POWER FOR ALL,

LIGHT UP THE FUTURE

ANNUAL REPORT
2018

RATCH

RATCHABURI
ELECTRICITY GENERATING
HOLDING PCL.

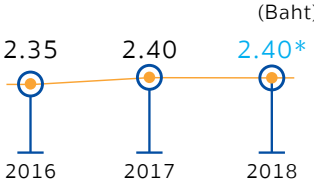
TO ENSURE
VALUE CREATION

Earnings per Share

2018

3.85
Baht

Dividend per Share



*Proposed for consideration at the 2019 Shareholders' Annual General Meeting

Dividend Payout Ratio

62.28%

RATCH

RATCHABURI ELECTRICITY GENERATING HOLDING PCL.

TO ACHIEVE

WORLD-CLASS EXCELLENCE

Assessment of Corporate Governance Report of Thai Listed Companies in 2018 at Excellence Level

★★★★★

Average Score of 94% **Higher than** the average score of all listed companies of 81%

Thailand Sustainability Investment 2018 for 4 Consecutive Years

SET SUSTAINABILITY AWARDS 2018

TO BE
SOCIALLY AND ENVIRONMENTALLY RESPONSIBLE

Love Forests and Community Project 2018

Participated by 1,171 Communities

Increased from the previous year by 11.74%

Employee Volunteer Activities

Participated by 157 Executives and Employees

Equivalent to 739 person-day

RATCH

RATCHABURI ELECTRICITY GENERATING HOLDING PCL.

TO RAISE

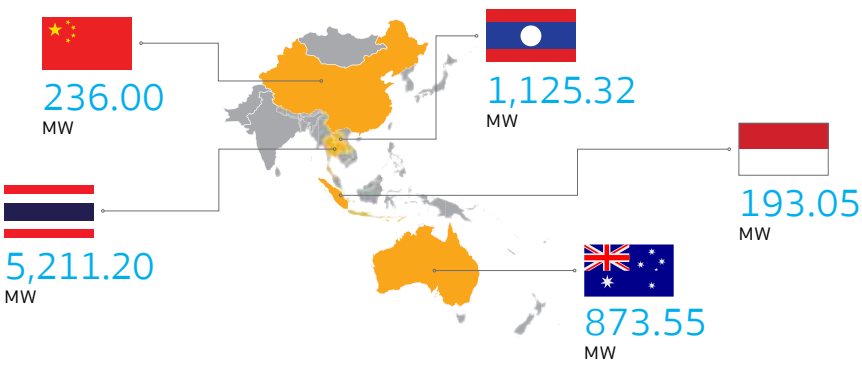
AWARENESS

Training Courses for
Both Executive and Employes

Covering
96.68% of
All Personnel

The Company's Installed Capacity

7,639.12
MW



RATCH

RATCHABURI ELECTRICITY GENERATING HOLDING PCL.

TO SEEK
NEW OPPORTUNITIES AND ALTERNATIVES

Long-Term Goal to Increase Production Capacity to

10,000 MW within 2023

Investment in Sandin Water Supply Project

with a 40% stake

Vision :

To become a leading value-oriented energy and infrastructure company in Asia-Pacific

Mission :

M1 To ensure shareholders' value creation by continuously generating superior financial returns

M2 To achieve world-class operational excellence and enhance competitiveness

M3 To be socially and environmentally responsible, conducting business in a fair and sustainable manner and complying with all related laws and regulations

M4 To raise employees' awareness and motivation of self-development in preparation for future business competition

M5 To support long-term domestic energy security and infrastructure

M6 To seek new opportunities and alternatives in related and other businesses to generate growth and expand business base for shareholders

Goals :

To increase production capacity to **10,000** MW or equivalent and enterprise value to Baht 200,000 million within 2023

To maintain domestic revenue at no less than **50**% of total revenue

To increase capacity from renewable energy by no less than **20**% of the Company's domestic and international capacity

To be an organization that operates under **the High Performance Organization principle**

Business Strategies :

S1 Optimize current asset efficiency

S2 Further development of new power and infrastructure projects in established markets

S3 Seek partners for business expansion of the power and infrastructure business in emerging markets

S4 Increase value through business expansion in related and other businesses

S5 Strengthen organizational capability

Core Values :

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Message from the Chairman

2018 marked the 18th

successful year of the Company's energy business. We made steps forward so that we can become a leading value-oriented energy and infrastructure company in Asia-Pacific.

(Mr. Sutat Patmasiriwat)
Chairman of the Board of Directors

Dear all shareholders and stakeholders,

2018 marked the 18th successful year of the Company's energy business. We made steps forward with our determination to further enhance internal and external competitiveness, so that we can become a leading value-oriented energy and infrastructure company in Asia-Pacific. Our strategy focuses on adding value by managing existing assets at their full potential, developing and seeking partners to expand investment in energy, infrastructure and related businesses. Our goal is to grow business and generate equitable returns to shareholders and stakeholders. We remain committed to operate with social and environmental responsibility and full compliance with relevant laws and regulations, in line with the national strategy to drive the country towards "stability, prosperity and sustainability". We must speed up adjustments to grow our business amid disruptive technology. Our strategies, business direction and competitiveness enhancement were reviewed, along with the exploration of opportunities and new alternatives in energy and infrastructure businesses. We enhanced our competitiveness to achieve the High Performance Organization status and studied possibilities in investing in New S-Curve innovation-oriented industries which present an opportunity to grow our business and expand our business base. We have adhered to good corporate governance principles as well as social and environmental responsibility as we are convinced that they are the foundation of sustainable development.

In 2018, the Company witnessed success in energy-related investment projects. We acquired the remaining 20 percent stake in RATCH-Australia Corporation Pty Ltd from its shareholder, Broadspectrum Pty Limited, in May 2018, to boost our stake to 100 percent. Our portfolio of commercially operating power plants and related businesses were expanded with Asahan-1 Hydroelectric Power Plant in the Republic of Indonesia, Mount Emerald Wind Farm, the system restart service of Kemerton Power Station in Australia, and the participation in Sandin Water Supply Project in Lao PDR. In 2018, the combined capacity of the Company's commercially operating power plants totaled 6,863.25 MW equivalents. They are: 1) Domestic power plants namely Ratchaburi Power Plant, Tri-Energy Power Plant, Ratchaburi Power's Power Plant, Ratchaburi World SPP Power Plant, Nava Nakorn SPP Power Plant, Solarta Solar Power Plant, Solar Power Korat 3, 4 and 7 Power Plants, Huay Bong 2 and 3 Wind-Turbine Power Plants and Songkhla Biomass Power Plant 2) International power plants namely Hongsa Thermal Power Plant and Nam Ngum 2 Hydroelectric Power Plant in Lao PDR as well as thermal power plants and wind farms in the Commonwealth of Australia. The Company also operated related businesses including the operation and maintenance services for power plants through Chubu Ratchaburi Electric Services Company Limited and RATCH-Lao Services Company Limited.

The Company's power plants and related businesses under development and construction have combined installed capacity of 775.87 MW equivalents. These projects will gradually commence operations and generate revenue; 3 in 2019 which are Berkprai Cogeneration SPP Power Plant, Collinsville Solar Farm in the Commonwealth of Australia and Xe-Pian Xe-Namnoy Hydroelectric Power Plant in Lao PDR; 1 in 2020 which is Nava Nakorn SPP Power Plant (extension part); and 4 in 2021 which are Fangchenggang II Nuclear Power Plant in People's Republic of China, Riau Combined-Cycle Power Plant in Republic of Indonesia, MRT Pink Line Project (Khae Rai-Min Buri) and MRT Yellow Line Project (Lat Phrao-Samrong).

In 2018,
the combined capacity of the Company's commercially operating power plants totaled **6,863.25** MW equivalents.

★★★★★
The Company's power plants and related businesses under development and construction have combined installed capacity of **775.87** MW equivalents

Nevertheless, regarding Xe-Pian Xe-Namnoy Hydroelectric Power Plant in Lao PDR, we deeply regret for the incident in mid-2018 when the Saddle Dam D built to support water diversion around the Xe-Namnoy reservoir collapsed and water mass leaked from the downstream side of the dam to Xe-Pian River for around 5 kilometers, impacting the local communities and the areas surrounding downstream of Xe-Pian River that connects to Xe-Kong River. Initially, the Company and related agencies dispatched urgent assistance to ease the inconveniences of the victims and their families. Our high level executives and volunteering staff visited the site to show their moral support and extend further help which included a canteen for the victims and officers and coordinated with Lao PDR's authorities on urgent assistance. The cause of the incident is being investigated by a committee established by the Lao government. The project is closely cooperating with Lao PDR's responsible authorities to work out the technical, social and environmental restoration plan.

The Company continued posting satisfactory earnings in 2018. The consolidated revenue totaled Baht 45,083.54 million while the net profit was tuned at Baht 5,587.60 million, which is a decrease of Baht 450.95 million from the previous year, or equivalent to 7.50 percent, due to the effect of exchange rate. However, our strong financial position is still reflected by the credit ratings by TRIS Rating, S&P Global Ratings and Moody's Investors Service which are maintained at "AAA", "BBB+", and "Baa1", respectively. They are the same as the sovereign credit rating.

Regarding good corporate governance, the Company maintains its commitment in good corporate governance principles. We put emphasis on adding value in a sustainable way and operating with social and environmental responsibility, moral, ethics, integrity, transparency, zero corruption and equitable treatment of all stakeholders. Our commitment reflected in the annual assessment of listed companies' good corporate governance in 2018, conducted by the Stock Exchange of Thailand in cooperation with the Office of Securities and Exchange Commission and Thai Institute of Directors Association. We achieved the score of 94 percent, higher than listed companies' average score of 81 percent. We also received SustainabilityReport Award 2018 – Excellent, bestowed for 6 consecutive years by Thai Listed Companies Association's CSR Club with support from the Office of the Securities and Exchange Commission and Thaipat Institute; Thailand Sustainability Investment 2018 by the Stock Exchange of Thailand for 4 consecutive years; Outstanding Booth Award for its presentation and services to the visitors of SET in the City Bangkok 2018; and Green Office Award 2018 – "Excellent" (Gold Level) from the Department of Environmental Quality Promotion, Ministry of Natural Resources and Environment.

On social and environmental responsibility, the Company adhered to fairness and responsibility for all dimensions of society and the environment. Corresponding to changes, we exercised our commitment through projects and activities including Love Forests and Community Project, the project that studies carbon storage and biodiversity in community forests; a community energy project; @CareLine Happy Community Network Project; Happy Elderly, Healthy Thailand Project; Pumaree – Women's Power Protecting the Environment Project; employees volunteer activities; and Education for Career Empowerment Project in Lao PDR. These projects reflected our participation in solving or mitigating environmental and social problems in multi dimensions. They are geared towards energy conservation, efficient resources utilization, natural carbon storage through supports to community forests, reduction of global warming, improvement of the elderly's quality of life, enhancement of the youth's learning capacity and volunteering awareness among employees who should continuously perform public services as the country's good citizens.

On behalf of the Board of Directors, the executives and the employees, I wish to express my appreciation to the shareholders and all stakeholders for your continuous support to the Company's operations. We strongly believe that the operations under our pre-set strategies will enable the Company to grow and achieve our vision of being a leader in value-oriented energy and infrastructure company in Asia-Pacific in the near future.

Top 10 Major Shareholders

as of 6 September 2018 (Record Date)

No.	Shareholder	No. of Shares	%
1	Electricity Generating Authority of Thailand	652,500,000	45.00
2	Thai NVDR Company Limited	254,174,614	17.53
3	EGAT Saving and Credit Cooperative Limited	55,381,000	3.82
4	Social Security Office	48,475,300	3.34
5	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	33,091,355	2.28
6	AIA COMPANY LIMITED - EQ3-P	27,325,400	1.89
7	STATE STREET EUROPE LIMITED	26,876,065	1.85
8	Mr. Min Tieanworn	21,600,000	1.49
9	EGAT Saving and Credit Cooperative Limited Private Fund by Krungthai Asset Management PCL 2	12,580,400	0.87
10	Thanachart Bank Public Company Limited	8,472,800	0.58
	Total	**1,140,476,934**	**78.65**
	Other Shareholders	309,523,066	21.35
	Grand Total	**1,450,000,000**	**100.00**

Notes

1. List of Shareholders was compiled by Thailand Securities Depository Company Limited, the Company's registrar.
2. Electricity Generating Authority of Thailand is a state enterprise operating in power business and related businesses, including investing with others in operating such businesses, and is a major shareholder of the Company with 6 representatives sitting in the Company's 13-member Board of Directors.
3. Thai NVDR Company Limited is a company that is 99.99 percent owned by the SET, operating business by automatically issuing Non-Voting Depository Receipts (NVDRs), which are securities listed in the SET, to investors then using the income from the sale of NVDR to invest in the underlying Thai stock, which was a security listed in the SET. NVDR holders receive the same financial benefits as they would receive if they directly invested in listed shares, but they do not have voting rights in shareholders' meetings. (For more information, please visit the SET's website: www.set.or.th.)

As of 6 September 2018, the details of major investors who held NVDR which used the Company's shares as underlying stock are as follows:

No.	Major Investors	NDVR Issues	% of Underlying Stock
1	NORTRUST NOMINEES LTD-CL AC	173,278,900	11.95
2	NORTRUST NOMINEES LIMITED-THE NORTHERN TRUST COMPANY RE IEDU UCITS CLIENTS 10 PCT ACCOUNT	20,739,000	1.43
3	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	11,904,400	0.82
4	STATE STREET EUROPE LIMITED	8,089,150	0.56
5	RBC INVESTOR SERVICES BANK S.A	7,917,800	0.55

4. As of 6 September 2018, there were 89 foreign shareholders out of the total of 20,351 shareholders. The foreign shareholders held 108,316,194 shares or equivalent to 7.47 percent of the total shares, not exceeding the limit in the Company's Articles of Association which states, "Non-Thai shareholders shall not exceed 25 percent of the total shares sold."
5. As of 28 February 2018, the Company has 19,118 shareholders that fit the Free Float criteria or equivalent to 42.92 percent of the total shares.

General Information of the Company

Company Name	:	Ratchaburi Electricity Generating Holding Public Company Limited
Registration No.	:	0107543000031
Industry	:	Resources
Sector	:	Energy and utilities
Nature of Business	:	Invest, develop and operate in electricity generating business and related businesses
Establishment	:	7 March 2000
Listing Date	:	13 October 2000
Stock Symbol	:	RATCH
1st Trading Day	:	2 November 2000
Registered Capital	:	Baht 14,500 million (1,450 million ordinary shares)
Par Value	:	Baht 10
Paid-up Capital	:	Baht 14,500 million (as of 26 October 2000)

Contact Information

Office Location	:	8/8 Moo 2 Ngamwongwan Road, Bang Khen, Muang Nonthaburi, Nonthaburi 11000 Thailand Tel. +66 2794 9999 Fax: +66 2794 9998 Website: www.ratch.co.th Email: contactinfo@ratch.co.th
Company Secretary	:	Tel. +66 2794 9510 Fax: +66 2794 9888 Ext. 9510 Email: CS@ratch.co.th
Corporate Relations Division	:	Tel. +66 2794 9940 Fax: +66 2794 9888 Ext. 9940 Email: PR@ratch.co.th
Internal Audit Division	:	Tel. +66 2794 9520 Fax: +66 2794 9888 Ext. 9520 Email: internalaudit@ratch.co.th
Investor Relations Department	:	Tel. +66 2794 9841-2 Fax: +66 2794 9888 Ext. 9841 Email: IR@ratch.co.th
Annual Report Information	:	Tel. +66 2794 9510 Fax: +66 2794 9888 Ext. 9510 Email: CS@ratch.co.th
Sustainability Report Information	:	Tel. +66 2794 9940 Fax: +66 2794 9888 Ext. 9940 Email: sustainability@ratch.co.th

Reference Persons

Registrar	**Thailand Securities Depository Company Limited** Stock Exchange of Thailand Building, 1st Floor 93 Ratchadaphisek Road, Dindaeng, Dindeang, Bangkok 10400 Tel. +66 2009 9999
Auditor	**KPMG Poomchai Audit Limited** Empire Tower, 50th-51st Floor 1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 Tel. +66 2677 2000 Fax: +66 2677 2222
Legal Advisors	**Baker & McKensie Limited** 990 Abdul Rahim Place, 5th Floor and 21st-25th Floor Rama IV Road, Silom, Bang Rak, Bangkok 10500 Tel. +66 2636 2000 Fax: +66 2636 2111 **Linklaters (Thailand) Limited** 87/1 Capital Tower, All Seasons Place, 20th Floor Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Tel. +66 2305 8000 Fax: +66 2305 8010

Definition

Abbrivated Name	Full Name
The Company	Ratchaburi Electricity Generating Holding Public Company Limited
The Company's Group	Ratchaburi Electricity Generating Holding Public Company Limited, subsidiaries, associates and joint ventures

The Company's Group Power Plants	
IPPs and SPPs in Thailand	
Tri Energy Power Plant	Tri Energy Power Plant, Ratchaburi Electricity Generating Company Limited
Nava Nakorn SPP Power Plant	Nava Nakorn Electricity Generating Company Limited's SPP power plant
Nava Nakorn SPP Power Plant (Extension)	The extension of Nava Nakorn Electricity Generating Company Limited's SPP power plant
Berkprai Cogeneration Power Plant	Berkprai Cogeneration Company Limited's SPP power plant
Ratchaburi World SPP Power Plant	Ratchaburi World Cogeneration Company Limited's SPP power plant
Ratchaburi Power Plant	Ratchaburi Power Plant, Ratchaburi Electricity Generating Company Limited
Ratchaburi Power's Power Plant	Ratchaburi Power's Power Plant, Ratchaburi Power Company Limited
Renewable Projects in Thailand	
Songkhla Biomass Power Plant	Songkhla Biomass Power Plant, Songkhla Biomass Company Limited
Huay Bong 2 Wind-Turbine Power Plant	Huay Bong 2 Wind-Turbine Power Plant, K. R. Two Company Limited
Huay Bong 3 Wind-Turbine Power Plant	Huay Bong 3 Wind-Turbine Power Plant, First Korat Wind Company Limited
Solar Power Korat 3 Power Plant	Solar Power Korat 3 Power Plant, Solar Power (Korat 3) Company Limited
Solar Power Korat 4 Power Plant	Solar Power Korat 4 Power Plant, Solar Power (Korat 4) Company Limited
Solar Power Korat 7 Power Plant	Solar Power Korat 7 Power Plant, Solar Power (Korat 7) Company Limited
Solarta Solar Power Plant	Solarta Solar Power Plant, Solarta Company Limited
International Projects	
Fangchenggang II Nuclear Power Plant	Fangchenggang II Nuclear Power Plant, Guangxi Fangchenggang Nuclear Power (II) Company Limited
Riau Combined-Cycle Power Plant	Riau Combined-Cycle Power Plant, PT Medco Ratch Power Riau
Hongsa Thermal Power Plant	Hongsa Thermal Power Plant, Hongsa Power Company Limited
Xe-Kong 4A&4B Hydroelectric Power Plants	Xe Kong 4A&4B Hydroelectric Power Plants in Lao People's Democratic Republic
Xe-Pian Xe-Namnoy Hydroelectric Power Plant	Xe-Pian Xe-Namnoy Hydroelectric Power Plant, Xe-Pian Xe-Namnoy Power Company Limited
Nam Ngum 2 Hydroelectric Power Plant	Nam Ngum 2 Hydroelectric Power Plant, Nam Ngum 2 Power Company Limited
Asahan-1 Hydroelectric Power Plant	Asahan-1 Hydroelectric Power Plant, PT Bajradaya Sentranusa (BDSN)
RATCH-Australia Power Plant	RATCH-Australia Corporation Pty Ltd’s power plants

Related Business

MRT Pink Line Project	MRT Pink Line Project (Khae Rai-Min Buri), Northern Bangkok Monorail Company Limited
MRT Yellow Line Project	MRT Yellow Line Project (Lat Phrao-Samrong), Eastern Bangkok Monorail Company Limited
Sandin Water Supply Project	Sandin Water Supply Project, Asia Water Sole Company Limited

Other Organizations

SEC	Office of the Securities and Exchange Commission
MEA	Metropolitan Electricity Authority
EGAT	Electricity Generating Authority of Thailand
PEA	Provincial Electricity Authority
SET	Stock Exchange of Thailand
MRTA	Mass Rapid Transit Authority of Thailand
BTS	BTS Group Holdings Public Company Limited
IOD	Thai Institute of Directors Association
STEC	Sino-Thai Engineering and Construction Public Company Limited
TSD	Thailand Securities Depository Company Limited

Technical Terms

Listed Company	A company whose ordinary shares are listed in the Stock Exchange of Thailand
EV	Enterprise value
HPO	High Performance Organization
IPP	Independent Power Producer
PDP	Power Development Plan
SPP	Small Power Producer
VSPP	Very Small Power Producer

Board of Directors

01.
Mr. Sutat Patmasiriwat

- Chairman
  (EGAT's Representative Director)
- Chairman of the Investment Committee

02.
Mr. Chuan Sirinunporn

- Director
  (EGAT's Representative Director)
- Chairman of the Human Resources and Remuneration Committee
- Chairman of the Corporate Governance and Social Responsibility Committee

03.
Mr. Samack Chouvaparnante

- Independent Director
- Chairman of the Risk Management Committee

04.
Mr. Boonyanit Wongrukmit

- Director
  (EGAT's Representative Director)
- Member of the Investment Committee
- Member of the Risk Management Committee

05.
Mr. Chartchai Rojanaratanangkule

- Independent Director
- Chairman of the Audit Committee
- Member of the Corporate Governance and Social Responsibility Committee

06.
Mrs. Siriporn Luangnual

- Independent Director
- Member of the Audit Committee

07.
Mr. Suchalee Sumamal

- Director
  (EGAT's Representative Director)
- Member of the Human Resources and Remuneration Committee

08.
Mr. Seubphong Buranasirin

- Director
  (EGAT's Representative Director)
- Member of the Investment Committee
- Member of the Human Resources and Remuneration Committee

09.
Mr. Ratanachai Namwong

- Independent Director
- Member of the Investment Committee

10. Mr. Veerasak Pungrassamee

- Independent Director
- Member of the Risk Management Committee

11. Mr. Somboon Nhookeaw

- Independent Director
- Member of the Audit Committee

12. Mrs. Premrutai Vinaiphat

- Independent Director
- Member of the Corporate Governance and Social Responsibility Committee

13. Mr. Kijja Sripatthangkura

- Director (EGAT's Representative Director and Executive Director)
- Chief Executive Officer
- Secretary to the Board of Directors

Executive Team and Company Secretary

01 **Mr. Kijja Sripatthangkura**
Chief Executive Officer

02 **Mr. Peerawat Pumthong**
Chief Business Development Officer

03 **Mr. Raluke Satayaporn**
Chief Project Development Officer

04 **Mr. Somnuk Jindasup**
Chief Asset Management Officer

05 **Mrs. Sunee Rajatamutha**
Chief Financial Officer

06 **Mr. Prayut Thongsuwan**
Executive Vice President - Corporate Administration

07 **Mrs. Wadeerat Charoencoop**
Executive Vice President - Financial

08 **Mr. Sakchai Sripetch**
Senior Vice President - Head of Financial Planning and Management Division

09 **Mrs. Supatra Thongkarn**
Senior Vice President - Head of General Accounting Division

10 **Miss Chatuporn Laohapiboonratana**
Vice President - Head of Tax Management and General Ledger Division

11 **Miss Suwannee Sirisajjawat**
Vice President - Head of Accounting Control and Analysis Division

12 **Mr. Somboon Kositvanich**
Senior Vice President - Head of Internal Audit Division

13 **Mr. Sommai Poosanachakorn**
Company Secretary

Board of Directors' Report on Its Responsibility to the Financial Reports

The Board of Directors is required by the Public Company Act B.E. 2535, the Accounting Act B.E. 2543, the Securities and Exchange Act B.E. 2535 and the Securities and Exchange Commission's Announcement on the Rules, Conditions and Procedure of Financial Information and Performance Disclosure to prepare financial statements, so as to disclose the factual, reasonable and transparent financial position, performance and cash flow in the previous year for the benefits of shareholders and general investors.

