 5 years	7,000.0	1,083.1	6,444.9	11.0	14,539.0	70.5
Over 5 years	-	-	27,621.8	11.1	27,632.9	302.1
Total	7,000.0	2,283.1	34,990.3	24.6	44,298.0	383.0

Equity

Total equity as of December 31, 2017 was 39,348.2 million baht, an increase of 35,565.8 million baht, of which the amount attributable to owners of the parent was 34,564.8 million baht, an increase of 32,243.8 million baht. The increase was primarily due to an increase in capital surplus from the IPO in November 2017. After the IPO, debt to equity reduced substantially from 14.8 times as of December 31, 2016 to 1.6 times as of December 31, 2017. A huge improvement in the leverage ratio demonstrates the Company's robust financial position and accommodates the Company's future sustainable growth.



Related Party Transactions

The Company and its subsidiaries have entered into related party transactions with persons or entities who may have a conflict of interest as set out in Note 13 to the financial statements of the Company for the year ended December 31, 2017, the details of which can be summarized as follows:

1. Related party transactions of the Company and its subsidiaries with persons or entities who may have a conflict of interest of the Company

Persons or entities who may have a conflict of interest	Characteristics of the transaction	Size of the transaction for the year ended December 31, 2017 (Baht)	Necessity and appropriateness of the transaction
Pomodoro Group Co., Ltd. <u>Relation to the Company</u> Mr. Sarath Ratanavadi as common major shareholder	<ul style="list-style-type: none"> Service expenses Other payables 	1,575,781.93 186,716.60	<p>The Company and its subsidiaries purchased food and beverages from Pomodoro Group Co., Ltd. The price and payment conditions were in accordance with the price and payment conditions which Pomodoro applied to third parties.</p> <p>In addition, the Company and its subsidiaries used catering services from Pomodoro Group Co., Ltd. The price and payment conditions were comparable to the price and payment conditions which the Company procured from other service providers</p>
Amata Spring Development Co., Ltd. <u>Relation with the Company</u> Mr. Sarath Ratanavadi as Common major shareholder	<ul style="list-style-type: none"> Entertainment expenses Membership fees 	389,182.14 36,416.82	The Company paid Amata Spring Development Co., Ltd. entertainment expenses for organizing receptions for its customers and annual golf course membership fees to support its customer reception events. The price and payment conditions were in accordance with the price and payment conditions which Amata Spring Development Co., Ltd. applied to third parties.

2. Material related party transactions of the Company and its subsidiaries with persons or entities who may have a conflict of interest of the subsidiaries

Persons or entities who may have a conflict of interest of the subsidiaries	Characteristics of the transaction	Size of the transaction for the year ended December 31, 2017 (Baht)	Necessity and appropriateness of the transaction
Group of Mitsui & Co., Ltd <u>Relation to the Subsidiaries</u> Shareholder of GMP and IPD, subsidiaries	<ul style="list-style-type: none"> Management fees 	4,200,000	GMP paid management fees for advice in relation to business operation and engineering service procurement and provision from the Group of Mitsui & Co., Ltd pursuant to a management service agreement entered into between GMP and MIT-Power Capitals (Thailand) Limited



Persons or entities who may have a conflict of interest of the subsidiaries	Characteristics of the transaction	Size of the transaction for the year ended December 31, 2017 (Baht)	Necessity and appropriateness of the transaction
	<ul style="list-style-type: none">Interest expenses on loan	22,282,783.56	The Group of Mitsui & Co., Ltd provided a short-term loan to IPD in accordance with its shareholding proportion for IPD's business operations. However, IPD has completely repaid the short-term loan, including the accrued interest, in 2017.
	<ul style="list-style-type: none">Finance costsConstruction in progressAccrued expenses	21,074,529.01 347,661,629.83 353,931,207.56	SPPs under GMP and IPPs under IPD have incurred guarantee fees payable to the Group of Mitsui & Co., Ltd which are recorded as finance costs and construction in progress, as Mitsui & Co., Ltd. guaranteed against SPPs under GMP's obligations under the relevant facility agreements and against IPPs under IPD's obligations under the relevant facility agreement with financial institutions pursuant to its shareholding proportion in such power projects, which is in accordance with the provisions of the shareholders' agreements.
Group of Hemaraj Land and Development Public Company Limited <u>Relation to the Subsidiaries</u> Shareholder of 6 subsidiaries of GMP	<ul style="list-style-type: none">Cost of salesAdministrative expensesAccount payablesOther payablesAccrued expenses	46,134,967.22 18,010,471.83 11,629,941.71 1,381,771.96 12,283,068.66	SPPs under GMP used public utility and incurred rental fees and expenses for right of way, which are recorded as cost of sales and administrative expenses, payable to the Group of Hemaraj Land and Development Public Company Limited. Such expenses were in accordance with the rates that the Group of Hemaraj Land and Development Public Company Limited applied to other operators in the industrial estates.



Guaranty and mortgage

Offers of guaranty and collateral

A summary of the transactions related to offers of guaranty and collateral between the Company (or its subsidiaries) and persons who may have conflict of interest with the Company as of December 31, 2017 is set out below.

Offeror of guaranty / collateral	Offeree	Details of the relevant credit facilities (THB)	As of December 31, 2017		Details of collaterals
			Total credit line (Million THB)	Utilized credit line (Million THB)	
Mr. Sarath Ratanavadi	GSRC	Long-term loan facilities of 1,200.0 million	1,200.0	1,200.0	<ul style="list-style-type: none"> Mr. Sarath Ratanavadi pledged 210.8 million shares at a par value of 5.0 baht per share Company each as collateral against GPD's and GSRC's obligations under the long-term loan and the letter of guaranty facilities in which the facilities providers will release the pledge over such shares upon listing of the Company's shares on the Stock Exchange of Thailand. As of December 31, 2017, the abovementioned pledge was in the process of being released, and was subsequently completed on February 23, 2018.
		Guarantee letter facilities of 1,250.0 million	1,250.0	1,250.0	
	GPD	Long-term loan facilities of 1,100.0 million	1,100.0	1,083.1 ¹	
		Guarantee letter facilities of 1,250.0 million	1,250.0	1,250.0	
The Company		Long-term loan and letter of guaranty facilities and bill of exchange aval facilities of 15,000 million	15,000.0	7,000.0	<ul style="list-style-type: none"> Mr. Sarath Ratanavadi has pledged the Company's shares in the number of 480.0 million shares at par value of THB 5.0 each in which the facilities providers will release the pledge over such shares upon listing of the Company's shares on the Stock Exchange of Thailand. As of December 31, 2017, the release of the abovementioned pledge was in the process, and was subsequently completed on January 9, 2018.

Note: ¹ The borrower did not draw down an outstanding balance of the facilities, because it has completed the land acquisition with the loan amount.

Necessity and appropriateness of Related Party Transactions

The related party transactions of the Company and its subsidiaries in the fiscal year ended December 31, 2017 are the transactions entered into by relevant parties for the ordinary course of businesses of the Company and its subsidiaries which contain

the general trading conditions with the same characteristics as those entered into by a person of ordinary prudence under the same situation on his own interest and capable of negotiating without being subject to any influence from the other parties who may have a conflict of interest (Arm's Length Basis).



Approval Procedure or Steps for Entry into Related Party Transactions

Entry into any related party transactions or connected transactions by the Company and its subsidiaries must be in accordance with the Securities and Exchange Act, the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 regarding Rules on Connected Transactions, as amended, and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, as amended, including the relevant regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. Such entry into any related party transactions or connected transactions by the Company and its subsidiaries must also be in compliance with rules prescribed by the Federation of Accounting Professions on disclosure of related party transactions in the notes to the financial statements audited by the auditor of the Company and relevant rules on disclosure of the same in Form 56-1.

In cases where the Company is required under applicable laws to obtain an approval from the Board of Directors' meeting or the shareholders' meeting prior to entering into any connected transaction, the Audit Committee will be required to review and give its opinion on said transaction. The Audit Committee's opinion will then be proposed to the Board of Directors' meeting or the shareholders' meeting (as the case may be) for consideration so as to ensure that entry into the transaction is in the best interest of the Company.

The Audit Committee shall give its opinion on the necessity of the related party transactions of the Company and its subsidiaries with persons who have a conflict of interest or may have a conflict of interest in the future and the appropriateness of the price for such transactions by taking into account

various conditions in accordance with the ordinary course of business in the industry and comparisons to the market price or the price of the third parties. In the case where the Audit Committee has no expertise in considering and opining on any potential related party transactions, the Company will procure an independent expert or the auditor of the Company to give the opinion on such related party transactions to be proposed to the Board of Directors, the Audit Committee or the shareholders (as the case may be) for consideration in deciding to enter into such related party transaction in which the director or the shareholder (as the case may be) who has a conflict of interest in any transaction shall have no right to vote on the agenda in relation to such transactions. The details of such transactions will also be disclosed in the notes to the financial statements of the Company audited or reviewed by the Company.

Trend for Future Related Party Transactions

It is expected that the Company and its subsidiaries may enter into related party transactions with persons or entities who may have a conflict of interest with the Company in the future for supporting the ordinary course of business. Such related party transactions will have price and general conditions is similar to those of transactions with third parties. The Company will comply with the requirements of the Securities and Exchange Act, the Notification of the Capital Market Supervisory Board No. TorChor. 21/2551 regarding Rules on Connected Transactions, as amended, and the Notification of the Board of Governors of the Stock Exchange of Thailand regarding Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, as amended, including the relevant regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.



Company Information and Other Material Information

Company Information

Company name	:	Gulf Energy Development Public Company Limited
Company registration number	:	0107560000231
Type of business	:	Holding company investing in a portfolio of electricity, steam and chilled water generating projects and other related businesses
Head Office	:	87 M. Thai Tower, All Seasons Place, 11th Floor Wireless Road, Lumpini Sub-District Pathumwan District, Bangkok 10330
Telephone	:	02-080-4499
Fax	:	02-080-4455
Website	:	www.gulf.co.th
Registered capital	:	10,666,500,000 baht
Paid-up capital	:	10,666,500,000 baht
Type and number of total shares	:	2,133,300,000 ordinary shares
Total issued and paid-up shares	:	2,133,300,000 shares
Par value	:	5.0 baht

Corporate Secretary

Telephone	:	0-2080-4070
Fax	:	02-080-4455
E-mail	:	cs@gulf.co.th

Investor Relations

Telephone	:	0-2080-4488
Fax	:	02-080-4455
E-mail	:	ir@gulf.co.th

Other References

1. Registrar		
Thailand Securities Depository Co., Ltd.		
Address	:	93 The Stock Exchange of Thailand Building Ratchadaphisek Road, Dindaeng Sub-District, Dindaeng District, Bangkok 10400
Telephone	:	02-009-9000
Fax	:	02-009-9991
Website	:	www.set.or.th/tsd



2. Auditor

PricewaterhouseCoopers ABAS Ltd.

Address : 179/74-80 15th Floor, Bangkok City Tower South Sathorn Road,
Tungmahamek Sub-District Sathorn District, Bangkok 10120

Telephone : 02-344-1000

Fax : 02-286-5050

Website : www.pwc.com

3. Financial Advisors

Kasikorn Securities Public Company Limited

Address : 400/22 Kasikornbank Building, 1st, 3rd, 11th and 19th Floors
Phahon Yothin Road, Samsen-Nai Sub-District,
Phaya Thai District, Bangkok 10400

Telephone : 02-696-0000

Fax : 02-696-0099

Website : www.kasikornsecurities.com

Siam Commercial Bank Public Company Limited

Address : 9 Ratchadapisek Road Jatujak Sub-District, Jatujak District,
Bangkok 10900

Telephone : 02-544-1000

Fax : 02-544-2185

Website : www.scb.co.th

Bualuang Securities Public Company Limited

Address : 191 Silom Complex Building, 10th, 12th, 19th, 23rd, 29th-32nd Floors,
Silom Road, Silom Sub-District, Bangrak District, Bangkok 10500

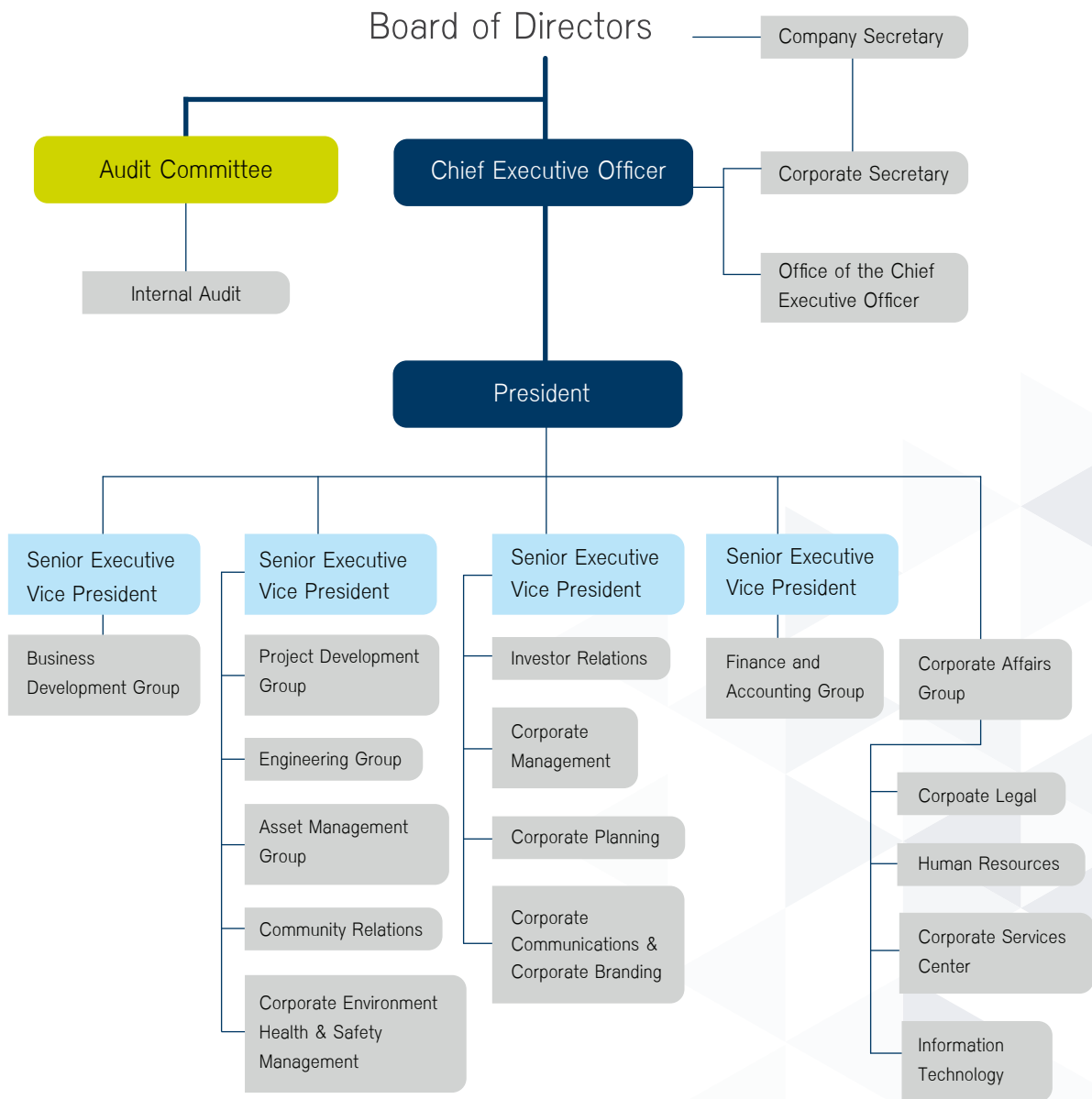
Telephone : 02-618-1000

Fax : 02-618-1469

Website : www.bualuang.co.th

Management Structure

As of December 31, 2017, the Company’s management structure consists of the Board of Directors, the Audit Committee and the executives. The details of which are as follows:





1. Board of Directors and Sub-Committee

1.1 Board of Directors and Meetings

As of December 31, 2017, the Board of Directors of the Company comprises of 10 directors, and there were 10 meetings of the Board of Directors in the year 2017. The details of which are as follows:

Director	Position	Number of Meetings attended from January 1 - December 31, 2017
1. Mr. Viset Choopiban*	Chairman of the Board of Directors and Independent Independent	9/10
2. Mr. Kasem Snidvongs*	Director and Chairman of Audit Committee	8/10
3. Mr. Sommai Phasee**	Independent Director and Audit Committee Member	3/3
4. Dr. Raweporn Kuhirun	Independent Director and Audit Committee Member	10/10
5. Mr. Vinit Tangnoi	Independent Director and Audit Committee Member	10/10
6. Mr. Santi Boonprakub	Independent Director	10/10
7. Mr. Sarath Ratanavadi*	Director	9/10
8. Mrs. Pornnipa Chinvetkitvanit	Director	10/10
9. Mr. Boonchai Thirati	Director	10/10
10. Mrs. Chotikul Sookpiromkasem*		9/10

Note: * The director was absented from the relevant meeting(s) due to prior scheduled commitment.

** Mr. Sommai Phasee was appointed by resolution of the Company's Extraordinary Shareholders' Meeting No. 3/2017 dated September 14, 2017 to be an Independent Director and a Audit Committee member

Members of the Board of Directors

The Company's Board of Directors comprises of sophisticated individuals who possess various qualifications, including skills, experience and specialized expertise, which are beneficial to the Company's operation. The Board of Directors of the Company is formed of six non-executive directors and four executive directors.

There are six Independent Directors, namely Mr. Viset Choopiban, Mr. Kasem Snidvongs, Mr. Sommai Phasee, Dr. Raweporn Kuhirun, Mr. Vinit Tangnoi and Mr. Santi Boonprakub, in the Board of Directors amounting to more than half of the total number of directors in the Company. All of the Independent Directors have all qualifications as required by the Company's rule on qualifications of Independent Director in accordance with the requirements of the Capital Market Advisory Board.



Authorized Directors

Authorized directors of the Company are Mr. Sarath Ratanavadi or Mrs. Porntipa Chinvetkitvanit or Mr. Boonchai Thirati or Mrs. Chotikul Sookpiromkasem, any two directors of these four directors sign together with the Company's seal affixed.

1.2 Audit Committee and Meetings

As of December 31, 2017, the Audit Committee of the Company comprises of 4 members, and there were 7 meetings of the Audit Committee in the year 2017. The details of which are as follows:

Director	Position	Number of Meetings attended from January 1- December 31, 2017
1. Mr. Kasem Snidvongs*	Chairman of Audit Committee	6/7
2. Mr. Sommai Phasee**	Audit Committee Member	2/2
3. Dr. Raweporn Kuhirun**	Audit Committee Member	7/7
4. Mr. Vinit Tangnoi	Audit Committee Member	7/7

Note: * The director was absented from the relevant meeting due to prior scheduled commitment.

** Mr. Sommai Phasee and Dr. Raweporn Kuhirun are the directors who have the requisite experience and knowledge to review financial statements of the Company.

The Audit Committee appointed Miss Chotiros Likitcharoenpanich, Senior Vice President - Internal Audit, as the secretary of the Audit Committee.

2. Executives

As of December 31, 2017, the executives of the Company are as follows:

Executive	Position
1. Mr. Sarath Ratanavadi	Chief Executive Officer
2. Mrs. Porntipa Chinvetkitvanit	President
3. Mr. Boonchai Thirati	Senior Executive Vice President
4. Mr. Ratthaphol Cheunsomchit	Senior Executive Vice President
5. Ms. Yupapin Wangviwat	Senior Executive Vice President
6. Ms. Bung-on Suttipattanakit	Senior Executive Vice President and Chief Financial Officer
7. Mrs. Sukanya Woragullattanee	Senior Vice President – Accounting and Budgeting



3. Company Secretary

Ms. Chattawan Jaijakul was appointed by the resolution of the Board of Directors as the Company Secretary whose duties and responsibilities are to prepare and keep documents of the Company as required under the applicable laws; to keep reports on the interests reported by the directors and executives; to provide advices in relation to rules and regulations that the Board of Directors and the executives should be aware of; to prepare and organize orientation to the newly appointed director; to monitor and coordinate in order for the Company to comply with the laws, the Company's Articles of Association and rules, and the resolutions of the Board of Directors and shareholders' meetings, including the corporate governance policy and code of conduct; and to perform other acts as prescribed by the Securities and Exchange Act and the Capital Market Supervisory Board.

4. Remuneration of the Directors and the Executives

The Company has policies to pay remuneration to its directors and executives at appropriate rates in accordance with their duties, responsibilities and experience. Such rates are considered based on those of the companies in the same industry, revenue level, value of securities according to market value during the same period and results of operation of the Company.

4.1 Remuneration of the Directors

4.1.1) Monetary Remuneration

The Company's Annual General Meeting of Shareholders for the Year 2017 dated April 28, 2017 and the Extraordinary Shareholders' Meeting No. 2/2017 dated May 18, 2017 were resolved to approve the fixing of remuneration of the directors and the Audit Committee members for the year 2017 in form of monthly salary without meeting allowance as follows:

	Board of Directors* (Baht / Month)	Audit Committee (Baht / Month)
Chairman	100,000	30,000
Director	65,000	20,000

Note: * The Company pays remuneration only to non-executive directors.



The following table sets forth monetary remuneration of the directors and the audit committee members for the fiscal year ended December 31, 2017.

Name	Monthly Remuneration (Baht) from January 1 – December 31, 2017		
	Director	Audit Committee Member	Total
1. Mr. Viset Choopiban	1,200,000	-	1,200,000
2. Mr. Kasem Snidvongs	780,000	270,000	1,050,000
3. Mr. Sommai Phasee	231,833	71,333	303,166
4. Dr. Raweporn Kuhirun	780,000	180,000	960,000
5. Mr. Vinit Tangnoi	780,000	180,000	960,000
6. Mr. Santi Boonprakub	780,000	-	780,000
7. Mr. Sarath Ratanavadi	-	-	-
8. Mrs. Pornnipa Chinvetkitvanit	-	-	-
9. Mr. Boonchai Thirati	-	-	-
10. Mrs. Chotikul Sookpiromkasem	-	-	-

Note: The Company commenced remuneration payment to the Audit Committee from April 2017 pursuant to the resolution of the Company's Annual General Meeting of Shareholders for the Year 2017 held on April 28, 2017.

4.1.2) Other Remuneration

In November 2017, the Company had allocated the newly issued shares to the directors (exclusive of executive directors) in the amount up to 800,000 shares or equivalent to 0.038 percent of the total issued shares in the Company, which are allocated from the newly issued shares for the initial public offering (IPO). Such shares were offered to the directors in the IPO of the Company at the IPO offering price, and the offering process were completed.

4.2 Remuneration of the Executives

4.2.1) Monetary Remuneration

As of December 31, 2017, the Company paid remuneration to its executives, exclusive of finance and accounting manager in the form of monthly salary, annual bonus and provident fund in total of Baht 93.48 million.

4.2.2) Other Remuneration

In November 2017, the Company had allocated the newly issued shares to the executives (exclusive of finance and accounting manager and an executive who was a shareholder of the Company prior to the IPO) in the amount up to 1,724,700 shares or equivalent to 0.08 percent of the total issued shares in the Company, which are allocated from the newly issued shares for the IPO. Such shares were offered to the executives in the IPO of the Company at the IPO offering price, and the offering process were completed.



5. Subsidiaries Engaging in Core Business

As of December 31, 2017, directors and executives of subsidiaries that engage in core business appointed by the Company are as follows:

Company	Director/ Executive	Abbreviation of Company	Director/ Executive							
			Mrs. Pornnipa Chinvekitvanit	Mr. Boonchai Thirati	Ms. Yupapin Wangviwat	Mr. Rathaphol Cheunsomchit	Mr. Ravi Kurmarohita	Mr. Kochai Likianusit	Mr. Jirapat Archaleka	Ms. Theerathiphisa Tawichpasoot
Independent Power Development Group										
- Independent Power Development Company Limited (1)	IPD	X /								
- Gulf PD Company Limited (2)	GSRC	X /								
- Gulf PD Company Limited (2)	GPD	X /								
Gulf MP Group										
- Gulf MP Company Limited (1)	GMP	X / / / /								
- Gulf VTP Company Limited	GVTP	X,Δ /, // /, // // /, // / /								
- Gulf TS1 Company Limited	GTS1	X,Δ /, // /, // // /, // / /								
- Gulf TS2 Company Limited	GTS2	X,Δ /, // /, // // /, // / /								
- Gulf TS3 Company Limited	GTS3	X,Δ /, // /, // // /, // / /								
- Gulf TS4 Company Limited (2)	GTS4	X / / / / /								
- Gulf NC Company Limited (2)	GNC	X / /								
- Gulf NPM Company Limited (2)	GNPM	X / /								
- Gulf NRV1 Company Limited (2)	GNRV1	X / /								
- Gulf NRV2 Company Limited (2)	GNRV2	X / /								
- Gulf BL Company Limited (2)	GBL	X / / / / /								
- Gulf BP Company Limited (2)	GBP	X / / / / /								
- Gulf NLL2 Company Limited (2)	GNLL2	X / / / / /								
Gulf Solar Group										
- Gulf Solar Company Limited (1)	Gulf Solar	X / / / / /								
- Gulf Solar BV Company Limited	Gulf Solar BV	X,Δ // /, // /, // / /, // /								
- Gulf Solar KKS Company Limited	Gulf Solar KKS	X,Δ // /, // /, // / /, // /								
- Gulf Solar TS1 Company Limited	Gulf Solar TS1	X,Δ // /, // /, // / /, // /								
- Gulf Solar TS2 Company Limited	Gulf Solar TS2	X,Δ // /, // /, // / /, // /								
Other Subsidiaries										
Gulf Chana Green Company Limited (2)	GCG	X / /								

Note: Symbol X = Chairman / = Director Δ = Managing Director // = Executive

(1) A holding company that holds shares in other companies and does not operate its own power plant thus there is no organizational structure.

(2) A company that is under construction/ preparation for construction hence there is no organizational structure.



6. Employees of the Company and Subsidiaries Engaging in Core Business

6.1 Number of Employees

As of December 31, 2017, total number of employees of the Company and subsidiaries were 570 employees, of which employees of subsidiaries were included in Asset Management Department. The details of employees are as follows:

Department	Number of Employees for the Period Ended as at December 31, 2017
Management and secretary	30
Business Development and Project Development	52
Finance and Accounting	59
Asset Management	308
Human Resources	18
Information Technology	15
Corporate Legal	6
Corporate Affairs	82
Total	570

6.2 Remuneration of Employees

For the period ended as at December 31, 2017, the Company and subsidiaries, which engage in core business, paid remuneration to employees (exclusive of executives) totalling 712.9 million in the form of monthly salary, annual bonus and other remuneration, i.e. overtime, shift allowance, risk allowance, on call allowance, provident fund and other fixed incomes.

6.3 Employee Development Policy

The Company places high importance on developing the directors, executives and employees and to that end, has set out guidelines based on the Good Corporate Governance Standards for Listed Companies which can be summarized as follows:

6.3.1) Development Guidelines for Directors

(1) The Company will arrange for directors to attend professional development training programs relevant to the responsibilities of the director to develop, support and promote the work of the Board of Directors

(2) The Company will disclose informational regarding the participation in training and development programs of directors over the past year

(3) The Company encourages all directors to attend training programs and broaden their knowledge on a regular basis in terms of performance of their duties as directors for the purposes of enabling them to make a successful adaptation to potential changes in the business.



(4) The Company encourages all directors to broaden their knowledge in terms of performance of their duties as directors for the purposes of enhancing their efficiency in discharging duties as directors.

(5) The Company will provide an orientation course for a new director and provide documents which aim for assisting the director in discharging his/her duties as well as an induction into the Company's businesses.

For the year ended as at December 31, 2017, the Company's directors who have attended training programs are as follows:

Director	Position	Training Programs in 2017	Training Period (Day)
1. Mr. Sarath Ratanavadi	Director and Chief Executive Officer	Director Accreditation Program (DAP) Class 138/2017 held by Thai Institute of Directors (IOD)	1
2. Mrs. Chotikul Sookpiromkasem	Director	Smart Disclosure Program held by the Stock Exchange of Thailand	1

6.3.2) Development Guidelines for Executives

(1) The Company has set out the Managerial Competency as a basis for developing the Company's executives with an aim to equip them with skills, knowledge and capabilities to deliver successful work.

(2) The Company will provide training programs and other development courses as deemed appropriate and in line with competency of each executive.

(3) The Company will provide an orientation course for new executives to enable them to successfully adapt to new roles, responsibilities and expectations of the new position.

(4) The Company will encourage the executives in sharing work experiences among executives and employees to create an environment of learning and development within the organization.

6.3.3) Development Guidelines for Employees

(1) The Company has set out the Functional Competency as a basis for developing the Company's employees in each relevant department with an aim to equip them with skills, knowledge and capabilities to deliver successful work.

(2) The Company will provide development courses as deemed appropriate and in line with the Functional Competency indicator.

(3) The Company will provide an orientation course for new employees to enable them to realize the visions, values, Code of Conduct, policies and directions which the Company's businesses will take.

(4) The Company requires every employee to prepare an annual Individual Development Plan (IDP) and has established a process for consistent tracking of the employee's development according to each IDP.

For the year ended as of December 31, 2017, an average training time of the executives and employees of the Company and its subsidiaries which engage in core businesses is 24.4 hours per person.



7. Policy on Prevention of Conflict of Interest

The Company is aware of potential conflict of interest which may arise from conflicts between (a) interest of the Company's personnel, i.e. board of directors, executives, permanent employees, outsourced employees, and their related person(s) and (b) interest of the Company's group, customers or trading partners. To effectively prevent potential conflict of interest, the Company has thus devised the policy on prevention of conflict of interest to serve as a compliance guideline for the Company's personnel which can be summarized as follows:

(1) In making any business decision, each of the Company's personnel must take the best interest of the Company into consideration rather than his/her personal interest.

(2) In a meeting, if any of the Company's personnel has interest in any agenda item, he/she must abstain from casting a vote or refrain from attending the meeting while such agenda item is being discussed, and must neither exploit nor utilize any information derived from such agenda item for his/her personal interest.

(3) The Company's personnel must prepare a written report disclosing his/her direct or indirect interest, and present the report in accordance with the criteria set out by the law.

(4) The Company's directors are forbidden to operate a business of the same nature as and in competition with that of the Company, or to enter to be a partner in an ordinary partnership or a partner of unlimited liability in a limited partnership or a director of a private company or other company which operates a business of the same nature as and in competition with that of the Company, unless the meeting of shareholders had been notified prior to the appointment.

(5) The Company's personnel must not take advantage of any internal information which he/she has obtained in capacity of his/her position and responsibility.

(6) The Company's personnel must not take up any position outside organization or non-for-profit organization, unless he/she has notified or has been permitted by an authorized person in accordance with the criteria set out by the Company.

(7) The Company's personnel must not take any decision-making roles in recruiting new staff who appears to be his/her related person, such that to allow transparency in the Company's staff recruitment process as well as fair treatment to all candidates with similar calibres.

(8) In entering into a connected transaction, the Company will apply the similar criteria used with other regular customers to such connection transactions in terms of price and commercial conditions, and a connected transaction classified as a financial assistance must also be made on fair terms and conditions to provide the best benefits for the Company.

(9) In case of a transaction considered a connected transaction pursuant to the relevant notifications of the Stock Exchange of Thailand, the Capital Market Supervisory Board and the Securities and Exchange Commission, the Company's personnel must strictly comply with rules set out by such notifications.



Corporate Governance

1. Corporate Governance Policy

The Board of Directors adheres to and places importance on compliance with the corporate governance principle, which forms part of the fundamental management of the Company. In this light, the Board of Directors, the management team, and employees all take into account their roles and responsibility to deliver systematic management with transparency and efficiency so as to enhance the competitive edge and build confidence for shareholders, investors, and all related parties, with reference to the corporate governance principle of listed companies stipulated by the Stock Exchange of Thailand (SET), which are divided into five sections as described below.

1.1 Shareholders' Rights

The Board of Directors is obligated to support, promote, and facilitate all shareholders whom will be provided with their basic legal rights by means and standards, which are generally acceptable, transparent, and fair. They are entitled to equitable treatment such as the right to purchase, sell, or transfer shares, the right to participate in meetings of shareholders as well as to receive profits and sufficient information of the Company. The shareholders are entitled to freely express their opinions in Shareholders' Meetings and take part in decision-making on significant matters, appointment or removal of directors, appointment of auditors, and issues which impact the Company such as dividend allocation, amendments to the Articles of Association, capital increase or decrease, and approval of extraordinary items. All shareholders are entitled to exercise their right to vote according to their number of shares held on a one share one vote basis.

Apart from abovementioned rights, the Company or the Board of Directors acting on behalf of the Company shall recognize and place

significance on the right of shareholders and shall refrain from taking any actions which would violate or deprive the shareholders of their right. The Company determines the policy to encourage and facilitate shareholders in the following aspects.

(a) Shareholders' Meeting

(1) The Company shall disclose the policy to encourage all groups of shareholders to attend the meeting of shareholders

(2) The Company shall arrange to provide information on date, time, venue and agenda in a form of invitation letter or attachments containing clarification and rationale for each agenda and proposed resolution; and it shall refrain from taking any actions, which would restrain the opportunity of shareholders to study the information of the Company.

(3) The Company shall encourage shareholders to exercise their right to attend the meeting and cast their vote. In case where any shareholders could not attend the meeting in person, the Company provides an opportunity for such shareholder to appoint the Company' independent directors or any person by proxy to attend the meeting on his/her behalf.

(4) The Company shall provide an opportunity for shareholders to submit queries regarding each meeting or other information via the email address: cs@gulf.co.th or at the Company address in line with the criteria of stipulated by the Company.

(5) The Company shall encourage shareholders to use the proxy form in a manner that each shareholder can steer the voting direction and shall nominate at least one Independent Director as alternative proxy of shareholder.

(b) Arrangements on the date of Shareholders' Meeting

(1) The Company shall support and promote the use of technology such as barcode system, ballot casting, or other technology in the



Shareholders' Meeting, including shareholder registration, vote counting, and result announcement in order to ensure that the meeting can proceed in a fast, correct, accurate, transparent, and auditable manner. The voting result will be disclosed in the minutes of Shareholders' Meeting, with details of approval, non-approval, and abstention votes for each agenda where voting is required. In case where an agenda requires voting of various items, the Company shall arrange for voting of each of such items to ensure transparency.

(2) The Company shall encourage all directors to attend the Shareholders' Meeting where shareholders can ask questions directly to the Chairman of sub-committees and all directors in related matters as deemed appropriate.

(3) The Company shall provide an independent person as witness for vote counting or to be the counting officer or inspector in the meeting; for example, the auditor of the Company or legal advisor; and shall disclose the result to the meeting for acknowledgement as well as recording the result in the minutes of meeting.

(4) The Company shall arrange the meeting in an appropriate manner and provide shareholders an opportunity to express opinions and make queries relating to the Company in the meeting.

(c) Preparation of minutes of meeting and disclosure of the resolutions of Shareholders' Meeting

(1) The minutes of Shareholders' Meeting shall record the process of vote casting and result announcement to the meeting prior to proceeding with the meeting, including provision of an opportunity for query session where significant questions and answers thereof will be recorded as well as the voting result of each agenda and the names of Directors who attend and being absent from the meeting.

(2) The Company shall disclose to the public about the voting result of each agenda of the meeting within the next business day through the SET Portal.

(3) The Company shall prepare the minutes of Shareholders' Meeting within 14 days of the meeting date and/or relevant agencies within the timeframe stipulated by the law and then publish them on the website of the Company.

1.2 Equitable treatment to shareholders

The Company is determined to treat shareholders on an equitable basis, both for major and minor shareholders, institutional shareholders, including foreign shareholders in order to ensure transparency and fairness.

(a) Provision of information prior to the Shareholders' Meeting

(1) The Company shall notify the meeting program as well as the agenda and opinion of the Board of Directors to SET and publish such details on the Company's website at least 28 days prior to the date of Shareholders' Meeting

(2) The Company shall notify shareholders about rules of engagement in the Meeting, the voting process, and the voting right of each type of share.

(3) The Company shall prepare the Thai and English versions of the invitation letter to Shareholders' Meeting.

(b) Minority shareholders protection

(1) The minority shareholders are entitled to express comments, opinions, or file complaint with the Independent Directors at the email address: id@gulf.co.th. The Independent Directors will consider and take actions as deemed appropriate.

(c) Insider trading prevention

(1) The Company determines the guideline in



writing to keep and protect the inside information and communicate such guideline to all relevant parties to ensure adherence thereto.

(2) The Company determines that all Directors and executives have a duty to report the securities holding in the Company in accordance with the securities and exchange law. Such information will be disclosed in the annual report and reported to the Board of Directors for acknowledgement on a quarterly basis.

(3) The Company determines that Directors, executives as well as Head of Accounting / Finance, whom are informed of significant inside information that has impact toward the Company's share price, shall refrain from trading the Company's stock for a period of 30 days prior to the disclosure of the quarterly and annual financial statements to the public, and shall wait at least 24 hours after such disclosure.

(d) Conflict of interest by directors

(1) The Company shall disclose the shareholding structure of the Company and subsidiaries in the annual report.

(2) The Company determines that the Directors and executives report their conflict of interest and that of related persons by reporting such information to the Corporate Secretary, who is obligated to submit a copy of the said conflict of interest within 7 days of the date the report is received.

(3) The Company determines that Directors are to declare the conflict of interest prior to the agenda consideration and the information shall be recorded in the minutes of the Board of Directors' Meeting.

(4) The Company determines that any Directors with significant conflict of interest in a nature that may hinder him/her to provide independent opinion shall abstain from voting or refrain from attending the meeting in the agenda involved with such conflict of interest and shall not use any information which cause

conflict of interest.

1.3 Roles towards stakeholders

The Company adheres to business engagement with transparency and fairness, taking into account all stakeholders, while promoting social and environmental development so as to achieve business growth and sustainability.

(a) Determination of policy relating to stakeholders

(1) The Company shall treat shareholders with fairness and equitability, taking into account the basic rights of shareholders. Benefit shall be allocated fairly and consistently with transparency while management shall be transparent and auditable with determination to deliver sound performance and continuous and sustainable growth.

(2) The Company shall treat customers in its willingness, to the best of its ability, and with justness; and shall adhere to the expected ethics without revealing the information or confidentiality of customers while remaining dedicated to build sustainable relationship with the customers.

(3) The Company shall treat trade partners strictly in alignment with fair trade competition, honor all contracts on its end, and behave in accordance to the Code of Conduct and ethics. In addition, the Company shall promote the network of cooperation and build the supply chain as well as value chain to deliver optimal, mutual benefits.

(4) The Company shall treat competitors strictly in alignment with fair trade competition by adhering to fair business engagement under the laws and Code of Conduct of the Company

(5) The Company shall care for communities surrounding the area of its operations with accountability and focus on promoting activities to uplift the quality of life of the community members in respect of education, occupation, art, and technology, including provision of relief in time of any disasters.



(6) The Company shall treat creditors with ethics by honoring the agreement or contract on its end and ensure just treatment for both parties. In case of failure to comply with the conditions, the creditors shall be informed in advance in order to mutually consider remedy. Also, the Company shall not demand for, or accept any fraudulent benefits.

(7) The Company shall treat public agencies and government authorities with political objectivity as stated in the Company's Code of Conduct and ethic as well as the anti-corruption policy.

(8) The Company shall treat employees with fairness and provide training to develop their knowledge and potential. Furthermore, the Company shall provide sound working environment and determine a standard of safety in compliance with the laws.

(9) The Company shall care for the environment in line with its corporate social responsibility policy, contribute in environmental conservation, and promote as well as support environmental conservation programs.

(b) Disclosure of activities in compliance with the policy as well as preparation of corporate social responsibility report

(1) The Company shall disclose activities reflecting compliance with the corporate social responsibility policy and its mechanism to encourage employees to comply with the corporate social responsibility policy.

(2) The Company arranges for preparation of the corporate social responsibility report of the Company, which may form part of the annual report, or a separate report.

1.4 Information disclosure and transparency

The Company shall disclose material information via appropriate channels in a correct, adequate, accountable, and timely manner, both in Thai and English versions to sure equitable treatment to all shareholders

(a) Information disclosure

(1) The Company shall arrange for the mechanism to ensure the correctness of information disclosure, which is sufficient for the investors' decision making, and to prevent any misunderstanding in the essence of information.

(2) In this sense, material information of the Company is defined as the information relating to its business operations that requires proper disclosure method due to its impact toward the share price or the investment decision of investors.

(3) The Company delegates that only authorized persons have the right to disclose the information yet to be revealed to the public.

(4) The Company prohibits disclosure of information in the period of 2 weeks prior to the date of significant information announcement.

(5) The Company shall disclose the corporate governance policy, Code of Conduct and business ethic, risk management policy, corporate social responsibility policy and result of compliance thereof via various channels such as the annual report, the company website, and so on.

(6) The Board of Directors shall encourage the Company to prepare the Management Discussion and Analysis or MD&A together with disclosure of the financial statements of each quarter. This is to provide investors with information and better understanding about the changes of financial position and performance of the Company in each quarter in addition to figures stated in the financial statements.

(7) The Company shall determine the disclosure of audit fee and other service fees related to the auditors' services.

(8) The Company shall disclose the roles and responsibilities of the Board of Directors and sub-committees, the number of meetings held and the number of attendance of each Director in the past



year, their opinions, and the training sessions and professional development of the Board of Directors in the annual report.