The consolidated and separate financial statements for the year ending on 31 December 2018 were audited by the Company's auditor, KPMG Phoomchai Audit Limited. The Board of Directors provided information and documents to enable the auditor to examine and express his opinion in conformity with generally accepted auditing standards. The auditor's opinions appear in Independent Auditor's Report which is included in this Annual Report.

In this regard, the Board of Directors appointed the Audit Committee to review the accounting policy and the quality of the financial report, the internal control system, and internal audit. The Audit Committee's opinions appeared in the Audit Committee's Report which is included in this Annual Report.

The Board of Directors has provided for and maintained the appropriate and effective internal control system to reasonably ensure that the financial reports did not include material misstatements, whether due to fraud or error.

Based on the evaluation of internal control system sufficiency in five components namely organizational structure and environment, risk management, control activities, information and communication, and operation monitoring activities; the Board of Directors is of the opinion that the Company's overall internal control system was satisfactory and could reasonably ensure that the consolidated and the separate financial statements for the year ended 31 December 2018 were reliable and prepared in line with financial reporting standards and in compliance with laws and relevant regulations.

(Mr. Sutat Patmasiriwat)
Chairman of the Board of Directors

(Mr. Kijja Sripatthangkura)
Chief Executive Officer

Audit Committee's Report

The Audit Committee of Ratchaburi Electricity Generating Holding Public Company Limited (the "Company") comprises 3 independent directors namely (1) Mr. Chartchai Rojanaratanangkule as chairman of the committee, (2) Mrs. Siriporn Luangnual and (3) Mr. Somboon Nhookaew as the committee's members. The three directors serve as the Audit Committee's members while Mr. Somboon Kositvanich, Senior Vice President - Head of Internal Audit Division, serves as the committee's secretary.

During 2018, changes were made to the Audit Committee by the Board of Directors' resolution No. 5/2018 on 20 April 2018 which appointed Mr. Somboon Nhookaew as a new member, replacing Miss Prapa Puranachote who retired by rotation.

All members of the Audit Committee maintained their independence and had complete qualifications as stated in the Company's regulation on the Board of Directors B.E. 2560 and the Company's regulation on the Audit Committee B.E. 2551. Both of which are compliant with the regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand.

In 2018, the Audit Committee held 7 meetings, all attended by the three members. The Committee held 1 meeting with the auditors without the presence of the Management to assure the auditor's independence in obtaining information and scrutinizing the information significant for the preparation of financial statements. The Committee also held 1 meeting with the Risk Management Committee to exchange opinions on risk management. (Details of the Audit Committee's individual members' meeting attendance appeared in the Meeting Attendance Table in the Management Structure Section.) The Managements of the Company and its subsidiaries and the auditors participated in the Audit Committee's meetings to present information, listen to opinions and suggestions that are useful to the Company's operations. The results of each meeting were presented to the Company's Board of Directors on a regular basis.

In the past year, significant activities of the Audit Committee can be summarized as follows:

- Reviewing the accuracy, completeness and credibility of the quarterly and annual financial statements of the Company and its subsidiaries, to ensure compliance with financial reporting standards. The review covered significant issues and extraordinary items and received explanations from the auditors and the Management, to ensure the financial reporting met legal requirements and financial reporting standards before being presented to the board of directors.

- Reviewing the sufficiency of the internal control system to ensure the Company's effective and efficient operations, enabling the Company to achieve its goals. The review found the Company's directors, the Management and employees strictly followed the specified rules and actively applied the anti-corruption policy through participation with Thailand's Private Sector Collective Action Coalition Against Corruption (CAC).

- Ensuring that the Company fully conforms to securities and exchange law, rules and regulations of the Stock Exchange of Thailand, and laws related to the Company's business.

- Reviewing items that may involve conflict of interests and ensuring that they comply with laws and regulations specified by the Capital Market Supervisory Board and related organizations. Connected transactions or items that may involve conflict of interest must be reported to the Audit Committee for approval before they were forwarded to the Board of Directors for further consideration. The Management reported major transactions to the Audit Committee for its acknowledgment on a quarterly basis.

- Overseeing the accounting system and financial reports to ensure appropriate internal control system in the entire operation process covering risks related to corruption and fraud, and ensuring that the control system is completely and efficiently implemented.

- Reviewing risk management and together with the Management, reviewing risk management policy, compliance to the policy and risk management guidelines. A discussion with the Risk Management Committee was held to ensure effective and efficient risk management, considering significant changes in the regional and global economy as well as risks from overseas investment and power plant construction.

- Reviewing the internal audit activities to ensure the efficiency and effectiveness by approving annual audit plan, acknowledging the audit results and giving comments so that the internal control is effective in preventing or mitigating possible risks. Suggestions were made on the implementation, follow-up and improvement along with the review on the internal control division's budget, personnel and human resources development. The Committee also proposed an upgrade of the internal control to meet international standards through the Quality Assurance Review by external experts, to ensure the effective and efficient implementation.

The Audit Committee conclusively considered that the financial statements of the Company and subsidiaries met the generally accepted accounting standard; that the information disclosure was adequate, accurate, complete and credible; and that the internal control was sufficiently efficient and effective and has clear separation of authority and duty. No significant weakness or deficiency was found in the internal control system. There was no observation or any issue related to fraud and corruption. The operations of the Company and its subsidiaries fully comply with the securities and exchange law, the Stock Exchange of Thailand's regulations and related laws, consistent with the auditor's assessment.

Meanwhile, the Audit Committee consented the appointment of Mr. Vairoj Jindamaneepitak (CPA No. 3565) or Mr. Charoen Phosamritlert (CPA No. 4068) or Mr. Waiyawat Kosamarnchaiyakij (CPA No. 6333) of KPMG Poomchai Audit Limited as the auditor of the Company and its subsidiaries in 2019. The total audit fee is Baht 2.87 million while the Company's audit fee is Baht 1.25 million. The Audit Committee submitted the matter to the Board of Directors, to seek shareholders' approval at the shareholders' annual general meeting.

(Mr. Chartchai Rojanaratanangkule)
Chairman of the Audit Committee

Financial Overview

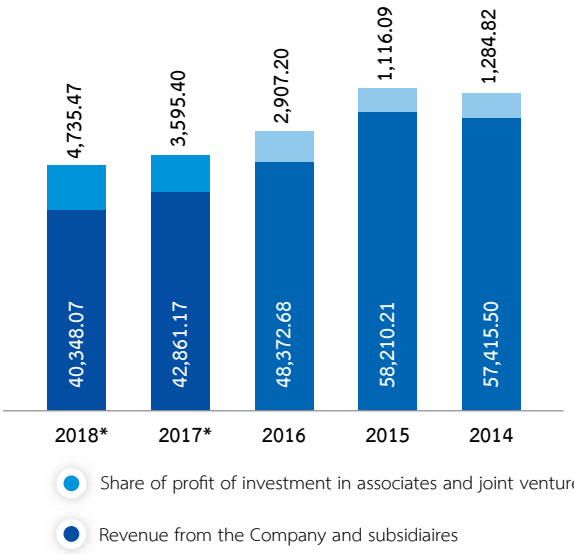
		2018*	2017*	2016	2015	2014
Profit and Loss Statement						
Total Revenue	Million Baht	45,083.54	46,456.57	51,279.88	59,326.30	58,700.32
Earning before interest, taxes, depreciation, amortization (EBITDA) **	Million Baht	9,599.80	9,236.32	9,323.54	8,644.78	10,175.05
The Company's profit for the year	Million Baht	5,587.60	6,038.55	6,165.72	3,187.87	6,279.03
Statement of Financial Position						
Assets	Million Baht	101,251.90	93,794.41	96,391.09	92,605.05	96,235.04
Liabilities	Million Baht	41,315.88	34,784.91	33,938.32	32,185.21	35,035.64
Equity	Million Baht	59,936.02	59,009.50	62,452.77	60,419.84	61,199.40
Information about ordinary shares						
Book value	Baht	41.34	41.16	42.98	41.51	41.92
Earnings per share	Baht	3.85	4.16	4.25	2.20	4.33
Dividend paid per share	Baht	2.40***	2.40	2.35	2.27	2.27
Dividend payout ratio	%	62.28	57.63	55.27	103.25	52.42
Year-end stock price	Baht	50.75	54.25	50.00	47.50	58.75
Financial ratios (excluding currency exchange effect)						
Current ratio	Times	2.22	2.44	2.42	2.23	1.96
Profit to total revenue (excluding fuel cost)	%	43.53	36.15	40.85	30.28	36.03
Return on equity ratio	%	10.79	9.43	9.81	7.48	9.96
Return on total assets ratio	%	6.60	5.75	6.26	4.61	6.09
EBITDA to total assets	%	9.84	9.73	9.87	9.16	10.70
Total debt to equity ratio	Times	0.69	0.59	0.54	0.53	0.57
Net debt to equity ratio	Times	0.32	0.20	0.19	0.16	0.13
Change in finance lease receivables	Million Baht	3,654.89	3,920.38	3,313.03	3,552.83	3,815.90

Notes * 2017-2018 information was prepared according to the accounting policy for derivative financial instruments and hedge accounting.

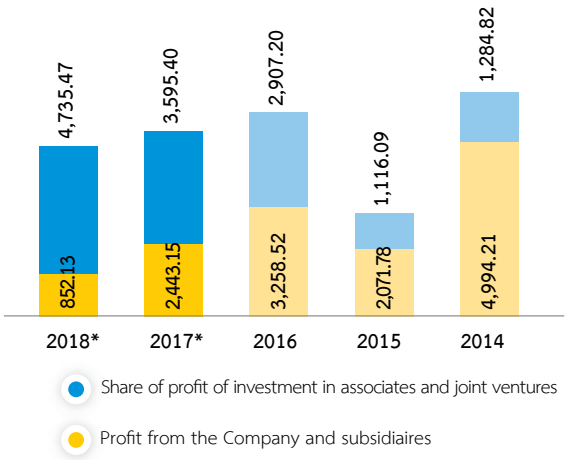
** Excluding foreign exchange effect and change in finance lease receivables.

*** Proposed for shareholders' consideration in the 2019 Shareholders' Annual General Meeting to be held on 12 April 2019.

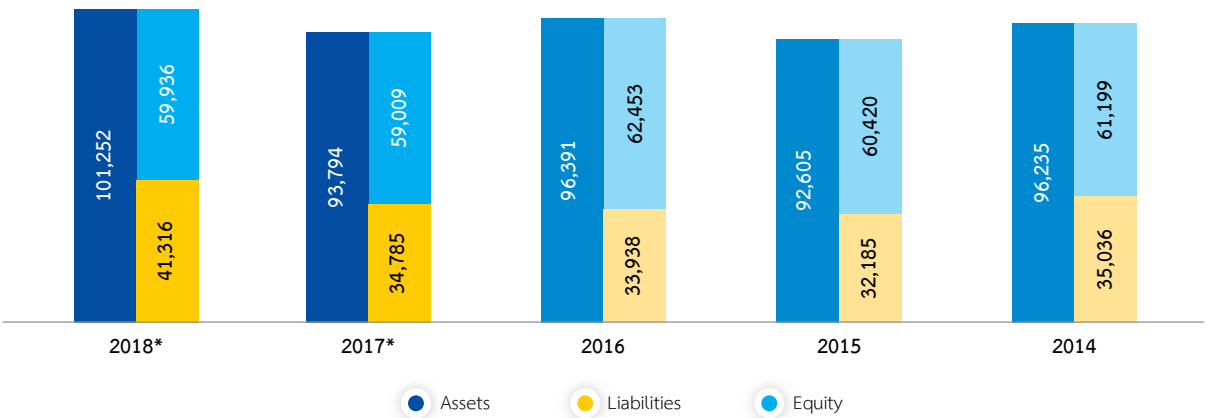
Total Revenue (Million Baht)



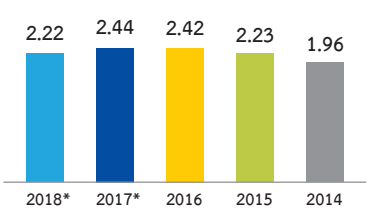
The Company's Profit (Million Baht)



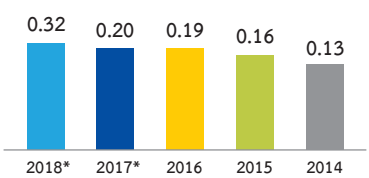
Statement of Financial Position (Million Baht)



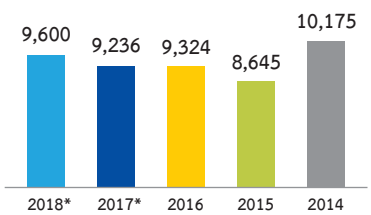
Current Ratio (Times)



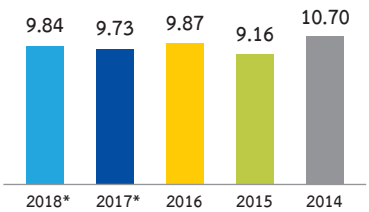
Net Debt to Equity Ratio (Times)



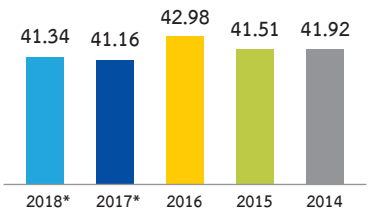
EBITDA (Million Baht)



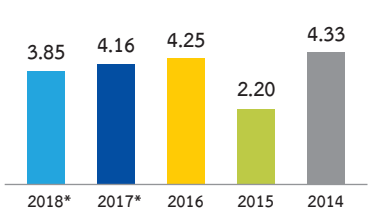
EBITDA to Total Assets (%)



Book Value per Share (Baht)



Earnings per Share (Baht)



Note * 2017-2018 information was prepared according to the accounting policy for derivative financial instruments and hedge accounting.

Operating Performance and Significant Changes

Operating Performance and Significant Changes in 2018

As of 31 December 2018, the Company's equity installed capacity stood at 7,639.12 megawatts, comprising:

1. Commercially operating power plants		2. Power plants under construction and development	
Power plants	Equity installed capacity (MW)	Construction projects	Equity installed capacity (MW)
IPPs and SPPs in Thailand sorted by power producer type			
1) IPPs			
1. Ratchaburi	3,645.00	-	-
2. Tri Energy	720.00		
3. Ratchaburi Power's	372.50		
2) SPPs			
1. Ratchaburi World SPP	93.60	1. Berkprai Cogeneration SPP	34.73
2. Nava Nakorn SPP	55.65	2. Nava Nakorn SPP (Extension)	23.99
Total	**4,886.75**	**Total**	**58.72**
Renewable Projects in Thailand sorted by renewable energy type			
1) Solar Power			
1. Solarta Solar Power	20.73	-	-
2. Solar Power Korat 3	2.88		
3. Solar Power Korat 4	2.88		
4. Solar Power Korat 7	2.88		
2) Wind Power			
1. Huay Bong 2 Wind-Turbine	20.70	-	-
2. Huay Bong 3 Wind-Turbine	20.70		
3) Biomass Power			
1. Songkhla Biomass	3.96	-	-
Total	**74.73**	**Total**	**-**
International Projects			
1) Lao PDR			
1. Hongsa Thermal	751.20	1. Xe-Pian Xe-Namnoy Hydroelectric	102.50
2. Nam Ngum 2 Hydroelectric	153.75		
2) Australia			
1. RATCH-Australia	831.05	1. RATCH-Australia	42.50
- Townsville Power Plant	234.00	- Collinsville Solar Farm	42.50
- Kemerton Power Plant	315.20		
- Mount Emerald Wind Farm	180.45		
- BP Kwinana Power Plant	35.40		
- Starfish Hill Wind Turbine Power Plant	33.00		
- Toora Wind - Turbine Power Plant	21.00		
- Windy Hill Wind - Turbine Power Plant	12.00		
3) People's Republic of China			
-		1. Fangchenggang II Nuclear	236.00
4) Republic of Indonesia			
1. Asahan-1 Hydroelectric	47.90	1. Riau Combined-Cycle	145.15
Total	**1,783.90**	**Total**	**526.15**
Related Businesses			
1. Securities investment in EDL-Generation Public Company	114.97	1. MRT Pink Line Project	97.00
2. Sandin Water Supply	2.90	2. MRT Yellow Line Project	94.00
Total	**117.87**	**Total**	**191.00**
Grand Total	**6,863.25**	**Grand Total**	**775.87**

Throughout 2018, the Company focused on optimizing the efficiency of its assets that cover IPPs and SPPs in Thailand, renewable projects in Thailand, international projects and related businesses. The Company's goal was to further enhance business strengths and generate satisfactory returns to shareholders, on top of the long-term goal to increase production capacity to 10,000 MW equivalents or enterprise values to Baht 200,000 million by 2023. The performance is summarized below.

1. Electricity Generating Business

- **Commercially operating power plants**

1. IPPs and SPPs in Thailand sorted by power producer type

1) Independent power producers (IPPs)

Ratchaburi Power Plant was successfully operated and maintained with 89.16 percent availability, 1.0360 times of CAH index, 1.0066 times of fuel ratio; and continually maintained occupational health, safety and environment standards in accordance with the standards (OHSAS 18001:2007 and ISO 14001:2004). In 2018, Ratchaburi Power Plant was bestowed the following awards: Zero Accident Campaign 2018 (Silver); Excellence in Safety, Health & Environment in the Workplace 2018 (National Level); Excellent Workplace in Labor Relations and Welfare 2018; and the honorary award for winning Excellent Workplace in Labor Relations and Welfare awards for 10 consecutive years (2009-2018) in the "small enterprise without labor union" category from the Department of Labor Protection and Welfare.

Tri Energy Power Plant was successfully operated and maintained with 94.02 percent availability, 1.0757 times of CAH index, 1.0230 times of fuel ratio; and continually maintained occupational health, safety and environment standards in accordance with the standards (OHSAS 18001:2007, ISO 14001:2004 and ISO 9001:2008). In 2018, Tri Energy Power Plant was awarded Excellence in Safety, Health & Environment in the Workplace (National Level) for 8 consecutive years from the Department of Labor Protection and Welfare.

Ratchaburi Power's Power Plant was successfully operated and maintained with 91.00 percent availability, 1.000 times of CAH index, 1.0250 times of fuel ratio. The plant met international standards in terms of efficiency and safety. In 2018, Ratchaburi Power's power plant took part in energy conservation by deploying a high-performance cooling fan at its combined-cycle plant unit 2's cooling tower. The project, which continued from 2017, saved energy by over 25 percent in comparison to the old cooling fan, or equivalent to 220,752 units per year. Another project involved the use of LED light bulbs in always-on lighting areas which saved energy by 245,280 units per year. On safety, the plant exercised the OHSAS/TIS 18001 standard and has been certified since January 2002, chiefly to ensure strict compliance to safety rules and regulations among officers and workers in the plant. This has prevented any accident resulting in stoppage of work for over 5.8 million hour-persons. The plant was bestowed the Ministry of Labor's Excellence in Safety, Health & Environment in the Workplace 2018 Award (National Level) for the 4th consecutive year (Gold) and certified by the Ministry of Labor for its zero accident campaign. It also participated in Ratchaburi Province's White Factory Campaign and was certified for the anti-drug campaign for 5 consecutive years by the provincial Labor Protection and Welfare Office. On health, a no-tobacco campaign was launched and showed a satisfactory result, leading to an award from Thailand Health Promotion Foundation's Association for the Development of Environmental Quality in 2018.

2) Small power producers (SPPs)

Ratchaburi World SPP Power Plant achieved satisfactory performance and strictly followed quality, safety and environmental standards. It has won several awards including Green Industry (2nd Level - Green Activity) from the Ministry of Industry and the Zero Accident Campaign (Primary Level) for 2nd year from Thailand Institute of Occupational Safety and Health (Public Organization). It was certified for ISO 9001:2015 standard.

Nava Nakorn SPP Power Plant signed a 25-year power purchase agreement with Electricity Generating Authority of Thailand for the supply of 90 MW of electricity and sold the remaining output and steam to industrial plants in Nava Nakorn Industrial Promotion Zone. In 2018, it achieved high-performance operations and maintenance, resulting in the availability of over 97.50 percent. The capacity was expanded as detailed in Power Plants under Construction and Development section.

2. Renewable Projects in Thailand sorted by type of renewable energy

1) Solar Power

Solar Power Korat 3, Solar Power Korat 4, Solar Power Korat 7 and Solarta Power Plants operated satisfactorily.

2) Wind Power

Huay Bong 2 and Huay Bong 3 Wind-Turbine Power Plants operated satisfactorily.

3) Biomass

Songkhla Biomass Power Plant's equivalent availability factor (EAF) stood at 91.67 percent. It was certified for ISO 9001:2015 on 30 March 2017; Carbon Credits (CDM Programme of Activities) on 18 May 2017; the Department of Alternative Energy Development and Efficiency's energy efficiency improvement campaign on 27 April 2018; and the Ministry of Industry's Environmental Governance campaign on 3 August 2018.

3. International Projects sorted by location

1) Lao PDR totaling 2 power plants namely

Hongsa Thermal Power Plant's net profit before exchange rate impact was approximately 24 percent above expectation as the commercial equivalent availability factor (CEAF) stayed at 86.71 percent, 3.46 percent higher than expected.

Nam Ngum 2 Hydroelectric Power Plant's 2018 net profit was approximately 70 percent higher than expectation due to heavy rainfall and the Baht 3,000 million debentures issued in March which ably cut its financing cost.

2) Commonwealth of Australia

The Company raised its stake in RATCH-Australia Corporation Pty Ltd to 100 percent, by purchasing the remaining 20 percent stake from Broadspectrum Pty Limited on 3 May 2018. The transaction increased the Company's equity capacity from commercially operating and under construction projects owned by RATCH-Australia Corporation Pty Ltd to 873.55 MW and helped the Company achieve its planned business goal. It increased the ability in growing asset value and adding value to the huge under-construction projects in the Commonwealth of Australia which encompass Mount Emerald Wind Farm and Collinsvilles Solar Farm. Furthermore, RATCH-Australia Corporation Pty Ltd reached a loan agreement worth AUD 312 million, to refinance a loan which expired on 31 May 2018. The new agreement carries the interest rate of BBSY+1.55%, against the previous BBSY+2.25%, resulting in a financial improvement to RATCH-Australia Corporation Pty Ltd and saving the financing cost by AUD 12.5 million throughout the loan tenure.

RATCH-Australia Corporation Pty Ltd installed the diesel generator under the system restart service of Kemerton Power Station and commenced the commercial operation on 23 October 2018. The installation project costing approximately AUD 10 million, entirely financed by RATCH-Australia's cash flow, increased asset value and generated additional revenue to the power station. The project generates additional income to Kemerton Power Station by about AUD 2 million per year for a 10-year period pursuant to system restart service agreement, and turning Kemerton Power Station to a necessary part in maintaining power security in the South West Interconnected System of Western Australia. Meanwhile, Townsville Power Plant's control system improvement in 2017 earned it a nomination and the gold medal as Power Plant Upgrade of the Year by Asian Power Awards 2018, announced in September 2018 in Jakarta, Republic of Indonesia.

Mount Emerald Wind Farm commenced commercial operation and recognized benefits as per the power purchase agreement on 12 December 2018.

RATCH-Australia Corporation Pty Ltd together with its supplier tested and evaluated the operating life of Toora Wind Farm and found the farm's commissioning life could be extended to 2032. Negotiation is underway to extend the transmission contract to cover the extended operating life.

3) Republic of Indonesia

On 6 December 2018, RH International (Singapore) Corporation Pte. Limited participated in the investment in Asahan-1 Hydroelectric Power Plant with the capacity of 180 MW. The power plant has been commercially operating since January 2011.

- **Power plants under construction and development**

1. IPPs and SPPs in Thailand sorted by SPPs

Nava Nakorn SPP Power Plant-Electricity and steam generation capacity expansion project with the approximate installed capacity of 60 MW of electricity and 10 tons of steam per hour under an investment of Baht 3,105 million was approved by EGAT. Its environmental impact assessment report was endorsed by the Office of Natural Resources and Environmental Policy and Planning. The construction started on September 2018 for completion in 24 months. The commercial operation is scheduled for 2020. Upon completion, Nava Nakorn SPP Power Plant will be capable of generating 185 MW of electricity and 40 tons of steam per hour.

Berkprai Cogeneration SPP Power Plant's construction, main machine installation and system tests are more than 90 percent completed. The long term service agreement and the operations and maintenance agreement were signed. It is scheduled for commercial operation around June 2019, when 90 MW of electricity will be sold to EGAT and 5 tons of steam per hour will be supplied to Ratchaburi Ethanol Company Limited.

2. International Projects sorted by location

1) Lao PDR

Xe-Pian Xe-Namnoy Hydroelectric Power Plant's construction was 91 percent completed as of 30 June 2018. However, the Saddle Dam D, built to support water diversion around Xe-Namnoy Reservoir, collapsed on 23 July 2018 and water mass leaked from the downstream side of the dam to Xe-Pian River for around 5 kilometers, impacting the local communities and the areas surrounding downstream of Xe-Pian River that connects to Xe-Kong River. Initially, Xe-Pian Xe-Namnoy Power Company Limited who is the Project's developer, and the construction contractor has fully cooperated with related agencies in Lao PDR to provide assistance to the people in the affected area. Meanwhile, the Company expressed condolences and extended initial assistance through the government of Lao PDR including cash, essential daily-use items, food, medicine, utilities-equipped temporary shelters and staff. Additional assistance was also sent via government and private organizations to ease the difficulties of the affected. The Company's high-level executives and staff organized a trip to the affected area, to show their moral supports and extend further help like the setup of a temporary kitchen and coordination with the government for urgent actions. As for the project's development continuity, Xe-Pian Xe-Namnoy Power Company Limited dispatched a team of experts and officers of related agencies to the area to inspect, analyze and find possible causes. The information was used in defining solutions along with the preparation of the Restoration Plan covering technical, social and environmental dimensions. The plan was submitted to Lao PDR's Ministry of Planning and Investment and Ministry of Energy and Mine their consideration and the plan is being scrutinized by related government agencies. Until then will the Roller Compacted Concrete Dam be constructed to replace Saddle Dam D. Other relevant actions will follow thereafter.

2) Commonwealth of Australia

Collinsville Solar Farm undertakes trial commissioning works and tests its linkage with the transmission network. The commissioning was approved by Queensland and the solar farm is registered as a renewable power producer with the Clean Energy Regulator (CER).

3) Republic of Indonesia

- **Riau Combined-Cycle Power Plant's** construction contract was signed with 2 major contractors

for the construction of a power plant and transmission line, and for the construction of gas pipeline. The operations and maintenance contract was signed while the environmental impact assessment report was approved. Funding for the project is being sought while land clearance and foundation works already started.

2. Related Businesses

The Company continues to operate related businesses through its subsidiaries, affiliates and joint ventures to enhance the Company's Group's capability and overall growth. The related businesses cover power plant operations and maintenance services, gas turbine maintenance services, coal mining, fuel supplies, and other business as follows:

1) Power plant operations and maintenance services

Chubu Ratchaburi Electric Services Company Limited is contracted to provide operation and maintenance services to Ratchaburi Power Company Limited. In 2018, the power plant operated according to the power purchase agreement and could maintain availability and efficient fuel consumption as planned.

EGAT Diamond Service Company Limited has improved its capacity in fixing Hot Gas Path Parts and has been certified for the service by Mitsubishi Hitachi Power Systems Limited. Its service quality is also certified for the ISO 9001:2015 standard. It recently started fixing Hot Gas Path Parts of other turbines, aside from Mitsubishi Hitachi Power Systems (MHPS).

RATCH-Lao Services Company Limited provides operations and maintenance services to Hongsa Thermal Power Plant for a 35-month period, starting from 1 December 2017 through 31 October 2020.

2) Fuel supply

Songkhla Biofuel Company Limited provides fuel supply for Songkhla Biomass Power Plant.

3) Other businesses

- Investment in MRT Pink Line Project (Khae Rai–Min Buri), MRT Yellow Line Project (Lat Phrao–Samrong), and the extended part of Pink Line Project (Srirat-Muangthong Thani) through BSR Joint Venture (owned 10 percent by the Company, 75 percent by BTS and 15 percent by STEC). The Notice to Proceed (NTP) was issued on 29 June 2018 whereby the construction can begin and be completed within 3 years and 3 months. Upon completion, the lines will commence operations under a 30-year concession. In 2018, main contracts were signed. Utilities are being relocated, along with the bored piling works along the routes and around stations. Piles are hammered around the maintenance center and the foundation works is carried out to support piles. Meanwhile, partial construction areas are not yet transferred. Coordination with related government agencies continues for joint planning, allowing the projects to progress as planned. The MRT Pink Line and Yellow Line were 14.71 percent and 15.30 percent completed as of 31 December 2018, respectively.

- Bid for the high-speed train linking 3 airports (Don Mueang International Airport, Suvarnabhumi Airport and U-Tapao International Airport) was submitted to the State Railway of Thailand (SRT) on 12 November 2018. The train is the first infrastructure project of the Eastern Economic Corridor (EEC) initiative, being a public-private partnership (PPP) scheme. The 220-kilometer train with maximum speed of 250 kilometers per hour requires an investment of over Baht 200,000 million and will be carried out under a 50-year concession. The bid winner is expected to sign the concession contract with the SRT in early 2019, bound to complete the civil works, purchase train cars, seek funding, provide operations and maintenance services, and etc.

- Investment in Sandin Water Supply Project to supply standard-quality tap water to Nampapa Nakhone Luang under a 50-year concession. Out of full capacity of 48,000 cubic meters a day, the project will start supplying 24,000 cubic meters a day within December 2018 in the first phase. The second phase will start around 2021 when the capacity will be raised to 48,000 cubic meters per day.

Management of the businesses in which the Company invests or has joint ventures

The Company's Board of Directors has assigned its directors and executives with the right knowledge, ability and experience to sit in the Board of Directors

and the Management of the companies it has invested in the development and construction period through to commercial operation period. This is to ensure that the operations of those businesses are in line with the Company's direction and policy and that the Company achieves long-term goals and that the assets of the Company's Group are managed to their full potential.

Financial management

- The Company invested USD 11.58 million in equity of Xe-Pian Xe-Namnoy Company Limited, boosting the accumulated equity to USD 73.84 million.
- The Company invested in the MRT Pink Line and the MRT Yellow Line Projects through 10 percent shareholding with 100 percent paid-up capital in both joint ventures; Baht 830 million in Northern Bangkok Monorail Company Limited and Baht 850 million in Eastern Bangkok Monorail Company Limited.
- The Company invested in Riau Combined-Cycle Power Plant which is operated by PT Medco Ratch Power Riau, Republic of Indonesia. The investment was made through RH International (Singapore) Corporation Pte. Limited, an indirect subsidiary. The project development cost was paid according to its 49 percent equity, worth approximately USD 20.50 million.
- The Company, through its wholly-owned indirect subsidiary RH International (Singapore) Corporation Limited (RHIS), acquired existing and newly-issued common shares of Fareast Renewable Development Pte. Ltd. (FRD) from Fareast Green Energy Pte. Ltd. for approximately USD 81.89 million. Through the purchased shares accounting for 50 percent of the target's equity, the Company took part in Asahan-1 Hydropower Power Plant in Republic of Indonesia. After the transaction, FRD is 50 percent owned by RHIS and 50 percent by Fareast Green Energy Pte. Ltd. The shareholders of Asahan-1 Hydropower Power Plant consists of FRD which owns 53.21 percent (the Company's indirect holding is approximately 26.61 percent via RHIS and FRD), PT Pembankitan Jawa Balli (PLN's subsidiary) which owns approximately 36.61 percent, International Finance Corporation (IFC) which owns 5 percent, and minor shareholders.
- The Company, through its wholly-owned indirect subsidiary RH International (Singapore) Corporation Limited, bought the 20 percent common shares and the shareholder's loan (including relevant benefits) of RATCH-Australia Corporation Pty Ltd from its shareholder (Broadspectrum Pty Limited) for approximately AUD 53.3 million. The transaction increased the Company's holding in RATCH-Australia Corporation Pty Ltd to 100 percent.
- On 27 March 2018, RH International (Singapore) Corporation Limited bought back debentures and issued new debentures. Details are as follows;
  - Buying back through tender offer the USD 300 million debentures carrying the coupon rate of 3.50 percent per annum with maturity date in May 2019 (Old Issue) from foreign investors. The debentures are fully guaranteed by the Company. The transaction cost was USD 193 million.
  - Issuing and offering USD 300 million debentures carrying the coupon rate of 4.50 percent and maturity date in March 2028 (New Issue) to foreign investors. The new issue, part of the Company's planned issuance of debentures worth USD 1,000 million, is fully guaranteed by the Company. The new issue has the principal of USD 300 million and its term is 10 years with maturity date in 2028, carrying the coupon rate of 4.50 percent per annum. The net proceeds are used to repurchase the old issue and cover other activities of the Company's Group. The remaining proceeds may serve as working capital, investment capital and/or the Company's Group's loan repayment.

  The transaction effectively extends principal repayment from 2019 to 2028.
- On 5 September 2018, Nava Nakorn Electricity Generating Company Limited issued unsubordinated unsecured debentures with trustee worth Baht 6,400 million. The amortizing bonds were issued in 4 series: 3-year bonds with 2.68 per cent coupon rate; 5-year bonds with 3.00 percent coupon rate; 10-year bonds with 3.85 percent coupon rate; and 16-year bonds with 4.22 percent coupon rate. They were offered to institutional and/or big-time investors. The bonds were rated "A-" with stable outlook by Fitch Ratings (Thailand) Company Limited. The proceeds will be used to repay existing loans and support the company's

Phase 2 expansion to increase generating capacity by 60 MW and steam capacity by 10 tons per hour to accommodate demand within Nava Nakorn Industrial Promotion Zone. The expansion will increase the company's combined capacity (from Phase 1 and Phase 2) to approximately 185 MW of electricity and 40 tons of steam per hour.

- Managing the outstanding cash, taking into account the overall benefits of the Company's Group in the areas of deposit, borrowing and liquidity for business units within the Company's Group under the Board of Directors-approved financial policy. The average return throughout 2018 from short-term and long-term investment was 0.75 percent above the reference market return.
- The Company's credit ratings by TRIS Rating, S&P Global Ratings and Moody's Investors Service were maintained at "AAA", "BBB+" and "Baa1", respectively, which are the same as the sovereign credit rating.

Corporate Administration

The Company realizes that managing the organization towards greater internal efficiency is the heart in enhancing the organization's essential capabilities and competitiveness. Personnel development is of particular importance, to keep up with globalization trends and tomorrow's competition as well as the impacts of disruptive technologies which many affect investments. It is acknowledged that maintaining business capabilities and corporate administration supportive to the organization's pre-set strategies and vision is a key factor in driving the organization towards the 3 pillars of sustainability covering economic, social and environmental aspects.

In 2018, the Company reviewed business strategies. Aside from maintaining the efficiency of existing assets, the Company strives to introduce new businesses which add value to the entire organization, to drive the organization towards business goals, and improve the employee-centric management. Main activities are as follows;

1. Enhance Corporate Culture: In 2018, the Company reevaluated the core values. The outstanding corporate culture was assured by the development process deriving from the engagement of personnel at all levels throughout the organization via questionnaires, in-depth interviews, and workshops. The results were analyzed and realigned with the vision, mission and strategy, in support of the organization's business goals and operations. The results were also benchmarked against leading organizations'. The process introduced 3 corporate values: Power of Professional (inspiring sense of ownership under good governance practices and accountability to stakeholders); Power of Innovation (the power of creativity, agility and readiness to deal with technological changes); and Power of Teamwork (that promotes integration and cooperation to achieve strong partnership). The core values were shared through internal communications channels and activities, to raise and deepen awareness of personnel at all levels. In the subsequent years, the Company plans to run more activities to further promote each core value, to fully achieve strong corporate culture.

2. Development to Achieve High Performance Organization (HPO) Status: To achieve international-standard competitiveness, the 3 following plans were introduced as the operational framework;

1) Alignment of Strategy: All functions, from the top to the operating level, were required to define their goals and prepare the operating plans and strategies which were more in line with the organization's strategies particularly individual KPI. The KPI must be realigned with the goals set by each unit at all levels. The KPI must cover qualitative and quantitative indicators, geared primarily towards the success of assignments. A 5-year strategic workforce plan was introduced, so that continuous workforce preparation can support business growth and direction.

2) Build Future Capabilities: The Company continuously accelerated the successor and talent selection process under the Successor Development Plan in line with executive positions and retirement ages in short and long terms. Successors were trained to take over key positions within specified periods through the following tools;

- Apply coaching process in boosting personnel's capabilities, making it a tool for supervisors at all levels in training subordinates so that they help the units achieve their goals. A communications channel was added with a dialogue system which is part of the annual evaluation process.

- Upgrade Secondment Program by outlining appropriate and clear secondment periods. The Company's regulations and related orders were realigned so that employees were given a specific period for their services in foreign countries and consequently can come up with a balanced work life plan.

- Set Leadership Skill Matrix Development Plan by defining the essential knowledge directors must possess and a process to improve the Company directors' knowledge for greater governance efficiency.

- Apply E-recruitment Process in selecting outsiders for recruitment. The interested can fill up online application forms and the units with vacant positions can electronically view the applications, set interview dates, send and complete test scoring. This enhances the organization's personnel selection efficiency and speed.

3) Ensure Communication and Collaboration: The Company identifies the clear responsibilities of all functions. Clarity on cross-function communication is defined, to ensure greater smoothness, clarity, continuity and efficiency.

In addition, the Company enhanced the internal communication efficiency, by narrowing communication gap between employees and high-level executives. Through an IT system, the Company's policy and direction is communicated to all employees and they can exchange information, raise questions and voice opinions via two-way communications channels like meetings at all levels including Town Hall

where top executives meet with employees and internal meetings of each function and business unit. Social media was deployed to strengthen positive relationships with employees while the Intranet system, known as SharePoint, was improved, serving as a two-way communications tool between the Company and employees and among employees. An IT system for human resources-related activities was developed to enhance human resources management's efficiency, to better support personnel development plans and strengthen the organization's internal competitiveness.

3. Maintain Employee Engagement: The Company has a policy to engage all functions with the operations, making engagement one of the functions' performance indicators. Employees' collaboration is promoted through cross-function projects, which enhance efficiency and effectiveness and raise cross-function continuity and coordination.

4. Prepare Career Development and Career Path Roadmap: The Company's policy, business plan and strategy is regularly communicated to employees while the evaluation process has been systematically and transparently improved, ensuring fair employee remuneration. Meanwhile, the career path roadmap is prepared for each job group and communicated for the acknowledgement of employees at all levels. Personnel development guidelines are set under the Training Roadmap, as concrete steps to increase employee capacities and capabilities in line with opportunities and career paths in each job group. Executives' capabilities are enhanced through regular enrollment for important training. The training reshapes their vision and allows them to learn new things as well as broaden their business networks, necessary for the preparation of new executives ahead of the retirements of elder ones.

5. Write Business Continuity Plan (BCP): The Company in 2018 reviewed and improved the crisis management plan and crisis communications plan. As a step forward, the Company scrutinized the crisis management plans of the Company and representative companies in the Company's Group in order to integrate all three related with all business continuity management. A business unit-level plan was prepared as the framework and guidelines in continuously and sustainably suspending, mitigating and limiting damage from possible impacts of unavoidable incidents. Meanwhile, the Company exercised a BCP drill involving all relevant officers from all functions via Call-Tree, to ensure the completeness and readiness of the plan. A command center was established during crisis simulation exercise, supervised by the crisis management committee. The BCP was tested, to prepare officers and improve the manual for effective and efficient crisis management. The Company also defined and prepared reserve office, to ensure sustainable business continuity.

6. Knowledge Management: In 2018, the Company deployed a full-scale IT system to support knowledge management. "V Space", part of the internet-based database Knowledge Center SharePoint, serves and facilitates employees who work through digital devices. It also serves officers assigned to work out of office or overseas.

V Space is developed to store lessons and experiences of executives and experts in power industry; knowledge in project management; and information on business, related trends, disruptive technology, start-up industry, sustainable development and the environment. The knowledge is collected, sorted and prepared in different formats, including text files, image files and videos. V Space is also developed as KM Community, the stage that promotes the exchange of knowledge and work experience. Employees also have access to Blog and specific chat rooms (Community of Practice) on specific subjects that they are interested in, to encourage their usage and create learning society. The goal is to promote a desirable behavior, which will become part of the corporate culture in the long term.

Significant Changes

The Company is committed to operate business accordingly to the vision and mission stated on the establishment date in 2000, which is based on good governance and transparency and consideration of stakeholders and sustainable development practices. Throughout the years, the Company has regularly reviewed the vision and mission. In 2018, the Board of Directors and high-level executives approved an adjustment to the vision and mission, to match all business dimensions covered by the Company's operations and changes in market conditions and the government's policy that promotes clean energy. The vision and mission is also altered in line with a change in domestic energy consumption against forecasts, the Company's greater penetration in infrastructure business in Thailand and overseas, as well as the new opportunities paving way for the Company's sustainable growth.

Significant changes in 2018 can be summarized as follows;

January

- KK Power Company Limited, a 50 per cent-owned joint venture in the Kingdom of Cambodia, was dissolved and liquidated under the Cambodian laws. The joint venture had zero business activity and its dissolution does not affect the Company's operations.

March

- RH International (Singapore) Corporation Limited ("RHIS") bought back the "US$300,000,000 3.50% notes due 2019", fully guaranteed by the Company, from foreign investors at a cost of USD 193 million. RHIS later issued new bonds, the "US$300,000,000 4.50% notes due 2028" to foreign investors under the Company's and RHIS's scheme to issue USD 1,000 million bonds. The newly issued bonds has the principal of USD 300 million, and the term is 10 years with maturity date in 2028 carrying the coupon rate of 4.50 percent per annum and is guaranteed by the Company. The net proceeds were used to buy back the old bond issue, cover other activities, as well as serve as working capital, investment capital and/or the Company's Group's loan repayment.

April

- RHIS reached an agreement and signed the securities sale deed with Broadspectrum Pty Limited to acquire the common shares and shareholder's loan with related benefits of RATCH-Australia Corporation Pty Ltd. The 20 percent stake was valued at AUD 53.50 million or approximately Baht 1,321 million. The transaction was approved by Australian Foreign Investment Review Board and completed on 3 May 2018. It raised RHIS's stake in RATCH-Australia Corporation Pty Ltd to 100 percent, effectively enhancing the ability in growing asset value, adding

value to its investment in Australia and support the Company's journey towards business goals.

May

- Nava Nakorn Electricity Generating Company Limited invested about Baht 3,105 million to expand its power generating and steam capacity by 60 MW and 10 tons per hour, respectively. The investment was 75 percent financed by loans and 25 percent by equity. The commercial operation is expected within 2020.
- The Company signed an agreement to develop 340 MW Xe Kong 4A & 4B Hydroelectric Power Projects in Lao PDR which requires approximately USD 835 million in investment. The Company will own 60 percent of the project while World Engineering & Construction Co., Ltd. and B. Grimm Power Company Limited own 20 percent each.

June

- The transmission system of Hongsa Thermal Power Plant in Lao PDR failed when lightning struck the 500 kV line, leading to temporary transmission halt at 13.06 hours on 1 June 2018. Generator Unit 1 and Unit 2 resumed normal operations at 14.47 hours on the same day while Unit 3 resumed normal operations on 5 June 2018 after damaged equipment was replaced.

July

- Xe-Pian Xe-Namnoy Hydropower Project's Saddle Dam D collapsed, leading water leak from downstream side of the dam to Xe-Pian River for around 5 kilometers, affecting the local communities and the area surrounding downstream of Xe-Pian River that connects to Xe-Kong River. Details were explained in the section on Xe-Pian Xe-Namnoy Hydropower Project's performance (Under Item 2: International Projects sorted by location - Lao PDR).

October

- RATCH-Australia Corporation Pty Ltd's newly-installed diesel generator under the system restart service of Kemerton Power Station commenced the commercial operation consistent with Ancillary Service Deed System Restart Service in the south country region of the South West Interconnected System (SWIS) of Western Australia. The restart service is necessary in maintaining power security and continuity in the aforementioned area.
- Nonthaburi Provincial Court on 25 October 2018 issued a judgement to "dismiss the claim made by the Plaintiff based on the rational that the Company and the management had acted in good faith and that they had never committed any fraudulent act or exercised its right in bad faith against the Plaintiff" In this case, the Plaintiff, ST Power Group Co., Ltd. claimed that the Company and the management allegedly breached the agreement on joint venture for a power plant project bidding and the action reportedly caused damage to the Plaintiff and preventing it from receiving benefits from winning the bidding.

November

- The Company together with BTS Group Holdings Public Company Limited and Sino-Thai Engineering and Construction Public Company Limited, under "BSR Joint Venture", submitted a bid to the State Railway of Thailand (SRT) for the high-speed train project linking 3 airports - Don Mueang International Airport, Suvarnabhumi Airport and U-Tapao International Airport). The project will be carried out under the public-private partnership framework.
- Wind turbine 1 of Windy Hill Wind Farm caught fire on 13 November 2018 at approximately 15.00 hours and the fire ceased at approximately 17.00 hours local time of the Commonwealth of Australia. Power transmission was halted during the incident. No damage was detected for the remaining 19 turbines. After the turbine 1 was separated from the system, the transmission of power generated by the remaining 19 turbines resumed at 9.30 hours local time on 15 November 2018.

December

- RHIS acquired a 50 percent stake in FRD (a company in the Republic of Singapore), consisting of existing and newly-issued common shares, from Fareast Green Energy Pte. Ltd. for approximately USD 81.89 million or equivalent to approximately Baht 2,690 million. The transaction gave the Company an access to 180-MW Asahan-1 Hydroelectric Power Plant in Sumatra, Republic of Indonesia. The plant started commercial operation in January 2011 under a 30-year power purchase agreement with PT PLN (Persero).

- RATCH-Australia Corporation Pty Ltd's Mount Emerald Wind Farm commenced commercial operation and recognized benefits as per the power purchase agreement.

- RATCH-Lao Services Company Limited (the "Buyer") and Asia Investment, Development & Construction Sole Co., Ltd. (the "Seller") signed a shareholders agreement and a sale and purchase agreement for a 40 percent stake in Asia Water Sole Co., Ltd., the operator of Sandin Water Supply Project in Lao PDR (the "Project"). The transaction involved 4,800,000 shares at par value of 8,400 kip, costing a total of USD 5.80 million or about LAK 48,720 million (or approximately Baht 194.59 million). RATCH-Lao Services Company Limited financed the transaction with its working capital and loan, paying the sum in 2 installments. The first installment, paid within 15 days after the signing date, accounted for 10 percent or USD 580,000 (approximately Baht 19,459,000). The rest will be paid in the second installment, totaling USD 5,220,000 (approximately Baht 175,131,000), within 30 days after all conditions precedent are achieved, which is expected to be within February 2019. The transaction, once completed, will pave way for the Company's participation in the water supply project through its equity in RATCH-Lao Services Company Limited. The involvement will help support the Company's policy in improving the quality of life of people in Lao PDR and unlocks investment opportunities for the Company's Group. The water supply project is located in Na Sai Thong, Vientiane, Lao PDR, undertaken under a 50-year concession from Nampapa Nakhone Luang. Out of full capacity of 48,000 cubic meters a day, the project will start supplying 24,000 cubic meters a day within December 2018 in the first phase. The second phase will start around 2021 when the capacity will be raised.