(9) The Company shall disclose the remuneration policy to Directors and executives as required by the law. Such policy shall reflect the duties, obligations, and responsibility of each person, including the form or nature of remuneration. In this regard, the remuneration to be disclosed shall include that provided to each Directors who also assume directorship of subsidiaries.

(10) The Company shall disclose the information in line with the requirements of the Securities and Exchange Commission (SEC), SET and related laws, including the disclosure of information to shareholders and/or the public in an equitable manner.

(b) Minimum disclosure on the Company's website

(1) The Company discloses activities which reflect compliance with its policy whereby employee participation are encouraged.

(2) The Company discloses the information as per requirements of SET, SEC, and related laws. Such disclosure will be made via SET's channel and the Company's website both in Thai and English versions on a continuous basis. The information shall be the most current version and contain, at the minimum, of the following information.

- 2.1 Vision and mission of the Company
- 2.2 Nature of business
- 2.3 List of Directors and executives
- 2.4 Financial statements and report on financial position and performance of the current and previous year
- 2.5 The Annual Registration Statement (Form 56-1) and the annual report in downloadable versions
- 2.6 Direct and indirect shareholding structure
- 2.7 Group company structure, including subsidiaries

- 2.8 Direct and indirect shareholding of Directors, major shareholders, and executives as required by the law
- 2.9 Invitation letter to annual general meeting and extraordinary meeting of shareholders
- 2.10 Articles of Association and Memorandum of Association
- 2.11 Corporate governance policy of the Company
- 2.12 Risk management policy
- 2.13 Charter or responsibilities, qualifications, and term of office of the Company's Board of Directors
- 2.14 Charter or responsibilities, qualifications, and term of office of the Company's sub-committees
- 2.15 The Company's Code of Conduct and ethics
- 2.16 Contact information of department or persons responsible for investor relations function
- 2.17 Information or other documents that the Company presented to analysts, fund managers or press

1.5 Directors' responsibilities

(a) The Board of Directors structure

(1) Composition and qualifications of the Board of Directors of the Company shall accord with the Board of Directors Charter, details are as summarized in the clause 3.1 "Board of Directors"

(2) The qualifications of the Independent Directors shall accord with the Board of Directors Charter, details are as summarized in the clause 3.2 "Independent Directors"

(3) The appointment, term of office, and retirement from office shall be made in accordance with the Board of Directors Charter, details are as summarized in the clause 3.1 "Board of Directors"

(4) The appointment of the Company Secretary and determination of responsibilities as well as the



conditions for discharge and the appointment of the new Company Secretary shall be in compliance with the Board of Directors Charter and the Company Secretary Charter, the essence of which are as follows.

4.1 The Company Secretary was appointed by the Board of Directors to act on behalf of the Company or the Board of Directors

- To prepare and maintain the Directors' register, invitation letters for the Board of Directors' meetings, the invitation letters for the Shareholders' Meetings, the minutes of the Board of Directors' meetings, the minutes of the Shareholders' Meetings and the annual report of the Company

- To maintain records of conflict of interest reported by Directors or executives

- To arrange the Board of Directors' Meetings and Shareholders' Meeting

- To provide recommendations about the rules and regulations to be aware by Directors and executives

- To arrange for training and orientation as well as provide information necessary for current or newly appointed Directors in performing their duties

- To oversee and coordinate in order to ensure that the Company complies with the laws, rules, regulations, and resolutions of the Board of Directors' meetings, including the good corporate governance policy and business ethics

- To partake in other engagements as required by the Securities and Exchange Act as well as the Notifications of the Capital Advisory Board

4.2 The Company Secretary shall perform duty with accountability, prudence, and honesty as well as ensure compliance with the laws, objectives, Articles of Association, resolutions of the Board of Directors as well as those of the Shareholders' Meeting.

4.3 The Board of Directors may pass a resolution to dismiss the Company Secretary.

4.4 In a case where the Company Secretary is dismissed from duty or could not assume the office, the Board of Directors shall appoint the new Company Secretary within 90 days of the date the existing Company Secretary is relieved from duty or could not perform duty. The Board of Directors is authorized to delegate any Director to perform the duty in lieu of the Company Secretary during the vacuum period. The Chairman of the Board of Directors shall inform the name of the Company Secretary to SEC within 14 days of the date where the position is assumed.

(b) The sub-committees

(1) The Board of Directors appoints the Audit Committee and/or other committees as deemed appropriate

(2) The Board of Directors shall ensure that performance of the sub-committees is carried out with independence and objectivity

(3) The Board of Directors has put in place the charter of each sub-committee to ensure that each committee perform duty effectively and deliver the objectives of their duties and responsibilities

(c) Roles and responsibilities of the Board of Directors

(1) The Board of Directors has responsibilities as stated in the Board of Directors Charter in various aspects, details are as summarized in the clause 2.1 "Scope of authority of the Board of Directors approved by the Board of Directors' Meeting No. 2/2017 held on April 18, 2017."

(d) The Board of Directors' Meeting

(1) The Board of Directors' Meeting shall be held at least every 3 months

(2) The Board of Directors' Meeting shall assign a Director as the Chairman of the Board. In case where it is deemed appropriate, the Board of Directors may assign one or more Directors to be Vice Chairman of the Board.



(3) The Chairman of the Board shall call for the Board of Directors' Meeting. In this regard, two or more Directors are entitled to request for an extraordinary meeting. In this regard, the Chairman of the Board or assigned persons shall determine the date of meeting within 14 days of the requesting date.

(4) The Chairman of the Board or delegated person shall dispatch the invitation letter to Directors at not less than 7 days prior to the meeting, except in case of emergency to protect the right or benefit of the Company where the Company is allowed to make appointment for the meeting by other means and the meeting date could be determined sooner.

(5) The Company Secretary shall prepare the minutes of meeting within 14 days of the meeting date.

(e) Meeting quorum

(1) The meeting of the Board of Directors requires a minimum of not less than half of the total members of the Board to constitute a quorum. In this regard, the Chairman of the Board shall act as the Chair of the meeting. In a case where the Chairman of the Board is not present in the meeting or could not carry out his duty, the Vice Chairman, if available, shall convene the meeting as the Chair of the meeting. In a case where the Vice Chairman of the Board is unavailable or he could not carry out his duty, the members of the Board present in the meeting shall assign a member to chair the meeting.

(2) The absolute discretion of the Board of Directors is made by the majority whereby one Director has one vote. If the vote is even, the Chair of the meeting shall have an extra vote as the casting vote. In this regard, a Director with conflict of interest in any agenda shall have no right to vote in that particular agenda.

(f) Self-assessment of the Board of Directors

(1) The self-assessment of the Board of Directors and sub-committees are made both as a whole and individually on an annual basis for the Board to collaborate in considering its performance and any

issues that required solution and improvement.

(2) The Company may engage third-party advisor to assist in determining the guidelines and propose issues for performance assessment of the Board every 3 years and disclose the result in the annual report.

(g) Remuneration

(1) The remuneration of the Board of Directors, executives, and employees of the Company shall comply with the directors' nomination and remuneration policy and the executives' and employees' compensation policy as determined by the Company.

(h) Self-development of the Board of Directors and executives

(1) Self-development of the Board of Directors and executives shall accord with the policy on development of Directors and those of executives and employees as determined by the Company.

2. Board Structure

The Company's board structure consists of the Board of Directors and the Audit Committee with the scope of authority and responsibility as follows:

2.1 Scope of authority and responsibility of the Board of Directors

(a) Policy and corporate governance

(1) To carry out duties in compliance with the laws, objectives, Articles of Association, and resolution of the Shareholders' Meeting with honesty and integrity while being prudent in securing the benefit of the Company.

(2) To determine the policy and endorse matters relating to the overall operations of the Company such as vision, business direction, strategies as well as to approve the business plan, annual budget, investment plan, financial decisions, and so on.

(3) To monitor the performance of the Company to ensure that the operation accords with the goal and business plan.



(4) To put in place a written policy on corporate governance that suits the nature of the Company and disclose such policy in the annual report for shareholders' acknowledgement. In this regard, the Board should review the policy on a regular basis of at least on annual basis.

(5) To put in place the Code of Conduct and business ethics in writing to serve as standards for performance of Directors, executives, and employees of the Company. In this regard, the Board should monitor to ensure compliance with the Code of Conduct and business ethics on a determined basis.

(6) To encourage Directors, executives, and employees of the Company to comply with the policy on corporate governance and Code of Conduct of the Company.

(7) To put in place the filing system of documents and evidence containing information, including ensuring that the documents or evidence are maintained in a complete and correct manner as well as auditable within a period of not less than 5 years of the date such documents or information are prepared. In this regard, the maintenance of documents and evidence, including maintenance using the computer system or other systems which make them retrievable without changes of texts.

(8) To appoint the sub-committees to provide recommendations, to consider matters and perform duty as determined and deemed appropriate by the Board of Directors

(9) In case where the Board assigns executives or employees of the Company to perform a duty on its behalf, the assignment shall be clearly made in writing or recorded as the resolution of the Board of Directors.

(b) Finance

(1) To arrange for preparation and maintenance of the account as well as arrange for the audit thereof in compliance with the related laws

(2) To arrange for preparation of Balance Sheet

and Profit and Loss Statements at least once for every calendar year, which is the Company's annual accounting period

(3) To arrange for preparation of the balance sheet and profit and loss statement at least once every calendar year, which is the accounting period of the Company, and propose them to the annual general meeting of shareholders for consideration and approval. In this regard, the Board shall arrange for the audit of such statements to be completed prior to proposing them to the meeting of shareholders

(c) Internal control, internal audit, and risk management

(1) To establish the Audit Committee consisting of at least three members, which shall comply with the following criteria.

1.1 To be appointed by the Board of Directors or the Shareholders' Meeting of the Company as the Audit Committee member

1.2 To be Independent Director with qualifications and without prohibited characteristics; and not to be Director assigned by the Board to make decisions on the Company's operations, subsidiaries, associated companies, same-level subsidiaries, major shareholder or shareholders with controlling person of the Company; and not to be the Director of the parent company, subsidiaries, or same-level subsidiaries solely for listed companies

1.3 To perform duty in the same nature as determined by the Notification of the Stock Exchange of Thailand and Re: Qualifications and Scope of Work of the Audit Committee

1.4 To have adequate knowledge and experience to perform duty as the member of Audit Committee. In this regard, at least 1 member of the Audit Committee with adequate knowledge and experience to perform duty in reviewing the reliability of the financial statements

(2) To put in place the risk management policy, as well as risk management and control throughout the



organization

(3) To review the system or assess the efficiency of the internal control system and risk management at least once a year

(d) Human resources

(1) To arrange for recruiting and screening of appropriate persons and to ensure that the persons, who shall assume directorship or executives of significant positions, have suitable knowledge, ability, and experience

(2) To arrange for appropriate remuneration of Directors and executives of key positions in order to ensure that they are appropriate for the authority, duty, scope of responsibility, and reflect the ability to perform such duties

(3) To endorse the succession plan for key positions

(e) Conflict of interest

(1) A Director with conflict of interest in any agenda shall refrain from voting in that agenda.

(2) A Director is prohibited from engaging in the business of the same nature as that of the Company and competing against the Company; or assume directorship of ordinary partnership or hold the position of unlimited liability partner of limited partnership or to be a Director of a private company or other company engaging in the business of the same nature and competing against the Company's business, whether for personal or others' gains unless such engagements were notified to the Shareholders' Meeting prior to the resolution was passed to approve such appointment

(3) The Company is prohibited from lending, guarantee, or agree to purchase or purchase the discounted bills and provide guarantees for loans to Directors, their spouse, or minor offspring, except in line with the employee and staff welfare regulations.

(4) The Company is prohibited from paying fund or providing other assets to Directors, except

remuneration as per the Articles of Association of the Company. In case such matter is not included in the regulations of the Company, remuneration shall be made in accordance with the resolution of the Shareholders' Meeting, which consist of not less than two-third votes of the shareholders attending the meeting.

(5) Any Director purchasing the assets of the Company or sell theirs to the Company or make any transactions with the Company, whether in their name or others, is required to obtain prior consent from the Board of Directors; otherwise such trading or transactions shall not be binding to the Company.

(6) Directors are to notify the following matters to the Board without delay.

6.1 Any conflict of interest, whether directly or indirectly, in any agreements entered into by the Company during the accounting year by specifying the facts of agreement, name of counterparts, and the conflict of interest of such Director in the agreement (if any)

6.2 Any shares or debentures of the Company and group companies held whereby the total volumes, which may increase or decrease during the accounting period (if any)

(f) Communications with shareholders

(1) To arrange for organizing the annual general meeting of shareholders within 4 months of the ending date of the accounting year of the Company. Other meetings shall be called an extraordinary general meeting of shareholders

(2) To arrange for disclosure of significant information for shareholders in the financial statements and reports prepared for shareholders. Such information should first and foremost be disseminated through SET Portal prior to publishing on the company website. Also, the Investor Relations function shall be established to provide information to investors.



(g) Others

(1) To perform other duties as stated in the notifications, rules, acts or other laws governing the Company

2.2 Scope of authority and responsibilities of the Audit Committee

(1) The Audit Committee can seek for report or recommendations from independent professionals or for matters within its scope of authority as necessary. Any related fee incurred shall be borne by the Company.

(2) The Audit Committee may invite Directors or employees of the Company to attend the meeting in order to consult with or clarify about the business operations of the Company and projects of subsidiaries, joint venture, and trade partner, which fall within the scope of duty and responsibility of the Audit Committee.

(3) The Audit Committee is entitled to consider and perform audit on any matter necessary for business operations of the Company.

(4) To consider and review correctness and adequacy of disclosure of annual or interim financial reporting of the Company to ensure appropriateness and compliance with the accounting standards by coordinating with the external auditors and executives who responsible for preparation of the annual and quarterly financial reports. In this regard, the Audit Committee may arrange for the external auditors to perform review or audit of any transactions deemed necessary and significant during the preparation of the Company's financial statements.

(5) To consider and review to ensure the efficiency of the internal control system of the Company, including the IT security control system.

(6) To study and understand the scope of review of the internal control system of the Company relating to financial reporting conducted by the internal and

external auditors; and arrange for the audit report on significant issues, opinions, or recommendations, including comments of executives.

(7) To consider and review the efficiency of the system to monitor compliance with the laws, rules, and regulations

(8) To review and monitor of the risk management system of the Company

(9) To prepare the annual Audit Committee Report, which shall be signed off by the Chairman of the Audit Committee

(10) To provide the Board of Directors with a recommendation on the Company's external auditors as well as the audit scope and audit fee

(11) To consider and approve the internal audit charter, internal audit planning, and revision thereof

(12) To take actions related to the Audit Committee Charter as requested by the Company

(13) To consider and arrange for assessment of adequacy of the Audit Committee Charter on an annual basis; and to propose any revision thereof to the Board of Directors for approval

(14) To oversee the Company in order to ensure compliance with the public limited company law, the securities and exchange law, SET rules and regulations and those of SEC relating to listed companies, including other regulations relating to the business operations of the Company.

2.3 Scope of authority of Chief Executive Officer

The Chief Executive Officer (CEO) is appointed by the Board of Directors and authorized with the authority and responsibility to manage company affairs as assigned by the Board. In this regard, CEO shall strictly run the Company following the business plan or the budget approved by the Board in an honest and prudent nature so as to protect the interest of the Company and shareholders. The scope of authority of CEO shall include the following aspects



and affairs.

- (1) Daily operations of the Company
- (2) Formulation of business policy, strategic plan, and annual budget as proposed by the management team and Executive Committee for further proposal for consideration to the Board of Directors
- (3) Appointment and removal of Executive Committee Members and Executive Committee to take actions in different aspects of the company management, both of which report directly to the CEO
- (4) Determination of scope of duty of Executive Committee Members and Executive Committee
- (5) Taking actions in line with the business plan and financial budget approved by the Board of Directors
- (6) Preparation of financial reporting and statements of the Company, which are proposed to the Board of Directors on a quarterly basis
- (7) Formulation of policy and entering into or termination of agreements or obligations related to engagements on behalf of the Company in the present and future within the scope of approval authority determined by the Board of Directors
- (8) Entering into or termination of agreements or obligations other than stated in clause (5) within the scope of approval authority as determined by the Board of Directors
- (9) Hiring, appointment, removal, transfer, promotion, demotion, salary or pay cut, take disciplinary action, or employment termination on behalf of the Company, including appointment and determination of remuneration of any other officers in the management team and all subordinates assuming positions lower than the CEO as well as delegation of authority and duties assigned to such officers as deemed appropriate
- (10) Performing other duties as assigned by the Board of Directors on a periodical basis

In addition, the Board of Directors authorizes the CEO with management authority in accordance with the following principles and scope of authority.

(a) The authority to manage the operations of the Company as per the objectives, Articles of Association, policy, regulations, requirements, directives, and resolutions of the Board of Directors Meeting and/or the meeting of shareholders of the Company in all aspects

(b) The authority to take command, contact, order, take actions, and signing off on legal transactions, agreements, directives, notifications, or any letters utilized to contact the government agencies, state enterprises, and other parties, including the authority to take actions deemed appropriate and necessary to accomplish any of the above activities

(c) The authority to delegate his authority and/or assign any or several persons to carry out certain tasks on his behalf under his supervision. Such delegation and/or assignment shall be within the scope of delegation as per the Power of Attorney form and/or the Articles of Association, regulations, requirements, or directives of the Board of Directors and/or as determined by the Company

3. Nomination and appointment of Directors, Sub-committees and CEO

3.1 The Board of Directors

The composition and qualifications of the Board of Directors are determined in the Board of Directors Charter, the essence of which can be summarized as follows.

(1) Composition

(a) Directors of the Company shall be elected by the meeting of shareholders and in compliance with the methods prescribed in the Articles of Association of the Company as well as other related laws.

(b) The Board of Directors shall consist of



a minimum of 5 Directors and not less than half of the Board must reside in the Kingdom of Thailand.

(c) The Independent Directors must account for at least a third of the Board of Directors, and there must be at least 3 of them.

(d) The Board of Directors shall elect a Director to serve as the Chairman of the Board; and may elect Vice Chairman of the Board as well as other positions as deemed fit

(2) Qualifications of Directors

(a) A natural person and of maturity age

(b) Not being bankrupted, incompetent, or quasi-incompetent

(c) Never being imprisoned due to a final judgement except for an offence committed through assets acquired by fraud and never be dismissed or discharged from the civil service or public agencies on the charge of fraud

(d) Duly qualified and having no prohibited characteristics in accordance with the Public Limited Company Act, and shall not possess any inappropriate nature that restrains him from being entrusted to manage a business whose shares are held by the public as stipulated by SEC

(e) Being an expert with knowledge, capability, and experience that are beneficial to the Company's operation and can fully dedicate his time for the responsibility

(f) Do not engage in the business of the same nature as that of the Company and competing against the Company; or assume directorship of ordinary partnership or hold the position of unlimited liability partner of limited partnership or to be a Director of a private company or other company engaging in the business of the same nature and competing against the Company's business, whether for personal or others' gains unless such engagements were notified to the Shareholders' Meeting prior to the resolution was passed to approve such appointment

(3) Appointment, term of office, and removal from office

(a) The meeting of shareholders shall appoint Directors whereby the persons receiving the highest votes and the following ranks shall be elected as Directors until all the seats are occupied. In a case where persons elected receiving equal votes, but the number of elected persons exceed the number of Directors required, a lot drawing method shall be applied until all the seats are occupied.

(b) In each annual general meeting of shareholders, one-thirds of Directors shall retire by rotation. If the one-thirds proportion could not be made, the closest numbers shall apply. Directors who shall retire by rotation shall be the ones with the longest serving period. However, the retired Directors may be re-elected for another term.

(c) The meeting of shareholders may pass the resolution to remove any Director prior to his end of office term by the votes representing not less than three-fourths of number of shareholders attending the meeting with the right to vote; and total shares shall not be less than half of number of shares held by shareholders attending the meeting with the right to vote.

(d) Directors shall vacate the office upon:

- Death;
- Resignation;
- Being disqualified or having prohibited characteristics as stipulated by the laws;
- Being dismissed by the resolution of shareholders;
- Being dismissed by the court order.

(e) To resign, Director shall tender the resignation letter to the Company and it would become effective on the date it is delivered to the Company.

3.2 Independent Directors

The Board of Directors shall mutually consider the qualifications of candidates to serve as the



Independent Directors with reference to qualifications and prohibited characteristics as per the Public Company Limited Act, the Securities and Exchange Act, notifications of the Capital Advisory Board, including related announcements and/or regulations. In addition, the Board of Directors shall select Independent Directors based on experience and suitability in other aspects. Then, the candidates shall be nominated to the meeting of shareholders for appointment. The Company has policy to appoint Independent Directors which accounts for one-third of total Directors and to have a minimum of 3 Independent Directors. In this regard, the Board of Directors has determined the qualifications of the Independent Directors as follows.

(1) Hold no more than 1% of all shares with voting right of the Company, the parent company, a subsidiary, a joint/associated company, a major shareholder or an entity with controlling authority. This is inclusive of shares held by anyone who is affiliated with them

(2) Do not involve in the management, employees, staff, consultant with monthly salary or entities with controlling authority over the company, the parent company, a subsidiary, a joint/associated company, a same-level subsidiary, a major shareholder or an entity with controlling authority, unless he is free from such condition not less than two years prior to his/her appointment as an Independent Director. In this regard, the prohibited characteristics do not include cases where the Independent Director who served as civil servant or advisor to public agencies, who is major shareholder or entities with controlling authority.

(3) Have no connection by blood or legal registration as father, mother, spouse, sibling, son/daughter or spouse of son/daughter of another Director, executive, a major shareholder, and an entity with controlling authority or an individual who will be nominated as Director, executive or entity with controlling authority over the company or the subsidiary.

(4) Have no business relationship with the

Company, the parent company, a subsidiary, a joint/associated company, a major shareholder or an entity with controlling authority in such a manner that may obstruct their exercise of independent discretion. Further, an Independent Director is not a significant shareholder or an entity with controlling authority over a party with business relationship with the Company, the parent company, a subsidiary, a joint/associated company, a major shareholder or an entity with controlling authority, unless he is free from such condition at not less than two years prior to his/her appointment as Independent Director

Such business relationship is inclusive of a trading transaction occurring on a conventional basis for the conduct of business; a rent or lease of property; a transaction involving assets or services; a provision or an acceptance of financial assistance through means of a loan, a guarantee, a use of an asset as collateral against debt; and, other similar actions which result in the Company or the party to the contract having a debt to be repaid to another party for the amount from 3% of net tangible assets (NTA) of the Company or from 20 Million Baht, whichever is lower. This amount is determined by the calculation of Related Transaction value as per the Notification of the Capital Advisory Board. It is inclusive of debt(s) arising within one year prior to the day of business relationship with the same party.

(5) Never serve nor was an auditor of the Company, the parent company, a subsidiary, a joint/associated company, a major shareholder or an entity with controlling authority, and, not a significant shareholder or a partner to the audit office with which the auditors of the parent company, a subsidiary, a joint/associated company, a major shareholder or an entity with controlling authority are associated, unless he is free from such condition at not less than two years prior to his/her appointment as Independent Director



(6) Never serve as nor was not a person rendering any professional service or a legal or financial consultant who is paid more than 2 Million Baht in service fee per year by the Company, the parent company, a subsidiary, a joint company, a major shareholder or an entity with controlling authority, and, not a significant shareholder or an entity with controlling authority over the Company or a partner to such professional service provider, unless he is free from such condition at not less than two years prior to his/her appointment as Independent Director

(7) Not being a Director who is appointed to be a nominee of a Director of the Company, a major shareholder or a shareholder who is connected to a major shareholder

(8) Do not engage in a business of the same nature as and which is significantly competitive to that of the Company, the parent company or a subsidiary. An Independent Director is not a significant partner to a partnership or a Director with involvement in the management, employees, staff, consultant with monthly salary, or, who holds more than 1% of all shares with voting rights of another company which is engaged in a business of the same nature as and which is significantly competitive to that of the Company or a subsidiary.

(9) Do not have any other characteristic which prevents him from opining freely on the operation of the Company

3.3 The Audit Committee

The composition and qualifications of the Audit Committee of the Company are determined in the Audit Committee Charter, the essence of which can be summarized below.

(1) The Board of Directors of the Company appoints the Audit Committee, which includes the Chairman of the Audit Committee and members, and comprises not less than 3 Independent Directors

with qualifications in compliance with public limited laws, the securities and exchange law, rules and regulations related to listed companies of SET and SEC as well as Articles of Association of the Company.

(2) The Head of Internal Audit Department of the Company shall serve as the Secretary of the Audit Committee.

(3) Each member of the Audit Committee has a 3-year term of office. In this regard, the retired members of the Audit Committee may be re-elected for another term. However, the re-election shall not be on automatic basis.

(4) The term of office of the Audit Committee members shall end immediately when such member of the Audit Committee retires from the position of Director.

3.4 Chief Executive Officer

The nomination process for Chief Executive Officer is determined in the Chief Executive Officer Charter i.e. the Board of Directors appoints the Chief Executive Officer and authorizes him with the authority and duty related to management of company affairs as assigned by the Board as stated in the clause 2.3 "Scope of authority and duty of Chief Executive Officer".

4. Overseeing of Operations of Subsidiaries and Associated Companies

The Company has adopted a policy on corporate governance for the purpose of overseeing and managing the operations of its subsidiaries and associated companies which operate core businesses of the group (the "Policy"). The purpose of the Policy is to prescribe a direct and indirect mechanism to ensure that the Company is able to oversee and manage the operations of its subsidiaries and associated companies (as the case may be) and to monitor that the subsidiaries and associated



companies (as the case may be) of the Company are in compliance with the Company's measures, procedures and policies, including the Public Limited Company Act, the Civil and Commercial Code of Thailand, the Securities law and any other relevant laws, notifications, regulations and rules of the Capital Market Supervisory Board, the Securities and Exchange Commission (the "SEC"), the Office of the SEC and the Stock Exchange of Thailand. In addition, in order to protect the Company's interest in the investment in the subsidiaries and associated companies, the Company has adopted the Policy, and prescribed that all of the directors, executives and/or employees appointed by the Company to be director and/or executive of the subsidiaries and associated companies are required to acknowledge the content of the Policy by signing the acknowledgement of the Policy.

5. Performance assessment

Performance assessment of the Board of Directors

The Board of Directors arrange for the annual assessment of overall performance of the Board of Directors as a whole and on individual bases. This is for the Board to mutually consider its performance and issues for further improvement and efficiency.

The self-assessment process of the Board of Directors and the sub-committees is made whereby the Company Secretary and the Secretary of the Audit Committee submit the assessment form to all Directors to perform the assessment. Such form shall be returned to the Company Secretary and the Secretary of the Audit Committee to process the result and summarize the score, which will be reported to the meeting of the Audit Committee and the Board of Directors for acknowledgement.

The key performance assessment topics are as follows.

	Assessment as a whole		Individual assessment	
	Board of Directors	Audit Committee	Board of Directors	Audit Committee
(1) Structure and qualifications	•	•	•	•
(2) Board/Committee meetings	•	•	•	•
(3) Roles, duties, and responsibilities of Directors	•	•	•	•
(4) Others such as relationship between the Board and management, self-development of Directors and executives	•			

In 2017, the result of the performance assessment of the Board of Directors and the Audit Committee can be summarized as follows.

	Assessment as a whole (Percent)	Individual assessment (Percent)
The Board of Directors	95	99
The Audit Committee	97	93



Performance assessment of the CEO

The Board of Directors arranges for the assessment of CEO's performance with reference to the assessment topics as per SET guideline as follows: (1) leadership; (2) strategy formulation; (3) strategy implementation; (4) financial planning and results; (5) relationship with the Board; (6) relationship with third parties; (7) management and relationship with staff; (8) succession plan; (9) knowledge on products and services; and (10) personal attributes

6. Regulations on approval authority and actions taken to enter into transactions

The Company determines that the Board of Directors has the authority to approve matters of the Company in accordance with the scope of duty determined by the law, the Articles of Association of the Company, CEO Charter, and the resolution of meeting of shareholders, including the revision of vision, mission, and the operating strategy on an annual basis. The duties extend to improvement of the action plan, annual budget, expenditure, and administrative budget of the Company as well as monitoring and assessment of operating result to ensure alignment with the goal, approval of significant related transactions. The CEO also is obligated to manage the company affairs as assigned by the Board of Directors and authorized with the approval authority on investment budget approved by the Board of Directors or that on transactions of amount within the budget.

7. Oversight on the use of inside information

The Company and subsidiaries recognized the importance of confidentiality of their information and that of their customers, which is essential to the operations and reflect the level of reliability of the Company and subsidiaries. As such, the

Company has formulated the Confidentiality policy the guideline on treatment of confidential information. The policy is applicable to all personnel of the Company and subsidiaries, namely the Board of Directors, executives, permanent and temporary employees, and contract staff. The Company puts in place level of clearance for use of personal or classified information so as to ensure specific use solely for determined objectives. The Company shall separate the confidential information and restrict access only to authorized persons or those with authority granted by the Company. Such personnel are obliged to use the information in an honest and just manner.

In addition, the Company prohibits staff of the Company and subsidiaries from disclosing their confidential information, which is not publicly available (especially trade secrets) without permission from the Company. Any disclosure or use of such information by third parties shall cause damages toward the Company, subsidiaries, and related parties.

The Company has formulated policy to prevent the use of inside information. It is determined that directors, executives as well as executives of accounting and finance area whom are informed of significant inside information, which has impact toward the price fluctuation of the Company's stock, shall refrain from trading the Company's stock for a period of 30 days (window period) prior to the disclosure of the quarterly and annual financial statements to the public, and shall wait as least 24 hours after such disclosure.

The Directors, executives, and employees of the Company and subsidiaries are obligated to comply with the guideline on the use of inside information as stipulated in the Securities and Exchange Act B.E. 2535 and the Public Company Limited Act B.E. 2535, and other relevant laws.



8. Audit fee

In 2017, the Company and its subsidiaries paid the audit fee of 11,450,600 Baht to the auditor, comprising the Company's and its subsidiaries' audit fees of 3,900,000 Baht and 7,550,600 Baht, respectively. The Company and its subsidiaries did not pay any other audit fees to the auditor or other relating parties of the auditors

Non-Audit fee

The Company and its subsidiaries obtain other non-audit services from the auditor and other relating parties of the auditors with total fees of 39,290,000 Baht. These amounts were recorded as expenses in 2017.

The details of the non-audit fee were as follows:

1) The auditor has provided non-audit services relating to the agreed upon procedure on BOI, accounting advisory, for the conversion of financial statements for the year ended 31 December 2016, 2015 and 2014 from Thai Financial Reporting Standard for Non-Publicly Accountable Entities to preparing in accordance with Thai Financial Reporting Standards and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act for the purpose of an inclusion in the Thai Filing and the offering circular, and the assistances in compiling the financial information to support the domestic and international Initial Public Offerings (IPOs) in the amount of 31,840,000 Baht

2) Other related parties of the auditor have provided non-audit services relating to the advisory services on investment structure in the amount of 7,450,000 Baht

Management had considered that services provided by the auditors and other related parties to the auditor did not result in any conflict of interest or expose to the self-review of auditor and its related parties that will impair the auditor's independence and judgement when performing the audits. The Audit Committee had approved these services.

The auditor has no any relationships or conflict of interest with the Company, its subsidiaries, major shareholder, management or their related parties that the auditor has independence to audit and express the opinion to financial statements of the Company.

9. Other compliance with good corporate governance

Whistleblower policy

The Company realizes that fraudulent actions and wrongdoings may be committed during the operations and contact with stakeholders, which may affect the decisions made and business operations of the Company. Thus, the whistleblower policy was formulated to determine the channel to receive complaints, related actions to be taken, and protection for whistleblowers. A whistleblower is defined as employees, personnel of the Company, customers, persons hired to work for the Company as well as the stakeholders who file complaints on any fraudulent actions or wrongdoings incurred in the Company. The whistleblower shall be protected as per his right by the law and guideline as well as the protection measures determined by the Company.

9.1 Complaint channel

Whistleblowers may file any leads or complaint on fraudulent actions and wrongdoings, together with evidence by downloading the form at the website www.gulf.co.th and submit it via various channels below as deemed appropriate.

1. Supervisor of the whistleblower
2. Via telephone number: 02-080-4500
3. Email to the address: ia@gulf.co.th
4. Submit the letter to the Chairman of the Audit Committee or the Board of Directors at the following address:



87 M Thai Tower, 11th floor
All Seasons Place, Wireless Road,
Lumpini, Pathumwan, Bangkok 10330
Or email address: ac@gulf.co.th

9.2 Actions taken subsequent to receiving complaints

The Internal Audit Department shall carry out the investigation of the complaints on fraudulent actions and wrongdoings with independence and fairness so as to acquire evidence which could be used in verification or dispute with received information, including taking disciplinary actions and/or taking legal actions against wrongdoers. The Internal Audit Department has the duty to report progress and result of the complaints to the whistleblower who provides the name and contact details, except for cases where it is necessary to keep confidential the personal information that refrain the Company from providing complete details on the progress and result to the whistleblower. In this regard, the working group or those responsible for related matters shall report the result to the President, the Chairman of the Audit Committee, and the Board of Directors for acknowledgement as the case maybe. In case where the investigation result discovers that the complaint is made with mal-intent or deliberation to damage the Company or any persons or that it is false statement, the whistleblower, who is the employee of the Company, will be subject to the disciplinary action. The Company will take legal actions against any external whistleblower that cause damages to the Company.

9.3 Whistleblower protection

The Company shall not reveal the name, surname, address, or other information which leads to identification of the whistleblower or persons cooperating with the fact-finding process. The Company shall keep confidentiality and make solely necessary disclosure by prioritizing the safety and damages of the whistleblowers or cooperating parties. In addition, the whistleblower may request the Company to implement the security measures as deemed appropriate in case they feel unsafe or troubled or damaged; or the Company may determine the measure to protect the whistleblower without request. In this light, the whistleblower who suffers damages shall be relieved with the just and appropriate process; and the Company shall refrain from taking any actions which are unfair for the whistleblowers whether by transfer of positions, types of job, workplace, career suspension, threatening, disruption of work, employment termination or other actions which are considered unfair treatment against the whistleblower.

In 2017, the Company did not receive any complaints or disputes.



Internal Control and Risk Management

The Company recognizes the importance of implementing internal control and risk management in its daily operations to reduce the potential risks which may adversely affect the Company's ability to achieve its objectives or strategies. These measures represent an important component of good corporate governance.

Evaluation of adequacy and appropriateness of internal control system

The Company utilizes the following guidelines to evaluate the adequacy and appropriateness of its internal control system in accordance with the principles of good internal control:

1. Control Environment

The Company supports and promotes a positive internal control environment by formally establishing the Company's objectives and operational direction, corporate governance policies, code of conduct and employee manuals. This information, along with relevant punitive measures, is communicated to employees at all levels to ensure awareness and strict compliance. There is a clear organizational structure with a checks and balances mechanism, as well as an internal audit department that works independently and reports directly to the Audit Committee to review and verify operations. All these components together promote a strong internal control environment.

2. Risk assessment

The Company has implemented a system for risk assessment comprising a risk management team responsible for setting out a policy framework and risk management guidelines in accordance with COSO principles and considering risk management processes and measurement to control any potential damage within an acceptable limit. The team is also responsible for promoting operational practices compliant with risk management policies across the entire organization.

3. Control activities

The Company has established in writing a framework detailing the authorization of transactions and activities with appropriate segregation of duties and verification processes. The Company has also established administrative procedures for transactions that meet the conditions for connected transactions or transactions that may present a conflict of interest. The internal audit department is responsible for reviewing operations and ensuring compliance with laws and regulations.

4. Information and communication

The Company has established a consistent and effective information system to provide adequate key information to support the decision-making process of the Board of Directors and management. Documents are securely stored for a specified length of time as per legal requirements. Quarterly and annual financial reports are reviewed and audited to ensure that adequate financial information is made available promptly for the benefit of shareholders, investors and other concerned parties by the Company's auditor. In addition, the Company has established both an internal and external communication system to allow employees to receive information necessary for completing tasks, as well as a team responsible for monitoring and sharing through appropriate channels general information, financial information and information which may affect the Company's share price.



5. Monitoring

The Company monitors performance against its key performance indicators (KPI) and provides reports which include analysis of performance gaps to inform the management and Board of Directors decisions regarding strategic directives for the future. With regards to internal control, the Company has tasked the internal audit department with reviewing measures and reporting their findings to the Audit Committee in a timely and consistent manner.

Auditing and review of internal control and risk management systems

The Board of Directors is responsible for appointing an Audit Committee to review the adequacy and appropriateness of the Company's internal control system to ensure the processes comply with internationally accepted guidelines set by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The review process of internal control covers management control, operation control, accounting and financial control and compliance control, and also takes into consideration the internal and external auditors' reports on the Company's internal control system.

The Audit Committee will evaluate the internal control system through interviews with the Company's management, review of the internal auditors' reports, and acknowledgement of annual results of risk management. In the Board of Directors' Meeting No. 2/2018 held on February 26, 2018, the Board of Directors and the Audit Committee were in agreement that the Company's internal control systems were adequate and appropriate, an adequate number of staff were hired to ensure internal control would proceed effectively, and there was sufficient monitoring of subsidiary companies' operations to safeguard the assets of

the Company and its subsidiaries from misuse by directors or management, as well as to prevent transactions with individuals that may represent conflicts of interest.

With regards to organizational risk management, the Audit Committee is responsible for considering, reviewing and overseeing risk management within the organization to ensure risk management activities proceed efficiently and effectively, taking into consideration both the organization's risk management plan and implementation of the plan.

In addition, the Audit Committee has appointed the internal audit department, which works independently from the management, to audit and review the operations of the various departments within the Company and its subsidiaries to ensure that said departments are operating within the framework of internal control set by the Company.

Appointment of the internal audit supervisor

The Company has an internal audit department which reports directly to the Audit Committee and is responsible for overseeing internal audit operations, ensuring that auditing is conducted independently, efficiently and effectively. The Audit Committee's Meeting No. 2/2560 held on April 18, 2017 passed a resolution naming Ms. Chotiros Likitcharoenpanich as the Company's Head of Internal Audit Department, as the Audit Committee determined that she possesses the necessary knowledge and capability, appropriate qualifications, experience in internal auditing, understanding of the Company's business, and ability to effectively monitor and assess the internal control system. That said, the appointment, dismissal and transference, as well as the assessment of independence of Head of the Internal Audit Department must be approved by the Audit Committee.