Investment Committee's Report

As of 31 December 2018, Ratchaburi Electricity Generating Holding Public Company Limited (the "Company")'s Investment Committee comprised 4 members appointed by the Board of Directors namely (1) Mr. Sutat Patmasiriwat, chairman of the Investment Committee (2) Mr. Boonyanit Wongrukmit, (3) Mr. Seubphong Buranasirin and (4) Mr. Ratanachai Namwong, the Investment Committee's members. Mr. Peerawat Pumthong, Chief Executive Officer, served as the committee's secretary.

During 2018, there were changes to the Investment Committee according to the Board of Directors' resolution No. 5/2018 on 20 April 2018: whereby Mr. Boonyanit Wongrukmit was appointed to replace Mr. Viboon Rerksirathai; and Mr. Ratanachai Namwong to replace Mr. Witoon Kulcharoenwirat. Under the Board of Directors' resolution No. 10/2018 on 17 September 2018, Mr. Seubphong Buranasirin was appointed to replace Mr. Thaworn Ngamganokwan. In 2018, the Investment Committee held 9 meetings. The Committee performed under the following scope of duties and responsibilities:

1. Identify investment-related strategy, target, plan, budget, returns and other gains from projects designed to raise the Company's production capacity and prosperity.

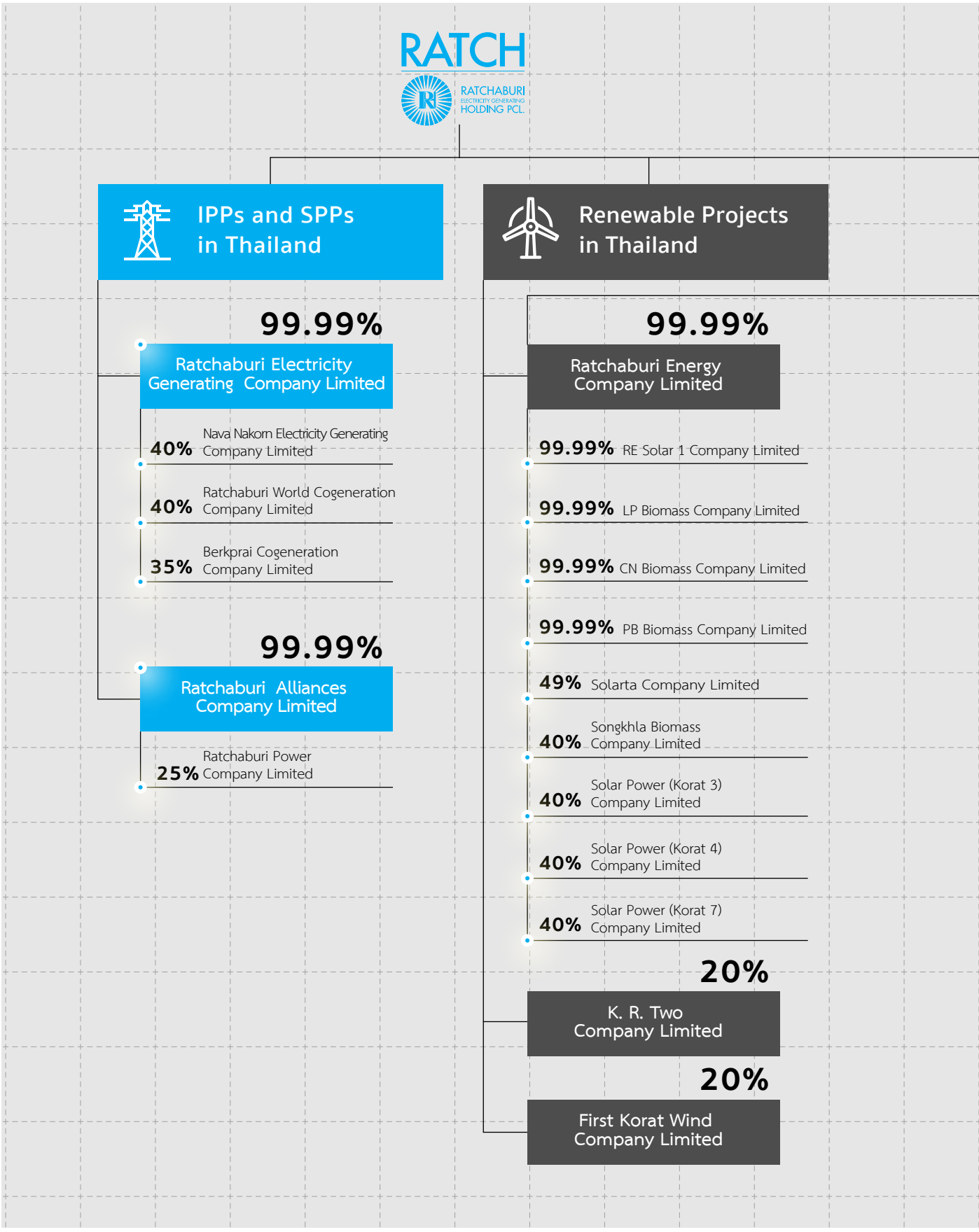
2. Screen the investment projects proposed by the Management, to ensure the green field, brownfield and M&A investments concerning power plants and related businesses in Thailand and overseas are related and consistent with the Company's investment policy and target. Returns on investment are taken into account and all related risk factors are managed within the risk appetite.

3. Review, follow up and assessed the approved investment projects and submit a report for the Board of Directors' acknowledgement.

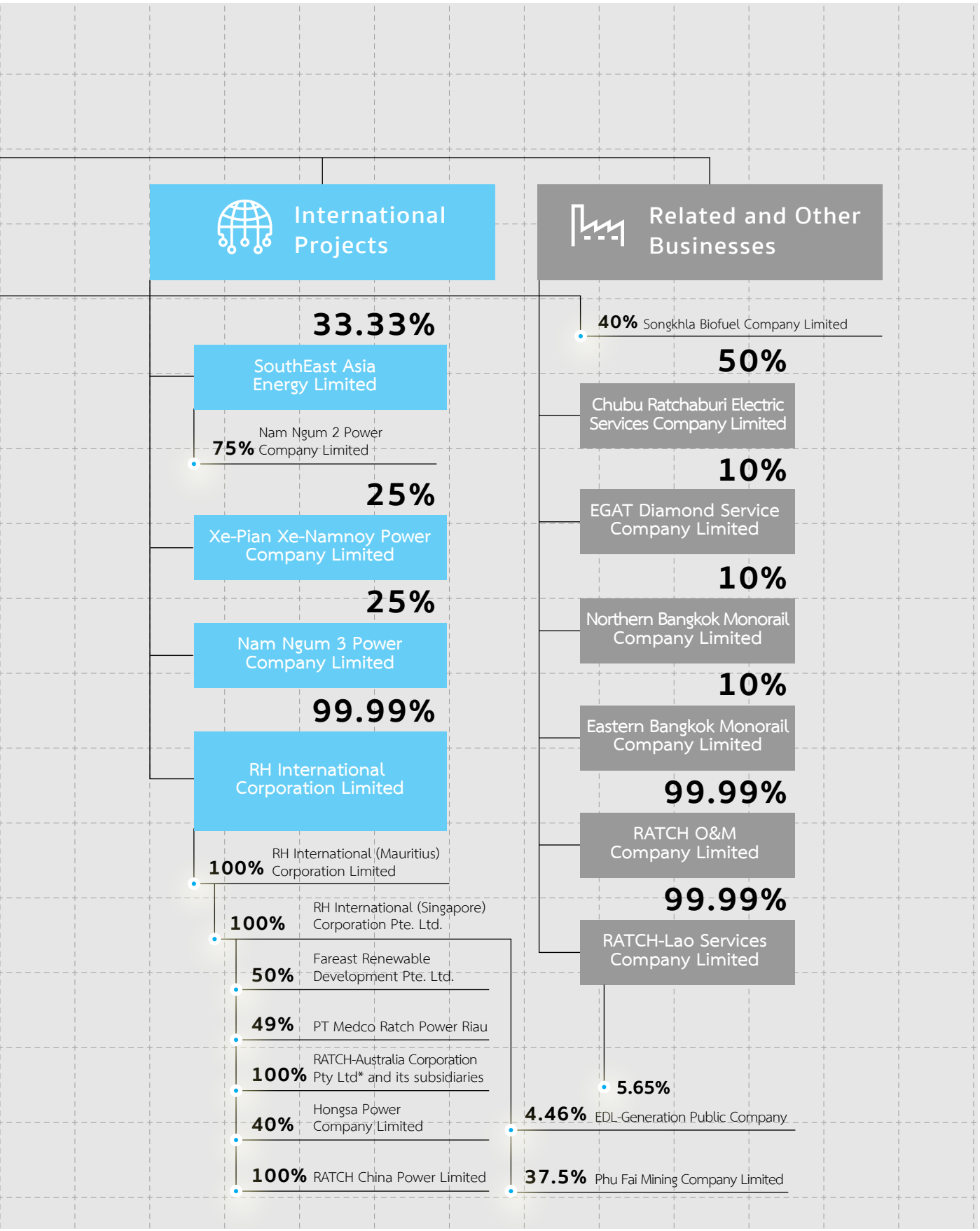
In the Investment Committee's meetings, members independently discussed, asked questions and expressed opinions, acting in favor of the Company's overall interests. The members reviewed, followed up and assessed the Company's investment projects, to ensure that returns meet targets. The members also helped prevent and solve obstacles that might affect project development and operations. The Investment Committee considered that the Company's investment decision was prudently and carefully made, based on in-depth and breadth analysis by internal and external experts under the good corporate governance principles, for the Company's continuous and sustainable growth.

(Mr. Sutat Patmasiriwat)
Chairman of the Investment Committee

Shareholding Structure of the Company's Group



Note * RATCH-Australia Corporation Limited converted to proprietary company persuant to the law of the Commonwealth of Australia and changed its name from RATCH-Australia Corporation Limited to RATCH-Australia Corporation Pty Ltd since 1 June 2018


International Projects
33.33%
SouthEast Asia Energy Limited
75% Nam Ngum 2 Power Company Limited
25%
Xe-Pian Xe-Namnoy Power Company Limited
25%
Nam Ngum 3 Power Company Limited
99.99%
RH International Corporation Limited
100% RH International (Mauritius) Corporation Limited
100% RH International (Singapore) Corporation Pte. Ltd.
50% Fareast Renewable Development Pte. Ltd.
49% PT Medco Ratch Power Riau
100% RATCH-Australia Corporation Pty Ltd* and its subsidiaries
40% Hongsa Power Company Limited
100% RATCH China Power Limited
Related and Other Businesses
40% Songkhla Biofuel Company Limited
50%
Chubu Ratchaburi Electric Services Company Limited
10%
EGAT Diamond Service Company Limited
10%
Northern Bangkok Monorail Company Limited
10%
Eastern Bangkok Monorail Company Limited
99.99%
RATCH O&M Company Limited
99.99%
RATCH-Lao Services Company Limited
5.65%
4.46% EDL-Generation Public Company
37.5% Phu Fai Mining Company Limited

Revenue Structure

Revenue Structure of the Company, Subsidiaries and Joint Ventures

The Company's main source of revenue is the sales of electricity generated by Ratchaburi Electricity Generating Company Limited, a subsidiary, to EGAT under the 25-year power purchase agreement. Ratchaburi Power Plant's and Tri Energy Power Plant's revenue structure includes 3 main parts as follows;

1. Availability Payment (AP)

AP is designed to cover the entire fixed operating costs, such as maintenance expenses and management expenses. Generally, AP depends on the power plant's readiness to generate and distribute electricity as required by EGAT.

2. Energy Payment (EP)

EP is received after electricity is generated and transmitted to the EGAT's transmission system. EP comprises two major parts:

1) Fuel Payment

2) Variable Operating and Maintenance Payment

3. Finance Lease

Revenue from finance lease covers availability payment in the loan and shareholders' return part. It is booked under effective interest rate method, which is in line with the Thai Financial Reporting Interpretation Committee standard No. 4 (TFRIC 4).

In addition to the main revenue from electricity sold by Ratchaburi Power Plant, the Company earns from the sales of electricity generated by RATCH-Australia Corporation Pty Ltd (RAC), a subsidiary located in Australia whose main income is from the long-term PPA for its thermal power plants and wind power plants. The basic revenue structure according to the long-term PPA for the thermal power plants includes:

1. Capacity Charge covering the total investment including maintenance costs and actual capacity availability in electricity generation and distribution as stated in the power purchase agreement.

2. Energy Charge which is received when electricity is produced. This mainly covers fuel payment and variable operating and maintenance payment.

RAC's wind power plants' income from electricity sales is calculated by electricity generated times price per unit.

In addition, the Company realizes profits from joint ventures which invest in electricity generating business with other partners as follows:

1. Hongsa Power Company Limited, 40 percent owned by the Company's subsidiary, RH International (Singapore) Corporation Pte. Limited, has a 25-year power purchase agreement with EGAT. Revenue from electricity sales comprises 3 parts: Availability Payment, Energy Payment, and Finance Lease, which is similar to the basic revenue of Ratchaburi Electricity Generating Company Limited. Hongsa Thermal Power Plant's Unit 1, Unit 2 and Unit 3 have commercially generated power for EGAT since 2 June 2015, 2 November 2015 and 2 March 2016, respectively.

2. Ratchaburi Power Company Limited, 25 percent owned by Ratchaburi Alliances Company Limited, the Company's subsidiary, generates revenue from the combined-cycle power plant's 2 generators. The sale revenue can be divided into 3 parts, which are Availability Payment, Energy Payment and Finance Lease, similar to the basic revenue of Ratchaburi Electricity Generating Company Limited.

3. Ratchaburi World Cogeneration Company Limited, 40 percent owned by Ratchaburi Electricity Generating Company Limited, the Company's subsidiary, has a 25-year

Nava Nakorn SPP Power Plant

Firm-Cogeneration PPA with EGAT. The Unit 1 and Unit 2 of Ratchaburi World Power Plant commenced commercial operations and transmitted electricity to EGAT on 1 November 2014 and 1 March 2015, respectively.

4. Nava Nakorn Electricity Generating Company Limited, 40 percent owned by Ratchaburi Electricity Generating Company Limited, the Company's subsidiary, operates Nava Nakorn SPP Power Plant with a 25-year Firm-Cogeneration PPA with EGAT. Nava Nakorn SPP Power Plant commenced commercial operations on 3 June 2016.

5. SouthEast Asia Energy Limited, 33.33 percent owned by the Company, earned revenue from selling electricity generated by the Nam Ngum 2 Hydroelectric Power Plant in Lao PDR with a 25-year PPA with EGAT, starting from its initial operation date on 26 March 2011.

6. Solarta Company Limited, 49 percent owned by Ratchaburi Energy Company Limited, the Company's subsidiary, operates 8 solar power plants. It has a Non-Firm PPA for very small power producer (VSPP) with Provincial Electricity Authority (PEA) and receives adder of Baht 8 per unit from the Office of Energy Regulatory Commission (OERC)'s Electricity Development Fund for 10 years.

7. First Korat Wind Company Limited (Huay Bong 3 Wind-Turbine Power Plant) and K. R. Two Company Limited (Huay Bong 2 Wind-Turbine Power Plant), 20 percent owned by the Company, operate wind farms with Non-Firm PPAs for small power producer (SPP) with EGAT and received adder of Baht 3.50 per unit for 10 years from the Electricity Development Fund. The sale revenue can be divided into 3 parts similar to that of Solarta Company Limited: Energy Payment, Adder and average wholesale Ft.

8. Solar Power (Korat 3) Company Limited, Solar Power (Korat 4) Company Limited and Solar Power (Korat 7) Company Limited, 40 percent owned by Ratchaburi Energy Company Limited, the Company's subsidiary, generate electricity from solar power with Non-Firm PPAs for VSPP with PEA. They receive adder of Baht 8 per unit from the Electricity Development Fund for 10 years. Its sale revenue can be divided into 3 parts similar to that of Solarta Company Limited: Energy Payment, Adder and average wholesale Ft.

9. Songkhla Biomass Company Limited, 40 percent owned by Ratchaburi Energy Company Limited, the Company's subsidiary, operates a biomass power plant using rubber bark and roots as the source of fuel. Located in Chana district in Songkhla province, it has a 5-year PPA with PEA, which is automatically renewed every 5 years (for a total of 20 years.) Songkhla Biomass Power Plant has commenced commercial operation since 9 November 2015.

10. Chubu Ratchaburi Electric Services Company Limited, 50 percent owned by the Company, generates revenue from operating and maintenance services under a 14-year contract with Ratchaburi Power Company Limited's Power Plant.

11. Fareast Renewable Development Pte. Ltd. (FRD), 50 percent owned by RH International (Singapore) Corporation Pte. Limited, the Company's subsidiary, holds a 53.21 percent stake in Asahan-1 Hydroelectric Power Plant. The 180 MW power plant is located on the Asahan River, North Sumatra, Republic of Indonesia. It commenced operations on January 2011 through a 30-year PPA with PT PLN (Persero), which will continue through 31 December 2040.

Revenue Structure 2016-2018

Types of Revenue	Generated By	Company's stake (%)	Revenue (Million Baht)					
			2018 *		2017 *		2016	
			Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sale and rendering of services								
- AP	Ratchaburi Electricity Generating Company Limited	99.99	3,387.34	7.51	3,855.65	8.30	3,296.27	6.43
- AP	RATCH-Australia Corporation Pty Ltd **	100.00	1,511.69	3.35	1,618.35	3.48	1,616.73	3.15
- EP	Ratchaburi Electricity Generating Company Limited	99.99	30,564.25	67.79	31,770.13	68.39	37,222.24	72.59
- EP	RATCH-Australia Corporation Pty Ltd **	100.00	669.96	1.49	705.51	1.52	712.54	1.39
- O&M	RATCH-Lao Services Company Limited	99.99	50.90	0.11	50.88	0.11	239.26	0.46
Revenue from finance lease contracts	Ratchaburi Electricity Generating Company Limited	99.99	3,335.81	7.40	3,995.45	8.60	4,491.34	8.75
Share of profit (loss) of jointly-controlled and associated entities	Hongsa Power Company Limited	40.00	3,120.02	6.92	2,073.43	4.46	1,196.18	2.32
	SouthEast Asia Energy Limited	33.33	398.56	0.88	240.35	0.52	173.23	0.34
	Ratchaburi World Cogeneration Company Limited	40.00	241.41	0.54	243.10	0.52	231.32	0.45
	Phu Fai Mining Company Limited	37.50	198.16	0.44	154.65	0.33	107.05	0.21
	Solarta Company Limited	49.00	189.64	0.42	196.21	0.42	177.69	0.35
	Ratchaburi Power Company Limited	25.00	181.71	0.40	332.21	0.72	458.88	0.89
	Nava Nakorn Electricity Generating Company Limited	40.00	166.26	0.37	128.64	0.28	59.27	0.12
	Perth Power Partnership (Kwinana)	30.00	42.69	0.09	57.48	0.12	80.27	0.16
	Songkhla Biomass Company Limited	40.00	34.06	0.08	26.92	0.06	47.94	0.09
	Solar Power (Korat 7) Company Limited	40.00	30.34	0.07	27.90	0.06	27.51	0.05
	Solar Power (Korat 3) Company Limited	40.00	29.51	0.07	27.54	0.06	27.36	0.05
	Solar Power (Korat 4) Company Limited	40.00	28.59	0.06	25.81	0.05	25.55	0.05
	Chubu Ratchaburi Electric Services Company Limited	50.00	16.85	0.04	28.94	0.06	41.76	0.08
	Fareast Renewable Development Pte. Ltd.	50.00	15.59	0.03	-	-	-	-
	K. R. Two Company Limited	20.00	3.05	0.01	80.36	0.17	102.55	0.20
	Songkhla Biofuel Company Limited	40.00	(0.01)	-	(0.02)	-	-	-
	First Korat Wind Company Limited	20.00	(14.39)	(0.03)	108.58	0.23	125.66	0.25
	Under Construction Projects							
	PT Medco Ratch Power Riau	49.00	58.56	0.13	(10.46)	(0.02)	-	-
	Berkprai Cogeneration Company Limited	35.00	0.61	-	(31.41)	(0.07)	(1.61)	-
	Xe-Pian Xe-Namnoy Power Company Limited	25.00	(5.74)	(0.01)	(121.02)	(0.26)	60.16	0.12
	RICI International Investment Pte. Ltd. (Sold 2017)	60.00	-	-	3.85	0.01	(37.43)	(0.07)
	Oversea Green Energy Company Limited (Sold 2017)	60.00	-	-	2.34	0.01	3.86	0.01

Types of Revenue	Generated By	Company's stake (%)	Revenue (Million Baht)					
			2018 *		2017 *		2016	
			Million Baht	%	Million Baht	%	Million Baht	%
Management service income	Ratchaburi Electricity Generating Holding Public Company Limited		238.88	0.53	244.66	0.53	254.86	0.50
	RATCH-Lao Services Company Limited	99.99	-	-	-	-	3.38	0.01
Interest income	Ratchaburi Electricity Generating Holding Public Company Limited		85.70	0.19	109.39	0.24	115.92	0.23
	RH International (Singapore) Corporation Pte. Ltd.	100.00	70.38	0.16	4.48	0.01	7.35	0.01
	RATCH-Australia Corporation Pty Ltd **	100.00	27.83	0.06	34.27	0.07	23.10	0.05
	Ratchaburi Electricity Generating Company Limited	99.99	25.87	0.06	15.12	0.03	15.44	0.03
	RH International Corporation Limited	99.99	2.38	0.01	2.49	0.01	2.65	0.01
	RATCH-Lao Services Company Limited	99.99	0.97	-	-	-	-	-
	Ratchaburi Energy Company Limited	99.99	0.20	-	0.14	-	0.40	-
	Ratchaburi Alliances Company Limited	99.99	0.04	-	0.04	-	0.03	-
	RH International (Mauritius) Corporation Limited	100.00	0.02	-	0.02	-	0.02	-
	RATCH O&M Company Limited	99.99	0.01	-	0.01	-	0.01	-
Dividend income	RATCH-Lao Services Company Limited	99.99	104.16	0.23	105.47	0.23	114.20	0.22
	RH International (Singapore) Corporation Pte. Ltd.	100.00	82.62	0.18	83.43	0.18	90.52	0.18
Other incomes	RATCH-Australia Corporation Pty Ltd **	100.00	130.55	0.29	108.61	0.23	46.81	0.09
	Ratchaburi Electricity Generating Company Limited	99.99	57.20	0.13	153.39	0.33	110.46	0.22
	Ratchaburi Electricity Generating Holding Public Company Limited		0.91	-	3.04	0.01	2.32	-
	Ratchaburi Energy Company Limited	99.99	0.40	-	0.45	-	6.83	0.01
	RATCH-Lao Services Company Limited	99.99	-	-	0.19	-	-	-
Total			45,083.54	100.00	46,456.57	100.00	51,279.88	100.00

Notes

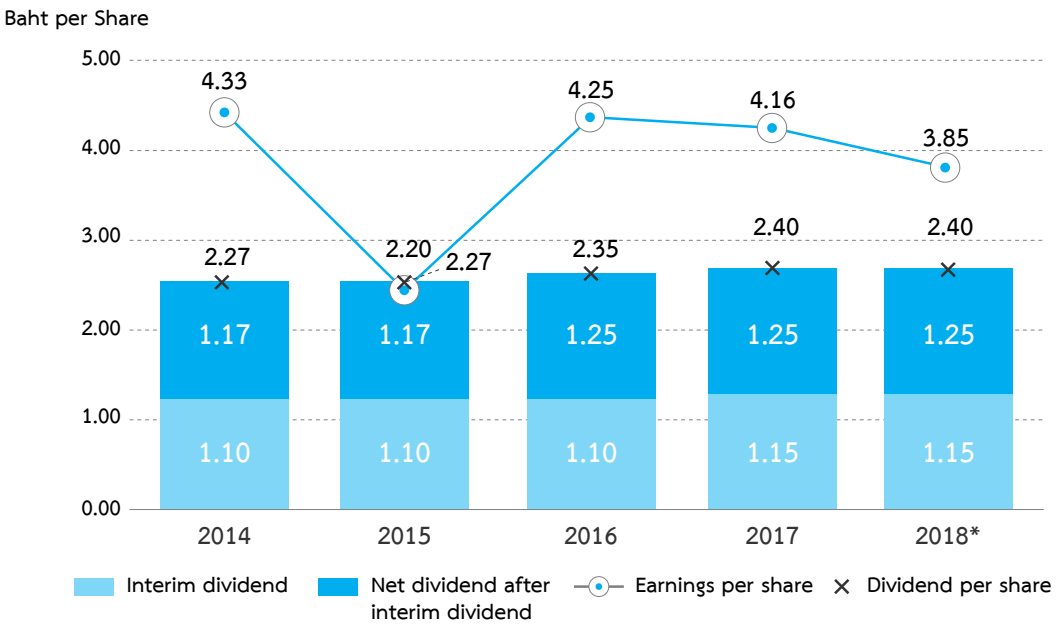
* Figures of 2018 and 2017 had applied accounting policy for derivative financial instruments and hedge accounting

** On 3 May 2018, the Company increased the portion of RATCH-Australia Corporation Pty Ltd from 80 percent to 100 percent.

Dividend Payment Policy

The Company has a policy to pay dividend of at least 40 percent of net profit according to the consolidated financial statements after legal reserves and other reserves. Nevertheless, dividend payments depend on the Company's cash flow.

The Company's 5-year dividend payments



5-year dividend payments information

		2014	2015	2016	2017	2018*
Earnings per share	Baht	4.33	2.20	4.25	4.16**	3.85**
Dividend per share	Baht	2.27	2.27	2.35	2.40	2.40
Interim dividend	Baht	1.10	1.10	1.10	1.15	1.15
Net interim dividend after interim dividend	Baht	1.17	1.17	1.25	1.25	1.25
Dividend payout ratio	%	52.42	103.25	55.27	57.63	62.28

Notes

* Being an agenda item to be considered at the 2019 Shareholders Annual General Meeting to be held on 12 April 2019. The Company paid the interim dividend for the first 6-month performance of 2018 (January-June 2018) to shareholders at Baht 1.15 per share on 19 September 2018.

** Information for 2018 and 2017 was prepared according to the accounting policy on derivative financial instruments and hedge accounting.

The Risk Management Committee's Report

The Company may experience multiple risk factors. Some are internal while others are external and beyond the Company's control. Risk management is crucial in mitigating impacts, particularly significant impacts that may affect the Company's path to achieve its annually-set goals. Risk mitigation will ensure business growth and sustainability as well as generate appropriate returns to shareholders. Therefore, in 2018, the Company adopted the COSO: ERM 2017 framework, the risk management guidelines recommended by the Stock Exchange of Thailand for all listed companies. COSO: ERM 2017 will serve as the risk management process that integrates with business strategy and performance. The framework requires annual business objectives and benchmarking against actual performance. It demands an assessment of corporate risks starting with the risks of strategic plans' KPI, to find out, for example, possible risks to the Company's net profit target or the Company's capacity target. Risks at business unit and project levels in charge of particular KPIs will be subsequently assessed, to draw the Business Unit and Project Risk Profile.

The corporate risks that may derail the Company's goals are categorized as follows;

1) Strategic Risks: The external factors that influence business operations such as changes in political, economic and social conditions; industry policies and disruptive technology. Included are new project investment risks, affecting projects under development and construction; high performance organization and engagement risks that concern human resources development and corporate performance; and risks concerning corporate image and stakeholder relations.

2) Financial risks: Comprising interest rates, currency exchange rates, liquidity and credit risks. These risks are controlled by the Company's Finance Policy.

3) Operational Risks: Both domestic and international commercially operating projects encounter these risks, which must be monitored and controlled so that business goals can be achieved. Operational risks are immense particularly to old power plants as aging machine must be correctly maintained to ensure

reliability and efficiency throughout the remaining life of power purchase agreements. Business Continuity Plan is equally crucial to cope with incidents that may affect the Company's operations and ensure the Company's business continuity.

4) Compliance risks: Concerning compliance with laws and relevant regulations in project and corporate levels; evaluation according to the principles of CAC – the anti-fraud and corruption initiative of which the Company is a member; and compliance to good governance practices. Meanwhile, COSO: ERM 2017 framework shed more light to risks in various areas that may affect the organization's goals. The Board of Directors and the Management can consequently devise proper risk mitigation approaches, to ensure the risks are kept within the risk appetite and the Company can achieve its annual business objectives.

The Risk Management Committee and Risk Management Working Team are committed to continuously maintaining and improving risk management efficiency, so that business objectives can be met for the organization's stability and sustainability.

(Mr. Samack Chouvaparnante)
Chairman of the Risk Management Committee

Nature of Business

In response to the policy to privatize state-owned power plants to raise fund from private sector through the Stock Exchange of Thailand, the Company was established on 7 March 2000, with the registered capital of Baht 14,500 million and listed on the Stock Exchange of Thailand on 2 November 2000 under the stock symbol of "RATCH". Electricity Generating Authority of Thailand (EGAT) is the major shareholder with a 45 percent stake. The Company operates as a holding company with the purpose to invest in other companies in energy and related businesses in Thailand and other countries including infrastructure in line with the national strategy to leapfrog the economic growth. The Company's investments are classified into 4 categories; IPPs and SPPs in Thailand, renewable projects in Thailand, international projects, and related businesses as follows:

1. IPPs and SPPs in Thailand

Most of the Company's IPPs and SPPs are located in the western region to support the national power security by transmitting power to the EGAT's transmission system. The power plants supply power to the central, western and upper southern regions where large power sources are insufficient to satisfy the needs. The commercially operating power plants are Ratchaburi Power Plant, Tri Energy Power Plant, Ratchaburi Power's Power Plant, Ratchaburi World SPP Power Plant and Nava Nakorn SPP Power Plant.

In addition, the Company has 2 power plants that are under construction and development - Berkprai Cogeneration SPP Power Plant and the extension of Nava Nakorn SPP Power Plant, which are scheduled for commercial operations in 2019 and 2020 respectively.

Ratchaburi Power Plant

Huay Bong 3 Wind-Turbine Power Plant

2. Renewable Projects in Thailand

In support of the government's policy to promote renewable energy development and with the Company's commitment to social and environmental responsibility and participation in solving climate change to mitigate global warming impacts, the Company has emphasized renewable power projects, focusing on solar, wind and biomass. At present, there are 7 renewable projects which can be sorted by renewable energy sources as follows:

- Solar Power namely Solarta Solar Power Plant, Solar Power Korat 3 Power Plant, Solar Power Korat 4 Power Plant and Solar Power Korat 7 Power Plant.
- Wind Power namely Huay Bong 2 Wind-Turbine Power Plant and Huay Bong 3 Wind-Turbine Power Plant.
- Biomass Power namely Songkhla Biomass Power Plant

3. International Projects

Due to limited energy investment opportunities in Thailand, strategic geographical locations of neighboring countries, Thailand's potential to become an energy center, and the government's investment promotion, the Company is encouraged to further expand investment overseas so as to achieve the sustainable growth mission. The investments are sorted by location as follows:

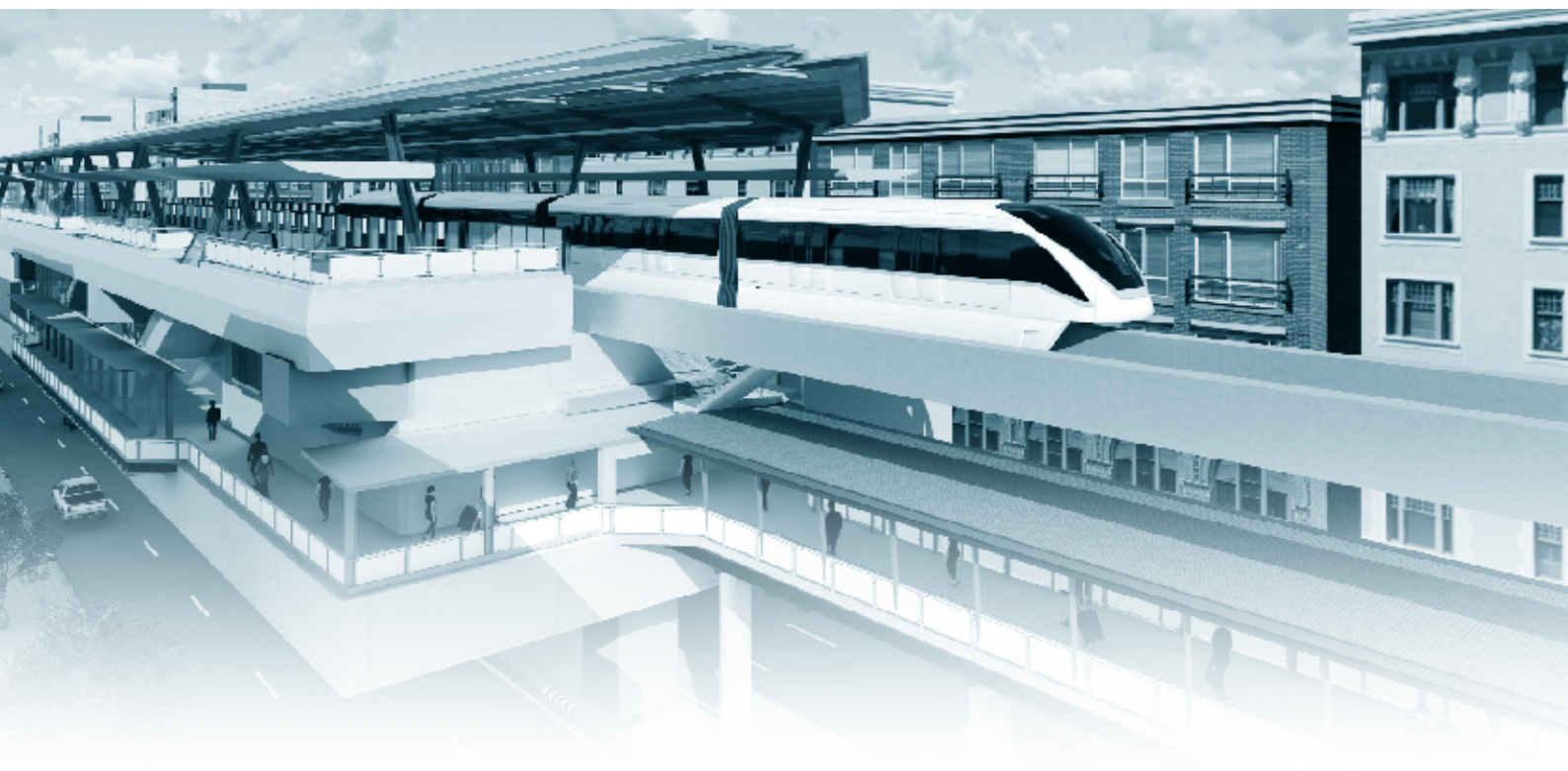
- Lao PDR with 3 power plants comprising 2 commercially operating plants namely Hongsa Thermal Power Plant and Nam Ngum 2 Hydroelectric Power Plant; and 1 project under construction namely Xe-Pian Xe-Namnoy Hydroelectric Power Plant.
- Australia with projects invested through RATCH-Australia Corporation Pty Ltd. All power plants are commercially operating except Collinsville Solar Power Project which is under construction.
- People's Republic of China, with 1 project under construction namely Fangchenggang II Nuclear Power Plant.
- Republic of Indonesia comprising 1 commercially operating project namely Asahan-1 Hydroelectric Power Plant; and 1 project under construction and development namely Riau Combined-Cycle Power Plant.

4. Related businesses

The Company has been seeking opportunities to develop related and other businesses through subsidiaries, affiliates and joint ventures in Thailand and other countries to add value in the long term. These businesses include power plant operation and maintenance, coal mining, gas turbine maintenance and others. The investment is categorized by type of business as follows:

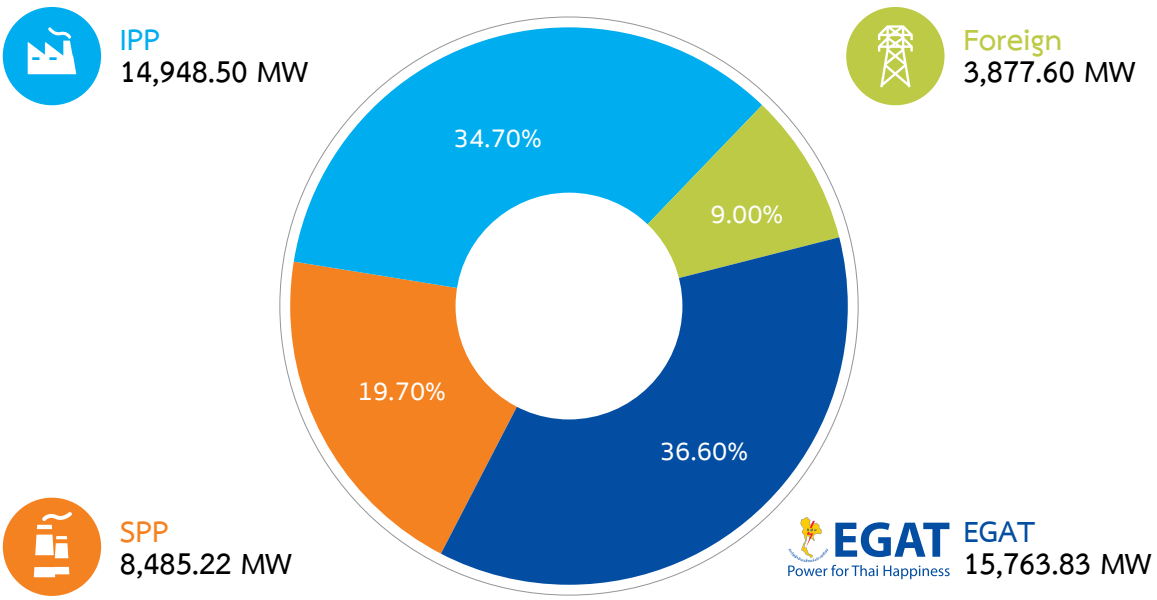
- Power plant operations and maintenance services through RATCH O&M Company Limited, RATCH-Lao Services Company Limited and Chubu Electric Services Company Limited.
- Gas turbine maintenance services through EGAT Diamond Service Company Limited.
- Coal mining through Phu Fai Mining Company Limited which supplies fuel to Hongsa Power Company Limited.
- Fuel supply service through Songkhla Biofuel Company Limited to supply fuel to Songkhla Biomass Company Limited.
- Securities investment by the purchase of shares in EDL-Generation Public Company Limited (EDL-Gen), a listed company on Lao Securities Exchange, through RATCH-Lao Services Company Limited and RH International (Singapore) Corporation Pte. Limited.
- Electric train services through Northern Bangkok Monorail Company Limited which invests in MRT Pink Line Project and Eastern Bangkok Monorail Company Limited which invests in MRT Yellow Line Project.
- Water supply business through an investment in Sandin Water Supply Project through Asia Water Sole Company Limited.

Investors may find more information in the General Information and/or from the Annual Registration Statement (Form 56-1) as published on the Company's website: www.ratch.co.th and the SEC's website: www.sec.or.th



Industry and Competition

Bank of Thailand's reports indicated continuous improvement in the global economy with a possible slowdown in 2019, buoyed by the United States of America's strong economic fundamentals and fiscal stimulus but pulled down by a slight slowdown in the European Union and Asia. Nevertheless, Thailand's trade partners showed satisfactory economic improvement in 2018.



Total domestic production capacity 43,075.15 MW
Renewable energy 3,004.43* MW (6.98%) *EGAT's only

Source: www.egat.co.th as of 31 October 2018

Power industry and competition in Thailand

Thailand's installed capacity totaled 43,075.15 MW, based on EGAT's statistics as of 31 October 2018. Of total, EGAT generated 15,763.83 MW (36.6 percent). The rest was purchased from IPPs (14,948.50 MW or 34.7 percent), SPPs (8,485.22 MW or 19.7 percent), and neighboring countries (3,877.60 MW or 9.0 percent).

The Company foresees investment opportunities in ASEAN countries including CLMV countries (Kingdom of Cambodia, Lao PDR, Republic of the Union of Myanmar and Socialist Republic of Vietnam) which exhibit potential in terms of renewable energy and island countries like Republic of the Philippines and Republic of Indonesia of which potential lie in hydropower and geothermal power as well as abundant coal resources. Opportunities also prevail in Oceania especially in Commonwealth of Australia which stands out in terms of wind power potential. The Company has subsequently conducted studies and development as well as established partnership with partners in the countries. The conditions, opportunities and potential of these target countries are summarized as follows:

Japan

Resistance to nuclear power subsides amid expectation that nuclear power plants will be deployed again to cut the generating cost driven by the relatively higher electricity cost of renewable energy. However, the Japanese government maintains the policy to raise renewable energy ratio to 25 percent of the country's total production capacity.

People's Republic of China

The Chinese government is in the process to follow pollution reduction policy and the agreement on global warming. Despite new nuclear power technologies, coal-fired power plants remain the principal generating source, followed by hydropower, solar power and wind power respectively.

Commonwealth of Australia

The Australian government sets a goal to generate 33,000 GWh from renewable energy by 2020. The construction of renewable power plants tends to increase, particularly to reap the country's wind and solar power potential.

Republic of the Philippines

Power plants require stable and solid grids to connect a vast number of islands. The Philippines show potential in hydropower and geothermal power. The government also opens its door to foreign investment in coal-fired power plants.

Republic of Indonesia

Indonesia's economy has continuously improved with GDP growth forecast of 6 percent in 2018. The government has sped up infrastructure development particularly coal-fired power plants to take advantage of abundant coal resources and the low cost. However, the Indonesian government raises its renewable energy target to 19 percent in 2020, sharing the Philippines' aspiration to make more use of hydropower and geothermal power. The renewable energy target will rise to 23 percent in 2025.

Malaysia

Malaysia, like Indonesia, enjoys the economic growth of 5-6 percent with the policy to nurture economic ties with People's Republic of China. The Indonesia-Malaysia-Thailand Growth Triangle (IMT-GT) also stands to promote trade and investment between the countries which include power purchases via power transmission grids. The Malaysian government's policy has focused on reducing dependence on natural gas, increasing coal-fired power capacity, developing efficient technology and cutting emissions.

Kingdom of Cambodia

Hydropower constitutes over 60 percent of Cambodia's installed capacity. The government sets a policy to generate more power from natural gas.

Lao PDR

Like in Kingdom of Cambodia, hydropower attributes over 70 percent of power in Lao PDR. Electricite du Laos focuses on exporting power to other ASEAN countries due to low domestic demand from 5-6 million population.

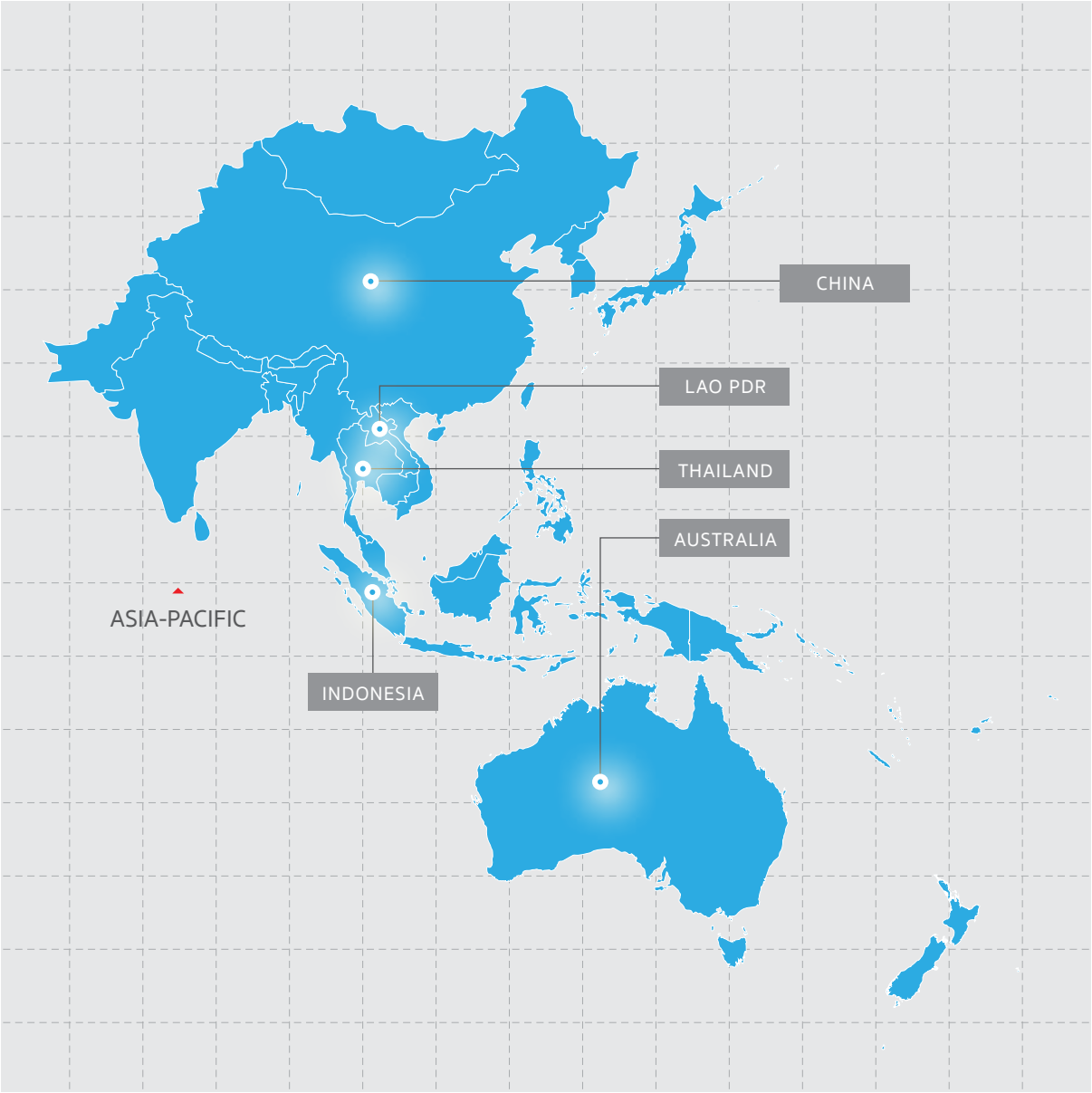
Republic of the Union of Myanmar

Republic of the Union of Myanmar depends primarily on hydropower as in Kingdom of Cambodia and Lao PDR. However, more coal-fired power plants are anticipated to achieve energy security.

Socialist Republic of Vietnam

The Vietnamese government places emphasis on increasing the number of coal-fired and gas-fired thermal power plants. It also welcomes foreign investment in solar and wind power. Currently many Thai investors have made investment in the country.

The Company's current installed capacity stands at 7,639.12 MW equivalent: consisting of 6,863.25 MW equivalent from commercially-operated projects and 775.87 MW from projects under construction and development. Its investment covers 5 countries – Thailand, Lao PDR, Commonwealth of Australia, People's Republic of China and Republic of Indonesia.


CHINA
LAO PDR
THAILAND
AUSTRALIA
ASIA-PACIFIC
INDONESIA

Risk Factors

The Company sets operational goals and business growth targets on an annual basis, to maintain an appropriate, constant and sustainable return to shareholders. However, prevailing risks and variables, internal and external, may derail the plan. The Company's Board of Directors is thus aware of the importance of maintaining all relevant risks within the risk appetite, to achieve the growth target and the vision of being a leading energy and infrastructure company as well as to strictly comply with relevant laws, rules and regulations through the Risk Management Committee's supervision and evaluation.