Board of Directors





01. Mr. Viset Choopiban

Independent Director and
Chairman of the Board of Directors

02. Mr. Kasem Snidvongs

Independent Director and
Chairman of the Audit Committee

03. Mr. Sommai Phasee

Independent Director and
Member of the Audit Committee

04. Dr. Raweporn Kuhirun

Independent Director and
Member of the Audit Committee

05. Mr. Vinit Tangnoi

Independent Director and
Member of the Audit Committee

06. Mr. Santi Boonprakub

Independent Director

07. Mr. Sarath Ratanavadi

Director and Chief Executive Officer

08. Mrs. Pornnipa Chinvetkitvanit

Director and President

09. Mr. Boonchai Thirati

Director, Senior Executive Vice President
and Chief Operating Officer

10. Mrs. Chotikul Sookpiromkasem

Director



Management Team



Mr. Boonhai Thirati

Senior Executive Vice President
and Chief Operating Officer

Mr. Sarath Ratanavadi

Chief Executive Officer

Mrs. Pornnipa Chinvetkitvanit

President



Ms. Yupapin Wangviwat
Senior Executive Vice President
and Chief Corporate Officer

Mr. Rathaphol Cheunsomohit
Senior Executive Vice President
and Chief Development Officer

Ms. Bung-on Suttipattanakit
Senior Executive Vice President
and Chief Financial Officer

Mrs. Sukanya Woragullattanee
Senior Vice President - Accounting
and Budgeting



Mr. Viset Choopiban

Independent Director and
Chairman of the Board of Directors

Date of Appointment

May 25, 2017

Age

72 years

Education

- Honorary Doctorate of Engineering, Chulalongkorn University
- Master of Electrical Engineering, Chulalongkorn University
- Bachelor of Electrical Engineering, Chulalongkorn University

Training

The Joint State - Private Sector Course, Class 8, National Defence College

Director Training

- Director Accreditation Program (DAP), Class 130/2016, Thai Institute of Directors
- Role of the Chairman Program (RCP), Class 3/2001, Thai Institute of Directors

Working Experience (during the recent 5 years) and/or Important Positions

2011 - 2017	Independent Director and Chairman of the Board of Directors, Gulf Energy Development Company Limited
2014 - 2017	Director, CUEL Company Limited
2005 - 2006	Minister, Ministry of Energy
2001 - 2003	President, PTT Public Company Limited
2000 - 2001	Chairman of the Board of Directors, PTT Exploration and Production Public Company Limited
1999 - 2001	Governor, Petroleum Authority of Thailand



Other Directorship Positions/ Other Positions at Present

• Other Listed Companies

2008 - Present Independent Director, Member of Audit Committee and Member of Nomination and Remuneration Committee, RCL Public Company Limited

• Non-listed Companies

2000 - Present Director, Petroleum Institute of Thailand
2015 - Present Director, TIPS Company Limited
2009 - Present Chairman of the Board of Directors, Gulf JP Company Limited

Shareholding in the Company:

- Personal: 0.007%
- Spouse or minor child: - None -

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Mr. Kasem Snidvongs

Independent Director
and Chairman of the Audit Committee

Date of Appointment

May 25, 2017

Age

79 years

Education

- Master of Development Economics, Williams College, Massachusetts, USA
- Bachelor of Science (Honors), Sir John College, London University, United Kingdom

Training

The National Defence, Class 21, National Defence College

Director Training

- Director Accreditation Program (DAP), Class 33/2005, Thai Institute of Directors
- Finance for Non-Finance Directors (FND), Class 15/2005, Thai Institute of Directors

Working Experience (during the recent 5 years) and/or Important Positions

2011 - 2017	Independent Director and Chairman of the Audit Committee, Gulf Energy Development Company Limited
2006 - 2008	Minister, Ministry of Natural Resources and Environment
2002 - 2006	Director and Chairman of the Audit Committee, Gulf Electric Public Company Limited
1996 - 2000	Senator
1992 - 1998	Permanent Secretary, Ministry of Science and Technology

Other Directorship Positions/ Other Positions at Present

• Other Listed Companies

- None -



• Non-listed Companies

1992 - Present	Director, Thailand Environment Institute
Present	Chairman of the Board, Sem Pringpuangkaew Foundation
Present	Director, Environment Law Center Thailand Foundation
Present	Chairman, Population and Community Development Association

Shareholding in the Company:

- Personal: 0.007%
- Spouse or minor child: - None -

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Mr. Sommai Phasee

Independent Director
and Member of the Audit Committee

Date of Appointment

September 14, 2017

Age

73 years

Education

- Master of Economics (Planning and Development), Vanderbilt University, USA
- Master of Economics, Thammasat University
- Bachelor of Economics (Honors), Thammasat University

Training

- Senior Executive Development Program, Class 11, Civil Service Training Institute, Office of the Civil Service Commission
- The National Defence, Class 37, National Defence College

Director Training

- Director Accreditation Program (DAP), Class 59/2006, Thai Institute of Directors
- Role of the Chairman Program (RCP), Class 9/2003, Thai Institute of Directors

Working Experience (during the recent 5 years) and/or Important Positions

2017 - 2018	Chairman of the Board of Directors and Independent Director, Nok Airlines Public Company Limited
2014 - 2015	Chairman of the Board of Directors, Crown Property Bureau
2014 - 2015	Chairman of the Board of Directors, Bank for Agriculture and Agricultural Co-operatives
2014 - 2015	Deputy Chairman of the Anti-Money Laundering Board, Anti-Money Laundering Office
2014 - 2015	Minister, Ministry of Finance
2011 - 2014	Director, Gulf Energy Development Company Limited



2006 - 2007	Deputy Minister, Ministry of Finance
2004 - 2006	Chairman of the Board of Directors, Gulf Electric Public Company Limited
1998 - 2004	Deputy Permanent Secretary, Ministry of Finance

Other Directorship Positions/ Other Positions at Present

• Other Listed Companies

- None -

• Non-listed Companies

2017 - Present	Director, Aroonsom Company Limited
2016 - Present	Director, Sai Nam Yen Company Limited
2016 - Present	Director, Andaman Beach Suites Company Limited

Shareholding in the Company:

- Personal: 0.005%
- Spouse or minor child: - None -

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Dr. Raweporn Kuhirun

Independent Director
and Member of the Audit Committee

Date of Appointment

May 25, 2017

Age

74 years

Education

- Doctor of Public Administration, Eastern Asia University
- Master of Business Administration - Accounting, Central of Michigan University, USA
- Bachelor of Accountancy, Chulalongkorn University
- Bachelor of Laws, Ramkhamheang University

Training

- The National Defence, Class 38, National Defence College
- Program for Senior Executive on Justice Administration, Class 14, National Justice Academy, Office of the Judiciary
- Top Executive Program in Commerce and Trade (TEPCoT), Class 4, Commerce Academy
- Capital Market Leadership Program, Class 7, Capital Market Academy
- The International Auditor's Fellowship Program, Government Accountability Office (U.S. GAO), USA
- Audit of Computer System Program, Kingston Polytechnic, United Kingdom
- Internal Audit and Computer Audit Program, National Audit Office (NAO), United Kingdom
- Procurement Audit Program, Board of Audit and Inspection, Republic of Korea

Director Training

- Director Accreditation Program (DAP), Class 94/2012, Thai Institute of Directors
- Director Certification Program (DCP), Class 155/2012, Thai Institute of Directors
- Audit Committee Program (ACP), Class 38/2012, Thai Institute of Directors

Working Experience (during the recent 5 years) and/or Important Positions

2016 - 2017	Independent Director and Member of the Audit Committee, Gulf Energy Development Company Limited
2011 - 2014	Independent Director and Member of the Audit Committee, PTT Global Chemical Public Company Limited



2008 - 2015	Advisor of the Audit Committee, Thai Airways International Public Company Limited
2011 - 2013	Honorary Member of Special Investigation Commission, Department of Special Investigation
2000 - 2006	Member of the State Audit Commission, Office of the Auditor General of Thailand

Other Directorship Positions/ Other Positions at Present

• Other Listed Companies

- None -

• Non-listed Companies

2011 - Present	Distinguished Member, Srinakharinwirot University
2007 - Present	Committee on Overseeing the NBTC's Operation, National Broadcasting and Telecommunication Commission (NBTC)

Shareholding in the Company:

- Personal: 0.005%
- Spouse or minor child: - None -

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Mr. Vinit Tangnoi

Independent Director
and Member of the Audit Committee

Date of Appointment

May 25, 2017

Age

67 years

Education

- Master of Science in Industrial Engineering, University of Texas at Arlington, USA
- Bachelor of Mechanical Engineering, Kasetsart University

Training

- Senior Executive Development Program-1, GE Co., Ltd., USA
- Advanced Management Program, Harvard Business School, USA
- Senior Executive Program, Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Capital Market Leadership Program, Class 8, Capital Market Academy
- Army War College Regular Program, Royal Thai Army War College

Director Training

Director Certificate Program (DCP), Class 67/2005, Thai Institute of Directors

Working Experience (during the recent 5 years) and/or Important Positions

2014 - 2017	Independent Director and Member of the Audit Committee, Gulf Energy Development Company Limited
2009 - 2011	Chairman of the Board of Directors, Gulf Electric Public Company Limited
2008 - 2011	Director, BLCP Power Company Limited
2007 - 2008	Deputy Governor, Electricity Generating Authority of Thailand



2006 - 2008 Director, Ratchaburi Electricity Generating Holding Public Company Limited

Other Directorship Positions/ Other Positions at Present

- Other Listed Companies
- None -
- Non-listed Companies
- None -

Shareholding in the Company:

- Personal: 0.005%
- Spouse or minor child: - None -

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Mr. Santi Boonprakub

Independent Director

Date of Appointment

May 25, 2017

Age

65 years

Education

- Master of Public and Private Management Program, National Institute of Development Administration
- Bachelor of Science in Statistics, Ramkhamhaeng University

Training

- Senior Executive Development Program II, Office of the Civil Service Commission (OCSC)
- Civil Service Executive Program: Visionary and Moral Leadership, Office of the Civil Service Commission (OCSC)
- Public Economics Management for Executives Program, Class 3, King Prajadhipok's Institute
- Economics for Natural Resource Management, Oregon State University, USA

Director Training

Director Accreditation Program (DAP), Class 131/2016, Thai Institute of Directors

Working Experience (during the recent 5 years) and/or Important Positions

2015 - 2017	Independent Director, Gulf Energy Development Company Limited
2011 - 2013	Secretary General, Office of Natural Resources and Environmental Policy and Planning
2010 - 2011	Inspector General, Ministry of Natural Resources and Environment
2009 - 2010	Deputy Secretary General, Office of Natural Resources and Environmental Policy and Planning
2009	Deputy Director General, Department of Mineral Resources



Other Directorship Positions/ Other Positions at Present

• Other Listed Companies

- None -

• Non-listed Companies

2017 - Present	Member of Audit and Evaluation Committee, Agricultural Research Development Agency
2017 - Present	Honorary Board Member, Biodiversity-Based Economy Development Office

Shareholding in the Company:

- Personal: 0.005%
- Spouse or minor child: - None -

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Mr. Sarath Ratanavadi

Director and Chief Executive Officer

Date of Appointment

May 25, 2017

Age

52 years

Education

- Master of Science in Engineering Management, University of Southern California, USA
- Bachelor of Civil Engineering, Chulalongkorn University

Training

- Top Executive Program in Energy Literacy for the World, Class 1, Thailand Energy Academy
- Administrative Justice for Executives Program, Class 1, Administrative Justice Institute, Office of the Administrative Courts
- Capital Market Leadership Program, Class 7, Capital Market Academy

Director Training

Director Accreditation Program (DAP), Class 138/2017, Thai Institute of Directors

Working Experience (during the recent 5 years) and/or Important Positions

- 2011 - 2017 Director and Chief Executive Officer, Gulf Energy Development Company Limited
- 2008 - 2017 President, Gulf JP Company Limited
- 2012 - 2014 Director, Gulf VTP Company Limited
- 2012 - 2014 Director, Gulf TS1 Company Limited
- 2012 - 2014 Director, Gulf TS2 Company Limited
- 2012 - 2014 Director, Gulf TS3 Company Limited
- 2012 - 2014 Director, Gulf TS4 Company Limited
- 2012 - 2014 Director, Gulf NC Company Limited
- 2012 - 2014 Director, Gulf BL Company Limited
- 2012 - 2014 Director, Gulf BP Company Limited
- 2012 - 2014 Director, Gulf NLL2 Company Limited
- 2012 - 2014 Director, Gulf NPM Company Limited
- 2012 - 2014 Director, Gulf NRV1 Company Limited
- 2012 - 2014 Director, Gulf NRV2 Company Limited
- 2004 - 2015 Chairman of the Board of Directors, Gulf Energy Company Limited
- 2004 - 2015 Chairman of the Board of Directors, Gulf IPP Company Limited
- 2003 - 2017 Director, Pomodoro Group Company Limited
- 2002 - 2015 Chairman of the Board of Directors, Samutprakarn Cogeneration Company Limited
- 2002 - 2015 Chairman of the Board of Directors, Nong Khae Cogeneration Company Limited
- 1997 - 2015 Chairman of the Board of Directors, Gulf Yala Green Company Limited
- 1996 - 2015 Chairman of the Board of Directors, Gulf Cogeneration Company Limited
- 1996 - 2015 Chairman of the Board of Directors, Gulf Power Generation Company Limited



1994 - 2016 Director and President, Gulf Electric Public Company Limited

Other Directorship Positions/ Other Positions at Present

• Other Listed Companies

- None -

• Non-listed Companies

- 2017 - Present Director, Gulf Capital Holdings Limited
- 2017 - Present Director, Gulf Investment and Trading Pte. Ltd.
- 2017 - Present Director, Gulf Sports Management Company Limited
- 2016 - Present Director, Gulf Holding (Thailand) Company Limited
- 2008 - Present Director, Gulf JP Company Limited
- 2006 - Present Director, Pomodoro Holding Company Limited
- 2006 - Present Director, Pomo at Siam Company Limited
- 2001 - Present Director, Pomodoro Five Company Limited
- 2000 - Present Director, Rachakarn Holding Company Limited
- 1999 - Present Director, Pomodoro Company Limited
- 1996 - Present Director, KTS Building Company Limited
- 1994 - Present Director, Rachakarn Company Limited

Shareholding in the Company:

- Personal: 35.438%
- Spouse: 0.164%
- Minor Child: - None -
- Juristic Entities Holding More Than 30% of Shares: 36.563%

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Mrs. Pornnipa Chinvetkitvanit

Director and President

Date of Appointment

May 25, 2017

Age

55 years

Education

- Master of Industrial Engineering, Asian Institute of Technology
- Bachelor of Mechanical Engineering, Khon Kaen University

Training

- Administrative Justice for Executives Program, Class 4, Administrative Justice Institute, Office of the Administrative Courts
- Top Executive Program in Energy Literacy for the World, Class 3, Thailand Energy Academy
- Capital Market Leadership Program, Class 20, Capital Market Academy
- The National Defence, Class 58, National Defence College

Director Training

Director Certificate Program (DCP), Class 159/2012, Thai Institute of Directors

Working Experience (during the recent 5 years) and/or Important Positions

2011 - 2017	Director and President, Gulf Energy Development Company Limited
1994 - 2016	Senior Executive Vice President, Gulf Electric Public Company Limited

Other Directorship Positions/ Other Positions at Present

• Other Listed Companies

- None -

• Non-listed Companies

2017 - Present	President, Gulf JP Company Limited
2017 - Present	Director, Kolpos Pte. Ltd.
2017 - Present	Director, WHA Eastern Seaboard NGD4 Company Limited
2016 - Present	Director, WHA Eastern Seaboard NGD2 Company Limited
2016 - Present	Director and President, Gulf Electric Public Company Limited
2015 - Present	Director, Gulf WHAMT Natural Gas Distribution Company Limited
2014 - Present	Director, Gulf Chana Green Company Limited
2014 - Present	Director, SBY Biomass Company Limited
2014 - Present	Director, Thepa Clean Energy Company Limited
2014 - Present	Director, Gulf Pattani Green Company Limited
2014 - Present	Director, Gulf SRC Company Limited
2014 - Present	Director, Gulf PD Company Limited
2014 - Present	Director, Gulf International Investment (Hong Kong) Limited
2014 - Present	Director, Gulf International Holding Pte. Ltd.
2014 - Present	Director, Gulf Solar BV Company Limited
2014 - Present	Director, Gulf Solar TS1 Company Limited
2014 - Present	Director, Gulf Solar TS2 Company Limited
2014 - Present	Director, Gulf Solar KKS Company Limited
2013 - Present	Director, Gulf MP Company Limited
2013 - Present	Director, Gulf Solar Company Limited



2012 - Present	Director, Independent Power Development Company Limited
2012 - Present	Director, Gulf VTP Company Limited
2012 - Present	Director, Gulf TS1 Company Limited
2012 - Present	Director, Gulf TS2 Company Limited
2012 - Present	Director, Gulf TS3 Company Limited
2012 - Present	Director, Gulf TS4 Company Limited
2012 - Present	Director, Gulf NC Company Limited
2012 - Present	Director, Gulf BL Company Limited
2012 - Present	Director, Gulf BP Company Limited
2012 - Present	Director, Gulf NLL2 Company Limited
2012 - Present	Director, Gulf NPM Company Limited
2012 - Present	Director, Gulf NRV1 Company Limited
2012 - Present	Director, Gulf NRV2 Company Limited
2011 - Present	Director, Gulf JP Company Limited
2009 - Present	Director, Gulf JP NNK Company Limited
2009 - Present	Director, Gulf JP NLL Company Limited
2009 - Present	Director, Gulf JP CRN Company Limited
2009 - Present	Director, Gulf JP NS Company Limited
2009 - Present	Director, Gulf JP UT Company Limited
2008 - Present	Director, Gulf JP KP1 Company Limited
2008 - Present	Director, Gulf JP KP2 Company Limited
2008 - Present	Director, Gulf JP TLC Company Limited
2008 - Present	Director, Gulf JP NK2 Company Limited
2004 - Present	Director, Gulf IPP Company Limited
2004 - Present	Director, Gulf Energy Company Limited
2003 - Present	Director, Gulf Yala Green Company Limited
2002 - Present	Director, Samutprakarn Cogeneration Company Limited
2002 - Present	Director, Nong Khae Cogeneration Company Limited
2000 - Present	Director, Gulf Cogeneration Company Limited
2000 - Present	Director, Gulf Power Generation Company Limited

Shareholding in the Company:

- Personal: 0.018%
- Spouse or minor child: - None -

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Mr. Boonchai Thirati

Director, Senior Executive Vice President
and Chief Operating Officer

Date of Appointment

May 25, 2017

Age

64 years

Education

- Bachelor of Electrical Engineering, Chulalongkorn University

Training

- Business Administration for Executive Program, National Petrochemical Public Company Limited
- Politics and Governance in Democratic Systems for Executives Program, Class 10, King Prajadhipok's Institute
- Public Economics Management for Executives Program, Class 6, King Prajadhipok's Institute
- Administrative Justice for Executives Program, Class 2, Administrative Justice Institute, Office of the Administrative Courts
- Top Executive Program in Energy Literacy for the World, Class 2, Thailand Energy Academy
- Executive Management with Business Development and Investment, Class 2, Institute of Business and Industrial Development (IBID)

Director Training

Director Accreditation Program (DAP), Class 128/2016, Thai Institute of Directors

Working Experience (during the recent 5 years) and/or Important Positions

- 2014 - 2017 Director and Senior Executive Vice President, Gulf Energy Development Company Limited
- 2016 - 2017 Director, Amata Spring Development Company Limited
- 2015 - 2017 Director, Pomodoro Group Company Limited
- 1996 - 2008 Senior Executive Vice President, Gulf Electric Company Limited

Other Directorship Positions/ Other Positions at Present

• Other Listed Companies

- None -

• Non-listed Companies

- 2017 - Present Director Kolpos Pte. Ltd.
- 2017 - Present Director, WHA Eastern Seaboard NGD4 Company Limited
- 2016 - Present Director, WHA Eastern Seaboard NGD2 Company Limited
- 2016 - Present Director, Gulf International Investment (Hong Kong) Limited
- 2015 - Present Director, Gulf WHA MT Natural Gas Distribution Company Limited
- 2015 - Present Director, Gulf MP Company Limited
- 2015 - Present Director, Gulf JP NNN Company Limited
- 2015 - Present Director, Gulf JP NLL Company Limited
- 2015 - Present Director, Gulf JP CRN Company Limited
- 2015 - Present Director, Gulf JP KP1 Company Limited
- 2015 - Present Director, Gulf JP KP2 Company Limited
- 2015 - Present Director, Gulf JP TLC Company Limited
- 2015 - Present Director, Gulf JP NK2 Company Limited
- 2015 - Present Director, Gulf Energy Company Limited



- 2015 - Present Director, Gulf IPP Company Limited
- 2015 - Present Director, Gulf Cogeneration Company Limited
- 2015 - Present Director, Gulf Power Generation Company Limited
- 2015 - Present Director, Gulf Yala Green Company Limited
- 2015 - Present Director, Nong Khae Cogeneration Company Limited
- 2015 - Present Director, Samutprakarn Cogeneration Company Limited
- 2014 - Present Director, Gulf VTP Company Limited
- 2014 - Present Director, Gulf TS1 Company Limited
- 2014 - Present Director, Gulf TS2 Company Limited
- 2014 - Present Director, Gulf TS3 Company Limited
- 2014 - Present Director, Gulf TS4 Company Limited
- 2014 - Present Director, Gulf NC Company Limited
- 2014 - Present Director, Gulf BL Company Limited
- 2014 - Present Director, Gulf BP Company Limited
- 2014 - Present Director, Gulf NLL2 Company Limited
- 2014 - Present Director, Gulf NPM Company Limited
- 2014 - Present Director, Gulf NRV1 Company Limited
- 2014 - Present Director, Gulf NRV2 Company Limited
- 2014 - Present Director, Gulf JP NS Company Limited
- 2014 - Present Director, Gulf JP UT Company Limited
- 2014 - Present Director, Gulf PD Company Limited
- 2014 - Present Director, Gulf SRC Company Limited
- 2012 - Present Director, Independent Power Development Company Limited
- 2008 - Present Senior Executive Vice President, Gulf JP Company Limited

Shareholding in the Company:

- Personal: 0.017%
- Spouse or minor child: - None -

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Mrs. Chotikul Sookpiromkasem

Director

Date of Appointment

May 25, 2017

Age

42 years

Education

Bachelor of Accounting, Thammasat University

Director Training

Director Accreditation Program (DAP),
Class 128/2016, Thai Institute of Directors

Working Experience (during the recent 5 years) and/or Important Positions

2016 - 2017	Director, Amata Spring Development Company Limited
2015 - 2017	Director, Gulf Energy Development Company Limited
2003 - 2017	Director and Vice President - Finance and Accounting, Pomodoro Group Company Limited

Other Directorship Positions/ Other Positions at Present

• Other Listed Companies

- None -

• Non-listed Companies

2016 - Present	Director, Gulf Holding (Thailand) Company Limited
2017 - Present	Director, Gulf Capital Holdings Limited
2017 - Present	Director, Gulf Investment and Trading Pte. Ltd.
2015 - Present	Director, Studio SR Company Limited
2012 - Present	Director, Land and Property Development Company Limited
2010 - Present	Director, Unique Cogen Company Limited
2009 - Present	Director, B Property Company Limited



2006 - Present	Director, Pomo at Siam Company Limited
2004 - Present	Director, Rachakarn Holding Company Limited
2004 - Present	Director, Rachakarn Company Limited
2002 - Present	Director, Pomodoro Five Company Limited

Shareholding in the Company:

- Personal: 0.005%
- Spouse or minor child: - None -

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Mr. Rattaphol Cheunsomchit

Senior Executive Vice President
and Chief Development Officer

Date of Appointment

May 25, 2017

Age

47 years

Education

- Master of Business Administration in Finance, The George Washington University, USA
- Bachelor of Electrical Engineering, King Mongkut's Institute of Technology Ladkrabang

Training

Top Executive Program in Energy Literacy for the World, Class 4, Thailand Energy Academy

Director Training

Director Certification Program (DCP), Class 168/2013, Thai Institute of Directors

Working Experience (during the recent 5 years) and/or Important Positions

2014 – 2017	Senior Executive Vice President, Gulf Energy Development Company Limited
2015 – 2017	Director, SPCG Public Company Limited
2012 – 2013	Director, Independent Power Development Company Limited
2012 – 2013	Director, Gulf SRC Company Limited
2012 – 2014	Director, Gulf VTP Company Limited
2012 – 2014	Director, Gulf TS1 Company Limited
2012 – 2014	Director, Gulf TS2 Company Limited
2012 – 2014	Director, Gulf TS3 Company Limited
2012 – 2014	Director, Gulf TS4 Company Limited
2012 – 2014	Director, Gulf NC Company Limited
2012 – 2014	Director, Gulf BL Company Limited
2012 – 2014	Director, Gulf BP Company Limited
2012 – 2014	Director, Gulf NLL2 Company Limited
2012 – 2014	Director, Gulf NPM Company Limited
2012 – 2014	Director, Gulf NRV1 Company Limited
2012 – 2014	Director, Gulf NRV2 Company Limited
2011 – 2013	Director, Gulf JP KP1 Company Limited
2011 – 2013	Director, Gulf JP KP2 Company Limited
2011 – 2013	Director, Gulf JP TLC Company Limited
2011 – 2013	Director, Gulf JP NK2 Company Limited
2011 – 2013	Director, Gulf JP NNK Company Limited
2011 – 2013	Director, Gulf JP NLL Company Limited
2011 – 2013	Director, Gulf JP CRN Company Limited
2009 – 2013	Director, Gulf JP NS Company Limited
2009 – 2013	Director, Gulf JP UT Company Limited
2009 – 2012	Director, Gulf JP Holding Company Limited
1997 – 2007	Senior Vice President – Business Development, Gulf Electric Public Company Limited

Other Directorship Positions/ Other Positions at Present

- Other Listed Companies
- None -



• Non-listed Companies

2014 – Present	Director, Chana Green Company Limited
2014 – Present	Director, SBY Biomass Company Limited
2014 – Present	Director, Thepha Clean Energy Company Limited
2014 – Present	Director, Gulf Pattani Green Company Limited
2014 – Present	Director, Gulf International Investment (Hong Kong) Limited
2014 – Present	Director, Gulf International Holding Pte. Ltd.
2014 – Present	Director, Gulf Solar BV Company Limited
2014 – Present	Director, Gulf Solar TS1 Company Limited
2014 – Present	Director, Gulf Solar TS2 Company Limited
2014 – Present	Director, Gulf Solar KKS Company Limited
2013 – Present	Director, Gulf MP Company Limited
2013 – Present	Director, Gulf Solar Company Limited
2012 – Present	Director, Gulf Sports Management Company Limited
2011 – Present	Director, Kolpos Pte. Ltd.
2008 – Present	Senior Executive Vice President, Gulf JP Company Limited
2007 – Present	Director, Pal Associate Company Limited

Shareholding in the Company:

- Personal: 0.017%
- Spouse or minor child: -None-

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Ms. Yupapin Wangviwat

Senior Executive Vice President
and Chief Corporate Officer

Date of Appointment

May 25, 2017

Age

49 years

Education

- Master of Business Administration, University of Florida, USA
- Bachelor of Business Administration (Banking and Finance), Chulalongkorn University

Training

- Capital Market Leadership Program, Class 16, Capital Market Academy
- ABC Course, Class 5, Academy of Business Creativity, Sripatum University
- Executive Management with Business Development and Investment, Class 4, Institute of Business and Industrial Development (IBID)

Director Training

Director Certification Program (DCP), Class 164/2012,
Thai Institute of Directors

Working Experience (during the recent 5 years) and/or Important Positions

- | | |
|-------------|--|
| 2014 - 2017 | Senior Executive Vice President and Chief Financial Officer, Gulf Energy Development Company Limited |
| 2013 - 2017 | Director, Gulf Sports Management Company Limited |
| 2010 - 2016 | Director, Pomodoro Group Company Limited |

Other Directorship Positions/ Other Positions at Present

• Other Listed Companies

- None -

• Non-listed Companies

- | | |
|----------------|--|
| 2017 - Present | Director, Gulf WHA MT Natural Gas Distribution Company Limited |
| 2017 - Present | Director, WHA Eastern Seaboard NGD4 Company Limited |
| 2017 - Present | Director, WHA Eastern Seaboard NGD2 Company Limited |
| 2015 - Present | Director, Gulf Cogeneration Company Limited |
| 2015 - Present | Director, Samutprakarn Cogeneration Company Limited |
| 2015 - Present | Director, Nong Khae Cogeneration Company Limited |
| 2015 - Present | Director, Gulf Yala Green Company Limited |
| 2015 - Present | Director, Gulf Power Generation Company Limited |
| 2015 - Present | Director, Gulf IPP Company Limited |
| 2015 - Present | Director, Gulf Energy Company Limited |
| 2015 - Present | Director, Gulf JP KP1 Company Limited |
| 2015 - Present | Director, Gulf JP KP2 Company Limited |
| 2015 - Present | Director, Gulf JP TLC Company Limited |
| 2015 - Present | Director, Gulf JP NNC Company Limited |
| 2015 - Present | Director, Gulf JP NLL Company Limited |
| 2015 - Present | Director, Gulf JP CRN Company Limited |
| 2015 - Present | Director, Gulf JP NK2 Company Limited |
| 2014 - Present | Director, Gulf International Investment (Hong Kong) Limited |



- | | |
|----------------|---|
| 2014 - Present | Director, Gulf International Holding Pte. Ltd. |
| 2014 - Present | Director, Gulf Solar BV Company Limited |
| 2014 - Present | Director, Gulf Solar TS1 Company Limited |
| 2014 - Present | Director, Gulf Solar TS2 Company Limited |
| 2014 - Present | Director, Gulf Solar KKS Company Limited |
| 2013 - Present | Director, Gulf MP Company Limited |
| 2013 - Present | Director, Gulf Solar Company Limited |
| 2013 - Present | Director, Gulf JP NS Company Limited |
| 2013 - Present | Director, Gulf JP UT Company Limited |
| 2012 - Present | Director, Gulf VTP Company Limited |
| 2012 - Present | Director, Gulf TS1 Company Limited |
| 2012 - Present | Director, Gulf TS2 Company Limited |
| 2012 - Present | Director, Gulf TS3 Company Limited |
| 2012 - Present | Director, Gulf TS4 Company Limited |
| 2012 - Present | Director, Gulf NC Company Limited |
| 2012 - Present | Director, Gulf BL Company Limited |
| 2012 - Present | Director, Gulf BP Company Limited |
| 2012 - Present | Director, Gulf NLL2 Company Limited |
| 2012 - Present | Director, Gulf NPM Company Limited |
| 2012 - Present | Director, Gulf NRV1 Company Limited |
| 2012 - Present | Director, Gulf NRV2 Company Limited |
| 2011 - Present | Director, Pomodoro Company Limited |
| 2011 - Present | Director, Kolpos Pte. Ltd. |
| 2008 - Present | Senior Executive Vice President, Gulf JP Company Limited |
| 1997 - Present | Chief Financial Officer, Gulf Electric Public Company Limited |

Shareholding in the Company:

- Personal: 0.016%
- Spouse or minor child: - None -

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Ms. Bung-on Suttipattanakit

Senior Executive Vice President
and Chief Financial Officer

Date of Appointment

November 1, 2017

Age

53 years

Education

- Master of Accounting, Chulalongkorn University
- Bachelor of Accounting, Chiang Mai University

Training

- Certified Investment and Securities Analyst (CISA No.0027), The Securities Analysts Association
- Senior Executive Program (SEP), Class 26, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Public Private Partnership for Executive Program, Class 1, Institute of Research and Development for Public Enterprises (IRDP)
- CFO Focus on Financial Reporting (CFO 0023), Federation of Accounting Professions and The Securities and Exchange Commission, Thailand

Director Training

- None -

Working Experience (during the recent 5 years) and/or Important Positions

- | | |
|-------------|--|
| 2016 - 2017 | Executive Vice President - Accounting and Finance, Gulf Energy Development Company Limited |
| 2010 - 2016 | Senior Vice President - Investment Banking, Bangkok Bank Public Company Limited |



Other Directorship Positions/ Other Positions at Present

• Other Listed Companies

- None -

• Non-listed Companies

2008 - Present Director,
Blue One Company Limited

Shareholding in the Company:

- Personal: 0.014%
- Spouse or minor child: - None -

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -



Mrs. Sukanya Woragullattanee

Senior Vice President – Accounting and Budgeting

Date of Appointment

May 25, 2017

Age

46 years

Education

- Master of Accounting, Thammasat University
- Master of Economics (Business Economics), National Institute of Development Administration
- Bachelor of Accounting, Thammasat University

Director Training

- None -

Working Experience (during the recent 5 years) and/or Important Positions

2014 - 2017	Senior Vice President - Accounting and Budgeting, Gulf Energy Development Company Limited
2003 - 2008	Vice President - Accounting and Budgeting, Gulf Electric Public Company Limited

Other Directorship Positions/ Other Positions at Present

- **Other Listed Companies**
 - None -
- **Non-listed Companies**

2013 - Present	Director, Siam Tech Energy Company Limited
2008 - Present	Assistant Vice President - Accounting and Budgeting, Gulf JP Company Limited



Shareholding in the Company:

- Personal: 0.004%
- Spouse or minor child: - None-

Relationship among Family with Other Directors, Management, Major Shareholders and Subsidiaries :

- None -

**Report on Securities Holding of Directors and Executives Gulf Energy Development Public Company Limited as of December 29, 2017**

Directors and Executives	Position	The amount of shares as of December 29, 2017	Shareholdings (%)
Mr. Viset Choopiban	Independent Director /Chairman of the Boar	150,000	0.007%
Spouse or Minor Child		-	0.000%
Mr. Kasem Snidvongs	Independent Director /Chairman of the Audit Committee	150,000	0.007%
Spouse or Minor Child		-	0.000%
Mr. Sommai Phasee	Independent Director /Member of the Audit Committee	100,000	0.005%
Spouse or Minor Child		-	0.000%
Dr. Raweporn Kuhirun	Independent Director /Member of the Audit Committee	100,000	0.005%
Spouse or Minor Child		-	0.000%
Mr. Vinit Tangnoi	Independent Director /Member of the Audit Committee	100,000	0.005%
Spouse or Minor Child		-	0.000%
Mr. Santi Boonprakub	Independent Director	100,000	0.005%
Spouse or Minor Child		-	0.000%
Mr. Sarath Ratanavadi	Director / Chief Executive Officer	755,999,994	35.438%
Spouse or Minor Child		3,500,000	0.164%
Juristic Entities Holding More Than 30% of Shares		780,000,006	36.563%
Mrs. Porntipa Chinvetkitvanit	Director / President	385,900	0.018%
Spouse or Minor Child		-	0.000%
Mr. Boonchai Thirati	Director / Senior Executive Vice President and Chief Operating Officer	353,500	0.017%
Spouse or Minor Child		-	0.000%
Mrs. Chotikul Sookpiromkasem	Director	100,000	0.005%
Spouse or Minor Child		-	0.000%
Mr. Rattaphol Cheunsomchit	Senior Executive Vice President and Chief Development Officer	352,500	0.017%
Spouse or Minor Child		-	0.000%
Ms. Bung-on Suttipattanakit	Senior Executive Vice President and Chief Financial Officer	291,400	0.014%
Ms. Yupapin Wangiwat	Executive Vice President and Chief Corporate Officer	341,400	0.016%
Mrs. Sukanya Woragullattanee	Senior Vice President - Accounting and Budgeting	85,600	0.004%
Spouse or Minor Child		-	0.000%
Total		1,542,110,300	72.288%



Sustainable Development

The Company has set a vision and mission that complement each other with the aim of growing the business sustainably and successfully, ensuring good performance and satisfactory returns for shareholders, and creating a positive impact on the overall economy of Thailand while taking into consideration all stakeholders including shareholders, clients, creditors, trade partners, employees, state agencies, local communities and society as a whole. The Company's focus lies on business growth, ethical business practice and responsibility to the society and local community, as well as impacts on the environment, and gives attention to environmental care, occupational health and safety, and human resource development for stable growth, greater competitiveness and value creation for all stakeholders, as per the principles outlined below.

Human resources management and development



The Company places value in and importance on its employees, as employees are the organization's greatest asset and the central component driving the business to grow robustly, stably and sustainably. Accordingly, strong human resource management policies and procedures are a priority for managers in all departments. The Company ensures that human rights and labor rights are respected, channels are available for employees to submit complaints and discuss problems and importance is given to establishing a healthy work-life balance. To provide employees with a healthy and safe work environment, the Company has formed a Human Resources Committee, composed of upper management, responsible for developing human resource management strategies and guidelines that align with the Company's business plan.

The human resource management and development strategies currently in use at the Company can be divided into different inter-related aspects focused on promoting employee learning and increasing the Company's competitiveness, as follows:

1. Building a strong organizational culture through instilling the four core values of the Company to create business differentiation and competitiveness, which can be used as a guide for employees to follow in their work and decision-making



Goal-oriented : be motivated and courageous to overcome limitations



Unity : devoted to common goal, work as one team for mutual success



Learning : love learning and be curious to initiate and explore new things



Flexible : be flexible and agile to all challenges

2. Encouraging employees to work efficiently and effectively through a performance management system allowing employees to participate in setting goals and key performance indicators (KPIs) that align with the team's and organization's overall goals, receive tangible performance evaluations, and engage in regular discussions and mentoring within the team to ensure outcomes meet set expectations and objectives

3. Creating employee engagement through relationship-building activities organized and sponsored by the Company, such as organizing sports clubs and competitions, arranging off-site activities bringing together employees from different locations, establishing an internal communication system using modern and effective technology, distributing employee engagement surveys every two years and using employee



suggestions from surveys to make improvements, leading to higher employee engagement scores

4. Developing employee learning systematically and in line with business requirements through personnel management and development programs created for different levels, for example (a) providing professional development aimed at developing knowledge and skills that support work by selecting quality speakers from within and outside the organization, as well as sending employees to participate in domestic and international seminars to encourage learning about new ideas which can be used to develop the organization, (b) organizing a new employee on-boarding program where experienced employees provide help and guidance in various matters to ease the new employee's transition into the Company's system of work, organizational culture, teamwork and readiness to work quickly and effectively, and (c) establishing a leadership development program to develop managers at all levels, from operational managers to upper management, to ensure the Company's management has a modern and current business vision, greater team management skills and stronger perspectives as pioneers of change.

5. Developing organizational potential through appointment of a task force which presents projects each year to promote the Company as a high performance organization; in 2017, five projects were undertaken, as follows: (a) business performance improvement to ensure operational procedures are clear, concise and reviewable, (b) development of a succession plan to ensure the Company prepares knowledgeable, capable individuals are promoted to positions of importance when they are ready, (c) creation of a performance-based culture providing appropriate rewards focused on recognition of performance to encourage employees to work towards achieving objectives, (d) promotion of GULF as a learning organization to encourage employees to develop themselves through constant learning which will ensure employees'

personal growth and development keeps pace with the Company's growth and development, and (e) organization of meetings to achieve the greatest efficiency through the use of supportive technology to decrease travel time and expenses and enable employees to conveniently remain in contact at any time and location

Environment



The Company places value in and importance on the environment, as reflected in its policies which serve to express the Company's aims and guide management practice and which adhere to legal requirements and international best practices. The success of these policies can be seen from power projects under the Company's management which have received support through loans from recognized domestic and international financial institutions such as the Japan Bank for International Cooperation and the Asian Development Bank.

Power projects under the Company's management, within one year of commencing commercial operations, must receive ISO 9001 and ISO 14001 certification. Currently all power projects under the Companies which have been operating commercially for at least one year have received their certification. The ISO 9001 certification is an international quality management standard which provides the criteria for a quality management system that assures that various operational processes are closely monitored and can be audited, while the ISO 14001 certification is an environmental management standard for



organizations that provides the criteria for a system which increases environmental competency and sustainability within an organization with an emphasis on compliance with laws and regulations, control and prevention of negative environmental impacts, and efficient use of natural resources to create value for the organization, the stakeholders and the environment.

In addition, the Group has participated in the pilot Carbon Footprint for Organizations (CFO) program organized by the Thailand Federation of Industries and the Thailand Greenhouse Gas Management Organization (Public Organization) of the Ministry of Natural Resources and Environment to assess the amount of greenhouse gases released by the various activities of the organization, measured as amount of carbon dioxide equivalent. This allows the Company to recognize its current level of greenhouse gas emissions which will inform future strategic directives to effectively reduce the amount of greenhouse gases released. The Company recognizes that global warming is an ever-growing problem. As such, all power projects have assessed their CFO value in order to suggest strategies to reduce overall greenhouse gas emissions, one of the key performance indicators for improving the organization's efficacy in power generation. The Companies' average greenhouse gas emissions is lower than the Thai power generation industry average.

Occupational health and safety

The Company gives great importance to the occupational health and safety of its employees and stakeholders. The Company has established standard safety procedures to be used as operational guidelines for employees and promotes safety training activities, such as the behavior-based safety program, with the aim of eliminating accidents in the workplace. In addition, the Company arranges compliance audits to ensure that all operational procedures comply with the law and evaluates the effectiveness of environment, health



and safety measures every year to ensure that every facility under the Group operates in accordance with relevant laws and regulations and achieves operational effectiveness. Best practices and suggestions for improvement are used to continually develop operations through the environmental management system audit and safety and health management system audit programs.

For projects under construction, including the small power producers (SPPs) under the GMP group which are currently under construction, the Companies have worked with contractors to develop a plan for safeguarding health, safety, security and environment (HSSE) in accordance with relevant laws regarding environment, health and safety in the workplace. In addition, the Group has adopted for use standards from various international agencies, namely the Occupational Safety and Health Administration, the International Labour Organization, the IFC Performance Standards on Environmental and Social Sustainability, and the Equator Principles. From the time construction commenced on the 12 SPPs until December 2017, no workplace accidents requiring work stoppage occurred and the projects accumulated a total of 20,398,269 safe man-hours, or 2,073,364 safe man-days.

As a result of the Company's serious and consistent commitment to occupational health and safety, power projects under the Group have received numerous awards for environment and safety from various state agencies including the EIA Monitoring Award, the Zero Accident Award and the CSR-DIW Award.



Social responsibility

For a business to grow sustainably and successfully, the community and society must grow with the company. The Company places importance on being a part of developing the well-being of the community, society and stakeholders as they are a key driver of a strong Thai society. Over the past several year, the Company has established a framework for civic engagement through a number of projects and activities as detailed below.

Well-being and engagement projects for the community



The Group is involved with the communities around our power projects through various projects, as detailed below.

(a) The Community Engagement Committee, the Environmental Impact Committee and the Environmental Commissioner of the Company have the opportunity to work with community representatives to take care of the natural resources and environment in and around the community. Their main task is to monitor, review and ensure the quality of the environment in the areas around the power projects which may be affected by the projects' operations, in compliance with laws and regulations,



and to produce environmental impact assessment reports. In addition, the Group has organized tours of the different types of power projects in conjunction with training sessions focused on environmental knowledge and how to use environmental quality assessment tools to develop and improve the committees' ability to perform their tasks.

(b) The Company has established a Learning Center for new agricultural theories as well as a Demonstration Rice Farm next to the Nong Saeng Power Project with the aim of developing the local community's efficacy in maintaining their traditional livelihood. The project areas are divided into a 10 rai demonstration rice farm and areas for growing middle- and long-term crops, mixed crop fields, kitchen gardens, fish ponds, organic fertilizer sheds and other uses. To date, the project has produced tangible results, allowing the center to expand its operations to teach the late King Bhumibol's principles of sufficiency economy to the local and neighboring communities and emphasizing that the Company's power projects do not have a negative impact on the local agriculture.

Education and knowledge-building projects for youth and community leaders

The Group places great importance on educational and knowledge-building projects, establishing significant programs, including:

(a) Educational scholarships for youth and sponsorship for educational supplies for schools in the local communities around the power projects



(b) The Wind and Water Detectives program aimed at teaching youth in the local communities how to monitor and preserve water and air quality in the community using simple scientific processes. The program also serves



as an incubator to develop critical skills including scientific experimentation and observation, leadership, teamwork and innovative thinking, as well as increases awareness of the value and importance of natural resources in a tangible way.

(c) The Travelling Power Project and the Power Project Schools programs which provide accurate knowledge and understanding to both students and teachers of how gas-fired power plants work through an innovative learning process that integrates useful content with fun activities, with the aim of developing a better understanding of and attitude towards power projects which can be passed on to their peers, family and the general population.