The Risk Management Committee holds corporate risk management meetings on a quarterly basis. In 2018, 4 meetings were held, to review the alignment of risk management practices with the Company's risk management policy and strategy. The Committee assesses, monitors and ensures that risks are maintained within the risk appetite and within the framework and policy endorsed by the Board of Directors. The Committee regularly reports the Board of Directors and the Audit Committee the operation summary and risk status as well as changes both in project and corporate levels and recommended improvements.

The Risk Management Committee established the Risk Management Working Team, comprising high level executives from all functions with the Chief Asset Management Officer as the Team chairman. The Team is tasked to analyze and assess risks and finding effective, efficient and timely risk management practices that will mitigate possible impacts on the Company's operations in various aspects like income, expenses, corporate image as well as impacts on the Company's stakeholders. The Team is also responsible for maintaining risks within the acceptable and appropriate level according to the risk management policy. In 2018, the Company first deployed the risk management process under the COSO: ERM 2017 framework, which corresponds with the Stock Exchange of Thailand's recommendation for listed companies. COSO: ERM 2017 is the risk management framework that links risk assessments to objectives and performance. The framework requires annual objectives and benchmarking against actual performance. It demands an assessment of corporate risks starting with the risks of strategic plans' KPI, to find out, for example, possible risks to the Company's performance or capacity expansion. Risks at division and project in charge of the particular KPI will be subsequently assessed. Risk assessment will be further extended to all projects under development or construction as well as commercially operating projects, to spot risk factors that may cause troubles to or significantly affect the development, construction or commercial operations of all projects as well as to define appropriate and timely risk management guidelines that support the corporate goals.

4 key risk factors that the Company has analyzed, assessed and set preventive and management measures to reduce possible risks or impacts on the business are as follows:

Key risk factor	Nature, cause and impact	Possible situation	Preventive, management and mitigation measures
1) Strategic planning risks	Changes in economic, social, political conditions; the legal landscape; rules and regulations; business condition and fierce competition; the environment; and investment climate that may affect investment	The energy and infrastructure industry involves a constant change in details, rules and regulations, aside from increasing competition from new players and huge investment cost. Such change may affect the Company's ambition to achieve goals.	Regularly monitor changes; analyze and assess possible impacts on corporate strategies related to business goals, the operations, finances or the environment, for instance; and assess the Company's supporting factors including investment plans, human resource management, and engagement with stakeholders. An annual review of corporate strategies and objectives is held.

Key risk factor	Nature, cause and impact	Possible situation	Preventive, management and mitigation measures
2) Financial risks	Risks from interest rate and foreign exchange rate adjustments, as well as liquidity shortage that will affect the operations.	The Company is prompted to expand investment overseas in line with the corporate goal to pursue business growth and generate higher returns to shareholders. The Company is thus exposed to greater risks from a change in foreign exchange rate or interest rate or liquidity management.	The Company defines and imposes a financial policy, serving as the guideline in controlling and managing financial risks that cover interest rate, foreign exchange rate and liquidity management. Financial needs and tenures are planned quantity-wise and time-wise in line with the Company's business condition, to assure sufficient risk management capability as well as efficient internal control which will render financial stability and allow the Company to achieve return targets.
3) Operational risks	Risks stemming from lower-than-expected revenue from commercially operating assets due to unplanned outage, aging machine, human errors, inefficient operation and maintenance, and etc.	The Company's primary power plants have been commercially operating for more than 10 years and may suffer from aging machine, possibly due to corrosion, fatigue or accumulated heat in malfunctioning or long-used parts. Such may tamper machine efficiency and stability.	The Company puts emphasis on commercially operating projects as they are the sources of revenue. Performance monitoring and risk assessment is regularly conducted covering power plant administration, machine efficiency and appropriate maintenance schedules according to the pre-set standard, to maintain machine efficiency and reliability as specified in the power purchase agreements. Emphasis is extended to cover the safety of all officers, contractors and the environment as required by related laws and regulations.

Key risk factor	Nature, cause and impact	Possible situation	Preventive, management and mitigation measures
4) Compliance risks	• The Organic Act on Counter Corruption B.E. 2561, Section 176 stipulates that any person who provides, requests or agrees to provide assets or any other benefit to a state official, a foreign state official or a staff of an international organization in order to persuade them to act, omit to act or delay in acting in his or her duties in an unlawful manner, shall be liable to imprisonment for a term of not exceeding five years or to a fine of not exceeding one hundred thousand baht or both. In the case where an offender pursuant to paragraph one is a person who is involved with any juristic person and acts for the benefit of that juristic person where such juristic person does not have appropriate internal control measures to prevent such commission of offence, that juristic person shall be guilty under this section and shall be liable to a fine from one time but not exceeding twice of the injury occurred or benefit received. • The laws, rules and regulations in each country where the Company invests in are complicated and vary and compliance may incur risks and complications.	• Intentional acts to pursue unlawful benefits for themselves or others, be they embezzlement, fraud, corruption or abuse of authority to act in a way that would bring unlawful benefit to the organization or themselves or others. Such acts cover giving and/or taking bribes; conflict of interest; threat and/or demand; and payment in return for convenience. • The Company expands overseas investment in the context of complicate and varying laws, rules and regulations in each country as well as customary and traditional differences. This may incur compliance risks.	• The Company's Board of Directors imposes the anti-fraud and corruption policy and rules for the acknowledgement and practice by all, to ensure corporate best practices, transparency, fairness, and responsibility for society and all stakeholders in line with good governance practices and business ethics. Employees are encouraged to intuitively comply with related laws and regulations, through communication channels and test on their understanding in the principles of CAC that requires the integration of test scores in individual performance assessment. The Company also imposes related rules, serving as a clear operational framework and a tool in monitoring and preventing fraud in line with CAC principles. The Audit Committee is tasked to monitor and ensure the overall operations follow CAC principles. • The Company thoroughly studies the laws, rules and regulations in each country, taking into account investment information and risks from reliable sources and recommendations from legal advisors. The Company also gives importance to business partners in the particular countries.

Human Resources and Remuneration Committee's Report

In 2018, the Human Resources and Remuneration Committee held 8 meetings. Chairing the 1st and 2nd meetings was Mr. Witoon Kulcharoenwirat while Mr. Chuan Sirinunporn and Mr. Thaworn Ngamganokwan served as members and the Executive Vice President - Corporate Administration as the Committee's secretary. During the year, the Committee underwent the following changes;

Mr. Witoon Kulcharoenwirat tendered his resignation as the Company's director on 6 April 2018. The Board of Directors consequently appointed Mr. Chuan Sirinunporn as the chairman of Human Resources and Remuneration Committee and appointed Mr. Suchalee Sumamal as a member to replacing Mr. Witoon Kulcharoenwirat.

Mr. Thaworn Ngamganokwan tendered his resignation as the Company's director on 1 October 2018. The Board of Directors consequently appointed Mr. Seubphong Buranasirin as Mr. Thaworn Ngamganokwan's replacement.

The Human Resources and Remuneration Committee realizes that employees' knowledge, ability and morale is the key driver towards the organization's operational goals. The Committee is tasked to consider and provide advice to the Board of Directors according to the scope of duty and responsibility assigned by the Board of Directors as follows:

1. Nominating Directors and Considering Directors' Remuneration

The Committee selects and nominates new directors to replace those whose terms are expired or who resign before the end of the term before submission to the Board of Directors. Shareholders are encouraged to nominate directors according to the preset criteria and procedure. In nominating directors, the Human Resources and Remuneration Committee would consider their knowledge, capability, experience, good work record, leadership, long-sighted vision, ethics and positive attitude towards the organization, ability to contribute sufficient time for the Company's benefits. In addition, the Human Resources and Remuneration

Committee considers remuneration policy and other benefits for the Company's Group's directors and high-level executives on the clear, transparent and performance-based criteria to ensure appropriate and attractive remuneration so as to encourage high-potential directors to perform their duties in helping the Company achieve business goals, support long-term benefits of the Company and shareholders, and strengthen confidence among shareholders.

2. Considering and Appointing Directors and High Level Executives of Subsidiaries, Affiliates and Joint Ventures

The Human Resources and Remuneration Committee considers the appointment of the Company's high-level executives and nominating the Company's representatives as directors in subsidiaries, affiliates and joint ventures by taking into account their knowledge, expertise and qualifications.

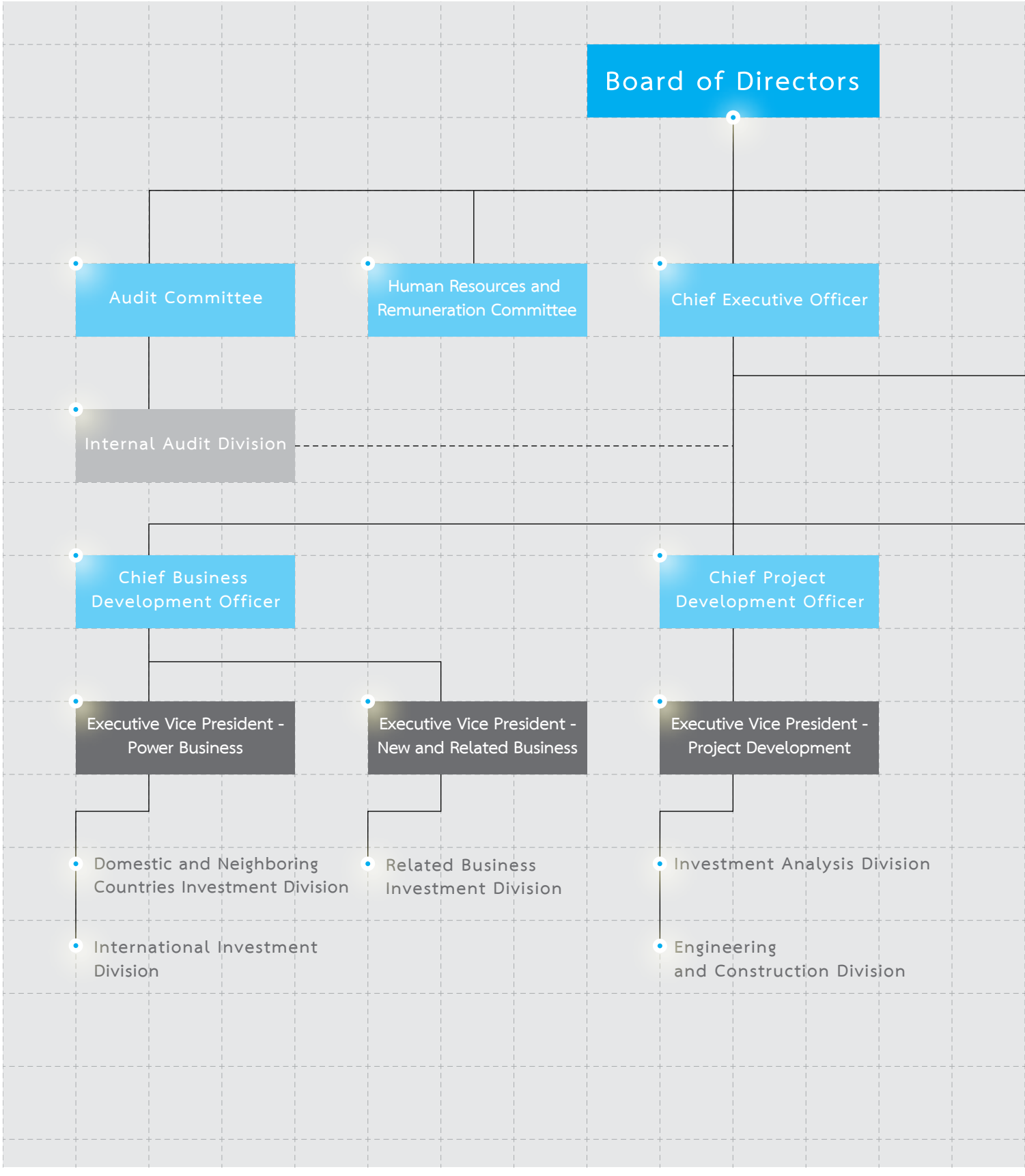
3. Selecting the Successors of High-Level Executives Who Were to be Retired

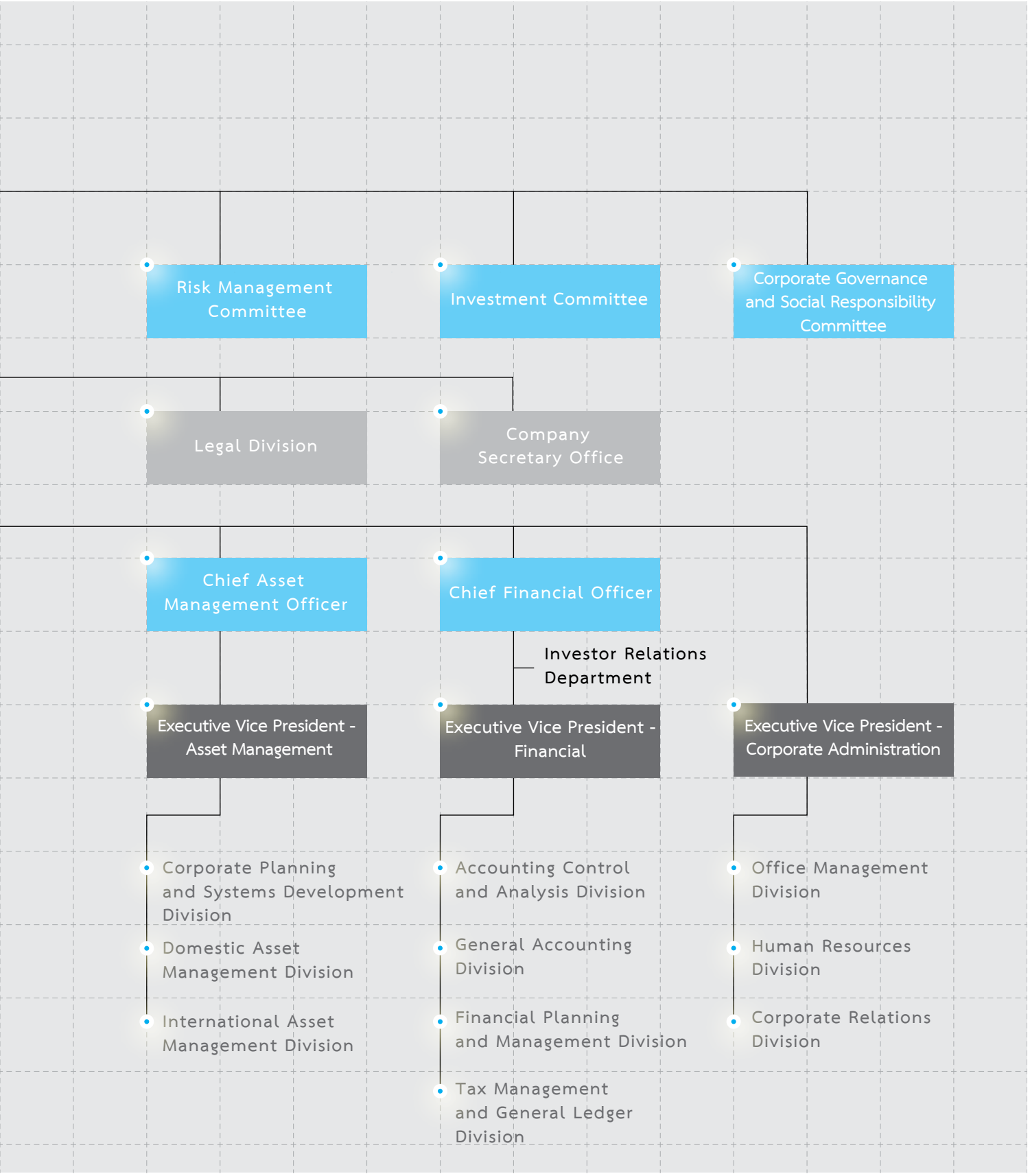
In 2018, 4 high-level executives were to be retired. For operational continuity and the Company's overall operational benefits, the Human Resources and Remuneration Committee puts in place a systematic succession plan and selects new-blood executives whose creativity will support current business circumstances.

The Human Resources and Remuneration Committee has performed its duty and responsibility as stated in the Company's regulation with honesty, transparency and carefulness. Every member has freedom to express their opinions, considers and makes fair decisions for the best benefits of shareholders, stakeholders and the Company.

(Mr. Chuan Sirinunporn)
Chairman of the Human Resources
and Remuneration Committee

Management Structure




Risk Management Committee
Investment Committee
Corporate Governance and Social Responsibility Committee
Legal Division
Company Secretary Office
Chief Asset Management Officer
Chief Financial Officer
Investor Relations Department
Executive Vice President - Asset Management
Executive Vice President - Financial
Executive Vice President - Corporate Administration
Corporate Planning and Systems Development Division
Domestic Asset Management Division
International Asset Management Division
Accounting Control and Analysis Division
General Accounting Division
Financial Planning and Management Division
Tax Management and General Ledger Division
Office Management Division
Human Resources Division
Corporate Relations Division

1. Board of Directors

Structure and composition of the Board of Directors and the qualifications of directors and independent directors have been set in correspondence with missions and business objectives of the Company while complying with the related laws, regulations, regulator's guideline and the Company's Articles of Association established by the resolution of the shareholders' meeting and the Company's regulations on the Board of Directors. This is to achieve maximum efficiency, effectiveness and support for the Board of Directors in performing its duty in formulating policy, setting business direction, ensuring balance of power, corporate governance, monitoring of the management and performance of the Management, providing opinions in depth and width on the issues under consideration that addresses all factors and ensuring that the implementation of policies corresponds with the related regulations.

1.1 Composition of the Board of Directors

- Comprising no less than 7 members and no more than 15 members.
- Executive directors shall not exceed one third of the total members.
- Independent directors shall comprise no less than one third of the total directors and no less than 3 members.
- No less than half of the directors shall reside within the country.
- The Chairman shall be a non-executive member and not be the same person as the Chief Executive Officer ("CEO") who is the top management of the Company. The Chairman and the CEO were elected from the directors who are elected in the shareholders' or the Board of Directors' meeting.
- Directors shall **have different fields of expertise**, such as engineering, accounting, business administration, economics, laws, political sciences, public administration and development administration, etc.
- Each of the director has not been convicted in a legal proceeding to violation of laws related to assets in a fraudulent action and has no record on involving in activities that may create conflict of interest for the Company.

As of 31 December 2018, the Company's Board of Directors comprises 13 members namely:

	Directors		Position in the Board of Directors	No. of Term(s)	Starting Date	Position in Sub-Committees
1	Mr. Sutat	Patmasiriwat	Chairman (EGAT's representative director) **(Authorized Director)**	3	20/10/2014	• Chairman of the Investment Committee
2	Mr. Chartchai	Rojanaratanangkule	Independent Director	1	06/04/2017	• Chairman of the Audit Committee • Corporate Governance and Social Responsibility Committee Member
3	Mr. Samack	Chouvaparnante	Independent Director	2	11/04/2015	• Chairman of the Risk Management Committee
4	Mrs. Siriporn	Luangnual	Independent Director	1	06/04/2017	• Audit Committee Member
5	Mr. Somboon	Nhookaew	Independent Director	1	23/02/2018	• Audit Committee Member
6	Mr. Veerasak	Pungrassamee	Independent Director	1	08/04/2016	• Risk Management Committee Member
7	Mrs. Premrutai	Vinaiphat	Independent Director	1	06/04/2018	• Corporate Governance and Social Responsibility Committee Member
8	Mr. Ratanachai	Namwong	Independent Director	1	06/04/2018	• Investment Committee Member
9	Mr. Chuan	Sirinunporn	Director (EGAT's representative director) **(Authorized Director)**	2	19/12/2014	• Chairman of the Corporate Governance and Social Responsibility Committee • Chairman of the Human Resources and Remuneration Committee
10	Mr. Suchalee	Sumamal	Director (EGAT's representative director) **(Authorized Director)**	1	01/05/2018	• Human Resources and Remuneration Committee Member
11	Mr. Boonyanit	Wongrukmit	Director (EGAT's representative director) **(Authorized Director)**	1	01/05/2018	• Risk Management Committee Member • Investment Committee Member
12	Mr. Seubphong	Buranasirin	Director (EGAT's representative director) **(Authorized Director)**	1	01/10/2018	• Risk Management Committee Member • Investment Committee Member
13	Mr. Kijja	Sripatthangkura	Director, Chief Executive Officer and Secretary to the Board of Directors (EGAT's representative director and executive director) **(Authorized Director)**	2	01/01/2017	• None

Note Authorized Director Policy appears under No. 1.7 while details of directors are shown in the Directors' Profiles Section.

Information on directors and controllers of subsidiaries operating core businesses can be found in the Form 56-1 published on the Company's website and SEC's website.

1.2 Qualifications of Directors

- Age no older than 72 years
- Have no prohibited qualifications by law, not be a bankrupt person or an incapable or quasi-incompetent person
- Have not been convicted in a legal proceeding to violation of laws related to assets in a fraudulent action
- Have never been terminated from government agencies or private organizations due to malpractice
- Have never been deprived from being a director, manager, employee or an authorized executive in other organization
- Not being a politician, a member of the Parliament, Senate, or a member of a local administrative office or administrator
- Have educational and experience or other qualifications that align with the mission of the Company's Group.
- Devote sufficient time and full capability for the best benefits of the Company and have duties to attend regular meetings
- While in office, **hold directorship in no more than 3 listed companies**
- Not manage nor make any arrangement that would conflict with the Company's interest or would provide advantages to other person or entity whether that is for personal or for other person's benefit

1.3 Independent Directors

The Company gave definition of "Independent Director" in the Company's regulation on the Board of Directors B.E. 2560 which is published on the Company's website. Qualifications of Independent Director can be summarized as follows:

- Holding shares not exceeding 0.5 percent of the total number of voting rights of the Company, its subsidiary, affiliate, joint venture, or juristic person which may have conflicts of interest, including the shares held by related persons of the Independent Director (The criteria about the shares held by the Company's Independent Director is stricter than the criteria enforced by the Capital Market Supervisory Board which is not exceeding 1 percent).
- Neither being nor having been an executive director, employee, staff or advisor who receives salary, or a controlling person of the Company, its subsidiary, affiliate, joint venture, same-level subsidiary or juristic person who may have conflicts of interest unless the foregoing status has ended not less than two years prior to the date of appointment as the Independent Director.
- Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, of executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling persons of the Company or its subsidiary.
- Not having a business relationship with the Company, its subsidiary, affiliate, joint venture, or juristic person who may have conflicts of interest, in the manner which may interfere with his independent judgment, and neither being nor having a major shareholder, Non-Independent Director or executive of any person having business relationship with the Company, its subsidiary, affiliate, joint venture, or juristic person who may have conflicts of interest unless the foregoing status has ended not less than two years prior to the date of appointment as the Independent Director.

("Business relationship" includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the applicant or his counterparty being subject to indebtedness payable to the other party in the amount of three per cent or more of the net tangible assets or the applicant or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Act of Listed Companies Concerning the Connected Transactions mutatis mutandis. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences)

- Neither being nor having been an auditor of the Company, its subsidiary, affiliate, joint venture, or juristic person who may have conflicts of interest, and not being a major shareholder, Non-Independent Director, executive or partner of an audit firm which employs auditors of the Company, its subsidiary, affiliate, joint venture, or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than two years prior to the date of appointment as the Independent Director

• Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the Company, its subsidiary, affiliate or juristic person who may have conflict of interest, and neither being nor having been a major shareholder, Non-Independent Director, executive or partner of the professional advisor unless the foregoing relationship has ended not less than two years prior to the date of appointment as the Independent Director

• Not being a Director who has been appointed as a representative of the Company's Director, major shareholder or shareholders who are related to the Company's major shareholder.

• After having been appointed as Independent Director with qualifications complying with the aforementioned criteria the Independent Director may be assigned by the Board of Directors to take part in the business decision of the Company, its subsidiary, affiliate, same-level subsidiary or juristic person who may have conflicts of interest on the condition that such decision must be a collective one.