Environmental conservation and rehabilitation projects



The Companies believe that the business - environment relationship is a symbiotic one. Environmental responsibility is a major focus and objective of the Companies. Accordingly, several environmental programs have been established, for example: (a) The GULF Million Trees, Million Fish project - Trees were planted with the aim of increasing green space for the local community and fish were released into the local bodies of water to return ecological balance. In addition to creating aesthetic, peaceful areas, the project also increased awareness of the need to conserve natural resources and the environment in the local community. (b) The Canal Dredging and Community Volunteers project - When the amount of water in natural waterways is low, coupled with the surface of the water being covered by a thick layer of aquatic weeds, the flow of water is blocked, resulting in stagnant water and low levels of dissolved oxygen, causing death of aquatic life. To solve this problem, the Company worked with local agencies and provided funding to eliminate aquatic weeds from the waterways, allowing the water to flow and creating a cleaner, more orderly and more beautiful environment and scenery by the waterways. In addition, local agencies, community members and volunteers joined together to clean public buildings and areas in the community.



Public health projects

The Company made a significant donation to the “Kao kon la kao” (Step by Step) project

for 11 hospitals across the country to support funds to purchase essential medical tools and equipment for hospitals in need.



Religious and cultural projects

The GULF Group has sponsored religious and cultural activities in conjunction with relevant agencies to preserve religious traditions, improve understanding and develop greater unity among practitioners of all religions, as well as facilitate the inclusion of religious morals in everyday life to support the development of morality and improved quality of life.

The Company sponsored the Health through Exercise project.

Amid the current health revolution in Thailand, which emphasizes prevention over cure through an active effort to build health, activities involving exercise are a method to prevent disease which are easily integrated with other activities. Thus, the GULF Group has provided sponsorship for sports competitions and sports equipment for the local communities around our power projects.





Report on the Board of Directors' Responsibilities for Financial Reporting

The Board of Directors of Gulf Energy Development Public Company Limited (the "Company") is responsible for the consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the Company. These financial statements have been prepared in accordance with Thai Financial Reporting Standards and reflect the Board of Directors' considerations of appropriate and consistent use of accounting policies and practices. In addition, the Board of Directors has ensured that sufficient key information is disclosed in the notes accompanying the financial statements and has established adequate and appropriate systems for internal control and risk management, as reported by the auditor in the Auditor's Report.

The Board of Directors has appointed an Audit Committee, composed of independent directors, to oversee and verify the reliability and accuracy of the financial reports, including related party transactions, as well as verify the internal control, internal audit and risk management. The comments of the Audit Committee are presented in the Audit Committee Report in this annual report.

The Board of Directors holds the opinion that the Company's internal control and internal audit provides reasonable assurance that the consolidated financial statements of the Company and its subsidiaries and the separate financial statements of the Company have been prepared in accordance with Thai Financial Reporting Standards, law requirements and related regulation.

Mr. Viset Choopiban
Chairman of the Board of Directors

Mr. Sarath Ratanavadi
Chief Executive Officer



Report of the Audit Committee to Shareholders

The Audit Committee of Gulf Energy Development Public Company Limited was appointed by the Board of Directors of the Company. The Committee consists of four Independent Directors with varied areas of expertise, knowledge and experience, who are qualified to confirm the validation of the financial statements. The Audit Committee comprises committee members who traits and qualifications which meet the requirements of the Stock Exchange of Thailand, as follows:

- | | |
|-------------------------|---------------------------------|
| 1. Mr. Kasem Snidvongs | Chairman of the Audit Committee |
| 2. Mr. Sommai Phasee | Member of the Audit Committee |
| 3. Dr. Raweporn Kuhirun | Member of the Audit Committee |
| 4. Mr. Vinit Tangnoi | Member of the Audit Committee |

Mr. Sommai Phasee was appointed as on Audit Committee member on September 14, 2017 with Miss Chotiros Likitcharoenpanich, Senior Vice President - Internal Audit, serving as the Secretary of the Audit Committee.

All members of the Audit Committee carried out their duties independently within the scope of responsibility stated in the Audit Committee Charter, which is in alignment with the regulations of the Stock Exchange of Thailand. The audit was performed and corporate governance was promoted, while a risk management system was put in place, and the adequacy of the internal audit and internal control system was assured so as to ensure that the Company runs its operations with transparency, honesty, and fairness to achieve sustainable development and enhance its value, which would be beneficial to the shareholders. The Committee received full cooperation from executives, employees, internal auditors and external auditors.

In 2017, the Audit Committee held seven meetings to perform duties as stated in the Audit Committee Charter, the essence of which are summarized as follows.

1. Review of financial statements

The Audit Committee conducted a review of the quarterly and annual financial statements as well as the consolidated financial statements, including connected transactions. The auditors were asked about the scope of the audit, the audit plan, accuracy and completeness of the financial statements as well as the independency of the auditors in order to ensure that the financial statements were prepared in a correct manner in compliance with the laws and generally accepted accounting standards whereby the financial statements were disclosed in a complete, correct, adequate, and timely manner for the interest of their users.

2. Connected transactions of the Company on a quarterly and annual basis

The Audit Committee conducted a review connected transactions of the Company on a quarterly and annual basis to ensure that they are carried out at arm's length and in the best interest of the Company in compliance with the regulations of the Stock Exchange of Thailand.



3. Review of adequacy and appropriateness of the internal control system

The Audit Committee arranged to put in place the internal audit plan, which was comprehensive for the parent company and subsidiaries, including the audit plan that suits the nature of business operations in different phases of the Group companies including projects in the preparation phase, the construction phase, and the commercial operations phase whereby the audit focuses on different areas for each phase. In addition, the internal audit plan also extends to human resources management, information technology, and health and safety in order to ensure, to a reasonable degree, that the Company has an adequate and appropriate internal control system, that sufficient manpower is allocated to ensure the efficient monitoring of the internal control system, and that the human resources management, information technology, health and safety systems are appropriately implemented. In this light, the Audit Committee was of the opinion that the Company has an adequate and appropriate internal control system, as well as proper monitoring and control of its operations in a manner that allows the Company to safeguard its assets and that of its subsidiaries against abusive or unauthorized utilization by executives or employees, including adequate consideration of transactions entered into with persons with conflicts of interest and related persons.

4. Appointment of Auditors for the year 2017

The Audit Committee considered and selected the auditors of the Company based on the qualifications and independence of the auditor, including their expertise, experience, performance, scope of audit as well as the appropriateness of the quoted audit fee. The Committee proposed for approved to the Board of Directors Meeting the appointment of Mr. Somchai Jinnovart, certified public accountant No. 3271, and/or Mr. Boonrueng Lerdwiseswit, certified public accountant No. 6552, and/or Miss Amornrat Pearmpoonvatanasuk, certified public accountant No. 4599 of Pricewaterhouse Cooper ABAS Company Limited as the Auditor of the Company for 2017.

5. Oversight of Internal Audit

The Audit Committee oversaw the performance of the Internal Audit Department through consideration and approval of the annual internal audit plan whereby revisions were made where appropriate to ensure the propriety of the plan as well as its alignment to and comprehensiveness over the internal control system of the Company and companies in the Group, including its appropriateness towards different phases of business operations. The Audit Committee has considered the internal audit result, ensured that the internal audit plan of the Internal Audit Department was accomplished, and provided opinions regarding the qualifications of the Head of the Internal Audit Department.

6. Risk Management

The Audit Committee has considered the policies and risk management plan of the Company to ensure that risk assessment was made in a comprehensive manner when compared to the goals and strategies of the Company, including any chances of significant impacts toward business operations and risk mitigation to ensure such risk is mitigated to an acceptable level. The Audit Committee was



of the opinion that the executives as well as employees of the Company placed significance on risk management whereby the risks and factors thereof were analyzed and assessed as well as communicated companywide. In this regard, the Company established consisting of senior executives from each Department, to consider and determine the procedures, guidelines, and action plans to manage all material risks on an acceptable level as well as to follow up and report on risk management in line with the risk management policies of the Company.

7. Good corporate governance

The Audit Committee considered the criteria and policies relating to internal control and good corporate governance to ensure compliance with the laws, rules, and regulations as well as business ethics of the Company to build trust among shareholders and stakeholders. In addition, the accounting policies were considered in a comprehensive manner to ensure accurate, complete, and reliable financial reporting.

With regard to compliance with the laws on securities and exchange as well as the requirements of the Stock Exchange of Thailand and related laws governing the business of the Company, the Audit Committee acknowledged that the Company appointed a person directly responsible for overseeing compliance. This is in order to ensure that the Company conducts its operations in compliance with public limited company laws, securities and exchange laws, and related laws as well as the notifications, regulations, and related criteria of the Capital Market Supervisory Board, the SEC Board, the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Audit Committee emphasized that a Company put in place the whistle blowing system in accordance with the good corporate governance principles. As such, the Company established a compliant submission channel, which is easily accessible and directly reported to the Audit Committee, and delegated a team to handle any complaints and file reports related to such complaints to the Audit Committee in a timely and appropriate manner.

Furthermore, the Audit Committee considered and acknowledged the positions of certain executives of the Company in other companies engaging in businesses of a similar nature as that of the Group companies and the guideline to manage any possible conflicts of interest of directors and/or executives of the Company to ensure transparency in compliance with good corporate governance principle.

8. Review of the Audit Committee Charter

The Audit Committee conducted a review of the Audit Committee Charter and made revisions thereof in the Meeting No.1/2560 held on March 10, 2016 to ensure that duties completed as delegated and that duties and responsibilities are in compliance with the criteria and guidelines of the Securities and Exchange Commission.



9. Audit Committee's self-assessment

The Audit Committee conducted a self-assessment of its performance, both on an individual and a committee basis, in order to ensure that its performance was effective and supportive of good corporate governance of the Company as well as to ensure that its composition, qualifications, and performance are appropriate within its authority and scope of responsibility. Based on such assessment, it was found that the composition and qualifications of the Audit Committee were appropriate and the performance was effective and aligned with its authority and scope of responsibility as stated in the Audit Committee Charter.

In conclusion, the Audit Committee fulfilled its duties and responsibility as stated in the Audit Committee Charter by leveraging its knowledge, caution, prudence, and independence, and provided opinions and recommendations which are constructive and in the interest of the stakeholders in an equitable manner. The Audit Committee was of the opinion that the Board of Directors, executives, and employees of all levels of the Company are determined to perform their duty to achieve the goals of the Company in an efficient and professional manner, especially with regard to the importance placed on transparent and auditable operation, proper risk management, good corporate governance, and adequate, cautious, and prudent internal control.

On behalf of the Audit Committee

Mr. Kasem Snidvongs

Chairman of the Audit Committee



Independent Auditor's Report

To the shareholders and the Board of Directors of Gulf Energy Development Public Company Limited

My opinion

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

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2017;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determined key audit matters as financial derivative and hedge accounting, and adjustment to electricity sales of an associate in accordance with Thai Financial Reporting Interpretations 4: Determining whether and arrangement contains a lease. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



Key audit matter	How my audit addressed the key audit matter
<p><i>Financial derivative and hedge accounting.</i></p> <p>Refer to accounting policy 2.5 Financial instruments - Accounting for financial derivatives and hedge accounting and note 4 Financial risk management.</p> <p>The Group entered into financial derivative contract for foreign currency hedge relating to power plant construction. As at 31 December 2017, there were financial assets of Baht 3.60 million and financial liabilities of Baht 67.03 million resulting from these agreements.</p> <p>The Group initially recognises the financial derivatives contract for foreign currency hedge at fair value on the agreement date. The change in the fair value is subsequently recognised as a separate item in other comprehensive income in the consolidated statement of comprehensive income. The Group recognises the change in fair value as construction in progress in the consolidated statement of financial position on the contract settlement date.</p> <p>This matter is significant as the financial derivative contract for foreign currency hedge has a significant value, and the recognition of hedge accounting requires significant management judgment in recording the information under each agreement. Assumptions are also required to calculate the fair value of the financial derivative contract in accordance with Thai Financial Reporting Standard 13: Fair value measurement. Management must also assess the hedge effectiveness, which is the degree to which changes in the fair value or cash flows of the hedge instrument are offset by changes in the fair value or cash flows of the hedging item. The fair value measurement of the financial derivative is classified as level II information, which is information other than the price in the active market for identical assets or liabilities, which is observable for the asset or liability, either directly or indirectly. Level II information may be subject to adjustment when measuring the fair value of the financial derivative agreement.</p>	<p>I evaluated and performed effectiveness testing on the financial derivative contracts for foreign currency hedge by performing the following procedures:</p> <ul style="list-style-type: none"> • Select samples relating to the financial derivative contract, such as the hedge documentation and foreign currency forward contract. • Recalculate the fair value of the financial derivative contract and test the hedge effectiveness. • Confirm the ending balance from counter parties to ensure that the financial derivative contract is complete. • Test the information that management used to calculate the fair value of the financial derivative contract with information from the market and assess the reason for variance against the financial institutions' valuation result. <p>I found that judgments made by management and the recognition based on hedge accounting of the foreign currency forward contract, including the fair value of the financial derivative contract, are appropriate based on the existing evidence.</p>



Key audit matter	How my audit addressed the key audit matter
<p data-bbox="204 485 743 604"><i>Adjustment to electricity sales of an associate in accordance with Thai Financial Reporting Interpretations 4: Determining whether an arrangement contains a lease.</i></p> <p data-bbox="204 646 743 989">According to accounting policy No. 2.3 Group Accounting - Investment in subsidiaries and associates and in joint arrangements, and Note 14.2 Investment in an associate, the Group holds registered ordinary shares representing 40% of the authorised share capital of Gulf JP Company Limited, which is an associate. This investment was recognised using the equity method. The Group recognised net profit after tax of the associate for the year ended 31 December 2017 of Baht 3,984.68 million and net assets of the associate in proportion to the Group's shareholding of Baht 20,435.62 million.</p> <p data-bbox="204 1031 743 1339">Gulf JP Company Limited is a limited company and prepares its financial statements in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities (TFRS for NPAEs). To record its share of profit from Gulf JP Company Limited in the consolidated financial statements, the Group has to make adjustments based on its accounting policies and in accordance with the relevant Thai Financial Reporting Standards before the Group records the equity from investment based on the financial statements of the associate.</p> <p data-bbox="204 1381 743 1654">The significant adjustments of the associate, which impact the consolidated financial statements, are adjustments to the revenue from electricity sales of certain power plants which they sell solely to the Electricity Generating Authority of Thailand, and portions of accounts receivable from electricity sales of an associate in accordance with Thai Financial Reporting Interpretations 4: Determining whether an arrangement contains a lease. The adjustments are as follows:</p> <ul data-bbox="204 1665 743 1749" style="list-style-type: none">• transfer assets under a finance lease to finance lease receivable measured at the present value of the minimum lease payment.	<p data-bbox="781 615 1312 762">Gulf JP Company Limited is a significant associate of the Group and is audited by another auditor. I planned the overall audit of the Group and communicated with another auditor about this matter. I also performed the following audit procedures:</p> <ul data-bbox="781 772 1312 1056" style="list-style-type: none">• Review working papers and ask about identified audit risks, audit procedures and audited results.• Review the adjustments due to differences in accounting standards, especially Thai Financial Reporting Interpretation Standard 4: Determining whether an arrangement contains a lease.• Assess the auditor's results to determine whether there are sufficient and appropriate audit working papers. <p data-bbox="781 1098 1312 1150">The associate's auditor performed the following audit procedures for the revenue process:</p> <ul data-bbox="781 1161 1312 1434" style="list-style-type: none">• Test the control over the revenue process, including control over revenue recognition in accordance with Power Purchase Agreement.• Perform analytical procedures on significant changes in gross profit percentage and sales transactions.• Test cut-off of revenue from electricity sales.• Test the adjustment items related to electricity sales and the account receivable identified as a long-term lease agreement. <p data-bbox="781 1476 1312 1591">I found that the adjustment items related to revenue and the account receivable from electricity sales identified as a long-term lease agreement are appropriate and comply with the Group's accounting policies.</p>



Key audit matter	How my audit addressed the key audit matter
<ul style="list-style-type: none"> • record unearned finance income, which is the difference between the total receivable and the present value of the receivable. • recognise lease income over the term of the lease using the net investment method, which reflects a constant rate of return. <p>This matter is significant as the adjustment items are significant and complex. I undertook procedures to make sure the associate applied the accounting policies in accordance with Thai Financial Reporting Standards, as adopted by the Group.</p>	

Other information

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

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

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

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

Responsibilities of the directors for the consolidated and separate financial statements

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



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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, mis-representations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.
- I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

PricewaterhouseCoopers ABAS Ltd.

Somchai Jinnovart

Certified Public Accountant (Thailand) No. 3271

Bangkok

26 February 2018

**Gulf Energy Development Public Company Limited****Statements of Financial Position**

As at 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Assets					
Current assets					
Cash and cash equivalents	9	20,222,174,961	2,765,570,440	14,747,550,080	159,675,847
Deposits at a financial institution used as collateral	10	90,000,000	-	-	-
Current portion of financial derivative assets		3,578,847	36,772,846	-	-
Trade accounts receivable	11.1	1,659,512,961	914,749	-	-
Trade accounts receivable from related parties	11.2, 13	-	35,000,000	198,368,000	198,400,000
Current portion of amount due from related parties	13	-	-	212,500	212,500
Other accounts receivable		235,963	1,623,768	186,776	1,673,884
Prepaid expenses		118,024,932	106,631,104	7,260,154	3,440,889
Short-term loans to related parties	13	-	39,590,000	-	330,290,000
Current portion of advance payments under service agreements		98,813,506	-	-	-
Current portion of advance payments to related parties	13	-	-	16,982,065	121,188,768
Current portion of interest receivable from related parties	13	-	8,356,202	969,806	18,889,142
Spare parts		854,132	-	-	-
Available-for-sale investments	12	822,801,728	1,184,651,360	374,054,415	403,069,920
Refundable value added tax		1,764,390,383	1,187,520,866	5,701,930	-
Other current assets		163,408,745	147,469,506	48,722,545	10,260,260
Total current assets		24,943,796,158	5,514,100,841	15,400,008,271	1,247,101,210

The notes to the consolidated financial statements on pages 18 to 113 are an integral part of these financial statements.



Gulf Energy Development Public Company Limited

Statements of Financial Position

As at 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Assets (continued)					
Non-current assets					
Deposits at a financial institution used as collateral	10	86,974,400	172,500,000	-	-
Financial derivative assets		17,936	33,839,486	-	-
Amount due from related parties	13	-	-	74,867,010	37,358,975
Prepaid expenses		9,414,990	22,099,881	-	-
Refundable value added tax		9,686,968	-	-	-
Advance payments to related parties	13	-	-	89,005,863	106,113,802
Long-term loans to related parties	13	37,485,000	-	2,075,282,017	2,037,797,017
Interest receivable from related parties	13	531,375	-	141,832,657	170,896,925
Available-for-sale investments	12	1,984,969,036	1,968,444,225	-	-
Investment in subsidiaries, net	14.1	-	-	5,891,714,033	2,080,565,292
Investment in an associate	14.2	20,435,620,951	18,501,651,068	17,687,559,481	17,687,559,481
Investment in joint venture	14.3	2,983,444	-	6,002,493	-
Land deposit, net		4,996,125	23,148,675	-	-
Advance payments for land and power plant construction		1,817,779,230	2,846,196,836	-	-
Advance payments under service agreements		190,123,284	92,998,679	-	-
Investment property, net	15	97,595,587	112,610,681	29,704,500	44,719,594
Property, plant and equipment, net	16	50,547,133,540	29,912,930,743	1,928,779	1,063,748
Intangible assets, net	17	22,409,086	15,700,149	518,649	586,196
Deferred financing fee		129,286,025	328,203,690	-	-
Deferred tax assets	18	320,171,819	261,831,569	24,292,755	12,383,553
Other non-current assets		10,967,085	9,344,177	8,619,189	5,421,750
Total non-current assets		75,708,145,881	54,301,499,859	26,031,327,426	22,184,466,333
Total assets		100,651,942,039	59,815,600,700	41,431,335,697	23,431,567,543

The notes to the consolidated financial statements on pages 18 to 113 are an integral part of these financial statements.



Gulf Energy Development Public Company Limited

Statements of Financial Position

As at 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Liabilities and equity					
Current liabilities					
Current portion of financial derivative liabilities		60,005,007	215,045,940	-	-
Trade accounts payable		504,913,077	-	-	-
Other accounts payable		285,787,437	48,701,896	67,423,039	7,687,758
Amount due to related parties	13	6,305,077	122,424	5,345,803	122,424
Share subscription payable	13	-	-	3,255,450	3,255,450
Accounts payable for power plant construction		2,206,722,121	1,485,676,086	-	-
Interest payable		56,291,919	172,047,178	64,174,479	127,624,110
Short-term loans from financial institutions	19	572,000,000	-	-	-
Short-term loans		-	279,300,000	-	-
Current portion of long-term loans from financial institutions, net	20	2,460,245,112	258,010,414	-	-
Current portion of debentures, net	21	-	6,991,641,102	-	6,991,641,102
Current portion of bills of exchange	22	-	1,991,190,934	-	1,991,190,934
Accrued expenses		746,966,150	472,447,043	202,083,861	200,491,083
Corporate income tax payable		-	26,816,970	-	25,619,415
Other current liabilities		147,725,487	66,006,399	10,803,941	14,676,849
Total current liabilities		7,046,961,387	12,007,006,386	353,086,573	9,362,309,125
Non-current liabilities					
Financial derivative liabilities		7,022,807	66,257,516	-	-
Long-term loans from financial institutions, net	20	47,914,009,587	34,397,950,901	988,323,786	994,325,114
Debentures, net	21	5,983,541,521	5,983,541,521	5,983,541,521	5,983,541,521
Bills of exchange	22	-	3,484,380,881	-	3,484,380,881
Retention		47,997,330	13,546,932	-	-
Provision for decommissioning costs	23	203,074,716	6,977,080	-	-
Deferred tax liabilities	18	110,207	10,537,100	-	-
Employee benefit obligations	24	100,973,567	63,012,983	92,254,367	63,012,983
Total non-current liabilities		54,256,729,735	44,026,204,914	7,064,119,674	10,525,260,499
Total liabilities		61,303,691,122	56,033,211,300	7,417,206,247	19,887,569,624

The notes to the consolidated financial statements on pages 18 to 113 are an integral part of these financial statements.



Gulf Energy Development Public Company Limited

Statements of Financial Position

As at 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Liabilities and equity (continued)					
Equity					
Share capital	25				
Authorised share capital					
2,133,300,000 ordinary shares at a par value of Baht 5 each (2016: 310,000,000 ordinary shares at a par value of Baht 10 each)		10,666,500,000	3,100,000,000	10,666,500,000	3,100,000,000
Issued and paid-up share capital					
2,133,300,000 ordinary shares at paid-up of Baht 5 each (2016: 40,000,000 ordinary shares at paid-up of Baht 10 each and 270,000,000 ordinary shares of Baht 8.87 each)		10,666,500,000	2,795,000,000	10,666,500,000	2,795,000,000
Share premium		20,889,295,058	-	20,889,295,058	-
Surplus from business					
combination under common control		(316,239,277)	(316,239,277)	-	-
Appropriated retained earnings					
- legal reserve	26	86,512,524	-	86,512,524	-
Unappropriated retained earnings (deficits)		1,935,038,462	(1,409,182,780)	2,371,169,838	748,121,743
Changes in proportion					
of investment in subsidiaries		1,432,424,227	1,479,602,084	-	-
Other components of equity	28	(128,716,475)	(228,123,404)	652,030	876,176
Total equity attributable to owners of the parent		34,564,814,519	2,321,056,623	34,014,129,450	3,543,997,919
Non-controlling interests	14.1, 27	4,783,436,398	1,461,332,777	-	-
Total equity		39,348,250,917	3,782,389,400	34,014,129,450	3,543,997,919
Total liabilities and equity		100,651,942,039	59,815,600,700	41,431,335,697	23,431,567,543

The notes to the consolidated financial statements on pages 18 to 113 are an integral part of these financial statements.



Gulf Energy Development Public Company Limited

Statements of Comprehensive Income

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Revenue from sales		4,078,442,878	5,294,260	-	-
Revenue from management fee		272,000,000	235,693,406	1,028,291,923	1,208,373,406
Cost of sales		(3,096,903,263)	(2,594,587)	-	-
Cost of management fee		(189,343,313)	(232,468,309)	(326,158,466)	(476,277,463)
Gross profit		1,064,196,302	5,924,770	702,133,457	732,095,943
Other income	29	42,818,453	18,349,590	43,628,872	40,907,241
Interest income		44,708,899	19,722,026	145,970,690	163,215,666
Dividend income		109,434,692	111,038,544	2,059,462,625	45,514,358
Gain (loss) on exchange rate, net		994,874,225	(32,018,839)	29,973	33,921
Administrative expenses		(957,387,760)	(593,657,546)	(480,029,108)	(177,005,394)
Finance costs	32	(1,427,678,494)	(792,291,951)	(747,626,733)	(461,366,628)
Share of net profit from an associate and a joint venture	14.2, 14.3	3,981,664,320	1,436,567,710	-	-
Profit before corporate income tax benefits (expenses)		3,852,630,637	173,634,304	1,723,569,776	343,395,107
Corporate income tax benefits (expenses)	30	54,293,935	46,961,092	6,680,702	(61,614,358)
Profit for the year		3,906,924,572	220,595,396	1,730,250,478	281,780,749
Other comprehensive income (expenses), net of corporate income taxes					
Items that will not be reclassified to profit or loss					
Actuarial losses		(20,689,859)	-	(20,689,859)	-
Items that will be reclassified to profit or loss, net of corporate income taxes					
Change in value of available-for-sale investments		33,445,106	(22,315,717)	4,787,596	2,455,936
Reclassification adjustments to profit and loss of available-for-sale investments		(18,436,697)	(5,775,160)	(5,011,742)	(1,579,760)
Change in value of cash flow hedges		12,555,383	(362,325,426)	-	-
Reclassification adjustments to profit and loss of cash flow hedges		142,509,239	(16,783,237)	-	-
Currency translation differences		103,382	(89,525)	-	-
Share of other comprehensive income (expenses) of an associate accounted for using the equity method		8,200,515	(13,907,869)	-	-
Other comprehensive income (expenses) for the year, net of corporate income taxes		157,687,069	(421,196,934)	(20,914,005)	876,176
Total comprehensive income (expenses) for the year		4,064,611,641	(200,601,538)	1,709,336,473	282,656,925

The notes to the consolidated financial statements on pages 18 to 113 are an integral part of these financial statements.



Gulf Energy Development Public Company Limited
Consolidated Statements of Comprehensive Income
 For the year ended 31 December 2017

	Note	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Profit attributable to:					
Owners of the parent		3,451,423,625	417,558,586	1,730,250,478	281,780,749
Non-controlling interests		455,500,947	(196,963,190)	-	-
		<u>3,906,924,572</u>	<u>220,595,396</u>	<u>1,730,250,478</u>	<u>281,780,749</u>
Total comprehensive income (expenses) attributable to:					
Owners of the parent		3,530,140,695	151,275,386	1,709,336,473	282,656,925
Non-controlling interests		534,470,946	(351,876,924)	-	-
		<u>4,064,611,641</u>	<u>(200,601,538)</u>	<u>1,709,336,473</u>	<u>282,656,925</u>
Earnings per share for the owners of the parent					
Basic earnings per share	7	<u>3.18</u>	<u>0.79</u>	<u>1.59</u>	<u>0.54</u>

The notes to the consolidated financial statements on pages 18 to 113 are an integral part of these financial statements.



Gulf Energy Development Public Company Limited

Statements of Changes in Equity

For the year ended 31 December 2017

	Consolidated financial statements														
	Attributable to owners of the parent										Minority				
	Other components of equity														
	Notes	Issued and paid-up share capital	Share premium	Surplus from business combination under common control	Retained earnings		Changes in proportion of investment in subsidiaries	Other comprehensive income (expenses)			Total other components of equity	Total owners of the parent	Non-controlling interests	Total equity	
Appropriated retained earnings - legal reserve					Unappropriated retained earnings (deficits)	Currency translation differences		Available-for-sale investments	Cash flow hedges	Share of other comprehensive income (expenses) of an associate					
Opening balance as at 1 January 2016	2,380,000,000	-	(316,239,277)	-	(1,826,741,366)	1,417,367,297	-	67,671	(70,459,709)	105,113,776	3,437,158	38,159,796	1,692,546,450	802,437,005	2,494,983,455
Issuance of new ordinary shares	415,000,000	-	-	-	-	-	-	-	-	-	-	-	-	470,000,000	470,000,000
Call for additional paid-up	-	-	-	-	-	-	-	-	-	-	-	-	415,000,000	482,584,828	897,584,828
Surplus from changes in proportion of investment in subsidiaries	-	-	-	-	-	62,234,787	-	-	-	-	-	-	62,234,787	58,281,213	120,516,000
Dividend paid of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(173,345)	(173,345)
Total comprehensive income (expenses) for the year	-	-	-	-	417,558,586	-	(89,525)	(28,090,877)	(224,194,929)	(13,907,869)	(266,283,200)	151,276,386	(351,876,924)	(200,601,538)	
Closing balance as at 31 December 2016	2,795,000,000	-	(316,239,277)	-	(1,409,182,780)	1,479,602,084	-	(21,954)	(98,549,586)	(119,081,153)	(10,470,711)	(228,123,404)	2,321,056,623	1,461,332,777	3,782,389,400
Opening balance as at 1 January 2017	2,795,000,000	-	(316,239,277)	-	(1,409,182,780)	1,479,602,084	-	(21,954)	(98,549,586)	(119,081,153)	(10,470,711)	(228,123,404)	2,321,056,623	1,461,332,777	3,782,389,400
Issuance of new ordinary shares	7,566,500,000	-	-	-	-	-	-	-	-	-	-	-	7,566,500,000	1,100,479,700	8,666,979,700
Call for additional paid-up	3,050,000,000	-	-	-	-	-	-	-	-	-	-	-	3,050,000,000	1,640,158,109	1,945,158,109
Share premium	-	20,889,295,058	-	-	-	-	-	-	-	-	-	-	20,889,295,058	-	20,889,295,058
Legal reserve	-	-	-	86,512,524	(86,512,524)	-	-	-	-	-	-	-	-	-	-
Surplus (discount) from changes in proportion of investment in subsidiaries	-	-	-	-	-	(47,177,857)	-	-	-	-	-	20,689,859	(47,177,857)	47,177,842	(15)
Transfer actuarial losses	-	-	-	-	(20,689,859)	-	-	-	-	-	-	-	-	-	-
Dividend paid of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	(182,976)	(182,976)
Total comprehensive income (expenses) for the year	-	-	-	-	3,451,423,625	-	(20,689,859)	103,382	14,876,161	76,226,871	8,200,515	78,717,070	3,530,140,695	534,470,946	4,064,611,641
Closing balance as at 31 December 2017	10,666,500,000	20,889,295,058	(316,239,277)	86,512,524	1,895,038,622	1,432,424,227	-	81,428	(83,673,425)	(42,854,282)	(2,270,196)	(128,716,475)	34,564,814,519	4,783,436,986	39,348,250,517

The notes to the consolidated financial statements on pages 18 to 113 are an integral part of these financial statements.



Gulf Energy Development Public Company Limited
Statements of Changes in Equity

For the year ended 31 December 2017

	Notes	Separate financial statements										
		Baht										
		Attributable to owners of the parent										
		Retained earning					Other comprehensive income (expenses)					
Issued and paid-up share capital	Share premium	Appropriated retained earnings - legal reserve	Unappropriated retained earnings	Actuarial losses	Available-for-sale investments	Total other components of equity	Total equity					
Opening balance as at 1 January 2016		2,380,000,000	-	-	466,340,994	-	-	-	-	-	2,846,340,994	
Call for additional paid-up	25	415,000,000	-	-	-	-	-	-	-	-	415,000,000	
Total comprehensive income for the year		-	-	-	281,780,749	-	876,176	876,176	-	-	282,656,925	
Closing balance as at 31 December 2016		2,795,000,000	-	-	748,121,743	-	876,176	876,176	-	-	3,543,997,919	
Opening balance as at 1 January 2017		2,795,000,000	-	-	748,121,743	-	876,176	876,176	-	-	3,543,997,919	
Issuance of new ordinary shares	25	7,566,500,000	-	-	-	-	-	-	-	-	7,566,500,000	
Call for additional paid-up	25	305,000,000	-	-	-	-	-	-	-	-	305,000,000	
Share premium	25	-	20,889,295,058	-	-	-	-	-	-	-	20,889,295,058	
Legal reserve	26	-	-	86,512,524	(86,512,524)	-	-	-	-	-	-	
Transfer actuarial losses		-	-	-	(20,689,859)	20,689,859	-	-	-	-	20,689,859	
Total comprehensive income (expenses) for the year		-	-	-	1,730,250,478	(20,689,859)	(224,146)	(20,914,005)	-	-	1,709,336,473	
Closing balance as at 31 December 2017		10,666,500,000	20,889,295,058	86,512,524	2,371,169,838	-	652,030	652,030	-	-	34,014,129,450	

The notes to the consolidated financial statements on pages 18 to 113 are an integral part of these financial statements.



Gulf Energy Development Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash flows from operating activities					
Profit for the year before					
corporate income taxes		3,852,630,637	173,634,304	1,723,569,776	343,395,107
Adjustment to reconcile profit for					
cash generated from (used in) operations					
- Finance costs	32	1,427,678,494	792,291,951	747,626,733	461,366,628
- Interest income		(44,708,899)	(19,722,026)	(145,970,690)	(163,215,666)
- Dividend income		(109,434,692)	(111,038,544)	(2,059,462,625)	(45,514,358)
- Gain on disposal of investments					
in a subsidiary	29	(123,762)	-	-	(7,498,775)
- Gain on disposal of available-for-sale					
investments		(23,045,872)	(7,218,950)	(6,264,677)	(1,974,700)
- Impairment loss on assets		33,167,644	-	21,333,360	-
- Write-off bad debts		-	-	21,254,398	-
- Loss from write-off property,					
plant and equipment	16	-	814	-	814
- Depreciation and amortisation	16, 17	370,496,632	4,533,322	352,976	293,510
- Employee benefit expenses	24	12,098,261	7,848,586	3,379,061	7,848,586
- Share of net profit from an associate					
and a joint venture	14.2, 14.3	(3,981,664,320)	(1,436,567,710)	-	-
- Net unrealised (gains) losses on					
exchange rate		(869,572,262)	129,554,271	52,778	-
Cash flows before changes in working capital		667,521,861	(466,683,982)	305,871,090	594,701,146
Changes in working capital (excluding impact					
from acquisition and disposal of subsidiaries)					
- Trade accounts receivable		(1,658,598,212)	79,354,376	-	-
- Trade accounts receivable from					
related parties		35,000,000	12,482,239	32,000	(166,190,000)
- Amounts due from related parties		-	29,975,375	(37,508,035)	14,452,869
- Other accounts receivable		1,387,805	(1,488,876)	1,487,108	(695,395)
- Prepaid expenses		1,291,063	14,998,182	(3,927,934)	(1,155,976)
- Spare parts		(854,132)	-	-	-
- Refundable value added tax		(586,556,485)	(860,433,594)	(5,701,930)	-
- Other current assets		22,847,969	(27,760,896)	(1,522,645)	(798,984)
- Advance payments under service agreements		(195,938,111)	-	-	-
- Other non-current assets		(1,622,908)	(2,596,410)	(3,197,439)	(1,000)
- Trade accounts payable		504,913,077	-	-	-
- Other accounts payable		221,931,454	(94,046,874)	44,528,261	(5,942,673)
- Amount due to related parties		6,182,653	122,424	5,223,379	(116,515)
- Accrued expenses		244,802,116	269,394,600	(28,167,222)	170,925,112
- Other current liabilities		81,719,088	(13,556,708)	(3,872,908)	(210,213)
Cash generated from (used in) operating activities		(655,972,762)	(1,060,240,144)	273,243,725	604,968,371
- Corporate income tax paid		(60,678,604)	(100,115,217)	(57,317,378)	(88,560,995)
Net cash generated from (used in) operating activities		(716,651,366)	(1,160,355,361)	215,926,347	516,407,376

The notes to the consolidated financial statements on pages 18 to 113 are an integral part of these financial statements.



Gulf Energy Development Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash flows from investing activities					
Deposits at a financial institution used as collateral	10	(4,474,400)	-	-	-
Proceeds from interest		46,716,706	29,536,842	184,610,769	155,639,751
Proceeds from dividend		2,168,348,692	111,038,544	2,059,462,625	45,514,358
Payments for available-for-sales investments	12	(6,686,608,776)	(3,350,000,000)	(2,137,926,373)	(1,050,000,000)
Proceeds from available-for-sales investments		7,069,608,776	2,610,002,186	2,172,926,373	650,000,000
Payments for ordinary shares paid-up in subsidiaries	14.1	-	-	(3,817,717,000)	(1,260,000,000)
Proceeds from sales of investments in a subsidiary	14.1	-	-	127,500	8,498,745
Payments for investment in an associate	14.2	-	(14,398,559,481)	-	(14,398,559,481)
Payments for ordinary shares paid-up in a joint venture	14.3	(5,880,000)	-	(5,880,000)	-
Advance payments to subsidiaries		-	-	(11,004,831)	(52,693,500)
Proceeds from advance payments to subsidiaries		-	-	114,166,923	20,000,000
Advance payments to a joint venture		(242,745)	-	(242,745)	-
Proceeds from advance payments to a joint venture		866,608	-	242,745	-
Proceeds from loans to subsidiaries	13	-	-	520,200,000	-
Payments on loans to subsidiaries	13	-	-	(229,500,000)	-
Payments on loans to a joint venture	13	(37,485,000)	-	(37,485,000)	(178,500,000)
Proceeds from short-term loans to related parties	13	39,590,000	20,000,000	39,590,000	60,000,000
Proceeds from long-term loans to related parties		-	115,000,000	-	75,000,000
Payments for losing control of subsidiaries, net		(652,695)	(37,690,905)	-	-
Proceeds from land deposit		-	53,392,500	-	53,392,500
Advance payments for land and power plant constructions		(1,390,145,765)	(2,479,998,867)	-	-
Purchases of property, plant and equipment		(16,099,319,798)	(16,535,836,700)	(14,860)	(565,542)
Payments for borrowing costs capitalised in property, plant and equipment		(1,517,165,385)	(866,720,937)	-	-
Purchases of intangible assets		(9,352,518)	(1,409,230)	-	-
Net cash used in investing activities		(16,426,196,300)	(34,731,246,048)	(1,148,443,874)	(15,872,273,169)

The notes to the consolidated financial statements on pages 18 to 113 are an integral part of these financial statements.



Gulf Energy Development Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash flows from financing activities					
Proceeds from issuing of debentures	21	-	13,000,000,000	-	13,000,000,000
Payments for debentures	21	(7,000,000,000)	-	(7,000,000,000)	-
Proceeds from short-term loans from financial institutions	19	7,887,000,000	-	6,000,000,000	-
Payments for short-term loans from financial institutions	19	(7,315,000,000)	-	(6,000,000,000)	-
Proceeds from changes in ownership interest in indirect subsidiaries that do not result in a loss of control		-	120,516,000	-	-
Proceeds from long-term loans from financial institutions		17,447,030,358	22,179,319,706	-	1,000,000,000
Proceeds from short-term loan		220,500,000	171,500,000	-	-
Payments on short-term loan		(499,800,000)	(425,000,000)	-	(425,000,000)
Payments on long-term loans from financial institutions		(686,915,202)	(4,044,069,125)	-	(4,042,097,017)
Payments for interest		(924,223,057)	(258,726,812)	(326,282,738)	(112,521,776)
Proceeds from issuing of bills of exchange		14,554,039,982	10,982,453,677	14,554,039,982	10,982,453,677
Payments for bills of exchange		(20,200,000,000)	(5,600,000,000)	(20,200,000,000)	(5,600,000,000)
Payments for other finance costs		(403,674,378)	(202,513,221)	(289,446,033)	(150,396,520)
Payments for deferred financing fees		(22,493,151)	(107,975,498)	(22,493,151)	(6,500,000)
Proceeds from additional paid-up capital	25	31,944,137,809	1,367,664,828	29,203,500,000	415,000,000
Payments for share issuance		(398,926,300)	-	(398,926,300)	-
Dividend paid to non-controlling interests of a subsidiary	27	(182,976)	(173,345)	-	-
Net cash generated from financing activities		34,601,493,085	37,182,996,210	15,520,391,760	15,060,938,364
Net increase (decrease) in cash and cash equivalents		17,458,645,419	1,291,394,801	14,587,874,233	(294,927,429)
Cash and cash equivalents at the beginning of the year		2,765,570,440	1,473,902,486	159,675,847	454,603,276
Profit (loss) adjustment from foreign exchange translation		(2,040,898)	273,153	-	-
Cash and cash equivalents at the end of the year		20,222,174,961	2,765,570,440	14,747,550,080	159,675,847

The notes to the consolidated financial statements on pages 18 to 113 are an integral part of these financial statements.



Gulf Energy Development Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2017

	Note	Consolidated financial information		Separate financial information	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Non-cash transactions					
Significant non-cash transactions for the years ended 31 December are as follows:					
Increase in construction in progress as a result of advance payment for construction		2,418,563,371	2,621,257,314	-	-
Increase in property, plant and equipment from payables		2,207,857,721	1,485,676,086	1,135,600	-
Increase in construction in progress from retention		47,997,330	13,546,932	-	-
Increase in loan from sale of investment in a subsidiary	13	-	40,000,000	-	-
Increase in investment property from transfer from property, plant and equipment		-	67,891,087	-	-
Increase in assets as a result of provision for decommissioning costs		200,337,140	-	-	-
Increase in construction in progress from amortisation of deferred financing fees		16,280,094	17,068,260	-	-
Accrued expenses relating to share capital issuance		43,778,642	-	43,778,642	-

The notes to the consolidated financial statements on pages 18 to 113 are an integral part of these financial statements.



Gulf Energy Development Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2017

1 General information

Gulf Energy Development Public Company Limited (the Company) is a public company limited. The Company is incorporated and resided in Thailand. The address of its registered office is 87 M Thai Tower 11th Floor, All Seasons Place, Wireless Road, Lumpini, Pathumwan, Bangkok.

The Company has registered for a change from a limited company to a public company limited on 25 May 2017.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The principal business operation of the Group is to generate and sell electricity, steam and cold water, and other businesses both domestic and international.

These consolidated and separate financial statements were authorised for issue by the Company's management on 26 February 2018.

2 Accounting policies

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

2.1 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

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

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in Note 5.

Comparative figures have been adjusted to conform with presentation in the current year where the effects are disclosed in Note 3.

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



Gulf Energy Development Public Company Limited
Notes to the Consolidated and Separate Financial Statements
 For the year ended 31 December 2017

2 Accounting policies (continued)

2.2 Revised financial reporting standards and related interpretations

2.2.1 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017, which have significant changes and are relevant to the Group.

TAS 1 (revised 2016)	Presentation of financial statements
TAS 19 (revised 2016)	Employee benefits
TAS 27 (revised 2016)	Separate financial statements
TAS 28 (revised 2016)	Investments in associates and joint ventures
TFRS 10 (revised 2016)	Consolidated financial statements

TAS 1 (revised 2016), the amendments provide clarifications on a number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals - line items specified in TAS 1 may need to be disaggregated where they are relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes to financial statements - the standard confirms that the notes do not need to be presented in a particular order.
- Other Comprehensive Income arising from investments accounted for under the equity method - the share of other comprehensive income arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.

TAS 19 (revised 2016), the amendments clarify that when determining the discount rate for post-employment benefit obligations, it is the currency that the liabilities are denominated in is more important, not the country where they arise.

TAS 27 (revised 2016), the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method as described in TAS 28 (revised 2016) in addition to measurement at cost or at fair value (when announced). The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). Entities wishing to change to the equity method must do so retrospectively.

TAS 28 (revised 2016), the amendments allow an entity which is not an investment entity, but has an interest in an associate or joint venture which is an investment entity, a policy choice when applying the equity method of accounting. The entity may choose to retain the fair value measurement applied by the investment entity associate or joint venture, or to unwind the fair value measurement and instead perform a consolidation at the level of the investment entity associate or joint venture.

TFRS 10 (revised 2016), the amendments clarify that: 1) the exception from preparing consolidated financial statements is also available to intermediate parent entities which are subsidiaries of investment entity and 2) an investment entity should consolidate a subsidiary which is not an investment entity and whose main purpose and activity is to provide services in support of the investment entity's investment activities.

The Group's management assessed and considered that the above revised standards do not have significant impact on the Group.



Gulf Energy Development Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2017

2 Accounting policies (continued)

2.2 Revised financial reporting standards and related interpretations (continued)

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018, which have significant changes and are relevant to the Group. The Group has not yet adopted these revised standards.

TAS 7 (revised 2017)	Statement of cash flows
TAS 12 (revised 2017)	Income taxes
TFRS 12 (revised 2017)	Disclosure of interests in other entities

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash transactions.

TAS 12 (revised 2017), the amendments clarify the followings which relate to deferred tax accounting when the carrying amount of an asset measured at fair value is less than its tax base:

- A temporary difference exists whenever the carrying amount of an asset measured at fair value is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

TFRS 12 (revised 2017), the amendments clarify that the disclosure requirements under TFRS 12 apply to interests in entities that are classified as held-for-sale in the scope of TFRS 5 (revised 2017), except for the summarised financial information.

The Group's management assessed and considered that the above revised standards will not have a material impact on the Group, except for disclosure.

2.3 Group accounting - investments in subsidiaries and associates and in joint arrangements

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations except for business combination under common control. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.



Gulf Energy Development Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2017

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

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

2 Accounting policies (continued)

2.3 Group accounting - investments in subsidiaries and associates and in joint arrangements (continued)

(a) Subsidiaries (continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recognised in equity. Gains or losses on disposals to non-controlling interests are also recognised in equity.

(c) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(d) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

(e) Joint venture

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



Gulf Energy Development Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2017

2 Accounting policies (continued)

2.3 Group accounting - investments in subsidiaries and associates and in joint arrangements (continued)

(f) Accounting under equity method

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

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

The Group's share of its associates and joint ventures' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, together with any long-term interests that, in substance, form part of the entity's net investment in the associates or joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

The Group determines at each reporting date whether there is any objective evidence that the investments in the associates and joint ventures are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investments and its carrying value and recognises the amount adjacent to share of profit (loss) of associates and joint ventures in profit or loss.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

(g) Separate financial statements

In the separate financial statements, investments in subsidiaries, associates and joint ventures are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

2.4 Foreign currency translation

(a) Functional and presentation currency

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

(b) Transactions and balances

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

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



Gulf Energy Development Public Company Limited
Notes to the Consolidated and Separate Financial Statements
For the year ended 31 December 2017

2 Accounting policies (continued)

2.4 Foreign currency translation (continued)

(c) Group companies

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

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

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

2.5 Financial instruments

Accounting for financial derivatives and hedge accounting

The Group is a party to derivatives financial instruments, which mainly comprise foreign currency forward contracts and interest rate swap agreements. The Group applies hedge accounting for only foreign currency forward contracts.

Foreign currency forward contracts

The Group initially recognises derivative financial instruments at fair value on the contract date and subsequently recognises any changes in fair value as gain (loss) from derivative instruments in profit or loss.

In case the Group applies the hedge accounting which is appropriate based upon the specific criteria in accordance to hedging requirement, the impact of recording the derivative instrument is offset to the extent that the hedging relationship is effective. If a hedge is designated as a fair value hedge, changes in the derivative's fair value are recorded as gain or loss and the hedged item is marked to market for changes in fair value associated with the hedged risk. If a hedge is designated as a cash flow hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised in other comprehensive income and the ineffective portion of the gain or loss on the hedging instrument is recognised immediately in profit or loss.

Interest rate swap agreements

Interest rate swap agreements protect the Group from movements in interest rates. Any differences to be paid or received on an interest rate swap agreement is recognised as a component of interest revenue or expense over the period of the agreement. Gains and losses on early termination of interest rate swaps or on repayment of the borrowing are taken into profit or loss.

Disclosures about derivative financial instruments to which the Group is a party are provided in note 33.

2.6 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts (if any). In the statements of financial position, bank overdrafts are shown within current liabilities in consolidated and separate statement of financial position.



Gulf Energy Development Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2017

2 Accounting policies (continued)

2.7 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within selling expenses.

2.8 Spare parts

Spare parts are stated at cost less allowance for obsolescence. Cost is calculated based on the moving average basis. Spare parts are common spare parts. The Group reviews its allowance for obsolete, slow-moving and defective spare parts on specific cases.

2.9 Investments

Investments other than investments in subsidiaries, associates and joint ventures are classified into the following four categories: (1) trading investments; (2) held-to-maturity investments; (3) available-for-sale investments; and (4) general investments. The classification is depended on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

1. Investments that are acquired principally for the purpose of generating a profit from short-term fluctuations in price are classified as trading investments and included in current assets.
2. Investments with fixed maturity that the management has the intent and ability to hold to maturity are classified as held-to-maturity.
3. Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale.
4. Investments in non-marketable equity securities are classified as general investments.

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

Trading investments and available-for-sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income.

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

General investments are carried at cost less impairment loss.

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

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



Gulf Energy Development Public Company Limited
Notes to the Consolidated and Separate Financial Statements
 For the year ended 31 December 2017

2 Accounting policies (continued)

2.10 Advance payments for land and power plant construction

Advance payments for land and power plant construction is cash paid to contractor prior the construction begins. The advance payments would be transferred to property, plant and equipment proportionately according to cash progress milestones payment under Engineering, Procurement and Construction (EPC) contract.

2.11 Investment property

Property that is held for rental yields or for capital appreciation or both, and that is not occupied and used by the companies in the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses. Land is not depreciated.

Change in fair values are recognised in profit or loss. Investment property are derecognised when they have been disposed or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in profit or loss within net gain from fair value adjustment on investment property.

2.12 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and allowance for impairment (if any). The costs of property, plant and equipment comprise of the purchase price, import duty, non-refundable value added tax (after deducting trade discount and amount returned from seller) and any costs directly attributable to bring the assets to location and condition necessary for them to be capable of operating in the manner intended by management. Their costs also include the initial estimate of the costs of dismantling and removing the item and restoring the site on which they are located, the obligation for which the Group incurs either when the items are acquired or as a consequence of having used the items during a particular period.

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

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	Years
Power plant and solar rooftop system	10 - 25 years
Tools, equipment and vehicle	5 years

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

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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



Gulf Energy Development Public Company Limited

Notes to the Consolidated and Separate Financial Statements

For the year ended 31 December 2017

2 Accounting policies (continued)

2.13 Goodwill

Goodwill on acquisitions of subsidiaries is separately reported in the consolidated financial position.

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

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

2.14 Intangible assets

2.14.1 Computer Software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 10 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

2.14.2 Trademarks

Separately acquired trademarks are shown at historical cost. Trademarks acquired in a business combination are recognised at fair value at the acquisition date. Trademarks have a finite useful life and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method to allocate the cost of trademarks over their estimated useful lives of 10 years.

2.15 Impairment of assets

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

2.16 Leases

Where the Group is the lessee

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

Long-term leases of assets where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.



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Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

2 Accounting policies (continued)

2.16 Leases (continued)

Where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Assets leased out under operating leases are included in property, plant and equipment in consolidated statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.17 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

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

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

Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised as expense in the period in which they are incurred.



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2 Accounting policies (continued)

2.18 Current and deferred income taxes

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

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

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

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

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

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

2.19 Employee benefits

2.19.1 Defined contribution

A defined contribution plan is a plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the Provident Fund Act. B.E. 2530. The contributions are recognised as an employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.



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2 Accounting policies (continued)

2.19 Employee benefits (continued)

2.19.2 Retirement benefits

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually depends on one or more factors such as age, years of service and compensation.

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of change in equity.

Past service costs are recognised immediately in profit or loss.

2.20 Provisions

2.20.1 General provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated. Where the Group expects a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

2.20.2 Provision for decommissioning costs

The Group recognises provision for decommissioning costs, which are provided at the onset of completion of the project, for the estimate of the eventual costs that relate to the removal of the power plants. The provision for decommissioning costs are based on future removal cost estimates and incorporate many assumptions such as abandonment times and future inflation rate and discounted to present value at the discount rate estimated by the management. Those costs are included as part of the power plants.

2.21 Share capital

Ordinary shares with discretionary dividends are classified as equity.

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



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2 Accounting policies (continued)

2.22 Revenue recognition

Revenue from rendering and consulting services based on the stage of completion determined by reference to services performed to date as a percentage of total services to be performed.

Sales is shown net of value added tax, sales return and discounts excluding intercompany transactions in the consolidated financial statements. Sales under the PPA comprise Availability Payments and Energy Payments. Availability Payments are recognised according to the terms set out in the Power Purchase Agreement. Energy Payments are calculated based on electricity delivered. Sales under the Electricity and Steam Sales Purchase Agreements with industrial users are recognised on delivery of electricity and steam and customer acceptance.

Interest income is recognised on a time proportion basis, taking into account of the principal outstanding and the effective interest rate over the period to maturity, when it is determined that such income will accrue to the Group.

Dividend income is recognised when the right to receive payment is established. Other income is recognised on an accrual basis.

2.23 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders. Interim dividends are recognised when they are approved by the Board of Directors.

2.24 Segment reporting

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



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3 Reclassification (continued)

3.1 Reclassification (continued)

During the year, the Group reclassified certain transactions to appropriately present in the financial statements. As a result, the comparative figures have been reclassified to conform with the current year presentation. (continued)

The effect of change in financial statements as at 31 December 2016 and 1 January 2016 are as follows: (continued)

	Separate financial statements					
	As at 31 December 2016			As at 1 January 2016		
	Original stated	Increase (Decrease)	Restated	Original stated	Increase (Decrease)	Restated
Statement of financial position (continued)						
Non-current assets						
Amount due from related parties	618,567	36,740,408	37,358,975	-	-	-
Interest receivable from related parties	-	170,896,925	170,896,925	10,078,889	160,408,128	170,487,017
Interest receivable from subsidiaries	149,355,213	(149,355,213)	-	160,408,128	(160,408,128)	-
Available-for-sale investments	403,069,920	(403,069,920)	-	-	-	-
Long-term loan to related parties	39,590,000	(39,590,000)	-	-	-	-
Current liabilities						
Trade accounts payable and other payables	150,180,825	(150,180,825)	-	58,422,310	(58,422,310)	-
Trade accounts payable	-	7,687,758	7,687,758	-	13,870,120	13,870,120
Amount due to related parties	-	122,424	122,424	-	-	-
Share subscription payable	-	3,255,450	3,255,450	-	3,254,700	3,254,700
Interest payable	-	127,624,110	127,624,110	-	11,731,519	11,731,519
Accrued expenses	189,000,000	11,491,083	200,491,083	-	29,565,971	29,565,971
Statements of Comprehensive Income						
Other income	86,421,599	(45,514,358)	40,907,241	46,591,879	(44,998,650)	1,593,229
Dividend income	-	45,514,358	45,514,358	-	44,998,650	44,998,650
Administrative expenses	653,282,857	(476,277,463)	177,005,394	392,742,495	(259,366,149)	133,376,346
Cost of management fee	-	476,277,463	476,277,463	-	257,991,446	257,991,446
Finance costs	-	-	-	-	1,374,703	1,374,703

The reclassifications do not have a significant effect to the statements of financial position as at 1 January 2016. Therefore, there is no presentation of the statement of financial position as at 1 January 2016.



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4 Financial risk management

4.1 Financial risk factors

The Group's activities are exposed to a variety of financial risks such as impact of changes in the market price of debt and equity instruments, changes in exchange rate and changes in interest rate. The Group's overall risk management programme focuses on managing the fluctuation of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Therefore, the Group uses derivative financial instruments such as foreign currency forward contracts to hedge the risk.

Risk management is carried out by management under policies approved by the board of directors. The board of directors will determine the overall principles for managing the risks and related policies to cover foreign exchange rate risk, specific credit risk, derivatives, and the used of liquidity-based investment to manage risk.

4.1.1 Foreign exchange risk

The Group is exposed to foreign exchange risk particularly in US Dollar (USD), Japanese Yen (JPY), Krona Swedish (SEK) and European Euro (EUR). The Group uses foreign currency forward contracts to hedge their exposure to foreign currency risk.

4.1.2 Interest rate risk

Most of the Group's income and operating cash flows are independent of changes in market interest rates. The Group has no significant interest-bearing assets. The Group policy is to hedge cash flow for interest payment by using interest rate swap contracts from floating rates to fixed rates. Interest rate swap contracts allow the Group to raise long-term borrowings at floating rates and swap them into fixed rates. Under the interest rate swap contracts, the Group agrees with the counter parties to exchange, at specified intervals, the difference interest amounts between fixed contract rates and floating rates, which is calculated by referencing notional principal amounts as agreed. Any differences to be paid or received on an interest rate swap agreement is recognised as a component of interest revenue or expense over the period of the agreement. All interest rate derivative transactions are subject to approval by the Chief Executive Officer before execution.

4.1.3 Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history and good credit profiles. Derivative counter parties and cash transactions are limited to high credit quality financial institutions.

4.1.4 Liquidity risk

Liquidity risk is the risk that suitable sources of fund for the Group's business activities may not be available. The Group applies prudent liquidity risk management in which the Group maintains sufficient cash and marketable securities to use for its business activities. The Group's availability of fund is managed through an adequate amount of committed credit facilities provided to the Group.



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4 Financial risk management (continued)

4.2 Fair value estimation

The different levels have been defined as follows:

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

4.2.1 Financial assets and liabilities that are measured at fair value

The following table presents the Group's financial instruments that are measured at fair value, by valuation method as at 31 December 2017 and 2016.

	Level 1 Baht	Level 2 Baht	Level 3 Baht	2017 Total Baht
Assets				
Derivatives used for hedging				
Foreign currency forward contracts	-	3,596,783	-	3,596,783
Available-for-sale investments				
Equity securities				
Money fund	822,801,728	-	-	822,801,728
Common stock in energy industry	1,984,969,036	-	-	1,984,969,036
Total assets	2,807,770,764	3,596,783	-	2,811,367,547
Liabilities				
Derivatives used for hedging				
Foreign currency forward contracts	-	67,027,814	-	67,027,814
Total liabilities	-	67,027,814	-	67,027,814



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4 Financial risk management (continued)

4.2 Fair value estimation (continued)

4.2.1 Financial assets and liabilities that are measured at fair value (continued)

The following table presents the Group's financial instruments that are measured at fair value, by valuation method as at 31 December 2017 and 2016. (continued)

	Level 1 Baht	Level 2 Baht	Level 3 Baht	2016 Total Baht
Assets				
Derivatives used for hedging				
Foreign currency forward contracts	-	70,612,332	-	70,612,332
Available-for-sale investments				
Equity securities				
Short-term fixed income fund	1,184,651,360	-	-	1,184,651,360
Common stock in energy industry	1,968,444,225	-	-	1,968,444,225
Total assets	3,153,095,585	70,612,332	-	3,223,707,917
Liabilities				
Derivatives used for hedging				
Foreign currency forward contracts	-	281,303,456	-	281,303,456
Total liabilities	-	281,303,456	-	281,303,456



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4 Financial risk management (continued)

4.2.2 Fair value estimation (continued)

4.2.2 Financial assets and liabilities that are not measured at fair value

(a) The carrying amounts approximate its fair value

The carrying amounts of the following financial assets and financial liabilities approximate their fair values: cash and cash equivalents, short-term investments, trade accounts receivables and payables, amounts due from and due to related parties, other accounts receivables and payables, and short-term loans due to the short maturities of these instruments. For the long-term loans from financial institutions, the carrying amounts approximate its fair value due to the floating interest rate have been applied.

(b) Long-term loans to related parties, long-term loans from financial institutions, long-term loans from shareholder and debentures

The fair values of long-term loans to related parties, long-term loans from financial institutions, long-term loans from shareholder with fixed interest rates and debenture with fixed interest rates have been calculated from the net present value of future cash flows discounted by market interest rates using rates at the date of the financial statements and measured using the level 2 valuation technique.

The contract amounts and fair values are as follows:

	2017	
	Contract amount Baht	Fair value Baht
Asset		
Long-term loans to related parties	37,485,000	37,751,797
Total asset	<u>37,485,000</u>	<u>37,751,797</u>
Liability		
Long-term loans from financial institutions	7,000,000,000	7,994,280,645
Total liability	<u>7,000,000,000</u>	<u>7,994,280,645</u>
		2016
	Contract amount Baht	Fair value Baht
Liability		
Long-term loans from financial institutions	7,000,000,000	8,725,359,745
Total liability	<u>7,000,000,000</u>	<u>8,725,359,745</u>



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4 Financial risk management (continued)

4.2 Fair value estimation (continued)

4.2.2 Financial assets and liabilities that are not measured at fair value (continued)

(c) Derivatives financial instruments

The Group applies the hedge accounting for foreign currency forward contracts. See note 2.5 for the related accounting policy. The Group does not apply the hedge accounting for interest rate swap arrangements; therefore, the fair value of interest rate swap agreement are not recognised in the financial statements.

The fair values of the interest rate swap agreements have been calculated using the level 2 valuation technique.

The fair values of the interest rate swap agreements at the date of financial statements are as follows:

	2017	2016
	Baht	Baht
Asset		
Derivatives used for hedging		
Interest rate swap contracts	6,586,382	24,167,499
Total asset	6,586,382	24,167,499
Liability		
Derivatives used for hedging		
Interest rate swap contracts	3,368,734,002	1,955,571,960
Total liability	3,368,734,002	1,955,571,960

4.2.3 Fair value valuation techniques

(a) Valuation techniques used to derive financial instruments in level 1

Available-for-sale investments are subsequently measured at fair value. The fair value of investments is based on quoted price at the close of business day of statement of financial position date from Stock Exchange of Thailand and Stock Exchange of Laos for the common stock in energy industry and on the latest offering price by a financial institution for the Short-term fixed income fund. The unrealised gains and losses of available-for-sale investments are recognised in equity.

(b) Valuation techniques used to derive financial instruments in level 2 and level 3

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the statement of financial position date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.



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5 Critical accounting estimates, assumptions and judgements

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

Critical accounting estimates and assumptions

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

(a) Fair value of derivatives and other financial instruments

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. The Group uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. The Group uses discounted cash flow analysis for various available-for-sale financial assets that are not traded in active markets.

(b) Retirement benefits

The present value of the retirement benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of retirement benefits obligation.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefits obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement benefits liability.

Additional information of other key assumptions for retirement benefits obligations is disclosed in note 24.

If the discount rate used has changed by 0.50 % from management's estimates, the estimated carrying amount of retirement benefits obligations would be Baht 4,250,461 higher or Baht 4,562,634 lower.

6 Capital risk management

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

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



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7 Basic earnings per share

Basic earnings per share for the owner of the parent is calculated by dividing the profit attributable to ordinary shareholders of the parent by the weighted average number of ordinary shares in issue during the year.

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

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Basic earnings per share				
Profit attributable to the owners of the parent (Baht)	3,451,423,625	417,558,586	1,730,250,478	281,780,749
Weighted average number of ordinary shares outstanding (shares)	1,084,855,616	525,890,710	1,084,855,616	525,890,710
Basic earnings per share for the owners of the parent (Baht per share)	3.18	0.79	1.59	0.54

The weighted average number of ordinary shares in issue as at 31 December 2016 was re-adjusted as if the change of par value of ordinary shares was occurred since the beginning of 2016 (Note 25).

The company does not have any potential dilutive ordinary shares in issue for the years ended 31 December 2017 and 2016, so no diluted earnings per share is presented.

8 Segment information

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

The Group has three segments which comprise of power business, consulting business, particularly to provide advice and consultation on the operation of electricity generation business, and other businesses to provide other services which is established during the third quarter of 2017 (2016: The Group has two segments which comprise of power business and consulting business, particularly to provide advice and consultation on the operation of electricity generation business).

Sales between segments are negotiated independently at an arm's length basis. Sales from external customers reported to the Board are measured with the same basis as reported in statements of comprehensive income.

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8 Segment information (continued)

Incomes and profits information by business segment for the years ended 31 December are as follows:

	Power business		Consulting business		Others businesses		Total Baht	Eliminating Baht	Total Baht
	Thailand Baht	Thailand Baht	Thailand Baht	Others Baht	Thailand Baht	Others Baht			
For the year ended 31 December 2017									
Revenue from sales	4,148,499,926	-	-	-	-	-	4,148,499,926	(70,057,048)	4,078,442,878
Revenue from management fee	-	1,028,291,923	-	-	-	-	1,028,291,923	(756,291,923)	272,000,000
Revenue from rendering of service	(3,180,999,591)	-	-	-	4,785,870	-	4,785,870	(4,785,870)	-
Cost of sales	-	(326,158,466)	-	-	-	-	(326,158,466)	84,096,328	(3,096,903,263)
Cost of management fee	-	-	-	-	-	-	-	136,815,153	(189,343,313)
Cost of service	-	-	-	-	(4,785,870)	-	(4,785,870)	4,785,870	-
Gross profit	967,500,335	702,133,457	-	-	-	-	1,669,633,792	(605,437,490)	1,064,196,302
Gross profit margin (%)	23	68	-	-	-	-	32	-	24
Interest income	23,690,343	198,134,666	-	194	-	-	221,825,203	(177,116,304)	44,708,899
Dividend income	-	2,060,275,992	-	109,434,695	-	-	2,169,710,687	(2,060,275,995)	109,434,692
Administrative expenses	(409,962,764)	(503,291,852)	-	(11,669,949)	-	-	(924,924,565)	(32,463,195)	(957,387,760)
Profit from operating before finance costs and corporate income tax benefits	581,227,914	2,457,252,263	-	97,764,940	-	-	3,136,245,117	(2,875,292,984)	260,952,133
Other income	-	-	-	-	-	-	-	-	42,818,453
Gains on exchange rate, net	-	-	-	-	-	-	-	-	994,874,225
Finance costs	-	-	-	-	-	-	-	-	(1,427,678,494)
Share of net profit from an associate and a joint venture	-	-	-	-	-	-	-	-	3,981,664,320
Corporate income tax benefits	-	-	-	-	-	-	-	-	54,293,935
Profit for the year									3,906,924,572
Total segmented assets	52,962,810,984	2,196,788	-	-	-	-	52,962,810,984	(2,417,874,232)	50,547,133,540
Total unallocated assets									50,104,808,499
Total assets									100,651,942,039



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8 Segment information (continued)

For the year ended 31 December 2017, the Company had two major customers which represented the sales and services amounting to Baht 3,042.90 million from revenue from sales, representing 69.94% of total sale and services and Baht 272 million from revenue from management fee, representing 6.25% of total sales and services (2016: the Company had one major customer which represented the sales and services amounting to Baht 235 million, from revenue from management fee, representing 97.52% of total sales and services).

9 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash on hand	665,110	518,119	40,000	40,000
Deposits held in bank				
- current accounts	50,431,108	31,641,489	40,732	39,982
- savings accounts	14,171,078,743	2,733,160,832	8,747,469,348	159,595,865
- fixed accounts	5,000,000,000	-	5,000,000,000	-
Cheque on hand	-	250,000	-	-
Short-term investment	1,000,000,000	-	1,000,000,000	-
Total	20,222,174,961	2,765,570,440	14,747,550,080	159,675,847

As at 31 December 2017, the interest rates on deposits in savings accounts are 0.02% - 1.20% per annum (31 December 2016: 0.37% - 0.87% per annum).

As at 31 December 2017, the interest rates on deposits in fixed accounts are 1.30% - 1.35% per annum and due within approximately 90 days (31 December 2016: Nil).

As at 31 December 2017, the interest rates on deposits in short-term investment in structured note are 1.70% per annum and bonus as specified in the agreement and due within approximately 90 days (31 December 2016: Nil).

10 Deposits at a financial institution used as collateral

As at 31 December 2017, the Group's deposits at financial institutions used as collateral of Baht 176.97 million (31 December 2016: Baht 172.50 million) are used to pledge under long-term loans from financial institutions (Note 20).

11 Trade accounts receivable

11.1 Trade accounts receivable

Outstanding trade accounts receivable can be analysed as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Within due	1,659,512,961	914,749	-	-
Overdue				
Up to 3 months	-	-	-	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	-	-	-	-
Total	1,659,512,961	914,749	-	-



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11 Trade accounts receivable (continued)

11.2 Trade accounts receivable from related parties

Outstanding trade accounts receivable from related parties can be analysed as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Within due	-	35,000,000	198,368,000	198,400,000
Overdue				
Up to 3 months	-	-	-	-
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	-	-	-	-
Total	-	35,000,000	198,368,000	198,400,000

12 Available-for-sale investments

	Consolidated financial statements	Separate financial statements
	Baht	Baht
As at 1 January 2016		
Cost	2,503,776,091	-
<u>Less</u> Unrealised loss	(70,316,605)	-
Fair value	2,433,459,486	-
For the year ended 31 December 2016		
Opening net book amount	2,433,459,486	-
Addition of investments	3,350,000,000	1,050,000,000
Disposal of investments	(2,602,783,236)	(648,025,300)
Changes in fair value	(27,580,665)	1,095,220
Closing net book amount	3,153,095,585	403,069,920
<u>Less</u> Available-for-sale investments expected to sell within one year	(1,184,651,360)	(403,069,920)
Available-for-sale investments	1,968,444,225	-
As at 31 December 2016		
Cost	3,250,992,855	401,974,700
<u>Add</u> Unrealised gain (loss)	(97,897,270)	1,095,220
Fair value	3,153,095,585	403,069,920
For the year ended 31 December 2017		
Opening net book amount	3,153,095,585	403,069,920
Addition of investments	6,686,608,776	2,137,926,373
Disposal of investments	(7,046,562,904)	(2,166,661,696)
Changes in fair value	14,629,307	(280,182)
Closing net book amount	2,807,770,764	374,054,415
<u>Less</u> Available-for-sale investments expected to sell within one year	(822,801,728)	(374,054,415)
Available-for-sale investments	1,984,969,036	-
As at 31 December 2017		
Cost	2,891,038,727	373,239,377
<u>Add</u> Unrealised gain (loss)	(83,267,963)	815,038
Fair value	2,807,770,764	374,045,415

As at 31 December 2017, the Group has no investment pledged under long-term loans from financial institutions (Note 20) (31 December 2016: Baht 1,797.58 million).



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12 Available-for-sale investments (continued)

Movement of available-for-sale investments are as follows:

During 2017, the Group disposed investments at the considerations of Baht 7,046.56 million. The Group recognised gain from these disposals of Baht 23.05 million in the consolidated statement of comprehensive income for the year ended 31 December 2017.

During 2016, the Group disposed investments at the considerations of Baht 2,602.78 million. The Group recognised gain from these disposals of Baht 7.22 million in the consolidated statement of comprehensive income for the year ended 31 December 2016.

13 Related party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities, associates, joint venture and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

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

Mr. Sarath Ratanavadi who is the Chief Executive Officer of the Company has the ultimate controlling in the Company.

	<u>Percentage of shareholding</u>
• Mr. Sarath Ratanavadi	35.44

Individual or other companies that are related to the Group and the Company by shareholders or joint shareholders or common directors, including investment in subsidiaries, an associate and a joint venture are disclosed in Note 14. As at 31 December 2017 and 31 December 2016, individual or other related companies are as follows:

	<u>Relationship</u>
Mr. Sarath Ratanavadi	35.44% of common shareholder and Chief Executive Officer
Group of Pomodoro Group Company Limited	Pomodoro Group Company Limited is a related company by having indirect common shareholder
Group of Amata Spring Development Company Limited	Amata Spring Development Company Limited is a related company by having common shareholder
Group of Gulf Electric Public Company Limited	Gulf Electric Public Company Limited is a related company by having common directors
Group of Mitsui & Co., Ltd.	Mitsui & Co., Ltd. holds 30% indirectly in Gulf MP Company Limited via Mit Power Capital (Thailand) Company Limited and 30% directly in Independent Power Development Company Limited
Group of Hemaraj Land and Development Public Company Limited	Mitsui & Co., Ltd. holds 100% directly in Mit- Power Capital (Thailand) Company Limited Hemaraj Land and Development Public Company Limited holds 70% directly in WHA Utilities and Power Public Company Limited that hold 51% directly in Gulf WHA MT Natural Gas Distribution Company Limited



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13 Related party transactions (continued)

Nature of transactions	Pricing policy
Sales goods	Prices as agreed in the contracts
Services	Prices as agreed in the contracts
Guarantee by shareholder	Fee as agreed in the contract
Other income	Prices as agreed in the contracts
Loans	Credit facility and interest rate as agreed in the contracts

The following are material transactions that were carried out with subsidiaries, an associate, a joint venture and related parties in an ordinary course of business and in accordance with specific terms and conditions of the contracts.

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Revenue from management fee				
Subsidiaries	-	-	756,291,923	972,680,000
An associate	272,000,000	235,000,000	272,000,000	235,000,000
	<u>272,000,000</u>	<u>235,000,000</u>	<u>1,028,291,923</u>	<u>1,207,680,000</u>
Interest income from loans to related parties				
Subsidiaries	-	-	114,893,150	139,120,970
An associate	370,953	3,766,565	370,953	3,766,565
A joint venture	531,375	-	531,375	-
Related parties - Shareholder and common directors	-	4,090,369	-	4,090,369
	<u>902,328</u>	<u>7,856,934</u>	<u>115,795,478</u>	<u>146,977,904</u>
Interest income from advance to related parties				
Subsidiaries	-	-	12,888,608	14,036,927
A joint venture	28,450	-	28,450	-
	<u>28,450</u>	<u>-</u>	<u>12,917,058</u>	<u>14,036,927</u>
Dividend income				
Subsidiaries	-	-	548,625	515,708
An associate	-	-	2,058,914,000	-
Related parties - Shareholder and common directors	-	44,998,650	-	44,998,650
	<u>-</u>	<u>44,998,650</u>	<u>2,059,462,625</u>	<u>45,514,358</u>
Other income				
Subsidiaries	-	-	36,590,422	-
Related parties - Common directors	-	11,200,000	-	11,200,000
	<u>-</u>	<u>11,200,000</u>	<u>36,590,422</u>	<u>11,200,000</u>
Related parties - others	-	1,983,475	-	1,983,475
	<u>-</u>	<u>1,983,475</u>	<u>-</u>	<u>1,983,475</u>



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13 Related party transactions (continued)

The following are material transactions that were carried out with subsidiaries, an associate, a joint venture and related parties in an ordinary course of business and in accordance with specific terms and conditions of the contracts. (continued)

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Administrative expenses				
Subsidiaries	-	-	21,254,398	-
An associate	15,870,700	-	11,500,000	-
Related parties - Shareholder and common directors	2,001,381	1,858,982	1,730,125	1,761,464
	<u>17,872,081</u>	<u>1,858,982</u>	<u>34,484,523</u>	<u>1,761,464</u>
Related parties - others	25,323,678	9,718,920	-	-
	<u>25,323,678</u>	<u>9,718,920</u>	<u>-</u>	<u>-</u>
Cost of sales				
Related parties - others	46,134,967	-	-	-
	<u>46,134,967</u>	<u>-</u>	<u>-</u>	<u>-</u>
Interest expenses on loan from related parties				
Shareholder	-	5,215,164	-	5,215,164
	<u>-</u>	<u>5,215,164</u>	<u>-</u>	<u>5,215,164</u>
Interest expenses on loan				
Related parties - others	22,282,784	14,598,117	-	-
	<u>22,282,784</u>	<u>14,598,117</u>	<u>-</u>	<u>-</u>
Finance cost				
Related parties - others	21,442,029	7,907,525	-	-
	<u>21,442,029</u>	<u>7,907,525</u>	<u>-</u>	<u>-</u>
Key management compensation				
Short-term employee benefits	95,391,856	130,832,468	95,391,856	130,832,468
Post-employee benefits	3,378,461	2,009,030	3,378,461	2,009,030
	<u>98,770,317</u>	<u>132,841,498</u>	<u>98,770,317</u>	<u>132,841,498</u>



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13 Related party transactions (continued)

The following are material transactions that were carried out with subsidiaries, an associate, a joint venture and related parties in an ordinary course of business and in accordance with specific terms and conditions of the contracts. (continued)

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade accounts receivable from related parties				
Subsidiaries	-	-	198,368,000	163,400,000
An associate	-	35,000,000	-	35,000,000
	-	35,000,000	198,368,000	198,400,000
Amounts due from related parties				
Subsidiaries - due within one year	-	-	212,500	212,500
- due more than one year	-	-	74,867,010	37,358,975
	-	-	75,079,510	37,571,475
Related parties - others	-	-	5,100	1,105,000
	-	-	5,100	1,105,000
Advance payments to related parties				
Subsidiaries - due within one year	-	-	16,982,065	121,188,768
- due more than one year	-	-	89,005,863	106,113,802
	-	-	105,987,928	227,302,570
Loans to related parties				
Subsidiaries - short-term loans	-	-	-	290,700,000
- long-term loans	-	-	2,037,797,017	2,037,797,017
An associate - short-term loans	-	39,590,000	-	39,590,000
A joint venture - long-term loans	37,485,000	-	37,485,000	-
	37,485,000	39,590,000	2,075,282,017	2,368,087,017

As at 31 December 2017, the Company had an outstanding long-term loan to Gulf International Investment (Hong Kong) Company Limited, a subsidiary, amounting to Baht 2,037.80 million. The interest rate is fixed per annum (31 December 2016: Baht 2,037.80 million with the interest at MLR plus 0.25%).

As at 31 December 2017, the Company did not have any outstanding short-term loan to Independent Power Development Company Limited, a subsidiary. (31 December 2016: Baht 290.70 million with the interest at fixed rate per annum).

Movements of loan to subsidiaries can be analysed as follows:

For the year ended 31 December 2017	Consolidated financial statements	Separate financial statements
	Baht	Baht
Opening balance	-	2,328,497,017
Addition during the year	-	229,500,000
Repayment during the year	-	(520,200,000)
Closing balance	-	2,037,797,017

As at 31 December 2017, the Group and the Company did not have any outstanding loans to an associate (31 December 2016: Short-term loans to Gulf JP UT Company Limited, a subsidiary of Gulf JP Company Limited amounting to Baht 39.59 million with the interest at fixed rate per annum).



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13 Related party transactions (continued)

The following are material transactions that were carried out with subsidiaries, an associate, a joint venture and related parties in an ordinary course of business and in accordance with specific terms and conditions of the contracts. (continued)

Movements of loan to an associate can be analysed as follows:

	Consolidated financial statements Baht	Separate financial statements Baht
For the year ended 31 December 2017		
Opening balance	39,590,000	39,590,000
Repayment during the year	(39,590,000)	(39,590,000)
Closing balance	-	-

As at 31 December 2017, the Group and the Company had an outstanding long-term loan to Gulf WHA MT Natural Gas Distribution Company Limited, a joint venture, amounting to Baht 37.49 million. The interest rate is fixed per annum. (31 December 2016: Nil).

Movements of loan to a joint venture can be analysed as follows:

	Consolidated financial statements Baht	Separate financial statements Baht
For the year ended 31 December 2017		
Opening balance	-	-
Addition during the year	37,485,000	37,485,000
Closing balance	37,485,000	37,485,000

	Consolidated financial statements		Separate financial statements	
As at 31 December	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Prepaid expenses				
An associate	-	-	-	-
Related parties - shareholder and common directors	-	13,945	-	13,945
	-	13,945	-	13,945
Interest receivable from advance payments to related parties				
Subsidiaries - due within one year	-	-	969,806	10,532,940
- due more than one year	-	-	16,086,715	12,821,275
	-	-	17,056,521	23,354,215
Interest receivable from loans to related parties				
Subsidiaries	-	-	125,214,567	158,075,650
An associate	-	8,356,202	-	8,356,202
A joint venture	531,375	-	531,375	-
	531,375	8,356,202	125,745,942	166,431,852
Property plant and equipment				
Related parties - others	203,714,308	196,741,322	-	-
	203,714,308	196,741,322	-	-
Accounts payable				
Related parties - others	11,629,942	-	-	-
	11,629,942	-	-	-



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13 Related party transactions (continued)

The following are material transactions that were carried out with subsidiaries, an associate, a joint venture and related parties in an ordinary course of business and in accordance with specific terms and conditions of the contracts. (continued)

As at 31 December	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Amount due to related parties				
An associate	6,118,360	-	5,160,000	-
Related parties - Shareholder and common directors	186,717	122,424	185,803	122,424
	6,305,077	122,424	5,345,803	122,424
Share subscription payable				
Subsidiaries	-	-	3,255,450	3,255,450
	-	-	3,255,450	3,255,450
Other accounts payable				
Related parties - others	1,381,772	1,129,358	-	-
	1,381,772	1,129,358	-	-
Accrued expenses				
Related parties - others	366,232,793	178,103,120	-	-
	366,232,793	178,103,120	-	-
Short-term loans				
Related parties - others	-	279,300,000	-	-
	-	279,300,000	-	-
Interest payable				
Related parties - others	-	20,696,939	-	-
	-	20,696,939	-	-

As at 31 December 2017, the Group did not have any outstanding short-term loans to a related party (31 December 2016: Short-term loans to Mitsui & Co., Ltd. amounting to Baht 279.30 million with the interest at fixed rate per annum).

Movements of short-term loans to a related party can be analysed as follows:

	Consolidated financial statements	Separate financial statements
	Baht	Baht
For the year ended 31 December 2017		
Opening balance	279,300,000	-
Addition during the year	220,500,000	-
Repayment during the year	(499,800,000)	-
Closing balance	-	-



14 Investment in subsidiaries, an associate and a joint venture

14.1 Investment in subsidiaries, net

As at 31 December 2017, the Group's subsidiaries comprise as per listed below.