As of 31 December 2018, the Company has 7 independent directors (equivalent to 53.85 percent) which accounts for more than one third of the total members, namely Mr. Chartchai Rojanaratanangkule, Mr. Samack Chouvaparnante, Miss Siriporn Luangnual, Mr. Somboon Nhookaew, Mr. Veerasak Pungrassamee, Mrs. Premrutai Vinaiphat and Mr. Ratanachai Namwong.

1.4 Nomination of Directors

The Company has in place clear director recruitment and nomination process. The Human Resources and Remuneration Committee is responsible for selecting, recruiting and screening nominees for the Board of Directors' consideration. The process is conducted in accordance with the pre-set criteria and procedure, **considering the quality, diversity of technical knowledge and expertise, skills and work experiences that the Board of Directors needs** and support the corporate mission and goals. The consideration is free of discrimination against gender. The nominated directors shall not have prohibited qualifications by law and related rules and regulations or the corporate governance principle and ability to contribute time to perform duties as a director to support the Board of Directors' ability to efficiently and completely perform its duties according to the structure set by the Company. The Company has prepared Competency Matrix to support the nomination process in order to recruit the directors who can support the Company to achieve its strategic goals. The selected directors will be submitted to the Board of Directors and/or shareholders' meeting for approval. Director appointment includes two cases as follows:

Case 1: A director position is vacant due to reasons other than rotation of office. The Board of Directors has the authority to elect any persons to replace the vacant positions. The Director so appointed shall retain his/her office during such time only as the Director he/she replaces is entitled to retain. Approval of no less than three fourths of the remaining Directors is required for this case.

Case 2: A Director position is vacant due to rotation of office. The Board of Directors shall propose to the shareholders' annual general meeting for consideration and appointment. Criteria and process are specified in the Company's Articles of Association.

Committed to **equitable treatment of shareholders**, the Board of Directors **encourages minority shareholders to nominate a person with proper qualifications to be elected as directors** for the Board to consider and propose to the shareholders' annual general meeting. This practice has been implemented since 2008. Details are specified in Good Corporate Governance section.

1.5 Tenure of Directors

• At every shareholders' annual general meeting, one-third of the Directors, or the nearest to one-third in case the number cannot equally divid by three, shall retire from office.

• Directors with the longest stay in office shall retire.

• A retiring director by a rotation of office may be re-elected.

• Directors and independent directors shall remain in their offices for no more than 6 consecutive years.

• In addition to retirement by rotation, a director shall leave the office when

- Dies
- Resigns
- Lacks the qualification or has prohibited qualifications according to the laws regarding securities and exchange and the Company's Articles of Association and regulations on the Board of Directors
- Voted by the shareholders' meeting with no less than three quarters of the total number of shareholders who attends the meeting with voting rights with the combined shares accounted for no less than half of the shares held by the shareholders who attends the meeting with voting right
- Ordered to leave the office by the court

• Resignation of director becomes effective when the Company receives the resignation letter.

- The CEO's directorship ends when he/she vacates the CEO position.
- In case any Director vacates the position by reasons other than a rotation of office, the Board of Directors shall elect any person to replace the vacant position and the Director so appointed shall retain his/her office during such time only as the Director he/she replaces is entitled to retain.

1.6 Directors' Authority and Duties

As the shareholders' representatives, the Board of Directors has a duty to ensure that all the Company's businesses strictly comply with related laws, business objectives, Articles of Association and resolution of the shareholders' meeting. The Board of Directors is authorized to take action as stated in the Memorandum of Association and related documents, and has roles, duties and responsibilities to manage the Company with integrity and avoid conflict of interest to protect the organization's benefits rather than any particular shareholder or group. The Board of Directors' duties and responsibilities are as follows:

- Formulating policies, strategies, business plan and budget.
- Monitoring and following-up the Management's strategy implementation and activities and checking against the target or forecast, at least every quarter.
- Managing human resources, including appointing and/or removing Director or high level executives and appraising performance against the earlier agreed target which is linked with remuneration.
- Being responsible for the completion of activities in compliance with rules and regulations, business ethics and the corporate governance principles, with focus on effective and sufficient internal control and monitoring problems and conflict of interests, especially those related to anti-corruption issues.
- Communicating with the stakeholders and the public by providing effective and appropriate communication channels.
- Establishing and setting roles and responsibilities of sub-committees.
- Appraising performance of the Board of Directors and sub-committees, which requires self-appraisal on yearly basis.

The Company publishes the duty and responsibilities of the Board of Directors in the Company's website under the Company's regulation on the Board of Directors.

1.7 Authorized Directors

The Company's authorized signatory according to the Company's policy are

- Chairman of the Board of Directors or Chief Executive Officer, with signature and the Company's Seal; or
- Two other directors, except independent directors, with joint signatures and the Company's Seal.

This is to provide practical flexibility and independence of independent directors.

Investors can study details from the Company's affidavit registered with the Department of Business Development, Ministry of Commerce, as published on the Company's website

1.8 There are 5 Sub-committees namely:

1) Audit Committee

The Audit Committee is appointed by the Company's Board of Directors and its term is 3 years. The committee members have the required knowledge, experience and qualifications as designated by SEC and SET. As of 31 December 2018, the Audit Committee comprises Mr. Chartchai Rojanaratanangkule, Chairman of the Audit Committee; and Mrs. Siriporn Luangnual and Mr. Somboon Nhookaew, Audit Committee Members. All the three members are independent directors while Mr. Chartchai Rojanaratanangkule and Mrs. Siriporn Luangnual have the knowledge and ability in reviewing the Company's operations and financial statements. Mr. Somboon Kositvanich, Senior Vice President – Head of Internal Audit Division, serves as secretary to the committee.

The Audit Committee's Duties and Responsibilities:

- Reviewing and ensuring that the Company has accurate and adequate financial reports.
- Reviewing and making sure the Company has an appropriate and effective internal control and risk management system.
- Reviewing and ensuring that the Company complies with laws on securities and exchange, SET's rules and regulations and other laws relating to the Company's business.
- Selecting and nominating independent persons to be the auditors of the Company and recommending the auditor's fee, and attending at least one meeting per year with the auditors without presence of the Management.
- Reviewing connected transactions or items that may have conflicts of interest based on existing laws and the SET's rules and regulations.
- Preparing the Audit Committee's report and opinion to be published in the annual report.
- Reviewing the Internal Audit Division's performance in terms of scope of responsibility, annual audit plan, budget, appointment, transfer

and termination of the Vice President - Head of Internal Audit Division and considering and reviewing the independence of the Internal Audit Division.

• Reviewing the audit criteria and process to ensure that they always comply with current business environment and summarizing and reporting the Audit Committee's tasks and movement to the Board of Directors; reporting issues discovered or in doubt, which may have significant impact on the Company's financial status or operating performance, to the Board of Directors in order to correct it within the time frame agreed by the Audit Committee.

Investors may find more information on the Audit Committee's duties and responsibilities on the Company's website under the Company's regulation on the Audit Committee.

2) Human Resources and Remuneration Committee

The Human Resources and Remuneration Committee is appointed by the Board of Directors and its term is 3 years. As of 31 December 2018, the committee comprises Mr. Chuan Sirinunporn, Chairman of the Human Resources and Remuneration Committee; Mr. Suchalee Sumamal and Mr. Seubphong Buranasirin, Human Resources and Remuneration Committee Members. Mr. Prayut Thongsuwan, Executive Vice President - Corporate Administration, serves as secretary to the committee.

The Human Resources and Remuneration Committee's Duties and Responsibilities:

Human Resources Recruitment Aspect:

• Formulating visions and strategies on human resources management and development plan of the Company's Group.

• Reviewing and ensuring that the Board of Directors of the Company's Group has appropriate size and good components responsively to the changing environment.

• Formulating appropriate policy, criteria and procedure in nominating, selecting, removing or terminating Directors and high level executives for the Board of Directors' approval to ensure the Company's Group has the executives and management teams with required qualifications, knowledge, capability and experience to operate the business of the Company's Group successfully and effectively.

• Selecting and nominating persons with required qualifications to be the directors and high level executives of the Company's Group.

• Preparing succession plan for key executive positions, formulating remuneration policy and strategy, including other benefit for the Company's Group's Directors and high level executives, to be presented to the Board of Directors for approval. The criteria is clear, transparent and correspondent to the duty and responsibility as well as performance in order to attract and maintain the highly capable persons with desired qualifications.

Remuneration Setting Aspect:

• Formulating remuneration policy and strategy, including salary, meeting allowance, per diem, bonus or other benefits of other kinds, and the amount of remuneration and other benefits for Directors and high level executives of the Company's Group and submit it for approval by the Board of Directors. Clear, transparent and appropriate criteria corresponding with the scope of responsibility and being performance-based are in place in order for the Company to convince, maintain and attract high potential people with the desired qualifications.

• Formulating effective guidelines, criteria, procedures and process for assessing the performance of the Board of Directors and high level executives of the Company's Group against the target mutually agreed in advance each year. These targets shall be relevant to the Company's business plan and set up in order to review the Management's annual remunerations by taking duties, responsibilities, related risks and the increase of shareholders' equity in the long term into consideration.

• Ensuring that policy related to remuneration as well as amount of remunerations for the Board of Directors and high level executives are disclosed in the Company's annual report.

Investors may find more information on the Human Resources and Remuneration Committee's duties and responsibilities on the Company's website under the Company's regulation on the Human Resources and Remuneration Committee.

3) Risk Management Committee

The Risk Management Committee is appointed by the Board of Directors and its term is 3 years. As of 31 December 2018, its members comprised Mr. Samack Chouvaparnante, Chairman of the Risk Management Committee; Mr. Veerasak Pungrassamee and Mr. Boonyanit Wongrukmit, Risk Management Committee Members. Mr. Suteep Thummarugee, Senior Vice President - Head of Corporate Planning and Systems Development Division serves as secretary to the committee.

The Risk Management Committee's Duties and Responsibilities:

• Reviewing the Company's risk management policy and framework to ensure they cover significant risk factors, such as financial risk, investment risk and corporate reputation risk, and proposing to the Board of Director for approval.

• Formulating risk management strategies and framework in compliance with the Company's risk management policy. The Committee shall assess, monitor and control the impact of risk at the appropriate level.

• Monitoring and ensuring that risk management activities are in line with the Company's policy and framework approved by the Board of Directors.

• Setting risk assessment criteria and risk appetite ceiling.

• Setting measures to manage risks in accordance with the environment and situation.

• Reviewing the sufficiency of risk management policy and system including the effectiveness of the system and the practice under the policy.

• Reporting regularly to the Board of Directors about the management, operations, risk status, changes and areas of improvement to keep risk management in line with the Company's policy and strategy.

• Setting a Risk Management Working Team and supporting the team in terms of personnel, budget and other necessary resources that correspond to the scope of responsibility.

Investors may find more information on the Risk Management Committee's duties and responsibilities on the Company's website under the Company's regulation on the Risk Management Committee.

Risk Management Working Team

"Risk Management Working Team" was appointed by the Risk Management Committee. Chief Asset Management Officer is the Working Team Chairman while executives from all functions are members and the Assistant Vice President - Corporate Planning and Systems Development Division serves as the secretary. The Working Team is mainly responsible for identifying nature of risks and risk factors, studying and analyzing internal and external factors that may affect the Company's operations, monitoring and studying international standard and government requirements on risk management practice, proposing risk management guideline to the Risk Management Committee for consideration and approval, and overseeing risk management activities are in line with the guideline approved by the Risk Management Committee; and preparing the report on the Company's risk management for the Risk Management Committee acknowledgement every quarter.

Strategic Plan Management Team

"Strategic Plan Management Team" is appointed by the Chief Executive Officer. It comprises the Chief Officers of all functions and Executive Vice President - Corporate Administration as members. Chief Executive Officer acts as the chairman while the Senior Vice President – Head of Corporate Planning and Systems Development Division serves as the secretary. The Strategic Plan Management Team is responsible for screening policy and strategic plan management to ensure that they correspond to the Company's goal and address current situation, formulating strategies, reviewing the sufficiency of policy and strategic plan management system to ensure the system effectiveness and effective implementation, appointing the Strategic Plan Working Team, supervising and monitoring the implementation of strategic plan policy, and reviewing the analysis and assessment of the strategic plan proposed by the Strategic Plan Working Team.

Strategic Plan Working Team

The Strategic Plan Working Team comprises executives from all functions as assigned by the Chief Officer of each function and by Executive Vice President - Corporate Administration for the corporate administration function as members. Chief Asset Management Officer serves as the chairman and the Assistant Vice President - Corporate Planning and Systems Development Division serves as the secretary. It is responsible for following up, collecting and analyzing information on each project to assess strategic plans and report to the Strategic Plan Management Team on quarterly basis.

4) Investment Committee

Investment Committee is appointed by the Board of Directors and its term is 3 years. As of 31 December 2018, the Investment Committee comprised Mr. Sutat Patmasiriwat, Chairman of the Invesment Committee; Mr. Ratanachai Namwong, Mr. Boonyanit Wongrukmit, and Mr. Seubphong Buranasirin, Invesment Committee Members. Mr. Peerawat Pumthong, Chief Business Development Officer, serves as secretary to the committee.

The Investment Committee's Duties and Responsibilities:

• Determining strategic plan, goal, investment plan, investment budget, optimum investment return and other benefits from project investment to increase the Company's production capacity and growth.

• Carefully reviewing and scrutinizing project investment proposed by the Management to ensure that it is consistent with the Company's policy and target stated in its investment plan with the consideration on cost-effective investment return and on management of other risk factors at acceptable level.

• Monitoring, following up and evaluating the approved investment project and report to the Board of Directors.

Investors may find more information on the Investment Committee's duties and responsibilities on the Company's website under the Company's regulation on the Investment Committee.

5) Corporate Governance and Social Responsibility Committee

The Corporate Governance and Social Responsibility Committee is appointed by the Board of Directors and its term is 3 years. As of 31 December 2018, the Corporate Governance and Social Responsibility Committee comprised Mr. Chuan Sirinunporn, Chairman of the Corporate Governance and Social Responsibility; Mr. Chartchai Rojanaratanangkule and Mrs. Premrutai Vinaiphat, Corporate Governance and Social Responsibility Committee Members. Mrs. Boontiva Dansamasatid, Executive Vice President under Chief Executive Officer serves as secretary to the committee.

The Corporate Governance and Social Responsibility Committee's Duties and Responsibilities

• Considering policies, strategies, goal, guidelines and plan regarding the Company's corporate governance and social responsibility

• Encouraging the Board of Directors, executives and employees to participate in corporate governance and social responsibility activities

• Monitoring that policies and regulations related to corporate governance and social responsibilities are practiced

• Reporting all corporate governance and social responsibilities tasks to the Board of Directors

• Reviewing and revising policies and guidelines on corporate and social responsibilities if needed by comparing with leading companies, and propose to the Board of Directors for consideration to ensure that the policies and guidelines are up to date.

The scope of responsibilities of the Corporate Governance and Social Responsibility Committee is included in the Company's regulation on the Investment Committee and published on the Company's website.

Corporate Governance Working Team

The "Corporate Governance Working Team" is appointed by the Chief Executive Officer and comprises Chief Financial Officer as the Chairman of the Working Team with Executive Vice Presidents from all functions and the Vice President - Head of Internal Audit Division as members. Vice President - Head of Company Secretary Office serves as the team member and secretary. The Corporate Governance Working Team is responsible for monitoring, studying, considering, reviewing and improving corporate governance policy according to the recommendation or regulations set by concerned agencies to ensure that the corporate governance policy of the Company and subsidiaries is up to date and corresponds to international guideline, laws, rules and regulations.The team is also responsible for setting corporate governance guideline and managing risks related to corruption, encouraging employees of the Company and its subsidiaries to embrace awareness on corporate governance and anti-corruption practice, assessing and reporting the implementation of corporate government practice and risk management plan related to corruption as stated in the corporate govenance policy, managing corruption-related risks by providing advices to executives on corruption related risk assessment, collecting corruption risk assessment result to prepare document on corporate corruption risk, monitoring the result of risk management plan implementation to be reported to the Board of Directors, Corporate Governance and Social Responsibility Committee, Audit Committee, executives and related sub-committees or other organizations.

Changes in the Board of Directors and Sub-Committees in 2018

23 February 2018

- Mr. Somboon Nhookeaw was appointed as an Independent Director.

6 April 2018

- Ms. Prapa Puranachote vacated the positions as an Independent Director and the Audit Committee Member.
- Mr. Prapon Kitichantaropas vacated the positions as an Independent Director and the Corporate Governance and Social Responsibility Committee Member.
- Mr. Witoon Kulcharoenwirat resigned as a Director, the Human Resources and Remuneration Committee Member and the Investment Committee Member.
- Mr. Ratanachai Namwong and Mrs. Premrutai Vinaiphat were appointed as Independent Directors.

1 May 2018

- Mr. Viboon Rerksirathai resigned as a Director, the Risk Management Committee Member and the Investment Committee Member.
- Mr. Suchalee Sumamal was appointed as a Director and the Human Resources and Remunation Committee Member.
- Mr. Boonyanit Wongrukmit was appointed as a Director, the Risk Management Committee Member and the Investment Committee Member.
- Mr. Chuan Sirinunporn was appointed as the Chairman of the Human Resources and Remuneration Committee.
- Mr. Somboon Nhookeaw was appointed as the Audit Committee Member.
- Mr. Rattanachai Namwong was appointed as the Investment Committee Member.
- Mrs. Premrutai Vinaiphat was appointed as the Corporate Governance and Social Responsibility Committee Member.

1 October 2018

- Mr. Thaworn Ngamganokwan resigned as a Director, the Human Resources and Remuneration Committee Member and the Investment Committee Member.
- Mr. Seubphong Buranasirin was appointed as a Director, the Human Resources and Remuneration Committee Member and the Investment Committee Member.

1.9 Board of Directors and Sub-Committee's meetings in 2018 are as follows:

1.9.1 The Board of Directors held 14 meetings. At the 14th meeting, a meeting among non-executive directors was held without the presence of the Management prior to the meeting of the entire Board of Directors.

1.9.2 Sub-Committees

- The Audit Committee held 7 meetings. As part of the agenda for the 7th meeting, the Committee met with the auditor without the Management's presence.
- The Human Resources and Remuneration Committee held 8 meetings.
- The Risk Management Committee held 4 meetings.
- The Investment Committee held 9 meetings.
- The Corporate Governance and Social Responsibility Committee held 3 meetings.
- The Audit Committee and the Risk Management Committee jointly convened 1 meeting.

Board of Directors and Sub-Committees' Meeting Attendance in 2018

No.	Name	Board of Directors	% of attendance	Audit Committee	Human Resources and Remuneration Committee	Risk Management Committee	Investment Committee	Corporate Governance and Social Responsibility Committee	Audit Committee and Risk Management Committee
1	Mr. Sutat Patmasiriwat	14/14	100.00				9/9		
2	Mr. Chartchai Rojanaratanagkule	14/14	100.00	7/7				3/3	1/1
3	Mr. Samack Chouvaparnante	14/14	100.00			4/4			1/1
4	Mrs. Siriporn Luangnual	13/14	92.86	7/7					1/1
5	Mr. Somboon Nhookaew	10/11	90.91	6/6					1/1
6	Mr. Veerasak Pungrassamee	14/14	100.00			4/4			1/1
7	Mrs. Premrutai Vinaiphat	10/10	100.00					3/3	
8	Mr. Ratanachai Namwong	9/10	90.00				6/7		
9	Mr. Chuan Sirinunporn	12/14	85.71		8/8			3/3	
10	Mr. Suchalee Sumamal	9/9	100.00		5/5				
11	Mr. Boonyanit Wongrukmit	9/9	100.00			3/3	7/7		1/1
12	Mr. Seubphong Buranasirin	4/4	100.00		3/3		2/2		
13	Mr. Kijja Sripatthangkura	14/14	100.00						
14	Mrs. Prapa Puranachote	3/4	75.00	1/1					
15	Mr. Prapon Kitichantaropas	4/4	100.00						
16	Mr. Witoon Kulcharoenwirat	4/4	100.00		2/2		1/1		
17	Mr. Viboon Rerksirathai	5/5	100.00			0/1	1/2		
18	Mr. Thaworn Ngamganokwan	10/10	100.00		5/5		7/7		

Notes
(1) The number before / shows the number of meetings the director attended.
(2) The number after / shows the total meetings held while the director is in office.
(3) Percentage of the Board of Director's meeting attendance is calculated based on the number of meetings held while the director is in office.
(4) Information on the changes of directors and sub-committees in 2018 is shown under No. 1.8

Directors are required to attend all of the Board of Directors' meetings, unless being tied up with very important and urgent matters. However, the absent directors can express their opinions on issues included in the meeting agenda, which was dispatched to all directors prior to the meeting dates. In 2018, directors' attendance to the Board of Directors' meetings was no less than 75 percent of all meetings throughout the year. The entire team's average attendance was at 96.63 percent.

1.10 Secretary to the Board of Directors and Company Secretary Secretary to the Board of Directors

The Board of Directors appointed Chief Executive Officer as its secretary. The Board of Directors Secretariat Department under the Company Secretary Office is responsible for arranging meetings, administration and coordination for the Board of Directors.

Company Secretary

The Board of Directors appointed Company Secretary with responsibilities as specified by the Securities and Exchange Act, which include providing initial advice on related laws and regulations, arranging the Company and subsidiaries' Board of Directors' meetings, sub-committees' meetings and the general shareholders' meetings; handling secretariat works for the Board of Directors and facilitating the Board of Directors' activities; ensuring that the Board of Directors' resolutions and the shareholders' resolutions are strictly executed; handling activities related to shareholders' rights and proper disclosure of information, preparing the Company's annual report (Form 56-2) as well as preparing and keeping significant document, such as meeting invitations and Board of Directors' meeting minutes, meeting invitation and minutes of the shareholders' meeting, annual report, directors record and report on conflict of interest of directors and executives. These responsibilities will ensure that Company's operations comply well with the good corporate governance of listed companies under the Board of Directors' Responsibility topic, related laws, rules and regulations, Company's Articles of Association, regulations, policies, and guidelines specified by the regulators and concerned organizations and the Securities and Exchange Act.

In addition, the Company Secretary plays an important role in promoting good corporate governance by supporting Directors and Chief Executive Officer in performing their duties, and is also responsible for corporate governance activities through Compliance Department under the Company Secretary Office.

Mr. Sommai Poosanachakorn, Senior Vice President - Head of Company Secretary Office, was appointed by the Board of Directors in the meeting No. 1/2016 dated 18 January 2016 as the Company Secretary effective from 19 January 2016.

Mr. Sommai Poosanachakorn

Age 54 years

Company Secretary

Staring Date : 19 January 2016

The Company's Securities Holding Proportion:

- Direct : None
- Indirect : None

Education

- Master of Public and Private Management, The National Institute of Development Administration
- Bachelor of Accounting, Thammasat University

Important Trainings/Seminars

- Advanced Certificate Course in Management of Public Economics for Executives (Class 15), King Prajadhipok's Institute
- Chief Financial Officer Certification Program, Federation of Accounting Professions
- Senior Executive Program, SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Leadership Assessment & Development Program (2013)
- Leading with the Speed of Trust (2013)

Work Experiences

• 2015 - Present	Senior Vice President - Head of Company Secretary Office, Ratchaburi Electricity Generating Holding PCL
• 2017	Director, RATCH China Power Limited
• 2014 - 2015	Senior Vice President - Head of Accounting Control and Analysis Division, Ratchaburi Electricity Generating Holding PCL
• 2014	Vice President - Head of Accounting Control and Analysis Division, Ratchaburi Electricity Generating Holding PCL
• 2007 - 2014	Vice President - Head of Accounting Division, Ratchaburi Electricity Generating Holding PCL

Current Positions in Other Listed Companies

- None

Current Positions in Non-listed Organizations

- Board of Directors Member, RATCH-Lao Services Company Limited

Prohibited Qualifications/Committed an Offence

- None

Family Relationship with Directors and Executives

- None

Participation in Managing Business Relationship/ Providing Professional Service to the Company's Group in the Previous Year

- None

Being an Employee/Partner of External Audit Company in the Previous 2 Years

- None

Issues that May Cause Conflict of Interest in the Previous Year

- None

1.11 Head of Internal Audit

In ensuring that the Company and its subsidiaries' operations are in line with policy, plans, rules and regulations, related laws, and corporate governance principle, the Audit Committee, in the meeting No. 7/2016 held on Wednesday, 14 December 2016, appointed Mr. Somboon Kositvanich as Senior Vice President - Head of Internal Audit Division to be responsible for reviewing, evaluating the sufficiency and efficiency of the internal control and risk management system of the Company and its subsidiaries, effective from 1 January 2017. The Internal Audit Division reports directly to the Audit Committee. In 2028, the Audit Committee appraised the performance of the Vice President - Head of Internal Audit Division especially in terms of knowledge and ability to supervise and manage internal audit activities as well as understanding of the role and responsibility of the secretary to the Audit Committee. The appraisal result score was 94.08 (out of 100 full score) or excellent. The appraisal result showed that the person can perform his duty as assigned and has good understanding of the Company's business, has capability and experience in reviewing accounting, finance and management of the Company's overall and business risks. In this regard, the appointment, transfer and the consideration of the person who acts as Vice President - Head of Internal Audit Division as to be approved by the Audit Committee.