All subsidiary undertakings are included in the Group's consolidation. The authorised shares are only ordinary shares. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

Name	Type of Business	Established in country	Proportion of ordinary shares directly held by the parent (%)		Proportion of ordinary shares held by the subsidiaries (%)		Separate Financial Statements Proportion of shares held by non-controlling interest (%)	
			2017	2016	2017	2016	2017	2016
Independent Power Development Company Limited (IPD)	Investing in Electricity generating	Thailand	70.00	51.00	-	-	30.00	49.00
Subsidiaries of IPD:								
- Gulf SRC Company Limited	Electricity generating	Thailand	-	-	99.99	99.99	-	-
- Gulf PD Company Limited	Electricity generating	Thailand	-	-	99.99	99.99	-	-
Gulf MP Company Limited (Gulf MP)	Investing in Electricity generating	Thailand	70.00	70.00	-	-	30.00	30.00
Subsidiaries of Gulf MP:								
- Gulf YTP Company Limited	Electricity generating	Thailand	-	-	74.99	74.99	-	-
- Gulf TS1 Company Limited	Electricity generating	Thailand	-	-	74.99	74.99	-	-
- Gulf TS2 Company Limited	Electricity generating	Thailand	-	-	74.99	74.99	-	-
- Gulf TS3 Company Limited	Electricity generating	Thailand	-	-	74.99	74.99	-	-
- Gulf TS4 Company Limited	Electricity generating	Thailand	-	-	74.99	74.99	-	-
- Gulf NC Company Limited	Electricity generating	Thailand	-	-	99.99	99.99	-	-
- Gulf BL Company Limited	Electricity generating	Thailand	-	-	75.00	75.00	-	-
- Gulf BP Company Limited	Electricity generating	Thailand	-	-	75.00	75.00	-	-
- Gulf NLL2 Company Limited	Electricity generating	Thailand	-	-	74.99	74.99	-	-
- Gulf NPM Company Limited	Electricity generating	Thailand	-	-	99.99	99.99	-	-
- Gulf NRV1 Company Limited	Electricity generating	Thailand	-	-	99.99	99.99	-	-
- Gulf NRV2 Company Limited	Electricity generating	Thailand	-	-	99.99	99.99	-	-
Gulf Solar Company Limited (Gulf Solar)	Investing in Electricity generating	Thailand	74.99	74.99	-	-	25.01	25.01
Subsidiaries of Gulf Solar Company Limited								
- Gulf Solar TS1 Company Limited	Electricity generating	Thailand	-	-	99.99	99.99	-	-
- Gulf Solar TS2 Company Limited	Electricity generating	Thailand	-	-	99.99	99.99	-	-
- Gulf Solar KKS Company Limited	Electricity generating	Thailand	-	-	99.99	99.99	-	-
- Gulf Solar BV Company Limited	Electricity generating	Thailand	-	-	99.99	99.99	-	-
Koipos PTE LTD	Trading	Singapore	100.00	100.00	-	-	-	-
Gulf Paitani Green Company Limited	Electricity generating	Thailand	99.99	99.99	-	-	0.01	0.01
Gulf Chana Green Company Limited (formerly Chana Green Company Limited)	Electricity generating	Thailand	99.99	99.99	-	-	0.01	0.01
SBY Biomass Company Limited	Electricity generating	Thailand	99.99	99.99	-	-	0.01	0.01
Thepha Clean Energy Company Limited	Electricity generating	Thailand	99.99	99.99	-	-	0.01	0.01
Gulf International Holding Company Limited	Investing in Electricity generating	Singapore	100.00	100.00	-	-	-	-
Gulf International Investment (Hong Kong) Company Limited	Investing in Electricity generating	Hong Kong	100.00	100.00	-	-	-	-
Gulf WHA MT Natural Gas Distribution Company Limited	Investing in gas distribution and transmission	Thailand	-	99.99	-	-	-	0.01
Subsidiaries of Gulf WHA MT Natural Gas Distribution Company Limited								
- WHA Eastern Seaboard NGD2 Company Limited	Gas distribution and transmission	Thailand	-	-	-	99.99	-	-
- WHA Eastern Seaboard NGD4 Company Limited	Gas distribution and transmission	Thailand	-	-	-	-	-	-



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14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests).

Summarised statement of financial position

	Independent Power Development Company Limited		Gulf SRC Company Limited		Gulf PD Company Limited	
	As at 31 December		As at 31 December		As at 31 December	
	2017 Baht	2016 ⁽¹⁾ Baht	2017 Baht	2016 ⁽¹⁾ Baht	2017 Baht	2016 ⁽¹⁾ Baht
Current						
Assets	1,197,387,441	948,530,621	11,865,182	8,325,004	33,056,359	16,878,352
Liabilities	(141,365)	(612,886,542)	(1,701,850,462)	(422,858,060)	(238,767,400)	(345,700,936)
Total current net assets (liabilities)	1,197,246,076	335,644,079	(1,689,985,280)	(414,533,056)	(205,711,041)	(328,822,584)
Non-current						
Assets	818,152,131	268,164,971	1,664,187,852	1,410,282,729	1,268,033,719	1,238,018,523
Liabilities	(4,641)	(219,866)	-	(1,198,855,501)	(1,081,918,018)	(1,081,531,513)
Total non-current net assets (liabilities)	818,147,490	267,945,105	1,664,187,852	211,427,228	186,115,701	156,487,010
Total net assets (liabilities)	2,015,393,566	603,589,184	(25,797,428)	(203,105,828)	(19,595,340)	(172,335,574)



14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of financial position (continued)

	Gulf MP Company Limited		Gulf VTP Company Limited		Gulf TS1 Company Limited	
	As at 31 December		As at 31 December		As at 31 December	
	2017 Baht	2016 ⁽¹⁾ Baht	2017 Baht	2016 ⁽¹⁾ Baht	2017 Baht	2016 ⁽¹⁾ Baht
Current						
Assets	500,425,319	1,453,386,383	1,387,651,998	655,763,671	1,371,116,233	472,978,400
Liabilities	(6,184,138)	(8,364,947)	(914,996,023)	(422,503,644)	(971,568,785)	(210,364,455)
Total current net assets	494,241,181	1,445,021,436	472,655,975	233,260,027	399,547,448	262,613,945
Non-current						
Assets	7,572,826,635	2,926,122,569	5,618,879,289	5,083,160,376	6,050,619,963	5,136,719,483
Liabilities	(105,566)	(213,405)	(4,429,132,599)	(4,758,528,855)	(4,665,629,461)	(5,009,063,337)
Total non-current net assets	7,572,721,069	2,925,909,164	1,189,746,690	324,631,521	1,384,990,502	127,656,146
Total net assets	8,066,962,250	4,370,930,600	1,662,402,665	557,891,548	1,784,537,950	390,270,091



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14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of financial position (continued)

	Gulf TS2 Company Limited		Gulf TS3 Company Limited		Gulf TS4 Company Limited	
	As at 31 December		As at 31 December		As at 31 December	
	2017	2016 ⁽¹⁾	2017	2016 ⁽¹⁾	2017	2016 ⁽¹⁾
	Baht	Baht	Baht	Baht	Baht	Baht
Current						
Assets	1,197,604,992	530,315,914	1,525,708,944	391,518,163	943,585,728	364,964,258
Liabilities	(834,001,225)	(78,488,246)	(1,096,614,564)	(284,202,448)	(550,570,865)	(344,831,294)
Total current net assets	363,603,767	451,827,668	429,094,380	107,315,715	393,014,863	20,132,964
Non-current						
Assets	6,157,870,817	5,184,430,380	5,431,525,816	4,017,040,581	5,183,816,753	3,674,826,583
Liabilities	(5,021,825,337)	(5,277,187,477)	(4,624,416,460)	(3,975,260,314)	(4,382,333,136)	(3,543,111,953)
Total non-current net assets (liabilities)	1,136,045,480	(92,757,097)	807,109,356	41,780,267	801,483,617	131,714,630
Total net assets	1,499,649,247	359,070,571	1,236,203,736	149,095,982	1,194,498,480	151,847,594



14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of financial position (continued)

	Gulf NC Company Limited		Gulf BL Company Limited		Gulf BP Company Limited	
	As at 31 December 2017		As at 31 December 2017		As at 31 December 2017	
	Baht	2016 ⁽¹⁾ Baht	Baht	2016 ⁽¹⁾ Baht	Baht	2016 ⁽¹⁾ Baht
Current						
Assets	625,379,677	333,739,916	551,413,654	253,213,844	385,827,416	252,621,477
Liabilities	(197,491,343)	(216,833,495)	(171,692,992)	(180,679,592)	(347,590,368)	(348,155,432)
Total current net assets (liabilities)	427,888,334	116,906,421	379,720,662	72,534,252	38,237,048	(95,533,955)
Non-current						
Assets	5,035,157,364	2,578,144,693	4,158,983,906	1,919,124,365	3,833,331,341	1,698,840,793
Liabilities	(4,637,168,285)	(2,503,268,526)	(4,207,399,790)	(2,012,698,392)	(3,749,287,277)	(1,637,424,760)
Total non-current net assets (liabilities)	397,989,079	74,876,167	(48,415,884)	(93,574,027)	84,044,064	61,416,033
Total net assets (liabilities)	825,877,413	191,782,588	331,304,778	(21,039,775)	122,281,112	(34,117,922)



Gulf Energy Development Public Company Limited
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For the year ended 31 December 2017

14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of financial position (continued)

	Gulf NLL2 Company Limited		Gulf NPM Company Limited		Gulf NRV1 Company Limited	
	As at 31 December		As at 31 December		As at 31 December	
	2017 Baht	2016 ⁽¹⁾ Baht	2017 Baht	2016 ⁽¹⁾ Baht	2017 Baht	2016 ⁽¹⁾ Baht
Current						
Assets	546,195,048	212,864,924	748,552,946	175,843,391	422,829,908	25,297,170
Liabilities	(587,888,244)	(338,741,793)	(847,372,705)	(83,330,925)	(359,564,830)	(290,687,394)
Total current net assets (liabilities)	(41,693,196)	(125,876,869)	(98,819,759)	92,512,466	63,265,078	(265,390,224)
Non-current						
Assets	3,469,612,940	1,461,308,542	2,630,774,605	970,011,240	2,451,027,582	393,687,583
Liabilities	(3,274,538,574)	(1,317,240,180)	(2,527,428,749)	(1,070,728,397)	(2,434,966,211)	(61,937,533)
Total non-current net assets (liabilities)	195,074,366	144,068,362	103,345,856	(100,717,157)	16,061,371	331,750,050
Total net assets (liabilities)	153,381,170	18,191,493	4,526,097	(8,204,691)	79,326,449	66,359,826

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**

For the year ended 31 December 2017

14 Investment in subsidiaries, an associate and a joint venture (continued)**14.1 Investment in subsidiaries, net (continued)**

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of financial position (continued)

	Gulf NRV2 Company Limited	
	As at 31 December	
	2017	2016⁽¹⁾
	Baht	Baht
Current		
Assets	510,848,669	26,653,515
Liabilities	(500,668,456)	(285,217,391)
Total current net assets (liabilities)	10,180,213	(258,563,876)
Non-current		
Assets	2,409,334,473	395,093,905
Liabilities	(2,343,482,431)	(54,408,561)
Total non-current net assets	65,852,042	340,685,344
Total net assets	76,032,255	82,121,468

⁽¹⁾During 2017, certain subsidiaries of the Group have adopted new accounting policies and have retrospectively adjusted the comparative figures as at 31 December 2016 to comply with the newly adopted accounting policies.



Gulf Energy Development Public Company Limited
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14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of comprehensive income

	Independent power Development Company Limited						Gulf SRC Company Limited		Gulf PD Company Limited			
	For the year ended 31 December		2016		2017		For the year ended 31 December		2016		2017	
	Baht		Baht		Baht		Baht		Baht		Baht	
Revenue from sales	-		-		-		-		-		-	
Other income	50,775,005		36,358,525		481,442		528,932		2,896,255		485,210	
Expense	(860,214)		(830,534)		(24,009,433)		(10,231,344)		(10,631,424)		(10,449,257)	
Finance cost	(45,475,068)		(29,849,454)		(99,163,609)		(89,114,705)		(89,524,597)		(79,847,608)	
Profit (loss) before corporate income tax expense	4,439,723		5,678,537		(122,691,600)		(98,817,117)		(97,259,766)		(89,811,655)	
Corporate income tax expense	(891,442)		(1,173,993)		-		-		-		-	
Profit (loss) from continuing operation	3,548,281		4,504,544		(122,691,600)		(98,817,117)		(97,259,766)		(89,811,655)	
Total comprehensive income (expense)	3,548,281		4,504,544		(122,691,600)		(98,817,117)		(97,259,766)		(89,811,655)	
Total comprehensive income (expense) allocated to non-controlling interests	1,064,484		2,207,227		(36,807,489)		(48,420,395)		(29,177,937)		(48,275,948)	



14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of comprehensive income (continued)

	Gulf MP Company Limited		Gulf VTP Company Limited		Gulf TS1 Company Limited	
	For the year ended 31 December 2017	For the year ended 31 December 2016	For the year ended 31 December 2017	For the year ended 31 December 2016	For the year ended 31 December 2017	For the year ended 31 December 2016
	Baht	Baht	Baht	Baht	Baht	Baht
Revenue from sales	-	-	1,500,623,483	-	1,338,963,662	-
Other income	18,799,384	33,582,202	152,299,686	1,111,390	147,739,390	1,058,759
Expense	(22,336,375)	(21,792,639)	(1,221,016,173)	(28,342,734)	(1,068,811,270)	(22,635,790)
Finance cost	-	-	(160,765,718)	(9,914,589)	(129,708,175)	(11,384,339)
Profit (loss) before corporate income tax expense	(3,536,991)	11,789,563	271,141,278	(37,145,933)	288,183,607	(32,961,370)
Corporate income tax expense	-	(2,418,697)	(6,630,161)	-	(4,915,747)	-
Profit (loss) from continuing operation	(3,536,991)	9,370,866	264,511,117	(37,145,933)	283,267,860	(32,961,370)
Total comprehensive income (expense)	(3,536,991)	9,370,866	264,511,117	(37,145,933)	283,267,860	(32,961,370)
Total comprehensive income (expense) allocated to non-controlling interests	(1,061,097)	2,811,260	125,661,296	(17,646,919)	134,572,062	(15,658,959)



Gulf Energy Development Public Company Limited
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14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of comprehensive income (continued)

	Gulf TS2 Company Limited		Gulf TS3 Company Limited		Gulf TS4 Company Limited	
	2017	2016	2017	2016	2017	2016
	Baht	Baht	Baht	Baht	Baht	Baht
Revenue from sales	907,127,105	-	394,691,025	-	2,365,996	-
Other income	147,065,181	1,100,174	127,130,224	563,346	122,254,155	611,222
Expense	(715,429,383)	(43,130,100)	(344,210,119)	(44,369,348)	(35,909,351)	(67,527,612)
Finance cost	(91,601,140)	(13,271,549)	(45,969,140)	(14,970,839)	(5,686,110)	(16,073,751)
Profit (loss) before corporate income tax expense	247,161,763	(55,301,475)	131,641,990	(58,776,841)	83,024,690	(82,990,141)
Corporate income tax expense	(7,583,087)	-	(5,534,235)	-	(3,373,805)	-
Profit (loss) from continuing operation	239,578,676	(55,301,475)	126,107,755	(58,776,841)	79,650,885	(82,990,141)
Total comprehensive income (expense)	239,578,676	(55,301,475)	126,107,755	(58,776,841)	79,650,885	(82,990,141)
Total comprehensive income (expense) allocated to non-controlling interests	113,816,642	(26,272,073)	59,910,011	(27,923,115)	37,839,746	(39,426,127)



14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of comprehensive income (continued)

	Gulf NC Company Limited		Gulf BL Company Limited		Gulf BP Company Limited	
	For the year ended 31 December 2017	For the year ended 31 December 2016	For the year ended 31 December 2017	For the year ended 31 December 2016	For the year ended 31 December 2017	For the year ended 31 December 2016
	Baht	Baht	Baht	Baht	Baht	Baht
Revenue from sales	-	-	-	-	-	-
Other income	82,359,315	3,316,946	88,444,404	252,996	89,557,505	181,855
Expense	(38,105,141)	(20,542,583)	(23,783,252)	(99,848,039)	(19,234,622)	(105,202,760)
Finance cost	(8,974,083)	(17,763,632)	(12,357,387)	(17,457,576)	(13,953,676)	(17,514,084)
Profit (loss) before corporate income tax benefit (expense)	35,280,091	(34,989,269)	52,303,765	(117,052,619)	56,369,207	(122,534,989)
Corporate income tax benefit (expense)	(1,185,250)	-	40,787	-	29,825	-
Profit (loss) from continuing operation	34,094,841	(34,989,269)	52,344,552	(117,052,619)	56,399,032	(122,534,989)
Total comprehensive income (expense)	34,094,841	(34,989,269)	52,344,552	(117,052,619)	56,399,032	(122,534,989)
Total comprehensive income (expense) allocated to non-controlling interests	10,230,839	(10,496,781)	24,863,663	(55,599,997)	26,789,541	(58,204,123)



Gulf Energy Development Public Company Limited
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14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of comprehensive income (continued)

	Gulf NLL2 Company Limited		Gulf NPM Company Limited		Gulf NRV1 Company Limited	
	2017	2016	2017	2016	2017	2016
	Baht	Baht	Baht	Baht	Baht	Baht
Revenue from sales	-	-	-	-	-	-
Other income	70,431,191	119,732	51,890,811	32,687	359,490	3,990
Expense	(19,749,387)	(90,975,056)	(22,588,074)	(100,330,946)	(22,188,123)	(15,366,683)
Finance cost	(15,494,861)	(16,384,998)	(17,068,624)	(15,339,776)	(21,946,982)	(16,876,251)
Profit (loss) before corporate income tax benefit	35,186,943	(107,240,322)	12,234,113	(115,638,035)	(43,775,615)	(32,228,944)
Corporate income tax benefit	2,733	-	496,676	-	42,238	-
Profit (loss) from continuing operation	35,189,676	(107,240,322)	12,730,789	(115,638,035)	(43,733,377)	(32,228,944)
Total comprehensive income (expense)	35,189,676	(107,240,322)	12,730,789	(115,638,035)	(43,733,377)	(32,228,944)
Total comprehensive income (expense) allocated to non-controlling interests	16,717,560	(50,946,663)	3,819,237	(34,691,414)	(13,120,017)	(9,668,684)

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**

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14 Investment in subsidiaries, an associate and a joint venture (continued)**14.1 Investment in subsidiaries, net (continued)**

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of comprehensive income (continued)

	Gulf NRV2 Company Limited	
	For the year ended 31 December	
	2017	2016
	Baht	Baht
Revenue from sales	-	-
Other income	376,355	3,518
Expense	(24,176,226)	(13,242,235)
Finance cost	(17,055,558)	(15,141,107)
Loss before corporate income tax benefit	(40,855,429)	(28,379,824)
Corporate Income tax benefit	16,216	-
Loss from continuing operation	(40,839,213)	(28,379,824)
Total comprehensive expense	(40,839,213)	(28,379,824)
Total comprehensive expense allocated to non-controlling interests	(12,251,767)	(8,513,948)



Gulf Energy Development Public Company Limited
Notes to Consolidated and Separate Financial Statements
For the year ended 31 December 2017

14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of cash flows

	Independent Power Development Company Limited		Gulf SRC Company Limited		Gulf PD Company Limited	
	For the year ended 31 December		For the year ended 31 December		For the year ended 31 December	
	2017	2016	2017	2016	2017	2016
	Baht	Baht	Baht	Baht	Baht	Baht
Net cash generated from (used in) operating activities	42,476,884	(2,465,877)	(765,571)	(127,541,236)	11,567,043	(90,854,629)
Net cash used in investing activities	(355,386,629)	(150,314,180)	(250,530,311)	-	(28,769,333)	-
Net cash generated from financing activities	796,389,705	192,475,308	252,252,373	77,587,319	21,673,662	79,937,374
Net increase (decrease) in cash and cash equivalents	483,479,960	39,695,251	956,491	(49,953,917)	4,471,372	(10,917,255)
Cash and cash equivalents at beginning of year	95,001,212	55,305,961	6,861,496	56,815,413	15,188,909	26,106,164
Exchange gains (losses) on cash and cash equivalents	-	-	-	-	-	-
Cash and cash equivalents at end of year	578,481,172	95,001,212	7,817,987	6,861,496	19,660,281	15,188,909



14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of cash flows (continued)

	Gulf MP Company Limited		Gulf VTP Company Limited		Gulf TS1 Company Limited	
	For the year ended 31 December		For the year ended 31 December		For the year ended 31 December	
	2017	2016	2017	2016	2017	2016
	Baht	Baht	Baht	Baht	Baht	Baht
Net cash generated from (used in) operating activities	(22,368,821)	(27,184,785)	382,323,293	(419,504,058)	127,054,583	(346,253,126)
Net cash used in investing activities	(3,880,557,680)	(1,763,844,450)	(602,023,330)	(2,535,632,362)	(700,699,530)	(3,013,542,145)
Net cash generated from financing activities	3,698,876,500	1,800,000,000	655,059,029	3,332,596,914	920,344,757	3,500,587,783
Net increase (decrease) in cash and cash equivalents	(204,050,001)	8,970,765	435,358,992	377,460,494	346,699,810	140,792,512
Cash and cash equivalents at beginning of year	259,148,025	250,177,260	432,961,990	55,501,496	256,812,853	116,020,341
Exchange gains (losses) on cash and cash equivalents	-	-	(182,753)	-	(1,378,676)	-
Cash and cash equivalents at end of year	55,098,024	259,148,025	868,138,229	432,961,990	602,133,987	256,812,853

Gulf Energy Development Public Company Limited
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For the year ended 31 December 2017

14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of cash flows (continued)

	Gulf TS2 Company Limited		Gulf TS3 Company Limited		Gulf TS4 Company Limited	
	For the year ended 31 December		For the year ended 31 December		For the year ended 31 December	
	2017	2016	2017	2016	2017	2016
	Baht	Baht	Baht	Baht	Baht	Baht
Net cash generated from (used in) operating activities	(56,514,589)	(274,226,114)	(266,157,636)	(43,285,568)	38,416,014	(21,208,843)
Net cash used in investing activities	(793,946,208)	(3,102,627,956)	(1,317,161,144)	(2,467,721,839)	(1,760,353,110)	(2,189,210,628)
Net cash generated from financing activities	965,265,469	3,589,146,026	2,084,302,945	2,653,203,081	2,203,219,714	2,340,406,667
Net increase in cash and cash equivalents	114,804,672	212,291,956	500,984,165	142,195,674	481,282,618	129,987,196
Cash and cash equivalents at beginning of year	317,517,279	105,225,323	227,859,028	85,663,354	230,774,464	100,787,268
Exchange gains (losses) on cash and cash equivalents	(74,855)	-	(26,867)	-	(20,134)	-
Cash and cash equivalents at end of year	432,247,096	317,517,279	728,816,326	227,859,028	712,036,948	230,774,464





14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of cash flows (continued)

	Gulf NC Company Limited		Gulf BL Company Limited		Gulf BP Company Limited	
	For the year ended 31 December		For the year ended 31 December		For the year ended 31 December	
	2017	2016	2017	2016	2017	2016
	Baht	Baht	Baht	Baht	Baht	Baht
Net cash generated from (used in) operating activities	(74,684,115)	(9,168,645)	(98,750,561)	(127,876,487)	(109,813,861)	12,137,816
Net cash used in investing activities	(2,403,159,024)	(1,580,693,047)	(2,334,844,890)	(1,694,192,390)	(2,195,089,346)	(1,417,122,034)
Net cash generated from financing activities	2,677,464,871	1,729,870,723	2,580,723,843	1,977,498,677	2,286,949,220	1,562,568,789
Net increase (decrease) in cash and cash equivalents	199,621,732	140,009,031	147,128,392	155,429,800	(17,953,987)	157,584,571
Cash and cash equivalents at beginning of year	193,686,662	53,677,631	157,393,074	1,963,274	158,928,104	1,343,533
Exchange gains (losses) on cash and cash equivalents	(27,938)	-	(16,171)	-	(29,655)	-
Cash and cash equivalents at end of year	393,280,456	193,686,662	304,505,295	157,393,074	140,944,462	158,928,104



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14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of cash flows (continued)

	Gulf NLL2 Company Limited		Gulf NPM Company Limited		Gulf NRV1 Company Limited	
	For the year ended 31 December		For the year ended 31 December		For the year ended 31 December	
	2017	2016	2017	2016	2017	2016
	Baht	Baht	Baht	Baht	Baht	Baht
Net cash generated from (used in) operating activities	(60,526,652)	99,093,120	(87,016,649)	(126,728,114)	(108,386,421)	(42,201,413)
Net cash used in investing activities	(1,799,778,340)	(1,177,906,817)	(1,413,386,917)	(778,512,310)	(1,940,116,412)	(199,564,013)
Net cash generated from financing activities	2,087,630,110	1,196,048,541	1,476,359,072	1,002,411,196	2,134,669,130	242,980,556
Net increase (decrease) in cash and cash equivalents	227,325,118	117,234,844	(24,044,494)	97,170,772	86,166,297	1,215,130
Cash and cash equivalents at beginning of year	117,930,014	695,170	98,264,183	1,093,411	1,933,888	718,758
Exchange gains (losses) on cash and cash equivalents	(28,969)	-	(222,299)	-	(2,390)	-
Cash and cash equivalents at end of year	345,226,163	117,930,014	73,997,390	98,264,183	88,097,795	1,933,888

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**

For the year ended 31 December 2017

14 Investment in subsidiaries, an associate and a joint venture (continued)**14.1 Investment in subsidiaries, net (continued)**

Set out below are the summary of financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations (Note 27 for transactions with non-controlling interests) (continued).

Summarised statement of cash flows (continued)

	Gulf NRV2 Company Limited	
	For the year ended 31 December	
	2017	2016
	Baht	Baht
Net cash used in operating activities	(673,499,884)	(30,157,723)
Net cash used in investing activities	(1,195,674,383)	(214,921,828)
Net cash generated from financing activities	1,969,306,848	246,387,157
Net increase in cash and cash equivalents	100,132,581	1,307,606
Cash and cash equivalents at beginning of year	1,921,977	614,371
Exchange gains (losses) on cash and cash equivalents	(30,192)	-
Cash and cash equivalents at end of year	102,024,366	1,921,977

On 2 March 2017, Gulf WHA MT Natural Gas Distribution Company Limited was changed from a subsidiary to a joint venture as detail disclosed in Note 14.3. Therefore the proportion of ordinary shares is not presented in the table of investment in subsidiaries above.

Movements of investment in subsidiaries can be analysed as follows:

	Separate financial statements
	Baht
For the year ended 31 December 2017	
Opening book value	2,080,565,292
Increase in investment from additional paid-up capital and newly issued ordinary shares of subsidiaries	3,817,717,000
Disposal of investment (Note 14.3)	(127,500)
Change from investment in a subsidiary to investment in a joint venture (Note 14.3)	(122,493)
<u>Less</u> Allowance for impairment of investment in subsidiaries	(6,318,266)
Closing book value	5,891,714,033



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Call for additional paid-up and newly issued ordinary shares of subsidiaries

On 10 February 2017, at the Board of Directors' Meeting of Gulf MP Company Limited, the Board of Director passed a resolution to approve the call for additional paid-up capital from the shareholders of Baht 0.83 per share, totaling to Baht 300 million, which the Company has fully paid of Baht 210 million according to its shareholding portion on 17 February 2017.

On 16 May 2017, at the Extraordinary Shareholders' Meeting of Gulf MP Company Limited, the shareholders passed a resolution to approve an increase in the authorised share capital by issuing 720 million ordinary shares at a par value of Baht 10 each with the call for the paid-up capital of Baht 2.50 per share, totaling to Baht 1,800 million, which the Company has paid Baht 1,260 million according to its shareholding portion on the same date. Gulf MP Company Limited registered the increase in share capital with the Ministry of Commerce on 17 May 2017.

On 3 August 2017, at the Board of Directors' Meeting of Gulf MP Company Limited, the Board of Director passed a resolution to approve the call for additional paid-up capital from the shareholders of Baht 1.39 per share, totaling to Baht 500 million, which the Company has fully paid of Baht 350 million according to its shareholding portion on 28 August 2017.

On 18 August 2017, at the Extraordinary Shareholders' Meeting of Independent Power Development Company Limited, the shareholders passed a resolution to approve an increase in the authorised share capital by issuing 254 million ordinary shares at a par value of Baht 10 each with the call for the paid-up capital of Baht 2.50 per share, totaling to Baht 635 million, which the Company has paid Baht 323.85 million according to its shareholding portion on 24 August 2017. Independent Power Development Company Limited registered the increase in share capital with the Ministry of Commerce on 25 August 2017.

On 15 September 2017, at the Extraordinary Shareholders' Meeting of Chana Green Company Limited, the shareholders passed a resolution to approve an increase in the authorised share capital by issuing 51.90 million ordinary shares at a par value of Baht 10 each with the call for the paid-up capital of Baht 2.50 per share, totaling to Baht 129.75 million, which the Company has paid in according to its shareholding portion amounting to Baht 129.75 million on 18 September 2017. Chana Green Company Limited registered the increase in share capital with the Ministry of Commerce on 25 September 2017.

On 25 October 2017, at the Board of Directors' Meeting of Gulf MP Company Limited, the Board of Directors passed a resolution to approve the call for additional paid-up capital of 360 million issued ordinary shares at Baht 2.78 per share, amounting to Baht 1,000 million, and 720 million issued ordinary shares at Baht 0.14 per share, amounting to Baht 100 million, which the Company has paid Baht 770 million according to its shareholding portion on 13 November 2017.



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

14 Investment in subsidiaries, an associate and a joint venture (continued)

14.1 Investment in subsidiaries, net (continued)

Call for additional paid-up and newly issued ordinary shares of subsidiaries (continued)

On 9 November 2017, at the Extraordinary Shareholders' Meeting of Independent Power Development Company Limited, the shareholders passed a resolution to approve an increase in the authorised share capital by issuing 198.87 million shares at a par value of Baht 10 each with the call for the paid-up capital of Baht 3.89 per share, totaling to Baht 774.12 million, which the Company has fully paid on 13 November 2017. Independent Power Development Company Limited registered the increase in share capital with the Ministry of Commerce on 13 November 2017.

Call for additional paid-up and newly issued ordinary shares of subsidiaries of Gulf MP Company Limited

During the year 2017, the subsidiaries of Gulf MP Company Limited call for additional paid-up and newly issue ordinary shares of totaling to Baht 5,967.45 million.

Call for additional paid-up and newly issued ordinary shares of subsidiaries of Independent Power Development Company Limited

During the year 2017, the subsidiaries of Independent Power Development Company Limited call for additional paid-up and newly issue ordinary shares of totaling to Baht 550 million.

Call for additional paid-up and newly issued ordinary shares of subsidiaries of Gulf WHA MT Natural Gas Distribution Company Limited

During the year 2017, the subsidiaries of Gulf WHA MT Natural Gas Distribution Company Limited call for additional paid-up and newly issue ordinary shares of totaling to Baht 24.75 million.

Changes in shareholding proportion in Independent Power Development Company Limited

On 11 October 2017, the Company entered into the second amendment of the Joint Development Agreement (JDA) (Amendment no.2) between the Company, Mitsui & Co., Ltd., Mit Power Capital (Thailand) Company Limited, and Independent Power Development Company Limited. The significant matters of Amendment no.2 are that the counter parties agree to grant the Company's right to increase its shareholding proportion in Independent Power Development Company Limited, from 51% to 70%, including the rights to receive 75% of total dividend from Independent Power Development Company Limited. The Company can exercise these rights from 15 October 2017 to 28 February 2018.

On 25 October 2017, the Board of Directors of Independent Power Development Company Limited, a subsidiary, passed a resolution to approve an increase in the authorised share capital from Baht 3,140 million to Baht 5,128.67 million by issuing 198.87 million new ordinary shares at a par value of Baht 10 each and offer to the existing shareholders of Independent Power Development Company Limited. On 31 October 2017, at the Board of Directors' Meeting of the Company, the Board of Directors passed a resolution to approve an increase in the authorised share capital of Independent Power Development Company Limited and to acquire the remaining increased authorised share capital if the other existing shareholders of Independent Power Development Company Limited waive their rights to increase their shareholding proportion on this share capital increase of Independent Power Development Company Limited.

On 13 November 2017, the Company purchased all newly issued ordinary shares of subsidiaries of Independent Power Development Company Limited resulted in an increase of the Company's holding from 51% to 70%.

Impairment in investment in subsidiaries

As at 31 December 2017, the Company recognised impairment loss on investment in subsidiaries amounting to Baht 6.32 million because its subsidiaries had not invested according to their objectives and type of business or had not obtained their rights to operate the business. The impairment testing was determined based on the fair value less cost to sell of net assets. Management employed a qualified external expert to value the fair values of assets of the subsidiaries, which the impairment indicator existed, by considering subsidiaries' significant net assets and property, plant and equipment.



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

14 Investment in subsidiaries, an associate and a joint venture (continued)

14.2 Investment in an associate

As at 31 December 2017, the Group has an investment in an associate as follows:

Gulf JP Company Limited

The Company invests in Gulf JP Company Limited (GJP) and classified it as an associate. GJP engages in electricity generation business and operates IPP power plants and SPP power plants. The Company holds a total of 1,315.60 million registered ordinary shares with a par value of Baht 10 representing 40% of authorised share capital. The Company had fully paid for 1,315.60 million authorised shares, amounting to Baht 13,156 million.

Movements of investment in an associate can be analysed as follows:

	Consolidated financial statement	Separate financial statement
	Baht	Baht
For the year ended 31 December 2017		
Opening book value	18,501,651,068	17,687,559,481
Share of profit from an associate	3,984,683,369	-
Share of other comprehensive income from an associate	8,200,514	-
Dividend income from an associate	(2,058,914,000)	-
Closing book value	<u>20,435,620,951</u>	<u>17,687,559,481</u>

Share of associate's net profit

For the year 2016, the share of the associate's net profit was calculated on the Company's 10% and 40% interest based on GJP's statement of income during 1 January 2016 - 14 August 2016 and 15 August 2016 - 31 December 2016, respectively. For the year 2017, the share of the associate's net profit was calculated on the Company's 40% interest based on GJP's statement of income for the year ended 31 December 2017.

Set out below is an associate of the group as at 31 December 2017, which in the opinion of the directors are material to the Group. The associate as listed below has share capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also its principal place of business.

Name of entity	Place of business/ country of incorporation	% of ownership interest	
		2017 %	2016 %
Gulf JP Company Limited	Thailand	40	40

Gulf JP Company Limited is principally engaged in the investment in power business especially electricity generation and management services for energy business.

Summarised financial information for an associate

Set out below are the summary of financial information for an associate that are material to the Group. The information disclosed reflects the amount presented in the financial statements of the relevant associates (not the Group's shares of those amounts). They have been amended to reflect adjustments made using the equity method, including fair value adjustments and modifications for differences in accounting policy.

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**

For the year ended 31 December 2017

14 Investment in subsidiaries, an associate and a joint venture (continued)**14.2 Investment in an associate (continued)****Summarised statements of financial position**

	Gulf JP Company Limited	
	As at 31 December	
	2017	2016
	Baht	Baht
Current assets		
Cash and cash equivalents	2,295,925,135	668,058,315
Other current assets (excluding cash)	23,688,219,499	29,855,620,182
Total current assets	25,984,144,634	30,523,678,497
Non-current assets	109,273,314,227	112,634,404,282
Total non-current assets	109,273,314,227	112,634,404,282
Current liabilities		
Financial liabilities (excluding trade payables)	5,476,906,758	8,099,885,528
Other current liabilities (including trade payables)	3,156,868,793	3,532,268,558
Total current liabilities	8,633,775,551	11,632,154,086
Non-current liabilities		
Financial liabilities	74,613,422,229	84,407,527,365
Other non-current liabilities	3,350,904,879	3,178,169,919
Total non-current liabilities	77,964,327,108	87,585,697,284
Net assets	48,659,356,202	43,940,231,409



Gulf Energy Development Public Company Limited
Notes to Consolidated and Separate Financial Statements
For the year ended 31 December 2017

14 Investment in subsidiaries, an associate and a joint venture (continued)

14.2 Investment in an associate (continued)

Summarised statements of comprehensive income

	Gulf JP Company Limited	
	For the year ended 31 December	
	2017 Baht	2016 Baht
Revenue	45,118,332,851	43,782,055,787
Gain on exchange rate, net	3,387,078,230	416,262,816
Depreciation and amortisation	(1,936,815,565)	(1,930,575,823)
Interest income	180,547,343	145,067,026
Interest expense	(4,288,307,486)	(4,590,191,848)
Profit before corporate income tax expense	10,161,415,032	7,075,059,469
Corporate income tax expense	(215,423,822)	(261,443,128)
Profit from continuing operations	9,945,991,210	6,813,616,341
Other comprehensive income (expense)	21,490,996	(67,573,159)
Total comprehensive income	9,967,482,206	6,746,043,182
Dividends received from an associate	2,058,914,000	-
Profit attributable to:		
Owner of the parent	9,806,099,783	6,809,689,648
Non-controlling interest	139,891,427	3,926,693
	9,945,991,210	6,813,616,341
Total comprehensive income attributable to:		
Owner of the parent	9,826,601,070	6,744,524,410
Non-controlling interest	140,881,136	1,518,772
	9,967,482,206	6,746,043,182

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**

For the year ended 31 December 2017

14 Investment in subsidiaries, an associate and a joint venture (continued)**14.2 Investment in an associate (continued)**

Reconciliation of the summarised financial information presented to the carrying amount of its interest in the associate is as follows:

	Gulf JP Company Limited	
	2017	2016
	Baht	Baht
Opening net assets	43,583,269,351	26,804,317,455
Increase in fair value of net assets	-	10,034,427,486
Dividend payment	(5,147,285,000)	-
Profit for the year	9,806,099,783	6,809,689,648
Actuarial gain	4,152,148	-
Cash flow hedges	16,349,138	(65,165,238)
Closing net assets of parents	48,262,585,420	43,583,269,351
Net assets of non-controlling interest	396,770,782	356,962,058
Total closing net assets	<u>48,659,356,202</u>	<u>43,940,231,409</u>
Closing net assets of parents	48,262,585,420	43,583,269,351
Interest in an associate of owner of the parent (percentage)	40%*	40%*
Interest in an associate, net	18,778,088,023*	16,844,118,140*
Goodwill	1,657,532,928	1,657,532,928
Carrying value	<u>20,435,620,951*</u>	<u>18,501,651,068*</u>

* The Group has recognised the interest in Gulf JP Company Limited at 10% for the period 1 January 2016 - 14 August 2016. After 14 August 2016, the Group has recognised the interest in Gulf JP Company Limited in the portion of 40%.

14.3 Investment in a joint venture

As at 31 December 2017, the Group has an investment in a joint venture as follows:

Gulf WHA MT Natural Gas Distribution Company Limited (previously known as Gulf Eastern Seaboard NGD Company Limited).

Gulf WHA MT Natural Gas Distribution Company Limited was previously considered as a subsidiary of the Company. Subsequently, on 2 March 2017, at the Board of Directors' Meeting No.1/2017, the Board of Directors passed a resolution to approve the Company to sell 51,000 million ordinary shares of Gulf WHA MT Natural Gas Distribution Company Limited at a par value of Baht 10 each, representing 51% of registered capital to Hemaraj Land and Development Public Company Limited at the price specified in the agreement totaling to Baht 127,500 million resulting in a decrease of the Company's holding from 99.99% to 48.99% and the investment has been reclassified from investment in a subsidiary to investment in a joint venture. The joint venture was established for investing in gas distribution and transmission. After the disposal of shares holding proportion, the Group holds total 48,997 million registered ordinary shares in Gulf WHA MT Natural Gas Company Limited with a par value of Baht 10 each representing 48.99% of total registered shares. The Group paid-up for 48,997 million shares at Baht 2.50 each, amounting to Baht 122,493.

On 27 April 2017, at an Annual Ordinary Meeting of Shareholders for the year 2017 of Gulf WHA MT Natural Gas Distribution Company Limited, the shareholders passed a resolution to approve an increase in the registered share capital by issuing 4,800,000 new ordinary shares at a par value of Baht 10 each with the call for the paid-up capital of Baht 2.50 each, totaling Baht 12,000,000, which the Company paid Baht 5,880,000 according to its shareholding portion on the same date.



Gulf Energy Development Public Company Limited

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For the year ended 31 December 2017

14 Investment in subsidiaries, an associate and a joint venture (continued)

14.3 Investment in a joint venture (continued)

During the fourth quarter of 2017, Hemaraj Land and Development Public Company Limited sold 2,499,000 ordinary shares of Gulf WHA MT Natural Gas Distribution Company Limited, representing 51% of total registered capital to WHA Utilities and Power Public Company Limited.

As at 31 December 2017, the Group owned 2,400,997 registered ordinary shares with a par value of Baht 10 each, representing 48.99% of total registered capital. The Group partially paid-up for 2,400,997 million shares at Baht 2.50 per share, amounting to Baht 6,002,493 million.

Movements of investment in a joint venture can be analysed as follows:

	Consolidated financial statements	Separate financial statements
	Baht	Baht
For the year ended 31 December 2017		
Opening book amount	-	-
Reclassification from investment in a subsidiary to investment in a joint venture	122,493	122,493
Additional paid-up capital of a joint venture	5,880,000	5,880,000
Share of losses from a joint venture	(3,019,049)	-
Closing book amount	<u>2,983,444</u>	<u>6,002,493</u>

15 Investment property, net

	Consolidated financial statements	Separate financial statements
	Baht	Baht
As at 1 January 2016		
Cost	44,719,594	44,719,594
<u>Less</u> Provision for impairment	-	-
Net book amount	<u>44,719,594</u>	<u>44,719,594</u>
For the year ended 31 December 2016		
Opening net book amount	44,719,594	44,719,594
Additions	-	-
Transfer from property, plant and equipment	67,891,087	-
Impairment charge	-	-
Closing net book amount	<u>112,610,681</u>	<u>44,719,594</u>
As at 31 December 2016		
Cost	112,610,681	44,719,594
<u>Less</u> Provision for impairment	-	-
Net book amount	<u>112,610,681</u>	<u>44,719,594</u>

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**

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15 Investment property, net (continued)

	Consolidated financial statements	Separate financial statements
	Baht	Baht
For the year ended 31 December 2017		
Opening net book amount	112,610,681	44,719,594
Impairment charge	(15,015,094)	(15,015,094)
Closing net book amount	<u>97,595,587</u>	<u>29,704,500</u>
As at 31 December 2017		
Cost	112,610,681	44,719,594
<u>Less</u> Provision for impairment	<u>(15,015,094)</u>	<u>(15,015,094)</u>
Net book amount	<u>97,595,587</u>	<u>29,704,500</u>
Fair value	<u>110,433,050</u>	<u>29,704,500</u>

As at 31 December 2017, the Group's investment property amounting to Baht 97.60 million (31 December 2016: Baht 112.61 million) is land currently held for an undetermined future use. The fair value of investment property of Baht 97.60 million, which is valued by an independent appraiser certified by Professional Standard. This method is based on the observable data, so the Group has classified the fair value of investment property within level 2.



Gulf Energy Development Public Company Limited
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16 Property, plant and equipment, net

	Consolidated financial statements				
	Land Baht	Tools, equipments and vehicle Baht	Power plant under construction Baht	Solar rooftop system Baht	Total Baht
As at 1 January 2016					
Cost	3,352,999,113	6,442,099	5,556,235,248	50,492,394	8,966,168,854
Less Accumulated depreciation	-	(2,494,735)	-	(2,298,286)	(4,793,021)
Net book amount	3,352,999,113	3,947,364	5,556,235,248	48,194,108	8,961,375,833
For the year ended 31 December 2016					
Opening net book amount	3,352,999,113	3,947,364	5,556,235,248	48,194,108	8,961,375,833
Additions	12,326,675	2,515,392	21,008,426,618	-	21,023,268,685
Write-offs, net	-	(814)	-	-	(814)
Transfers to investment property	(67,891,087)	-	-	-	(67,891,087)
Depreciation charged for the year	-	(843,919)	-	(1,932,203)	(2,776,122)
Transfer assets from sales of subsidiaries	-	(1,045,752)	-	-	(1,045,752)
Closing net book amount	3,297,434,701	4,572,271	26,564,661,866	46,261,905	29,912,930,743
As at 31 December 2016					
Cost	3,297,434,701	5,892,992	26,564,661,866	50,492,394	29,918,481,953
Less Accumulated depreciation	-	(1,320,721)	-	(4,230,489)	(5,551,210)
Net book amount	3,297,434,701	4,572,271	26,564,661,866	46,261,905	29,912,930,743



Gulf Energy Development Public Company Limited
Notes to Consolidated and Separate Financial Statements
For the year ended 31 December 2017

16 Property, plant and equipment, net (continued)

	Consolidated financial statements					
	Land Baht	Tools, equipments and vehicle Baht	Power plant Baht	Power plant under construction Baht	Solar rooftop system Baht	Total Baht
For the year ended 31 December 2017						
Opening net book amount	3,297,434,701	4,572,271	-	26,564,661,866	46,261,905	29,912,930,743
Additions	16,674,000	45,310,910	-	20,745,975,771	-	20,807,960,681
Transfers in (out)	-	-	22,177,740,657	(22,177,740,657)	-	-
Provision for decommissioning cost increased	-	-	200,337,140	-	-	200,337,140
Provision for decommissioning cost decreased	-	-	-	-	(6,241,974)	(6,241,974)
Depreciation charged for the year	-	(4,630,017)	(361,291,559)	-	(1,931,474)	(367,853,050)
Closing net book amount	3,314,108,701	45,253,164	22,016,786,238	25,132,896,980	38,088,457	50,547,133,540
As at 31 December 2017						
Cost	3,314,108,701	51,203,902	22,378,077,797	25,132,896,980	43,437,732	50,919,725,112
Less: Accumulated depreciation	-	(5,950,738)	(361,291,559)	-	(5,349,275)	(372,591,572)
Net book amount	3,314,108,701	45,253,164	22,016,786,238	25,132,896,980	38,088,457	50,547,133,540



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

16 Property, plant and equipment, net (continued)

	Separate financial statements
	Office equipment
	Baht
As at 1 January 2016	
Cost	855,300
<u>Less</u> Accumulated depreciation	(132,836)
Net book amount	722,464
For the year ended 31 December 2016	
Opening net book amount	722,464
Additions	565,542
Write-offs, net	(814)
Depreciation charged for the year	(223,444)
Closing net book amount	1,063,748
As at 31 December 2016	
Cost	1,414,342
<u>Less</u> Accumulated depreciation	(350,594)
Net book amount	1,063,748
For the year ended 31 December 2017	
Opening net book amount	1,063,748
Additions	1,150,460
Depreciation charged for the year	(285,429)
Closing net book amount	1,928,779
As at 31 December 2017	
Cost	2,564,802
<u>Less</u> Accumulated depreciation	(636,023)
Net book amount	1,928,779

For the year ended 31 December 2017, borrowing costs of Baht 1,517.17 million (2016: Baht 866.72 million) represented the specific borrowing to finance the construction of a new power plant. These capitalised borrowing costs were calculated using the capitalisation rate of 3.08% - 5.79% per annum (2016: 2.97% - 5.49% per annum) and are included in 'additions' during the period.

As at 31 December 2017, all plots of land, power plants and power plant equipment amounting to Baht 50,166.54 million were pledged as collateral for loans from financial institutions as disclosed in Note 19 and 20 (2016: Baht 29,654.02 million).

As at 31 December 2017, the Group has capital expenditure related to the power plant construction and purchase of power plant equipment which were not recognised in the consolidated financial statement as disclosed in Note 34.

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**

For the year ended 31 December 2017

17 Intangible assets, net

	Consolidated financial statements		
	Computer software Baht	Trademark Baht	Total Baht
As at 1 January 2016			
Cost	16,671,041	504,000	17,175,041
<u>Less</u> Accumulated amortisation	(609,596)	(167,174)	(776,770)
Net book amount	16,061,445	336,826	16,398,271
For the year ended 31 December 2016			
Opening net book amount	16,061,445	336,826	16,398,271
Additions	1,458,830	-	1,458,830
Transfer assets from sales of a subsidiary	(62,926)	(336,826)	(399,752)
Amortisation charged for the year	(1,757,200)	-	(1,757,200)
Closing net book amount	15,700,149	-	15,700,149
As at 31 December 2016			
Cost	18,009,871	-	18,009,871
<u>Less</u> Accumulated amortisation	(2,309,722)	-	(2,309,722)
Net book amount	15,700,149	-	15,700,149
For the year ended 31 December 2017			
Opening net book amount	15,700,149	-	15,700,149
Additions	9,352,519	-	9,352,519
Amortisation charged for the year	(2,643,582)	-	(2,643,582)
Closing net book amount	22,409,086	-	22,409,086
As at 31 December 2017			
Cost	27,362,390	-	27,362,390
<u>Less</u> Accumulated amortisation	(4,953,304)	-	(4,953,304)
Net book amount	22,409,086	-	22,409,086



Gulf Energy Development Public Company Limited
Notes to Consolidated and Separate Financial Statements
 For the year ended 31 December 2017

17 Intangible assets, net (continued)

	Separate financial statements
	Computer software Baht
As at 1 January 2016	
Cost	681,402
<u>Less</u> Accumulated amortisation	(25,140)
Net book amount	<u>656,262</u>
For the year ended 31 December 2016	
Opening net book amount	656,262
Amortisation charged for the year	(70,066)
Closing net book amount	<u>586,196</u>
As at 31 December 2016	
Cost	681,402
<u>Less</u> Accumulated amortisation	(95,206)
Net book amount	<u>586,196</u>
For the year ended 31 December 2017	
Opening net book amount	586,196
Amortisation charged for the year	(67,547)
Closing net book amount	<u>518,649</u>
As at 31 December 2017	
Cost	681,402
<u>Less</u> Accumulated amortisation	(162,753)
Net book amount	<u>518,649</u>

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**

For the year ended 31 December 2017

18 Deferred income taxes

The Group calculated income tax for the year ended 31 December 2017 and 2016 from net profit (tax base) which excluded the interest in an associate as follows:

	2017	2016
Thailand	20%	20%
Singapore	17%	17%
Hong Kong	16.50%	16.50%

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Deferred income tax assets:				
to be recovered within 12 months	-	1,467	-	-
to be recovered after more than 12 months	396,322,411	263,302,831	24,455,763	12,602,596
Total deferred income tax assets	396,322,411	263,304,298	24,455,763	12,602,596
Deferred income tax liabilities:				
to be settled within 12 months	(2,333,750)	(10,756,144)	-	-
to be settled after more than 12 months	(73,927,049)	(1,253,685)	(163,008)	(219,043)
Total deferred income tax liabilities	(76,260,799)	(12,009,829)	(163,008)	(219,043)
Deferred income taxes, net	320,061,612	251,294,469	24,292,755	12,383,553



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18 Deferred income tax (continued)

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

	Consolidated financial statements							
	Employee benefit obligation	Elimination of fixed assets	Allowance for impairment	Provision for decommissioning cost	Loss carried forward	Unrealised loss on exchange rate for long-term loans	Others	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Deferred income tax assets:								
As at 1 January 2017	12,602,596	224,042,469	-	1,395,416	13,092	25,262,350	(11,625)	263,304,298
Charged (credited) to profit or loss	2,419,652	82,301,741	4,266,672	39,354,210	2,399,838	(2,894,997)	11,625	127,858,741
Charged (credited) to other comprehensive income	5,172,465	-	-	-	-	-	-	5,172,465
Decrease from disposal of investment in a subsidiary	-	-	-	-	(13,093)	-	-	(13,093)
As at 31 December 2017	20,194,713	306,344,210	4,266,672	40,749,626	2,399,837	22,367,353	-	396,322,411
Deferred income tax liabilities:								
As at 1 January 2016	11,032,879	129,140,462	-	1,328,896	145,911	7,845,862	142,469	149,636,479
Charged (credited) to profit or loss	1,569,717	94,902,007	-	66,520	(132,819)	17,416,488	(154,094)	113,667,819
As at 31 December 2016	12,602,596	224,042,469	-	1,395,416	13,092	25,262,350	(11,625)	263,304,298



18 Deferred income tax (continued)

The movements in deferred income tax assets and deferred income tax liabilities are as follows (continued):

	Consolidated financial statements						
	Changes in fair value of sale investment	Commissioning expense	Decommissioning expense	Cash flow hedge	Interest payable and deferred financing fee from application of effective interest rate method	Others	Total
	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Deferred income tax liabilities:							
As at 1 January 2017	(652,316)	(88,579)	(1,165,106)	(10,103,828)	-	-	(12,009,829)
(Charged) credited to profit or loss	-	(30,792,384)	(38,285,103)	-	(3,595,877)	-	(72,673,364)
(Charged) credited to other comprehensive income	379,101	-	-	8,043,293	-	-	8,422,394
As at 31 December 2017	(273,215)	(30,880,963)	(39,450,209)	(2,060,535)	(3,595,877)	-	(76,260,799)
As at 1 January 2016	(142,104)	-	(1,216,175)	(19,958,275)	-	(113,182)	(21,429,736)
(Charged) credited to profit or loss	-	(88,579)	51,069	-	-	113,182	75,672
(Charged) credited to other comprehensive income	(510,212)	-	-	9,854,447	-	-	9,344,235
As at 31 December 2016	(652,316)	(88,579)	(1,165,106)	(10,103,828)	-	-	(12,009,829)



Gulf Energy Development Public Company Limited
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18 Deferred income tax (continued)

The movements in deferred income tax assets and deferred income tax liabilities are as follows (continued):

	Separate financial statements			Total Baht
	Employee benefit obligation Baht	Allowance for impairment Baht	Interest payable and deferred financing fee from application of effective interest rate method Baht	
Deferred income tax assets:				
As at 1 January 2017	12,602,596	-	-	12,602,596
Charged (credited) to profit or loss	675,813	4,266,672	1,738,217	6,680,702
Charged (credited) to other comprehensive income	5,172,465	-	-	5,172,465
As at 31 December 2017	<u>18,450,874</u>	<u>4,266,672</u>	<u>1,738,217</u>	<u>24,455,763</u>
As at 1 January 2016	11,032,879	-	-	11,032,879
Charged (credited) to profit or loss	1,569,718	-	-	1,569,718
Charged (credited) to other comprehensive income	-	-	-	-
As at 31 December 2016	<u>12,602,597</u>	<u>-</u>	<u>-</u>	<u>12,602,597</u>

	Separate financial statements	
	Available-for sale investment Baht	Total Baht
Deferred income tax liabilities:		
As at 1 January 2017	(219,043)	(219,043)
(Charged) credited to profit or loss	-	-
(Charged) credited to other comprehensive income	56,305	56,305
As at 31 December 2017	<u>(163,008)</u>	<u>(163,008)</u>
As at 1 January 2016	-	-
(Charged) credited to profit or loss	-	-
(Charged) credited to other comprehensive income	(219,043)	(219,043)
As at 31 December 2016	<u>(219,043)</u>	<u>(219,043)</u>

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of Baht 300.22 million (2016: Baht 252.97 million) in respect of losses amounting to Baht 1,051.12 million (2016: Baht 1,264.87million) that can be carried forward against future taxable income. Losses amounting to Baht 4.98 million will expire in 2018 (2016: Losses amounting to Baht 33.93 million will expire in 2017).



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

19 Short-term loans from financial institutions

Details of short-term loans from financial institutions by group's business were as follows:

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In August 2017, the Company entered into a loan agreement with a financial institution for a revolving short-term loan facility in the form of promissory note of Baht 6,000 million. The Company pledged certain shares in its associates and other companies, which the Company invested in, to a financial institution. This loan bears interest at fixed rate per annum and payable on the repayment date of each promissory note.

In September 2017, the Company fully drewdown short-term loans amounted to Baht 6,000 million. However, as at 31 December 2017, the Company did not have outstanding loan because the Company made a loan repayment in full for this short-term loan in December 2017 (31 December 2016: Nil).

Subsidiaries of Gulf MP Company Limited

Subsidiary of Gulf MP Company Limited entered into loans agreements with financial institutions for working capital facilities of Baht 3,600 million. The interest rate in working capital facilities is MLR minus certain fixed margin per annum. The interest payments are specified based on the terms and conditions as assigned by each financial institution.

These short-term loans are secured by the land as discussed in Note 16, and include future construction thereon, power plants, machinery and power plant equipment. In addition, the rights to Power Purchase Agreements, Gas Sale Agreements, Supply Agreements, Construction Agreements, Gas Pipeline Construction Contracts, Deposit Accounts, and Insurance Policies have been assigned to the lenders as collateral in accordance with the credit facilities agreements.

As at 31 December 2017, the subsidiaries of Gulf MP Company Limited had outstanding loan amounting to Baht 572 million (31 December 2016: Nil).

Movement of short-term loans can be analysed as follows:

	Consolidated financial statements	Separate financial statements
	Baht	Baht
For the year ended 31 December 2017		
Opening book amount	-	-
Proceeds from short-term loans from financial institutions	7,887,000,000	6,000,000,000
Payments for short-term loans from financial institutions	(7,315,000,000)	(6,000,000,000)
Closing book amount	572,000,000	-



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For the year ended 31 December 2017

20 Long-term loans from financial institutions, net

Long-term loans from financial institutions are secured loans and consist of USD and Baht.

	Consolidated financial statements		Separate Financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Current portion of long-term loans from financial institutions, net				
Long-term loan from financial institutions	2,489,259,271	267,777,028	-	-
<u>Less</u> Deferred financing fee within 1 year	(29,014,159)	(9,766,614)	-	-
Current portion of long-term loans from financial institutions, net	2,460,245,112	258,010,414	-	-
Long-term loan from financial institutions, net				
Long-term loan from financial institutions	48,390,379,680	34,723,224,569	1,000,000,000	1,000,000,000
<u>Less</u> Deferred financing fee more than 1 year	(476,370,093)	(325,273,668)	(11,676,214)	(5,674,886)
Long-term loan from financial institutions, net	47,914,009,587	34,397,950,901	988,323,786	994,325,114
Total long-term loan from financial institutions, net	50,374,254,699	34,655,961,315	988,323,786	994,325,114

Details of long-term loans from financial institutions by group's business were as follows:

Gulf Energy Development Public Company Limited

As at 31 December 2017 and 2016, long-term loans from a financial institution represented the secured loan amounting to Baht 1,000 million. These loans bear interest at fixed rate. Interest will be paid on semi-annually basis commencing from the first drawdown date, whereas the principal will be paid on maturity date as specified in the agreement.

Subsidiaries of Independent Power Development Company Limited

The subsidiaries of Independent Power Development Company Limited entered into the long-term loans agreements with a financial institution for a total credit facility of Baht 2,300 million, for the purpose of land acquisition and power plant project development. The above loans are secured by land and future construction thereon as discussed in Note 16, as well as, the pledge of certain shares of the Company, and guaranteed by the Company and its shareholder in proportion of ownership as collateral. In addition, these subsidiaries are required to pledge savings accounts as a collateral with a total minimum deposit amount of Baht 172.50 million, which is equivalent to the interest that will be payable for a period of one year. The interest rate is at MLR minus certain fixed margin per annum and interest is payable on monthly basis. The principal will be payable on maturity date as specified in the agreement.

As at 31 December 2017 and 2016, these subsidiaries have outstanding loans amounting to Baht 2,283.06 million.

Subsidiaries of Gulf MP Company Limited

The subsidiaries of Gulf MP Company Limited entered into the long-term loans agreements with financial institutions in Baht and USD with the total loan facilities of Baht 42,993.50 million and USD 499.95 million. The interest rates on Baht loans are THBFX plus a certain margin per annum and the interest rates on USD loans are LIBOR plus a certain margin per annum. The interest will be repaid on quarterly basis, whereas the principal will be payable on maturity date specified in the agreement.

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**

For the year ended 31 December 2017

20 Long-term loans from financial institutions, net (continued)Subsidiaries of Gulf MP Company Limited (continued)

These long-term loans are secured by the land as discussed in Note 16, and include future construction thereon, power plants, machinery and power plant equipment. In addition, the rights to Power Purchase Agreements, Gas Sale Agreements, Supply Agreements, Construction Agreements, Gas Pipeline Construction Contracts, Deposit Accounts, and Insurance Policies have been assigned to the lenders as collateral in accordance with the credit facilities agreement. These subsidiaries are also required to comply with certain terms and conditions, such as maintaining of debt to equity ratio and debt service coverage ratio. In addition, under the conditions in long-term loans agreements, the Company must enter into forward contract to prevent the fluctuation of exchange rates in SEK, EUR, USD, and JPY, and interest swap contract from float interest rate to fixed interest rate to prevent the risk in the Group's cash flow.

During the year ended 31 December 2017, these subsidiaries have drawdown long-term loans from financial institutions in Baht and USD amounting to Baht 12,171 million and USD 156.41 million.

As at 31 December 2017, these subsidiaries have outstanding long-term loans with financial institutions in Baht and USD amounted to Baht 34,990.32 million and USD 383.03 million (31 December 2016: Baht 23,312.70 million and USD 232.36 million).

Subsidiaries of Gulf Solar Company Limited.

The subsidiaries of Gulf Solar Company Limited entered into the long-term loans agreements with a financial institution in Baht with the total loan facilities of Baht 33.90 million. The interest rate on Baht loan is MLR minus a certain margin per annum. The interest will be repaid on quarterly basis, whereas the principal will be payable on maturity date specified in the agreement.

These long-term loans are secured by the equipment as discussed in Note 16, and all registered ordinary shares in its subsidiaries. In addition, the rights to these subsidiaries' agreements and contracts, deposit accounts, investments, bonds and insurance policies have been assigned to the lenders as collateral in accordance with the credit facilities agreement. These subsidiaries are also required to comply with certain terms and conditions, such as maintaining proportion of shareholders and debt service coverage ratio.

As at 31 December 2017, these subsidiaries have outstanding loans with a financial institution amounted to Baht 24.63 million (31 December 2016: Baht 29.70 million).

21 Debentures, net

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Current portion of debentures, net				
Current portion of debentures	-	7,000,000,000	-	7,000,000,000
<u>Less</u> Deferred financing fee due within 1 year	-	(8,358,898)	-	(8,358,898)
Current portion of debentures, net	-	6,991,641,102	-	6,991,641,102
Debentures, net				
Debentures	6,000,000,000	6,000,000,000	6,000,000,000	6,000,000,000
<u>Less</u> Deferred financing fee due later than 1 year	(16,458,479)	(16,458,479)	(16,458,479)	(16,458,479)
Debentures, net	5,983,541,521	5,983,541,521	5,983,541,521	5,983,541,521
Total debentures, net	5,983,541,521	12,975,182,623	5,983,541,521	12,975,182,623

During 2016, the Company issued unsubordinated secured debenture in Baht to specific debenture holders and their representatives in the amount of Baht 13,000 million. These debentures are fully guaranteed by the financial institution. The Company pledged certain of its shares, shares in an associate and other companies, which the Company invested in, to the financial institutions. These debentures bear interest at fixed rate per annum. Interest will be paid on semi-annually basis. The Company pays the guarantee fee semi-annually at fixed rate per annum in advance to the financial institutions. These debentures partially matured and were redeemed in September and December 2017, which resulted in part of the pledged shares becoming unpledged. The remaining debentures will mature in August 2019.



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22 Bills of exchange

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Bills of exchange	-	5,475,571,815	-	5,475,571,815
<u>Less</u> Current portion of bills of exchange	-	(1,991,190,934)	-	(1,991,190,934)
Bills of exchange	-	3,484,380,881	-	3,484,380,881

During 2016, the financial institutions have provided the underwriting facilities for the issuance of both secured and non-secured short-term bills of exchange in Baht in the amount of Baht 7,000 million. The secured and non-secured bill of exchange will be guaranteed or aval by the underwriting financial institution and the Company has to pledge certain of Company's common shares, shares in an associate and other companies, which the Company invested in, to such financial institutions.

In September 2017, the underwriting facilities for both secured and non-secured amounting to Baht 2,000 million was expired, which resulted in part of the pledge of certain of Company's common shares, shares in an associate and other companies become unpledged.

The discount rate plus the guarantee fee for underwriting facility under bills of exchange of Baht 2,000 million matured in September 2017 shall not exceed the fixed rate per annum as specified in the agreement. For the remaining underwriting facility for bills of exchange of Baht 5,000 million that will be matured in 2021, the discount rate in each period plus the guarantee fees shall not exceed the three-month government bond yield plus certain fixed margin per annum as specified in the agreement.

As at 31 December 2017, the Company had no outstanding bills of exchange in Baht from financial institutions (31 December 2016: Baht 5,475.57 million).

23 Provision for decommissioning costs

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Opening balance	6,977,080	6,644,478	-	-
Increase during the year	200,337,140	-	-	-
Decrease during the year	(6,241,974)	-	-	-
Finance cost	2,002,470	332,602	-	-
Ending balance	203,074,716	6,977,080	-	-

The Group estimated provision for decommissioning costs of power plants, machinery, power plant equipment, and solar rooftop system based on future removal cost estimates by incorporating many assumptions such as abandonment times in accordance with power purchase agreements and future inflation rate. Present value of provision for decommissioning costs are discounted at the discount rate estimated by the management.

24 Employee benefit obligations

The movement in employee benefit obligations recognised in the statement of financial position are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Opening balance	63,012,983	55,164,397	63,012,983	55,164,397
Current service cost	9,261,641	5,352,513	832,132	5,352,513
Interest expense	2,836,620	2,496,073	2,546,929	2,496,073
Actuarial Losses	25,862,323	-	25,862,323	-
Ending balance	100,973,567	63,012,983	92,254,367	63,012,983



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24 Employee benefit obligations (continued)

The principal actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Discount rate	3.11% - 3.47%	4.32%	3.11%	4.32%
Salary growth rate	7.54% - 8.27%	8.59%	7.54%	8.59%
Employee turnover rate	11%	11%	11%	11%
Management turnover rate	2%	2%	2%	2%

Sensitivity analysis for each significant assumption used is as follows:

	Consolidated financial statements					
	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2017	2016	2017	2016	2017	2016
Discount rate	0.5%	0.5%	(4,250,461)	(2,305,477)	4,562,634	2,453,324
Salary growth rate	0.5%	0.5%	4,362,571	2,858,329	(4,113,027)	(2,698,605)
Employee turnover rate	1%	1%	(8,884,825)	(5,935,934)	10,179,928	6,778,811

	Separate financial statements					
	Impact on defined benefit obligation					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2017	2016	2017	2016	2017	2016
Discount rate	0.5%	0.5%	(3,999,599)	(2,305,477)	4,289,474	2,453,324
Salary growth rate	0.5%	0.5%	4,083,237	2,858,329	(3,853,996)	(2,698,605)
Employee turnover rate	1%	1%	(8,286,414)	(5,935,934)	9,458,799	6,778,811

The above sensitivity analysis are based on a change in an assumption while all other assumptions remain constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method which is the present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period has been applied when calculating the pension liability recognised within the consolidated statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change when compared to the previous period.

As at 31 December 2017, the weighted average employee benefit obligations of the Group is 19 to 20 years. (2016: 20 years)

Expected maturity analysis of retirement benefits:

	Consolidated financial statements					
	1 year Baht	Between 2-5 years Baht	Between 6-10 years Baht	Between 11-15 years Baht	Over 15 years Baht	Total Baht
At 2017						
Retirement benefits	20,412,800	19,553,278	57,722,767	71,991,568	134,413,273	304,093,686
Total	20,412,800	19,553,278	57,722,767	71,991,568	134,413,273	304,093,686

	Consolidated financial statements					
	1 year Baht	Between 2-5 years Baht	Between 6-10 years Baht	Between 11-15 years Baht	Over 15 years Baht	Total Baht
At 2016						
Retirement benefits	6,166,254	16,009,540	56,620,325	48,979,160	90,530,896	218,306,175
Total	6,166,254	16,009,540	56,620,325	48,979,160	90,530,896	218,306,175



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24 Employee benefit obligations (continued)

Expected maturity analysis of retirement benefits (continued)

	Separate financial statements					Total Baht
	1 year Baht	Between 2-5 years Baht	Between 6-10 years Baht	Between 11-15 years Baht	Over 15 years Baht	
At 2017						
Retirement benefits	19,846,211	19,553,278	54,455,778	66,407,761	116,102,376	276,365,404
Total	19,846,211	19,553,278	54,455,778	66,407,761	116,102,376	276,365,404

	Separate financial statements					Total Baht
	1 year Baht	Between 2-5 years Baht	Between 6-10 years Baht	Between 11-15 years Baht	Over 15 years Baht	
At 2016						
Retirement benefits	6,166,254	16,009,540	56,620,325	48,979,160	90,530,896	218,306,175
Total	6,166,254	16,009,540	56,620,325	48,979,160	90,530,896	218,306,175

25 Share capital and share premium

	Ordinary shares Shares	Issued and paid-up share capital Shares	Issued and paid-up share capital Baht	Share Premium Baht	Total Baht
As at 1 January 2016	310,000,000	310,000,000	2,380,000,000	-	2,380,000,000
Additional paid-up capital	-	-	415,000,000	-	415,000,000
At 31 December 2016	310,000,000	310,000,000	2,795,000,000	-	2,795,000,000
Additional paid-up capital	-	-	305,000,000	-	305,000,000
Ordinary shares split	310,000,000	310,000,000	-	-	-
Issuance of new ordinary shares	1,513,300,000	1,513,300,000	7,566,500,000	20,889,295,058	28,455,795,058
As at 31 December 2017	2,133,300,000	2,133,300,000	10,666,500,000	20,889,295,058	31,555,795,058

On 2 March 2017, at the Board of Directors' Meeting, the Board of Directors passed a resolution to approve the call for additional paid-up capital of 270 million issued ordinary shares at Baht of 1.13 per share, amounting to Baht 305 million. The Company fully received the additional paid-up capital amounting to Baht 305 million on 30 March 2017.

On 18 May 2017, at the Extraordinary Shareholders' Meeting, the shareholders passed a resolution to approve a change in its par value from Baht 10 per share to Baht 5 per share by splitting 310 million authorised ordinary shares at a par value of Baht 10 each to 620 million authorised ordinary shares at a par value of Baht 5 each. The Company has already amended the Company's Memorandum of Association to record this par value change. In addition, the shareholders passed a resolution to approve an increase in the authorised share capital from Baht 3,100 million to Baht 10,666.50 million by issuing 1,513.30 million new ordinary shares at a par value of Baht 5 each. The Company registered the increase in share capital with the Ministry of Commerce on 25 May 2017.

On 25 July 2017, the Company issued letters to the existing shareholders whose name are recorded in the Company's share register book as at 25 July 2017, offering them the allocation of newly issued shares of 980 million shares, at the offering price of Baht 5 each, with a total paid-up share value of Baht 4,900 million in accordance with their shareholding portion. The Company already received the fully additional paid-up capital on 3 August 2017.

In November 2017, the Company offered its ordinary shares in an initial public offering (IPO) by issuing 533.30 million shares. The new shares were sold to subscribers at Baht 45 per share (Baht 5 par value and Baht 40 share premium) totaling Baht 23,998.50 million (share premium of Baht 21,332 million). The Company's shares started trading on the Stock Exchange of Thailand on 6 December 2017. Expenses directly attributable to the IPO of Baht 442.70 million was deducted from the IPO's share premium, which was received from shares offering to investors, resulted in net share premium of Baht 20,889.30 million.

Section 51 of the Public Companies Act. B.E. 2535 requires companies to set aside share subscription money received in excess of the issued shares' par value to a reserve account (share premium). The share premium is not available for dividend distribution.

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25 Share capital (continued)

As at 31 December 2017, the total authorised number of ordinary shares was 2,133.30 million shares at a par value of Baht 5 each. The ordinary shares of 2,133.30 million shares are fully paid-up, amounting to Baht 10,666.50 million.

On 25 May 2016, at the Board of Directors' Meeting, the Board of Directors passed a resolution to approve a call for additional paid-up capital of 270 million issued ordinary shares at Baht 1.54 per share, amounting to Baht 415 million. The Company fully received the additional paid-up capital amounting to Baht 415 million on 27 May 2016.

As at 31 December 2016, the total authorised number of ordinary shares were 310 million shares, with a par value of Baht 10 per share. The ordinary shares of 40 million shares are fully paid-up, amounting to Baht 400 million. The ordinary shares of 270 million shares are partially paid-up at Baht 8.87 per share, amounting to Baht 2,395 million.

26 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Opening balance	-	-	-	-
Appropriation during the year	86,512,524	-	86,512,524	-
Closing balance	86,512,524	-	86,512,524	-

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



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

27 Non-controlling interests

Transactions with non-controlling interests

Movements of non-controlling interests for the year ended 31 December are as follows:

	Consolidated financial statements	
	2017	2016
For the year ended 31 December	Baht	Baht
Opening balance	1,461,332,777	802,437,005
Additional paid-up shares of subsidiaries	2,740,637,809	952,664,828
Changes in proportion of investment in subsidiaries	47,177,842	58,281,213
Share of net profit (loss) from subsidiaries	534,470,946	(351,876,924)
Dividend payment from subsidiaries	(182,976)	(173,345)
Closing balance	<u>4,783,436,398</u>	<u>1,461,332,777</u>

Increase in shares capital and additional paid-up shares of subsidiaries

a) Increase in shares capital and additional paid-up shares of subsidiaries during 2017

The proportion of non-controlling interest under the Group is 47%, 47%, 30% and 30% are with WHA Energy Company Limited, Thai Industrial Estate Corporation Limited, Mitsui & Co., Ltd. and Mit-Power Capitals (Thailand) Company Limited, respectively. During 2017, additional paid-up shares of subsidiaries are as follows:

1. Gulf TS1 Company Limited, Gulf TS2 Company Limited, Gulf TS3 Company Limited, Gulf TS4 Company Limited, Gulf VTP Company Limited and Gulf NLL2 Company Limited increased their shares capital of Baht 4,876 million by issuing 109.70 million ordinary shares of Baht 797 million and additional paid-up capital of Baht 4,079 million. WHA Energy Company Limited paid for its contribution of Baht 1,219.49 million.
2. Gulf BL Company Limited and Gulf BP Company Limited increased their shares capital of Baht 400 million by issuing 80 million ordinary shares of Baht 200 million and additional paid-up capital of Baht 200 million. Thai Industrial Estate Corporation Limited paid for its contribution of Baht 100 million.
3. Gulf MP Company Limited increased its share capital of Baht 3,700 million by issuing 720 million ordinary shares of Baht 1,800 million and additional paid-up capital of Baht 1,900 million. Mit-Power Capitals (Thailand) Company Limited paid for its contribution of Baht 1,110 million.
4. Independent Power Development Company Limited increased its shares capital of Baht 1,409.12 million by issuing 452.87 million ordinary shares of Baht 1,409.12 million. Mitsui & Co., Ltd paid for its contribution of Baht 311.15 million.



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

27 Non-controlling interests (continued)

Increase in shares capital and additional paid-up shares of subsidiaries (continued)

b) Increase in shares capital and additional paid-up shares of subsidiaries during 2016

The proportion of non-controlling interest under the Group is 25% and 30% are with WHA Energy Company Limited and Mit-Power Capitals (Thailand) Company Limited, respectively. During the year 2016, additional paid-up shares of subsidiaries are as follows:

1. Gulf TS1 Company Limited, Gulf TS2 Company Limited, Gulf TS3 Company Limited, Gulf TS4 Company Limited and Gulf VTP Company Limited increased their shares capital of Baht 1,650 million by issuing 320 million ordinary shares of Baht 800 million and additional paid-up capital of Baht 850 million. WHA Energy Company Limited paid for its contribution of Baht 412.66 million.
2. Gulf MP Company Limited increased its share capital of Baht 1,800 million by issuing 360 million ordinary shares of Baht 900 million and additional paid-up capital of Baht 900 million. Mit-Power Capitals (Thailand) Company Limited paid for its contribution of Baht 540 million.

Changes in interest of owners of the parent

For the year ended 31 December 2017

On 25 October 2017, the Board of Directors of Independent Power Development Company Limited, a subsidiary, passed a resolution to approve an increase in the authorised share capital from Baht 3,140 million to Baht 5,128.67 million by issuing 198.87 million new ordinary shares at a par value of Baht 10 each and offer to the existing shareholders of Independent Power Development Company Limited, which the other existing shareholders of Independent Power Development Company Limited waived their rights to increase their shareholding proportion on this share capital increase of Independent Power Development Company Limited, resulted in decrease in shareholding interest of other existed shareholders.

For the year ended 31 December 2016

On 20 June 2016, Gulf MP Company Limited, a subsidiary, sold 15.50 million common shares of Gulf BL Company Limited, a subsidiary of Gulf MP Company Limited, to Thai Industrial Estate Corporation Limited for Baht 40 million, which resulted in a decrease in its shareholding interest from 99.99% to 75%. The carrying amount of non-controlling interest in Gulf BL Company Limited on the date of disposal was Baht 37.01 million and the Group recorded an increase in equity attributed to owner of the Group of Baht 2.99 million.

On 15 September 2016, Gulf MP Company Limited, a subsidiary, sold 15.50 million common shares of Gulf BP Company Limited, a subsidiary of Gulf MP Company Limited, to Thai Industrial Estate Corporation Limited for Baht 40.50 million, which resulted in a decrease in its shareholding interest from 99.99% to 75%. The carrying amount of non-controlling interest in Gulf BP Company Limited on the date of disposal was Baht 11.42 million and the Group recorded an increase in equity attributed to owner of the Group of Baht 29.08 million.

On 21 December 2016, Gulf MP Company Limited, a subsidiary, sold 15.26 million common shares of Gulf NLL2 Company Limited, a subsidiary of Gulf MP Company Limited, to WHA Energy Company Limited for Baht 40.02 million, which resulted in a decrease in its shareholding interest from 99.99% to 74.99%. The carrying amount of non-controlling interest in Gulf NLL2 Company Limited on the date of disposal was Baht 9.86 million and the Group recorded an increase in equity attributed to owner of the Group of Baht 30.16 million.



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

27 Non-controlling interests (continued)

Changes in interest of owners of the parent (continued)

The effect of changes in the interest on the equity attribute to owners of the Group during the year is summarised as follows:

	Consolidated financial statements	
	2017 Baht	2016 Baht
Carrying amount of non-controlling interests disposed	(47,177,842)	(58,281,213)
Consideration received from non-controlling interests	-	120,516,000
Increase (decrease) in parent's equity	<u>(47,177,842)</u>	<u>62,234,787</u>
	Consolidated financial statements	
	2017 Baht	2016 Baht
Changes in equity attributable to shareholders of the company arising from:		
- Increase (decrease) interest in subsidiaries	(47,177,842)	62,234,787
Net effect on parent's equity	<u>(47,177,842)</u>	<u>62,234,787</u>



28 Other components of equity

Movement of other components of equity for the year ended 31 December 2017 are as follows:

	Consolidated financial statements					
	Actuarial Losses	Currency translation adjustment	Available-for-sale investments	Cash flow hedges	Share of other comprehensive income from an associate	Total other components of equity
Opening balance as at 1 January 2017, net of tax	-	(21,954)	(98,549,586)	(119,081,153)	(10,470,711)	(228,123,404)
Change in fair value	-	-	37,509,869	(24,338,255)	-	13,171,614
Tax charged to other comprehensive income (expense)	-	-	(4,197,011)	23,688,075	-	19,491,064
Less: Reclassification adjustments for gains to be included in profit or loss	-	-	(23,045,871)	96,096,315	-	73,050,444
Tax charged to other comprehensive income (expense)	-	-	4,609,174	(19,219,264)	-	(14,610,090)
Share of other comprehensive income (expense)	-	-	-	-	8,200,515	8,200,515
Translation differences	-	103,382	-	-	-	103,382
Actuarial losses	(20,689,859)	-	-	-	-	(20,689,859)
Transfer actuarial losses	20,689,859	-	-	-	-	20,689,859
Closing balance as at 31 December 2017, net of tax	-	81,428	(83,673,425)	(42,854,282)	(2,270,196)	(128,716,475)
	Consolidated financial statements					
	Currency translation adjustment	Available-for-sale investments	Cash flow hedges	Share of other comprehensive income from an associate	Total other components of equity	
Opening balance as at 1 January 2016, net of tax	67,571	(70,458,709)	105,113,776	3,437,158	38,159,796	
Change in fair value	-	(20,361,715)	(220,324,720)	-	(240,686,435)	
Tax charged to other comprehensive income (expense)	-	(1,954,002)	4,308,875	-	2,354,873	
Less: Reclassification adjustments for gains to be included in profit or loss	-	(7,218,950)	(10,223,855)	-	(17,442,805)	
Tax charged to other comprehensive income (expense)	-	1,443,790	2,044,771	-	3,488,561	
Share of other comprehensive income (expense)	-	-	-	(13,907,869)	(13,907,869)	
Translation differences	(89,525)	-	-	-	(89,525)	
Closing balance as at 31 December 2016, net of tax	(21,954)	(98,549,586)	(119,081,153)	(10,470,711)	(228,123,404)	



Gulf Energy Development Public Company Limited
Notes to Consolidated and Separate Financial Statements
For the year ended 31 December 2017

28 Other components of equity (continued)

Movement of other components of equity for the year ended 31 December 2017 are as follows:

	Separate financial statements	
	Actuarial Losses	Available for sale investments
Opening balance as at 1 January 2017, net of tax	-	876,176
Change in fair value	-	5,984,495
Tax charged to other comprehensive income (expense)	-	(1,196,899)
<u>Less</u> Reclassification adjustments for gains to be included in profit or loss	-	(6,264,677)
Tax charged to other comprehensive income (expense)	-	1,252,935
Actuarial losses	(20,689,859)	-
Transfer actuarial losses	20,689,859	-
Closing balance as at 31 December 2017, net of tax	-	652,030

Movement of other components of equity for the year ended 31 December 2016 are as follows:

	Separate financial statements	
	Available for sale investments	Total other components of equity
Opening balance as at 1 January 2016, net of tax	-	-
Change in fair value	3,069,920	3,069,920
Tax charged to other comprehensive income (expense)	(613,984)	(613,984)
<u>Less</u> Reclassification adjustments for gains to be included in profit or loss	(1,974,700)	(1,974,700)
Tax charged to other comprehensive income (expense)	394,940	394,940
Closing balance as at 31 December 2016, net of tax	876,176	876,176

29 Other income

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Sales of spare parts	-	11,200,000	-	11,200,000
Gain on disposal of available-for-sale investment	23,045,872	2,288,881	6,264,677	1,974,700
Gain on disposal of investment in subsidiary	123,762	-	-	7,498,775
Others	19,648,819	4,860,709	37,364,195	20,233,766
Total	42,818,453	18,349,590	43,628,872	40,907,241

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**

For the year ended 31 December 2017

30 Corporate income tax benefits (expenses)

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
For the year ended 31 December				
Current tax on profits for the year	(891,442)	(66,782,400)	-	(63,184,076)
Deferred income taxes (Note 18)	55,185,377	113,743,492	6,680,702	1,569,718
Total corporate income tax benefits (expenses)	54,293,935	46,961,092	6,680,702	(61,614,358)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic weighted average tax rate applicable to profit of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Profit (loss) before tax	3,852,630,637	173,634,304	1,723,569,776	343,395,107
Tax calculated at a tax rate of 20%	770,526,127	34,726,861	344,713,955	68,679,021
Tax effect of:				
Income not subject to tax	(536,625,193)	(6,509,258)	(411,892,525)	(8,910,814)
Income subject to tax under the Revenue Code	102,435	-	102,435	-
Expenses not deductible for tax purpose	14,791,797	95,288,123	8,221,651	2,118,005
Expenses deductible at a greater amount	301,019,725	-	(88,613,062)	(271,904)
Share of profit from an associate and a joint venture	(796,332,864)	(287,313,542)	-	-
Elimination of fixed assets	25,808,982	68,391,451	-	-
Utilisation of previously unrecognised tax losses	(72,402,026)	(114,803)	-	-
Tax losses for which no deferred income tax asset was recognised	204,109,539	116,705,176	140,786,844	-
Unrealised gain (loss) on exchange rate	37,361,785	(68,286,658)	-	-
Tax effect from different tax rates of foreign entities	(207,505)	(2,269,926)	-	-
Tax losses for which deferred income tax asset was recognised	(2,399,837)	-	-	-
Others	(46,900)	2,421,484	-	-
Income tax expenses (benefits)	(54,293,935)	(46,961,092)	(6,680,702)	61,614,358

The weighted average applicable tax rate for the Group was 1.41% (2016: 27.05%).

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**

For the year ended 31 December 2017

32 Finance costs

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Interest expense	980,858,470	497,157,053	433,221,311	321,532,505
Guarantee fee	323,203,836	125,532,482	297,594,275	125,523,047
Commitment fee	83,871,922	131,073,609	-	-
Other	39,744,266	38,528,807	16,811,147	14,311,076
Total	1,427,678,494	792,291,951	747,626,733	461,366,628

33 Financial instruments**(a) Assets and liabilities of financial instruments**

As at 31 December the company and subsidiaries have balance of financial instruments both assets and liabilities of currency as follow:

Currency	Asset Financial Instruments	Liabilities Financial Instruments	(Unit : Baht/other currency)	
			Exchange rate	
			As at 31 December 2017	
			Buying rate	Selling rate
US Dollar	1,519,398	403,324,700	32.51 - 32.68	32.85
Japanese Yen	-	359,270,492	-	0.29
European Euro	-	3,042,419	-	39.39
Singapore Dollar	13,620	-	24.60	-
Swedish Krona	-	40,530,278	-	4.00
Laotian Kip	37,279,996,800	-	0.004	-

Currency	Asset Financial Instruments	Liabilities Financial Instruments	(Unit : Baht/other currency)	
			Exchange rate	
			As at 31 December 2016	
			Buying rate	Selling rate
US Dollar	644,604	243,027,952	35.66 - 35.83	36.00
Japanese Yen	-	168,072,218	-	0.31
European Euro	-	147,918	-	38.14
Singapore Dollar	15,923	-	24.63	-
Swedish Krona	-	34,361,612	-	3.98
Laotian Kip	38,833,330,000	-	0.004	-



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

33 Financial instruments (continued)

(b) Risk of exchange rate

As at 31 December, the Group had forward foreign exchange contracts. The settlement dates on open forward contracts ranged between 3 months and 54 months. Amounts in foreign currencies to be settled and contractual exchange rates of the outstanding contracts were:

As at 31 December	Consolidated financial statements	
	2017 Baht	2016 Baht
Japanese Yen:		
- Average Exchange rate (JPY/ THB)	0.31	0.29
- Foreign currency (JPY)	1,306,675,320	2,127,586,076
- Local currency (THB)	404,022,933	626,058,903
Swedish Krona:		
- Average Exchange rate (SEK/ THB)	4.11	4.24
- Foreign currency (SEK)	212,870,633	500,892,005
- Local currency (THB)	877,033,066	2,132,772,042
Swedish Krona:		
- Average Exchange rate (SEK/ USD)	0.12	0.12
- Foreign currency (SEK)	47,962,327	311,963,053
- Local currency (USD)	5,984,817	38,942,156
US Dollar:		
- Average Exchange rate (USD/ THB)	33.32	33.47
- Foreign currency (USD)	10,012,991	13,124,272
- Local currency (THB)	333,858,593	438,291,126
European Euro:		
- Average Exchange rate (EUR/ THB)	40.13	40.04
- Foreign currency (EUR)	3,268,862	14,294,482
- Local currency (THB)	130,130,636	566,406,793

(c) Net fair value

The fair value is disclosed in Note 4.

34 Litigation

During the year 2014, the Monitoring and Auditing Committee of Fiscal Expenditures (MACFE) resolved to appoint the Energy Regulatory Commission (ERC) to initiate an investigation on the bidding process of the 2012 Independent Power Producer (IPP) Bidding Solicitation, which was alleged to be non-compliance with Thailand's Power Development Plan and the relevant ERC regulations. The ERC then established a sub-committee to conduct an investigation and reported its findings to the MACFE. The MACFE, later, assigned the Ministry of Energy (MOE) to further investigate the IPP Bidding Solicitation in which the MOE appointed an Ad Hoc Committee from the MOE to further investigate the IPP Bidding Solicitation. Subsequently, the MOE submitted letters to the Group requesting to negotiate with the Group to cancel one of the IPP projects, of which the Power Purchase Agreement (PPA) with Electricity Generating Authority of Thailand (EGAT) was signed. In addition, the MOE sent a letter requesting the Board of Investment of Thailand (BOI) to delay approval process of both IPP projects of the Company.

However, on 23 July 2015, Independent Power Development Company (IPD), Gulf SRC Company Limited (GSRC), and Gulf PD Company Limited (GPD) (collectively Plaintiffs) filed an administrative lawsuit to the Central Administrative Court of Thailand (the Administrative Court) against (i) ERC, (ii) the Office of the ERC, (iii) MOE and (iv) the Ad Hoc Committee (collectively, the Defendants) that the investigation was not performed in accordance with the applicable laws, some of the Defendants who had authority for the investigation had conflicts of interest, information determined by the Defendants during the investigation was distorted and the Plaintiffs were obstructed to develop the IPP projects by the action of the Defendants. The Plaintiffs requested the Administrative Court to issue an order to prohibit the Defendants from conducting any further unlawful investigation on the IPPs Bidding Solicitation, or to stop using the result of such unlawful investigation whether internally or externally with other government authorities.



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

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34 Litigation (continued)

On 8 December 2016, the Administrative Court judged that the investigation conducted by the Defendants was lawful, however, the investigate, use or reference of the result of investigation or any action were prohibited such action will cause damages to the Plaintiffs. The Central Administrative Court also ordered the MOE to revoke its letter requesting the BOI to delay approval process of the IPP projects. Subsequently, on 24 March 2017, GSRC and GPD finally obtained BOI approval.

On 4 January 2017, the MOE submitted an appeal to the Supreme Court and the Plaintiffs had to submit a petition of appeal to the Supreme Administrative Court by 5 June 2017.

On 5 June 2017, the Plaintiffs submitted a request for an extension of a petition to appeal for 15 days, which was dued on 20 June 2017. On 20 June 2017, the Plaintiffs already submitted a petition to appeal to the Supreme Administrative Court.

As at 31 December 2017, there was no provision related to this litigation has been accrued in the Company's financial statements, because the Group's management believes that there will be no significant liability from the result of above lawsuit cases.

35 Promotional privileges

The Group has been granted promotional privileges by the Office of the Board of Investment under promotion certificates in respect of electricity. These subsidiaries have been granted exemption from certain taxes and duties as detailed in the certificates including exemption from corporate income tax for a period of eight years from the date of first revenue. As promoted entities, these subsidiaries are required to comply with the terms and conditions specified in the promotion certificates.

36 Commitments and significant agreements

Commitments

The Company entered into lease agreements in respect of space rental for office and equipment. As at 31 December rental commitments under these agreements in the subsequent years are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Due				
Within one year	21,062,098	11,306,363	21,062,098	11,306,363
Later than one year but not later than five years	17,839,737	11,529,945	17,839,737	11,529,945
	38,901,835	22,836,308	38,901,835	22,836,308



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

36 Commitments and significant agreements (continued)

Commitments (continued)

As at 31 December 2017, the Company had outstanding bank guarantees issued by financial institutions amounting to Baht 6,061 million (31 December 2016: Baht 13,152 million). The subsidiaries had outstanding bank guarantees issued by a financial institution as a guarantee for their Power Purchase Agreements with EGAT as follows:

Name of subsidiaries	Unit: Baht million	
	2017 Baht	2016 Baht
Gulf SRC Company Limited	1,250	1,250
Gulf PD Company Limited	1,250	1,250
Gulf VTP Company Limited	235	466
Gulf TS1 Company Limited	703	473
Gulf TS2 Company Limited	703	473
Gulf TS3 Company Limited	709	473
Gulf TS4 Company Limited	717	481
Gulf NC Company Limited	488	481
Gulf BL Company Limited	493	493
Gulf BP Company Limited	493	583
Gulf NLL2 Company Limited	499	583
Gulf NPM Company Limited	499	90
Gulf NRV1 Company Limited	499	90
Gulf NRV2 Company Limited	499	90

Significant agreements

(a) Agreements relating to cash advances to subsidiaries and related parties

The Company entered into Cash Advance Agreements with its subsidiaries and related parties of the Company to provide financial supports for their business operations. Each agreement will become effective from the agreement date and continue until either party in each agreement gives a written notice of termination to the other party or when the event of default occurs by either parties. The interest rate is a fixed rate per annum. As stipulated in the agreements, the cash advance and related accrued interests are due within 30 days after receipt of the invoice from the Company.

(b) Joint Development Agreement for IPP Projects

During the year 2013, Mitsui & Co., Ltd. (Mitsui), J-Power Holdings (Thailand) Company Limited (J-POWER) and the Company entered into Joint Development Agreement (JDA) in order to develop Independent power producer projects under the control of Independent Power Development Company Limited (IPD), which is a subsidiary of the Company. Under the agreement, Mitsui shall have right to purchase up to 49% of total shares in IPD within 15 days after the effective date of the agreement, whereas J-POWER shall have right to purchase the IPD's shares from Mitsui and the Company. However, on 20 June 2014, Mitsui, J-POWER and the Company entered into the Amendment No. 1 to the JDA, which was entered into on 3 April 2013 to amend the definition of Due Diligence Period with regard to right to purchase shares by J-POWER. Other terms and conditions remain the same as the original JDA. The JDA and the amendment is become effective until all parties in the agreement mutually agree to cancel the agreement. However, J-POWER's right to purchase was expired without exercising the right.

(c) Joint Development Agreement for SPP Projects

Mitsui and the Company entered into Joint Development Agreement in order to develop 12 small power plant projects (Note 14). Under the agreement, the Company has to set up Gulf MP Company Limited as a holding company. Mitsui has to invest in such holding company by acquiring ordinary shares from the Company two times. First time, by 16 January 2014, Mitsui has to purchase 1% of total ordinary shares with the share premium as stipulated in the agreement. Subsequently, on 17 November 2014, Mitsui transferred all share in Gulf MP Company Limited as well as the second time share purchase option under these agreement to Mit-Power Capitals (Thailand) Company Limited. Thus the second time, Mit-Power Capitals (Thailand) Company Limited has to purchase shares in such company up to 30% of total shares together with the share premium as stipulated in the agreement. The agreement is become effective until all parties in the agreement mutually agree to cancel the agreement.



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

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36 Commitments and significant agreements (continued)

Significant agreements (continued)

(d) Management Service Agreements

On 5 November 2014, the Company entered into Management Services Agreements with 12 subsidiaries of the Company, which operate as small power producers, to provide business advice, coordination, supervision and management services. The service fee will be charged on a monthly basis at the rate and conditions as specified in the agreement. The agreements shall become effective for a period of 25 years commencing from the first commercial operation date and continue until either party in each agreement gives a written notice of termination to the other party in advance in the event of the defaulting party commits a material breach of the agreement.

On 10 November 2014, the Company entered into Development Service Agreements with 12 subsidiaries, which operate as small power producers, to assist in the project development phase and advice on significant agreements and raise capital for the project. Each agreement charges a success fee totaling of Baht 120 million per company. The Company will receive such service fee upon the completion of the financial close. The agreement would be terminated when either party in each agreement gives a written notice of termination to the other party in the event of the defaulting party commits a material breach of the agreement.

On 2 December 2016, the Company entered into the engineering services agreement with 12 subsidiaries to provide supportive engineers during construction phase, including test and evaluate the performance of machines and coordinate with subcontractors to complete the construction project in according to the conditions specified in the agreement. Such subsidiaries must make service payment under the conditions and periods specified in the agreement.

(e) Secondment Agreement

On 1 January 2014, the Company entered into the Secondment Agreement with Gulf JP Company Limited, a related party, to provided human resources service for its business operations. Under such agreement, Gulf JP Company Limited is committed to pay monthly service fee to the Company in accordance with the conditions as specified in the agreement. The agreement would be terminated in the event that one party fails to perform any obligation under the agreement and the failure is not remediate within ten days after receiving a written notice from contracted party. The agreement becomes effective since 1 January 2014.

On 9 September 2016, the Company entered into the Secondment Agreement with Gulf MP Company Limited, a subsidiary, to provided human resources service for its business operations. Under such agreement, Gulf MP Company Limited is committed to pay monthly service fee to the Company in accordance with the conditions as specified in the agreement. The agreement would be terminated in the event that one party fails to perform any obligation under the agreement and the failure is not remediate within sixty days after receiving a written notice from contracted party. The agreement becomes effective since on 1 January 2016.

On 1 November 2017, the Company entered into the amendment of the Secondment Agreement to adjust scope of service and the fee under the condition specified in the Amendment Agreement. The agreement becomes effective since 1 January 2017.

(f) Other construction contracts

The Group entered into other construction contracts to construct raw water pumping stations, raw water reservoirs, raw water and waste water pipelines, electricity transmission lines, steam pipelines for industrial users, as well as construction of office buildings to control the operation of the subsidiaries' projects. Under these contracts, the subsidiaries will pay a total of Baht 4,174.72 million (2016: Baht 4,289.38 million) under the installment period in accordance with conditions set out in the contracts.

As at 31 December 2017, the subsidiaries had outstanding commitments in respect of these other construction contracts at Baht 1,490.18 million (31 December 2016: Baht 2,917.75 million).



Gulf Energy Development Public Company Limited

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36 Commitments and significant agreements (continued)

Significant agreements (continued)

(g) Power Purchase Agreement (PPA)

On 12 December 2013, Gulf SRC Company Limited, a subsidiary, had entered into the 25-year PPA with EGAT to generate capacity charge and deliver energy charge at the level specified in the agreement. Under the PPA, the exchange rate risk is partly compensated by capacity payment charged to EGAT in each month. The Company has the Scheduled Commercial Operation Date for the 1st generating unit on 31 March 2021, for the 2nd generating unit on 1 October 2021, for the 3rd generating unit on 31 March 2022 and for the 4th generating unit on 1 October 2022.

On 23 December 2013, Gulf PD Company Limited, a subsidiary, had entered into the 25-year Power Purchase Agreement with EGAT to generate capacity charge and deliver energy charge at the level specified in the agreement. Under the PPA, the exchange rate risk is partly compensated by capacity payment charged to EGAT in each month. The Company has the Scheduled Commercial Operation Date for the 1st generating unit on 31 March 2023, for the 2nd generating unit on 1 October 2023, for the 3rd generating unit on 31 March 2024 and for the 4th generating unit on 1 October 2024.

In addition, the company's subsidiaries had entered into the 25-year PPA with EGAT to generate capacity charge and deliver energy charge at the level specified in the agreement.

Details of the scheduled commercial operation of each company are as follows:

Name of subsidiaries	Scheduled Commercial Operation Date
Gulf VTP Company Limited	16 May 2017
Gulf TS1 Company Limited	8 July 2017
Gulf TS2 Company Limited	1 September 2017
Gulf TS3 Company Limited	1 November 2017
Gulf TS4 Company Limited	1 January 2018
Gulf NC Company Limited	1 March 2018
Gulf BL Company Limited	1 September 2018
Gulf BP Company Limited	1 November 2018
Gulf NLL2 Company Limited	1 January 2019
Gulf NPM Company Limited	1 March 2019
Gulf NRV1 Company Limited	1 May 2019
Gulf NRV2 Company Limited	1 July 2019

The Solar Group had entered into the 25-year PPA with Provincial Electricity Authority (PEA) to sell the electricity generated from the solar photovoltaic installation on the rooftop, commencing from commercial operation date.

Details of the effective date of each company as follows:

Name of subsidiaries	Date
Gulf Solar BV Company Limited	16 December 2013
Gulf Solar KKS Company Limited	12 December 2013
Gulf Solar TS1 Company Limited	19 December 2013
Gulf Solar TS2 Company Limited	16 December 2013

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**For the year ended 31 December 2017

36 Commitments and significant agreements (continued)**Significant agreements (continued)****(i) Gas Sale and Purchase Agreements (GSA)**

The Group's 14 subsidiaries had entered into Gas Sale and Purchase Agreement with PTT Public Company Limited for quantity and gas price as specified in the agreements. The agreements are effective for a period of 25 years starting from the commercial operation date of the power plant and can be extended, based on the conditions stipulated in the agreements.

(j) Supply Agreements and Construction Agreements

The Group's subsidiaries had entered into agreements with counterparties to purchase machinery and power plants equipment and for the construction of the power plants. The contract value totaling USD 368.97 million, Swedish Krona (SEK) 2,097.84 million, Japanese Yen (JPY) 7,781.56 million, European Euro (EUR) 38.62 million and Baht 22,349.38 million.

As at 31 December 2017, the subsidiaries had outstanding commitment with counterparties from supply agreement and construction agreement at USD 84.81 million, SEK 165.52 million, JPY 961.96 million, EUR 1.48 million and Baht 4,832.21 million (2016: USD 196.63 million, SEK 744.42 million, JPY 3,673.61 million, EUR 17.23 million and Baht 11,213.63 million).

(j) Engineering, Procurement and Construction of Natural Gas Pipeline and Metering Facilities System Agreements

The Group's subsidiaries had entered into agreements with contractor to construct the natural gas pipeline and metering facilities system. The contracts value totaling Baht 1,636.29 million.

As at 31 December 2017, the outstanding commitment from engineering, procurement and construction of natural gas pipeline and metering facilities system agreements was amounting to Baht 514.58 million (2016: Baht 1,216.41 million).



Gulf Energy Development Public Company Limited
Notes to Consolidated and Separate Financial Statements
For the year ended 31 December 2017

36 Commitments and significant agreements (continued)

Significant agreements (continued)

(k) Foreign currency forward contracts

As at 31 December 2017, subsidiaries had outstanding balances of foreign currency forward contracts in order to manage exposure of fluctuations in Swedish Krona (SEK), European Euro (EUR), US Dollar (USD) and Japanese Yen (JPY) with local financial institutions.

The detail of foreign currency forward contracts are as follows:

Name of subsidiaries	Exchange Rates		Amount (million)	The fixed exchange rates
	Currency	Currency		
Gulf VTP Company Limited	Baht	SEK	17,41	3.96 Baht per SEK
Gulf TS1 Company Limited	Baht	SEK	17,41	3.97 Baht per SEK
Gulf TS2 Company Limited	Baht	SEK	17,41	3.99 Baht per SEK
Gulf TS3 Company Limited	Baht	SEK	27,27	3.89 - 4.01 Baht per SEK
Gulf TS4 Company Limited	Baht	SEK	15,13	3.94 - 4.38 Baht per SEK
Gulf NC Company Limited	Baht	USD	0,32	33.63 Baht per USD
Gulf BL Company Limited	Baht	SEK	14,51	3.95 - 4.40 Baht per SEK
	Baht	EUR	0,42	40.70 Baht per EUR
	Baht	JPY	31,19	0.30 Baht per JPY
Gulf BP Company Limited	Baht	SEK	14,81	3.96 - 4.38 Baht per SEK
	Baht	EUR	0,25	41.09 Baht per EUR
	Baht	JPY	88,57	0.32 Baht per JPY
	Baht	SEK	9,54	4.23 Baht per SEK
	Baht	EUR	0,14	39.17 - 40.25 Baht per EUR
Gulf NLL2 Company Limited	Baht	JPY	20,32	0.30 - 0.32 Baht per JPY
	USD	SEK	47,98	0.12 USD per SEK
Gulf NPM Company Limited	Baht	SEK	79,07	4.18 - 4.26 Baht per SEK
	Baht	EUR	0,14	39.31 - 40.40 Baht per EUR
	Baht	JPY	258,08	0.30 - 0.32 Baht per JPY
Gulf NRV1 Company Limited	Baht	EUR	0,27	40.53 - 40.54 Baht per EUR
	Baht	USD	3,83	33.39 - 33.41 Baht per USD
	Baht	JPY	339,93	0.30 - 0.32 Baht per JPY
Gulf NRV2 Company Limited	Baht	EUR	2,05	38.39 - 40.65 Baht per EUR
	Baht	USD	5,86	32.42 - 33.32 Baht per USD
	Baht	JPY	387,51	0.29 - 0.32 Baht per JPY



36 Commitments and significant agreements (continued)

Significant agreements (continued)

(i) Foreign currency forward contracts (continued)

As at 31 December 2016, subsidiaries had outstanding balances of foreign currency forward contracts in order to manage exposure of fluctuations in Swedish Krona (SEK), European Euro (EUR), US Dollar (USD) and Japanese Yen (JPY) with local financial institutions.

The detail of foreign currency forward contracts are as follows (continued):

Name of subsidiaries	Exchange Rates		Amount (million)	The fixed exchange rates	
	Currency	Currency			
Gulf VTP Company Limited	Baht	SEK	28.81		3.95 - 4.45 Baht per SEK
	Baht	EUR	0.18		40.58 Baht per EUR
	Baht	JPY	14.03		0.29 Baht per JPY
Gulf TS1 Company Limited	Baht	SEK	15.81		3.94 - 4.43 Baht per SEK
	Baht	EUR	0.14		40.72 Baht per EUR
	Baht	JPY	13.85		0.29 Baht per JPY
Gulf TS2 Company Limited	Baht	SEK	15.81		3.93 - 4.43 Baht per SEK
	Baht	EUR	0.14		40.52 Baht per EUR
	Baht	JPY	13.47		0.29 Baht per JPY
Gulf TS3 Company Limited	Baht	SEK	28.13		3.96 - 4.37 Baht per SEK
	Baht	EUR	0.14		40.16 Baht per EUR
	Baht	JPY	91.83		0.29 - 0.30 Baht per JPY
Gulf TS4 Company Limited	Baht	SEK	15.13		3.94 - 4.38 Baht per SEK
	Baht	EUR	0.14		40.26 Baht per EUR
	Baht	USD	0.07		36.05 Baht per USD
	Baht	JPY	155.73		0.29 - 0.30 Baht per JPY
Gulf NC Company Limited	Baht	EUR	0.27		40.50 Baht per EUR
	Baht	USD	2.71		33.55 - 33.63 Baht per USD
	Baht	JPY	288.82		0.29 - 0.30 Baht per JPY
Gulf BL Company Limited	USD	SEK	28.49		0.13 USD per SEK
	Baht	SEK	128.05		4.30 - 4.40 Baht per SEK
	Baht	EUR	1.18		39.52 - 40.70 Baht per EUR
	Baht	JPY	448.98		0.29 - 0.30 Baht per JPY
Gulf BP Company Limited	USD	SEK	38.55		0.13 USD per SEK
	Baht	SEK	118.82		4.31 - 4.38 Baht per SEK
	Baht	EUR	3.17		39.75 - 41.09 Baht per EUR
	USD	SEK	38.57		0.12 USD per SEK
	Baht	SEK	92.33		4.15 - 4.23 Baht per SEK
Gulf NLL2 Company Limited	Baht	EUR	1.09		38.97 - 40.25 Baht per EUR
	Baht	JPY	251.80		0.29 - 0.30 Baht per JPY



Gulf Energy Development Public Company Limited
Notes to Consolidated and Separate Financial Statements
 For the year ended 31 December 2017

36 Commitments and significant agreements (continued)

Significant agreements (continued)

(l) Foreign currency forward contracts (continued)

As at 31 December 2016, subsidiaries had outstanding balances of foreign currency forward contracts in order to manage exposure of fluctuations in Swedish Krona (SEK), European Euro (EUR), US Dollar (USD) and Japanese Yen (JPY) with local financial institutions.

The detail of foreign currency forward contracts are as follows (continued):

Name of subsidiaries	Exchange rates		Amount (million)	The fixed exchange rates	
	Currency	Currency			
Gulf NPM Company Limited	USD	SEK	116.36		0.12 USD per SEK
	Baht	SEK	79.07		4.19 - 4.26 Baht per SEK
	Baht	EUR	1.09		38.13 - 40.40 Baht per EUR
Gulf NRV1 Company Limited	Baht	JPY	261.60		0.29 - 0.30 Baht per JPY
	Baht	EUR	3.99		38.71 - 40.54 Baht per EUR
	Baht	USD	3.83		33.39 - 33.41 Baht per USD
Gulf NRV2 Company Limited	Baht	JPY	306.06		0.29 - 0.31 Baht per JPY
	Baht	EUR	2.79		38.86 - 40.65 Baht per EUR
	Baht	USD	5.52		33.15 - 33.32 Baht per USD
	Baht	JPY	301.60		0.29 - 0.33 Baht per JPY

**Gulf Energy Development Public Company Limited****Notes to Consolidated and Separate Financial Statements**

For the year ended 31 December 2017

36 Commitments and significant agreements (continued)**Significant agreements (continued)****(m) Right to use of rooftop space for solar PV rooftop agreement**

Subsidiaries as below entered into the right to use of rooftop space for solar PV rooftop agreements with a related party. The agreements are effective for a period of 25 years commencing on the commercial operation date with PEA. The rental fee and payment terms including other conditions are as stipulated in the agreement.

<u>Name of subsidiaries</u>	<u>Date on agreement</u>
Gulf Solar BV Company Limited	9 April 2014
Gulf Solar KKS Company Limited	19 September 2014
Gulf Solar TS1 Company Limited	21 April 2014
Gulf Solar TS2 Company Limited	19 September 2014

(n) Long-term Service Agreement

The Group entered into a Long-term Service Agreement for the maintenance of machinery and equipment associated with its gas turbines used for the power plant operation. The service includes the replacement of the main machinery as specified in the agreement. The agreement is effective from the agreement date until the expiration of the operation of gas turbine under the Power Purchase Agreement. The contract value can be adjusted annually based on conditions as stipulated in the agreement.

(o) Contractual Service Agreement

The Group entered into a Contractual Service Agreement for the procurement and maintenance of the power plants between the Group and counter service party. The agreement is effective from the agreement date until the expiration of the operation of gas turbine under the Power Purchase Agreement. The Group had outstanding commitments to pay for spare gas turbine. For spare gas turbine, the quarterly service fees are based on numbers of gas turbine operating hours and other maintenance fees. The price under the agreement is adjusted annually based on conditions as stipulated in the agreement.

(p) Major Maintenance Services Agreement

On 1 November 2017, the Company entered into the Major Maintenance Services Agreement with Gulf JP Company Limited, an associate, to provide major maintenance services including advice, coordination, supervision and management services for the power plants of the Gulf JP Group. Under the agreement, the service fee is charged on a monthly basis at the rate as stipulated in the agreement. The agreement becomes effective since 1 January 2017 until the expiration of the Power Purchase Agreement between each of each power plant in Gulf JP Group and EGAT.



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

37 Events after the reporting period

Power Purchase Agreement

On 18 January 2018, Gulf Chana Green Company Limited, a subsidiary, has entered into the Power Purchase Agreement with EGAT to generate capacity charge and deliver energy charge at the level specified in the agreement. The term of the Power Purchase Agreement is 5 years effective from the date both parties signed the agreement and can be renewed every 5 years after given the written notice not less than 30 days in advance to another party. The Company has the Scheduled Commercial Operation Date on 1 July 2019.

Shareholder Agreement

On 22 January 2018, the Company entered into the Shareholder Agreement with Gulf WHA MT Natural Gas Distribution Company Limited, a subsidiary and WHA Utilities and Power Public Company Limited (WHAUP) and MITG (Thailand) Limited (MITG) a new shareholder to change the shareholding proportion in Gulf WHA MT Natural Gas Distribution Company Limited among the Company, WHAUP and MITG from 49%: 51%: 0% to 35%: 35%: 30%, respectively.

On 9 February 2018, the Company entered into the Shareholder Agreement with Mitsui & Co., Ltd., Mit- Power Capitals (Thailand) Company Limited, and IPD, a subsidiary on the distributions of dividend payment from IPD under the second amendment of JDA (Amendment no.2) dated on 11 October 2017 as discussed in Note 14.1. Under the amendment, the Company has the rights to receive 75% of total dividend. On 26 February 2018, at the Board of Directors' Meeting of the Company, the Board of Directors passed a resolution to approve the issuance of preferred shares of IPD and the distributions of dividend payment and return of capital shall be under the condition specified in the Shareholder Agreement.

Supply Agreement and Construction Agreement

On 8 February 2018, Gulf SRC Company Limited and Gulf PD Company Limited, the subsidiaries, had entered into the contracts with counterparties to purchase the power plants equipment and for the construction of the power plants. The contracts value totaling to USD 424.30 million, JPY 83,317.90 million, EUR 40.40 million and Baht 27,834.82 million.

Long-term Service Agreement

On 8 February 2018, Gulf SRC Company Limited and Gulf PD Company Limited, the subsidiaries, had entered into Long-term Service Agreements for the maintenance of machinery and gas turbine equipments used for the power plant operation. The service includes the replacement of the main machinery as specified in the agreement. The agreement is effective from the agreement date until the expiration of the operation of gas turbine under the Power Purchase Agreement. The contract value can be adjusted annually based on conditions as stipulated in the agreement. The contract value totaling to JPY 90,705 million.

Construction Agreement

On 16 February 2018, Gulf Chana Green Company Limited, a subsidiary, had entered into the contract with counterparties for the construction of the power plant. The contract value totaling to Baht 1,500 million.



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

37 Events after the reporting period (continued)

Long-term Loans Agreement

On 16 February 2018, Gulf Chana Green Company, a subsidiary had entered into the long-term loans agreement with the financial institutions in Baht with the total loan facilities of Baht 1,927 million. The interest rates on a portion of loan is floating interest rate in THBFX plus a certain fixed margin per annum and the remaining portion is fixed interest rates. The interest will be repaid on a quarterly basis, whereas the principal will be payable on maturity date as specified in the agreement.

These long-term loans are secured by the land including future construction thereon, power plants, machinery and power plant equipment. In addition, the rights to Power Purchase Agreements, Construction Agreements, Deposit Accounts, and Insurance Policies have been assigned to the lenders as collateral in accordance with the credit facilities agreement. These subsidiaries are also required to comply with certain terms and conditions, such as maintaining of debt to equity ratio and debt service coverage ratio. Under the conditions in long-term loans agreements, Gulf Chana Green Company must enter into interest swap contract to change floating interest rate to fixed interest rate to protect its cash flow risk.

Call for additional paid-up capital

- (a) On 10 January 2018, at the Board of Directors' Meeting of Gulf WHA MT Natural Gas Distribution Company Limited, the Board of Directors passed a resolution to approve the call for additional paid-up capital of 0.10 million issued ordinary shares at Baht 7.50 per share, amounting to Baht 0.75 million, and 4.80 million issued ordinary shares at Baht 7.50 per share, amounting to Baht 36 million. The total additional paid-up capital was Baht 36.75 million. The shareholders has paid the subscription amount in full on 26 January 2018.
- (b) On 12 January 2018, at the Board of Directors' Meeting of Gulf NC Company Limited, the Board of Directors passed a resolution to approve the call for additional paid-up capital of 40 million issued ordinary shares at Baht 5.82 per share, amounting to Baht 232.80 million, and 34.96 million issued ordinary shares at Baht 7.50 per share, amounting to Baht 262.20 million. The total additional paid-up capital was Baht 495 million. The shareholders has paid the subscription amount in full on 15 February 2018.
- (c) On 12 January 2018, at the Board of Directors' Meeting of Gulf BP Company Limited, the Board of Directors passed a resolution to approve the call for additional paid-up capital of 1.90 million issued ordinary shares at Baht 5.46 per share, amounting to Baht 10.37 million, and 48 million issued ordinary shares at Baht 4.99 per share, amounting to Baht 239.63 million. The total additional paid-up capital was Baht 250 million. The shareholders has paid the subscription amount in full on 15 February 2018.
- (d) On 2 February 2018, at the Board of Directors' Meeting of Gulf MP Company Limited, the Board of Directors passed a resolution to approve the call for additional paid-up capital of 720 million issued ordinary shares at Baht 2.50 per share, amounting to Baht 1,800 million, which was received in full on 14 February 2018.



Gulf Energy Development Public Company Limited

Notes to Consolidated and Separate Financial Statements

For the year ended 31 December 2017

37 Events after the reporting period (continued)

Increase in the authorised share capital of subsidiaries

- (a) On 29 January 2018, at the Extraordinary Shareholders' Meeting of Gulf TS2 Company Limited, the Shareholders passed a resolution to approve an increase in the authorised share capital from Baht 1,428 million to Baht 1,690 million by issuing 26.20 million new ordinary shares at a par value of Baht 10 each. The ordinary shares were fully paid amounting to Baht 262 million on 30 January 2018. Gulf TS2 Company Limited registered the increase in share capital with the Ministry of Commerce on 31 January 2018.
- (b) On 29 January 2018, at the Extraordinary Shareholders' Meeting of Gulf NPM Company Limited, the Shareholders passed a resolution to approve an increase in the authorised share capital from Baht 600 million to Baht 1,200 million by issuing 60 million new ordinary shares at a par value of Baht 10 each. The ordinary shares were partially paid-up at Baht 2.50 each, amounting to Baht 150 million, on 30 January 2018. Gulf NPM Company Limited registered the increase in share capital with the Ministry of Commerce on 31 January 2018.
- (c) On 8 February 2018, at the Extraordinary Shareholders' Meeting of Gulf TS3 Company Limited, the Shareholders passed a resolution to approve an increase in the authorised share capital from Baht 1,278 million to Baht 1,478 million by issuing 20 million new ordinary shares at a par value of Baht 10 each. The ordinary shares were fully paid amounting to Baht 200 million on 15 February 2018. Gulf TS3 Company Limited registered the increase in share capital with the Ministry of Commerce on 31 January 2018.
- (d) On 8 February 2018, at the Extraordinary Shareholders' Meeting of Gulf NRV1 Company Limited, the Shareholders passed a resolution to approve an increase in the authorised share capital from Baht 731.80 million to Baht 1,131.80 million by issuing 40 million new ordinary shares at a par value of Baht 10 each. The ordinary shares were partially paid-up at Baht 2.50 per share, amounting to Baht 100 million on 15 February 2018. Gulf NRV1 Company Limited registered the increase in share capital with the Ministry of Commerce on 16 February 2018.
- (e) On 8 February 2018, at the Extraordinary Shareholders' Meeting of Gulf NRV2 Company Limited, the Shareholders passed a resolution to approve an increase in the authorised share capital from Baht 644 million to Baht 1,044 million by issuing 40 million new ordinary shares at a par value of Baht 10 each. The ordinary shares were partially paid-up at Baht 2.50 per share, amounting to Baht 100 million. The Company received the additional paid-up capital on 15 February 2018. Gulf NRV2 Company Limited registered the increase in share capital with the Ministry of Commerce on 16 February 2018.

Increase in the authorised share capital of a joint venture

- (a) On 25 January 2018, at the Extraordinary Shareholders' Meeting of Gulf WHA MT Natural Gas Distribution Company Limited, the Shareholders passed a resolution to approve an increase in the authorised share capital from Baht 49 million to Baht 71.40 million by issuing 2.24 million new ordinary shares at a par value of Baht 10 each. The ordinary shares were fully paid amounting to Baht 22.40 million on 26 January 2018. Gulf WHA MT Natural Gas Distribution Company Limited registered the increase in share capital with the Ministry of Commerce on 26 January 2018.
- (b) On 29 January 2018, at the Extraordinary Shareholders' Meeting of Gulf WHA MT Natural Gas Distribution Company Limited, the Shareholders passed a resolution to approve an increase in the authorised share capital from Baht 71.40 million to Baht 126.40 million by issuing 5.50 million new ordinary shares at a par value of Baht 10 each. The ordinary shares were partially paid-up at Baht 3.50 per share, amounting to Baht 19.25 million on 30 January 2018. Gulf WHA MT Natural Gas Distribution Company Limited registered the increase in share capital with the Ministry of Commerce on 30 January 2018.



Definitions

Company	Gulf Energy Development Public Company Limited
Group	The Company, its subsidiaries, its associates and its joint ventures
BTU	British Thermal Unit, a unit of energy which is approximately the energy required to heat one pound of water for one Fahrenheit
EDL-Gen	EDL-Generation Public Company
EGAT	The Electricity Generating Authority of Thailand
EPPO	Energy Policy & Planning Office
PEA	The Provincial Electricity Authority
GBL	Gulf BL Co., Ltd., a power project operator under GMP
GBP	Gulf BP Co., Ltd., a power project operator under GMP
GCRN	Gulf JP CRN Co., Ltd, a power project operator under GJP
GEC	Gulf Electric Public Company Limited
GCG	Gulf Chana Green Company Limited
GHC	Gulf Holding Company Limited, whose name has been currently changed to Land and House Property Development Co., Ltd.
GJP	Gulf JP Company Limited, an associate in which the Company has a 40.0% equity interest
GKP1	Gulf JP KP1 Co., Ltd., a power project operator under GJP
GKP2	Gulf JP KP2 Co., Ltd., a power project operator under GJP
GMP	Gulf MP Company Limited, a subsidiary in which the Company has a 70.0% equity interest
GNC	Gulf NC Co., Ltd., a power project operator under GMP
GNK2	Gulf JP NK2 Co., Ltd., a power project operator under GJP
GNULL	Gulf JP NULL Co., Ltd., a power project operator under GJP
GNULL2	Gulf NULL2 Co., Ltd., a power project operator under GMP
GNNK	Gulf JP NNK Co., Ltd., a power project operator under GJP
GNPM	Gulf NPM Co., Ltd., a power project operator under GMP
GNRV1	Gulf NRV1 Co., Ltd., a power project operator under GMP
GNRV2	Gulf NRV2 Co., Ltd., a power project operator under GMP
GNS	Gulf JP NS Co., Ltd., a power project operator under GJP
GPD	Gulf PD Co., Ltd., a power project operator under IPD
GSRC	Gulf SRC Co., Ltd., a power project operator under IPD
GTLC	Gulf JP TLC Co., Ltd., a power project operator under GJP
GTS1	Gulf TS1 Co., Ltd., a power project operator under GMP
GTS2	Gulf TS2 Co., Ltd., a power project operator under GMP
GTS3	Gulf TS3 Co., Ltd., a power project operator under GMP
GTS4	Gulf TS4 Co., Ltd., a power project operator under GMP
Gulf HK	Gulf International Investment (Hong Kong) Limited
Gulf International Holding	Gulf International Holding Pte., Ltd.
Gulf Pattani Green	Gulf Pattani Green Co., Ltd.
Gulf Solar	Gulf Solar Co., Ltd., a subsidiary in which the Company has a 75.0% equity interest



Gulf Solar BV	Gulf Solar BV Co., Ltd., a power project operator under Gulf Solar
Gulf Solar KKS	Gulf Solar KKS Co., Ltd., a power project operator under Gulf Solar
Gulf Solar TS1	Gulf Solar TS1 Co., Ltd., a power project operator under Gulf Solar
Gulf Solar TS2	Gulf Solar TS2 Co., Ltd., a power project operator under Gulf Solar
Gulf Sport	Gulf Sport Management Public Company Limited, the Company's former subsidiary
Gulf WHA MT	Gulf WHA MT Natural Gas Distribution Co., Ltd., a joint venture in which the Company has a 35.0% equity interest
GUT	Gulf JP UT Co., Ltd., a power project operator under GJP
GVTP	Gulf VTP Co., Ltd., a power project operator under GMP
GWh	Gigawatt-hour
IPD	Independent Power Development Company Limited, a subsidiary in which the Company has a 70.0% equity interest
IPP	Independent Power Producer in which capacity sold to EGAT is more than 90 megawatts
JPHT	J-Power Holdings (Thailand) Company Limited, a wholly owned Thai subsidiary of J-Power
J-Power	Electric Power Development Co., Ltd., together with its consolidated subsidiaries, including GJP. J-Power is one of the world's largest coal-fired power plant developers and operators.
Kolpos	Kolpos Pte. Ltd.
kWh	Kilowatt-hour
LIBOR	The London Interbank Offered Rate
MIT-Power	Mit-Power Capitals (Thailand) Limited
Mitsui & Co.	Mitsui & Co., Ltd. and its companies, including MIT-Power
MLR	Minimum Loan Rate
MW	Megawatt
PEA	The Provincial Electricity Authority
Pomodoro	Pomodoro Group Co., Ltd., the Company's former subsidiary
PTT	PTT Public Company Limited
RT	Refrigeration ton, unit of water production measurement
SBY Biomass	SBY Biomass Co., Ltd.
SPCG	SPCG Public Company Limited
SPP	Small Power Producer in which capacity sold to EGAT is more than 10 megawatts, but not more than 90 megawatts
TFRIC 4	Revenue recognition standard applied for the IPPs under GJP to record revenue from availability payment as income from financial lease
THBFX	Thai Baht Interest Rate Fixing
Thepha Clean Energy	Thepha Clean Energy Co., Ltd.
TPH	Ton per hour, unit of steam production measurement
VSPP	Very Small Power Producer in which capacity sold to PEA or MEA is not more than 10 megawatts
WHA Group	WHA Corporation Public Company Limited, together with its consolidated subsidiaries, including Hemaraj, WHA Energy and WHAUP
WHA NGD2	WHA Eastern Seaboard NGD2 Co., Ltd.
WHA NGD4	WHA Eastern Seaboard NGD4 Co., Ltd.



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