Mr. Somboon Kositvanich

Age 59 years

Senior Vice President - Head of Internal Audit Division

Starting Date : 1 January 2017

The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Accounting, Thammasat University
- Bachelor of Accountancy, Ramkhamhaeng University

Important Trainings/Seminars

- Chief Financial Officer Certification Program, Federation of Accounting Professions
- Mini MBA, Kasetsart University
- Senior Executive Program, Sasin Graduate Institute of Business Administration
- Certified Public Accountant (CPA)
- Investment Management Practice with Financial Instruments (Financial Lab) Course, Faculty of Commerce and Accountancy, Chulalongkorn University

Work Experiences

- 2015 - 2017 Senior Vice President, Ratchaburi Electricity Generating Holding Public Company Limited, seconded to be Managing Director of Solarta Company Limited
- 2014 Senior Vice President, Administration and Finance Division, Ratchaburi Electricity Generating Company Limited

Current Positions in Other Listed Companies

- None

Current Positions in Non-listed Organizations

- None

Prohibited Qualifications/Committed an Offence

- None

Family Relationship with Directors and Executives

- None

Participation in Managing Business Relationship/ Providing Professional Service to the Company's Group in the Previous Year

- None

Being an Employee/Partner of External Audit Company in the Previous 2 Years

- None

Issues that May Cause Conflict of Interest in the Previous Year

- None

1.12 Head of Compliance Unit

(Disclosed in the Company Secretary section)

2. Executives

The Board of Directors has clearly specified scope of responsibilities of Directors and the Management, which are clearly separated from each other. The scope of responsibilities as follows:

- The Board of Directors is responsible for policy formulation and monitoring of the implementation by the Management. (Details are disclosed in Board of Directors Section.)
- The Management is responsible for implementing the policies and reporting the results to the Board of Directors.

Chief Executive Officer is the top executive in the Management and is authorized to manage daily operations of the Company as follows:

- Governing employees and staff members;
- Hiring, appointing, promoting, approving resignation of employees, punishing, transferring, assigning positions to staff members; considering promotion or adjusting salary of employees and staff members, excluding high level executives who are Executive Vice President and upper levels, which are the responsibilities of the Board of Directors;
- Issuing work conditions, work rules and responsibilities of each job position, or issuing orders or announcement regarding management process or other operations of the Company that do not conflict with the Company's regulations and the Board of Directors' resolution;
- Supervising that the operations strictly abide by the Company's regulations and making final decisions when there is operational problems
- Dividing job functions with the approval from the Board of Directors

Signatory Authority

In terms of external affairs, the Chief Executive Officer is authorized to act as a signatory except in any matters that the Chief Executive Officer or persons who have relationship with him may have conflict of interests. Such action can be taken only when approved by the Board of Directors with the presence of Independent Directors. In such case, the Chief Executive Officer may authorize any other person to act on his/her behalf, except for any matter that may hold the Company's liable as a borrower, buyer or hirer engaged in more than Baht 30 million.

For any contract that is wrongfully made by the Chief Executive Officer which breaches the resolution of the Board of Directors, the Company will not be held liable, except in case of ratification by the Board of Directors.

In case the Chief Executive Officer is absent or cannot perform his duty or when the position is vacant, the Board of Directors assigns the chief officers in the next rankings to act as the Acting Chief Executive Officer respectively with full authority, except for Chief Executive Officer's responsibility as a member of the Board of Directors.

Authority to approve procurement and charity donation

The Board of Directors clearly specifies the authority to approve procurement and charity donation as follows:

	Procurement	Authorized person
1	Procurement of project **not exceeding Baht 30 million**	Chief Executive Officer
2	Procurement of project **exceeding Baht 30 million**	Board of Directors
	Charity Donation	**Authorized person**
1	Charity donation **not exceeding Baht 300,000**	Chief Executive Officer
2	Charity donation of **over** Baht 300,000 but **not exceeding Baht 500,000**	Chairman of the Board
3	Charity donation **exceeding Baht 500,000**	Board of Directors

The Company Administration

is divided into 5 functions, including Business Development, Project Development, Asset Management, Finance and Corporate Administration.

Business Development, Project Development, Asset Management and Finance are headed by Chief Officer level executives. Corporate Administration is headed by Executive Vice President. There are 3 divisions under the Chief Executive Officer, including Legal Division, Internal Audit Division and Company Secretary Office. The Internal Audit Division reports directly to the Audit Committee.

As of 31 December 2018, the Company's executives according to the SEC's definition are as follows:

	Name		Position	Starting Date
1	Mr. Kijja	Sripatthangkura	Chief Executive Officer **(Top executive)**	06/04/2017
2	Mr. Peerawat	Pumthong	Chief Business Development Officer	01/01/2017
3	Mr. Raluke	Satayaporn	Chief Project Development Officer	01/10/2017
4	Mr. Somnuk	Jindasup	Chief Asset Management Officer	01/03/2014
5	Mrs. Sunee	Rajatamutha	Chief Financial Officer **(Top responsible person in accounting and finance)**	01/01/2017
6	Mr. Prayut	Thongsuwan	Executive Vice President - Corporate Administration	01/09/2014
7	Mrs. Wadeerat	Charoencoop	Executive Vice President - Financial	01/05/2017
8	Mr. Sakchai	Sripetch	Senior Vice President - Head of Financial Planning and Management Division	01/01/2017
9	Mrs. Supatra	Thongkarn	Senior Vice President - Head of General Accounting Division **(Directly responsible person for accounting supervision)**	01/03/2017
10	Miss Chatuporn	Laohapiboonratana	Vice President - Head of Tax Management and General Ledger Division	01/01/2017
11	Miss Suwannee	Srisajjawat	Vice President - Head of Accounting Control and Analysis Division	01/07/2017

Investors may find the profile of each executive in Executives' Profiles Section while their positions in the Company's Group are specified under Information about Directorship of Directors and Executives in the Company's Group. Details of the executives and authorized persons of subsidiaries in the core business in the Form 56-1 published on the Company's and SEC's websites.

Recruitment and Nomination Procedures of High Level Executives

"High level executive" means a person who holds the position of Chief Executive Officer, Chief Officer and Executive Vice President.

In **appointing high level executives**, the Company considers the nominee's educational background, knowledge, skills, work experiences and other necessary qualifications that meet the requirements, **are suitable and in line with each position designated missions** and should benefit the Company's overall operations to support the Company's Group efficiency, effectiveness and **sustainable growth**.

In nominating high level executives, the Human Resources and Remuneration Committee is assigned to recruit, select and screen candidates from within the organizations and outsiders, **considering their qualifications, educations, specialization, skills, experience, suitability and the necessary qualifications needed by the Company**. The nominees will be proposed to the Board of Directors for consideration and appointment.

Directors representing the major shareholder, EGAT, who has the right to nominate directors according to EGAT's shareholding proportion, **have been appointed after the same selection procedure.** The nomination is **submitted to the Human Resources and Remuneration Committee** to consider and screen the nominees' education background, qualifications, knowledge, skills, expertise and work experience that **support the governance of the Company, do not currently exist in the Board of Directors, are in line with the Company's missions, target and short-term and long-term strategies.** The consideration is conducted without gender discrimination. The nominees shall not have prohibited qualification by law, related regulations, rules and good corporate governance principle while being ready to contribute sufficient time to perform duty as a director. **The nominee list will afterward be submitted to the Board of Directors and/or proposed to the general shareholders' meeting for consideration and approval.** This also applies to the Chief Executive Officer, who is EGAT's top executive and seconded to work at the Company.

3. Policy on Appointing Directors and Executives to be Directors and Executives of Subsidiaries, Associates and Joint Ventures

The Company has a policy to appoint its directors and executives to be directors and/or executives of subsidiaries, associates and joint ventures to ensure that the management and operation of all companies within the Company's Group are in line with their missions, align with the Company's policy and to effectively monitor and assess operational performance of the subsidiaries, associates and joint ventures. The appointment is approved by the Board of Directors and those directors have the responsibilities as stated in the Company's regulation on Subsidiaries, Affiliates and joint Ventures Supervision. Information about subsidiaries, associates and joint ventures are detailed in the Shareholding Structure of the Company's Group.

4. Remuneration for the Directors and Executives

4.1 Policy and Criteria

The Board of Directors has formulated the policy and criteria on remuneration of Directors and high level executives in writing. This enables the Company to ensure that remuneration can motivate and maintain quality employees while attracting others with appropriate knowledge, capability, skills and experience that would best benefit the Company's business. The criteria, method and process are clear, appropriate, transparent, up-to-date and most beneficial to the Company's operations. Remuneration has been linked to goals and performances of the Company's group, dependent on level of designated responsibilities and comparable to the remuneration offered by organizations in similar industry and size since 2005.

Remuneration of the Board of Directors and All Sub-Committees

The Human Resources and Remuneration Committee which is appointed by the Board of Directors is responsible for considering and setting remuneration of the Board of Directors, sub-committees and high level executives. The Committee has to seek approval from the Board of Directors and later from the shareholders' annual general meeting. The remuneration criteria are as follows:

1. Regular remuneration

1.1 Board of Directors: Retainer for the Company's Board of Directors is paid on monthly basis. The first 75 percent of the retainer is fixed while the remaining 25 percent is paid when the Director attends meetings. The Chairman of the Board receives 25 percent higher retainer than that paid to other directors.

1.2 Sub-committees: The retainer for committee members is paid per meeting when a Director attends. Committee Chairman's retainer is 25 percent higher than that paid to other Committee members.

2. Bonus is allocated based on the length of directorship and on the attendance to the Board of Directors' meetings. When a Director holds directorship for more than one position in the Company's Group, the Director shall receive bonus from the company that allocates the highest bonus at that point in time. Chairman of the Board will receive 25 percent higher bonus than that paid to other directors.

3. Other form of benefits both in cash and non-cash: None

In 2017, the remuneration for the Board of Directors and Sub-committees approved by 2017 shareholders' annual general meeting is as follows:

	Chairman	Member
1. Regular retainers		
1.1 **Board of Directors**	Baht 50,000 per month	Baht 40,000 per month
1.2 **Sub-committees:** 5 committees (Audit Committee, Human Resources and Remuneration Committee, Risk Management Committee, Investment Committee and Corporate Governance and Social Responsibility Committee)	Baht 30,000 per meeting	Baht 24,000 per meeting
2. Bonus		
2.1 **Board of Directors** (The bonus paid to the 2017 Board of Directors totaling Baht 15.9 million)	Baht 1,500,000	Baht 1,200,000 per person
3. Other Benefits		
3.1 Other benefits	None	None

Executive directors do not receive fixed retainer but receives bonus as a director.

Remuneration for high level executives is in line with the criteria and policy **set earlier by the Board of Directors** and must be considered and screened by the Human Resources and Remuneration Committee. The remuneration is linked with the performance appraisal **against the earlier agreed target** and must seek approval from the Board of Directors. During the meeting on high level executive remuneration, none of executives with conflict of interest are allowed to attend. **The Board of Directors considers remuneration based on the performance appraisal result** and the Chairman of the Board will **inform the Chief Executive Officer of such result which will be used as the guideline for future performance improvement.**

4.2 Remuneration of Directors and Executives

4.2.1 Remuneration of Directors and Sub-Committees

Directors' Remuneration in 2018 Unit: Baht

	Director		Board of Directors	Audit Committee	Human Resources and Remuneration Committee	Risk Management Committee	Investment Committee	Corporate Governance and Social Responsibility Committee	2017 Bonus*	Total
1	Mr. Sutat	Patmasiriwat[2/3]	600,000				270,000		1,500,000	2,370,000
2	Mr. Chartchai	Rojanaratanangkule[3/4]	480,000	240,000				72,000	887,670	1,679,670
3	Mr. Samack	Chouvaparnante[3/5]	480,000			120,000			1,200,000	1,800,000
4	Mrs. Siriporn	Luangnual[4/5]	470,000	192,000					887,670	1,549,670
5	Mr. Somboon	Nhookaew[4/5]	390,000	168,000						558,000
6	Mr. Veerasak	Pungrassamee[4/5]	480,000			96,000			1,200,000	1,776,000
7	Mrs. Premrutai	Vinaiphat[4/5]	360,000					72,000		432,000
8	Mr. Ratanachai	Namwong[4/5]	360,000				144,000			504,000
9	Mr. Chuan	Sirinunporn[3/4]	460,000		222,000			90,000	1,200,000	1,972,000
10	Mr. Suchalee	Sumamal[4]	320,000		120,000					440,000
11	Mr. Boonyanit	Wongrukmit[4]	320,000			72,000	168,000			560,000
12	Mr. Suebphong	Buranasirin[4]	120,000		72,000		48,000			240,000
13	Mr. Kijja	Sripatthangkura[6]	-						1,200,000	1,200,000
14	Miss Prapa	Puranachote[4/5]	110,000	24,000					1,200,000	1,334,000
15	Mr. Prapon	Kitichantaropas[4/5]	120,000						1,200,000	1,320,000
16	Mr. Witoon	Kulcharoenwirat[3/4]	120,000		60,000		24,000		1,200,000	1,404,000
17	Mr. Viboon	Rerksirathai[4]	160,000			-	24,000		302,470	486,470
18	Mr. Thaworn	Ngamganokwan[4]	350,000		120,000		168,000		887,670	1,525,670
	Grand Total		**5,700,000**	**624,000**	**594,000**	**288,000**	**846,000**	**234,000**	**12,865,480**	**21,151,480**

Notes

[1] Board of Directors' bonus for 2017 was paid in April 2018 in accordance with the resolution of the 2018 Shareholders' Annual General Meeting held on 5 April 2018

[2] Chairman of the Board

[3] Chairman of a sub-committee

[4] Member of a sub-committee

[5] Independent Director

[6] Executive Director

4.2.2 Executives' Remuneration

Remuneration	Number (Persons)	Amount (Baht)
Salary	5	34,558,560
Bonus	5	21,237,320
Contribution to provident fund	5	3,004,356
Other benefits	5	0
Total	**5**	**58,800,236**

Note Executives' remuneration means remuneration for Chief Executive Officer and the first four executives after Chief Executive Officer according to the definition stated in the Capital Market Supervisory Board's Announcement No. TorChor. 44/2556.

Directors of subsidiary operating in core business (Ratchaburi Electricity Generating Company Limited) **who are also the Company's executives did not receive fixed remuneration for director. Directors of subsidiaries who are also the Company's directors did not receive bonus from such subsidiary**, according to the preset criteria. Details of subsidiaries' directors and executives are disclosed in the Form 56-1 which is also published on the websites of the Company and SEC.

Directors and executives of the Company's wholly-owned subsidiaries, including Ratchaburi Alliances Company Limited, Ratchaburi Energy Company Limited, RATCH-Lao Services Company Limited, RATCH O&M Company Limited and RH International Corporation Limited, who are the Company's Group's executives did not receive remuneration.

5. Employees

Employees are valuable and very important resources in driving the Company's operations to achieve its goal in creating business value and growing sustainably as well as ensuring happiness and trust among its employees and all stakeholders. The Company has therefore formulated employee policy covering management, human resource development, society, environment, ethics and anti-corruption practice. All the guidelines are aimed at promoting employees' capability, competency and desired behaviors corresponding to the corporate value and supporting corporate strategy, goals and the society.

5.1 Number of Employees as of 31 December 2018 by function is as follows:

Unit: Persons

No.	Functions	Gender		Type of Contract		Executives	Total
		Male	Female	Employee	Contractual employees		
1	Business Development	21	5	23	-	3	26
2	Project Development	29	7	32	1	3	36
3	Asset Management	22	12	31	-	3	34
4	Finance	7	34	39	-	2	41
5	Corporate Administration	22	22	43	-	1	44
6	Chief Executive Officer	9	22	29	-	2	31
Grand Total							**212**

Note An executive means Vice-President level employees or higher

In 2018, there is no significant change in the number of employees. There were 212 employees in 2018, an increase of 9 persons from 2017.

In 2018, there is neither labor dispute nor collective bargaining and therefore no employee is protected under the collective bargaining session.

5.2 Employees' Remuneration

5.2.1 Employees' Remuneration and Welfare Policy and Criteria

5.2.1.1 Remuneration Policy and Criteria

The Company has a clear policy to offer fair remuneration system and employee's benefit that is competitive in the market, suitable to the position and responsibility with consideration on each job's importance, national economic situation, average remuneration in the labor market, especially those in similar businesses and also the Company's short-term and long-term operational performance. To ensure that its remuneration is competitive and can retain capable employees, the Company regularly surveyed average remuneration in the market on yearly basis and uses it for consideration on remuneration structure adjustment every three years in accordance with the opinion provided by the Board of Directors, Human Resources and Remuneration Committee and Personnel Management Committee respectively. This is to assure its employee of fair and appropriate remuneration is given.

Remuneration for new employees who have no experience is based on the Company's remuneration structure which is in the same level as other companies in similar businesses. The market remuneration is surveyed every three years. New employees with experience will receive remuneration with consideration on their direct experience for the job and the length of work experience period. Their remuneration is compared against those offered by other companies to their employees in similar status and position. The Company also considers its demand, current situation and the company's business.

The remuneration comprises cash and non-cash forms. Cash remuneration includes salary and bonus, varying according to the level of position and individual's annual performance, overtime fee in compliance with the laws and travel expenses incurred in case of field visit. Non-cash remuneration includes welfares.

5.2.1.2 Employees' Welfare

To ensure that its employees have good security and confidence as well as willing to perform at their best in accordance with their assignment and responsibilities, the Company provides welfare as required by law and other benefits beyond legal requirements. Other benefits offered included assistance in case of disaster, life and accident insurance, medical service, annual health check-up, dental services, eyesight check, vaccination, loan in case of emergency, financial support in case of death, home loans, financial assistance on baby delivery and provident fund, for example. Criterias for benefit offering are based on the related regulations and order. For provident fund, the objectives are mainly to promote savings and enhancing financial security for its employees both in short and long term. Employees have the right to join the "Electricity Generating Authority of Thailand Employees Provident Fund" and the employees can choose the proportion of employee contribution within the range of 5-15 percent of their monthly salary. The Company contribution is 5 percent, 7 percent and 10 percent depending on employees' years of service. Under the "Employee's Choice", an employee can adjust investment plan to match individual needs.

Employee's Remuneration in 2018

Remuneration	Number (Persons)	Amount (Baht)
Salary	207	248,826,906.67
Bonus	207	122,165,460.00
Provident fund contribution	207	21,264,972.07
Other benefits	-	-
Total	**207**	**392,257,338.74**

Notes
1. Employees' remuneration does not include the top four executives according to the Capital Market Regulatory Commission's Announcement No. TorChor. 44/2556.
2. Remuneration of employees of subsidiaries is disclosed in Form 56-1 as published on the Company's and SEC websites.

5.3 Human Resource Management

In 2018, the Company maintained its emphasis on improving human resource management. The Career Development Roadmap introduced in 2017 was exploited to drive a clearer advancement opportunity for employees.

The Career Development Roadmap was designed in line with the job family and job group. A clear framework and direction in enhancing employees' knowledge, ability and capability was drawn to match the career path of employees in a particular group. The roadmap was implemented intensively in 2018 starting with the communications with employees at all levels for thorough understanding in the system. The Company applied dialogue system between supervisors and their subordinates with the goal to establish internal communications and coaching culture in the organization. Communication records identified key information such as career expectation, improvement direction aligned with employees' and the organization's preferences, performance evaluation and monitoring of their jobs in line with the prescribed job plans. Training and development courses under the roadmap for the excellence of both executives and employees, organized by the Company and outside organizations, domestic and international, covered 96.68 percent of all personnel. Average training hours per person by level is as follows:

Target Group	Average training hours (hours/person/year)
High level executives	93.54
Mid-level executives (Vice Presidents)	74.46
Early level executives (Managers)	52.37
Employees	47.04

Human Resource Development and Training Plan for Year 2018

Type of Courses	Target Group	Courses organized in 2018	No. of hours
1. Courses for high level executives and vice presidents	High level executives and mid-level executives (Vice Presidents)	1.1 Coaching & Feedback	6.5
		1.2 Negotiate Like Pro	12
		1.3 Executive Development	18
2. Courses for managers	Early level executives (Managers)	2.1 Performance Coaching	8
3. Courses for employees	Employees	3.1 Cross over Performance Challenge	6
		3.2 Infographic Media & Presentation	12
4. Specific technique courses	Early level executives (Managers) and Employees	4.1 Professional PR	33
		4.2 KPI arrangement	7
		4.3 Salary structure designing technique	14
		4.4 Rail system engineering	18
		4.5 Strategic Project Management & Control	13
		4.6 Design Thinking Workshop	14
5. Safety courses	All levels	5.1 Basic fire fighting	6
		5.2 Safety, occupational health and environment at workplace for employees	6
6. Anti-corruption courses	All levels	6.1 Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) Program	3

Information about Positions of Directors[1] and Executives in the Company's Group

As of 31 December 2018

			Companies \ Directors/ Executives	Mr. Kijja Sripatthangkura	Mr. Peerawat Pumthong	Mr. Raluke Satayaporn	Mr. Somnuk Jindasup	Mrs. Sunee Rajatamutha	Mr. Prayut Thongsuwan	Mrs. Wadeerat Charoencoop	Mr. Sakchai Sripetch	Mrs. Supatra Thongkarn	Miss Suwannee Sirisajjawat	Miss Chatuporn Lachapibool
Ratchaburi Electricity Generating Holding Public Company Limited				D, CEO	CBD	CPD	CAM	CFO	EVP	EVP	SVP	SVP	VP	VP
Subsidiaries	IPPs and SPPs in Thailand	1	Ratchaburi Electricity Generating Company Limited											
		2	Ratchaburi Alliances Company Limited					DD			D, MD			D
	Renewable Projects in Thailand	3	Ratchaburi Energy Company Limited			D	DD		D, MD					
		4	RE Solar 1 Company Limited				DD							
		5	CN Biomass Company Limited						DD					
		6	PB Biomass Company Limited						DD					
		7	LP Biomass Company Limited						DD					
	International Projects	8	RH International Corporation Limited			DD		D				D, MD		
		9	RH International (Mauritius) Corporation Limited			D		D						
		10	RH International (Singapore) Corporation Pte. Limited			D		D						
		11	RATCH-Australia Corporation Pty Ltd	DD			D							
		12	RATCH China Power Limited			D								
	Related Businesses	13	RATCH O&M Company Limited			DD	D	D						
		14	RATCH-LAO Services Company Limited		DD									
Assosiates and Joint Ventures	IPPs and SPPs in Thailand	15	Ratchaburi Power Company Limited	D										
		16	Ratchaburi World Cogeneration Company Limited				DD							
		17	Nava Nakorn Electricity Generating Company Limited		D	D								
		18	Berkprai Cogeneration Company Limited		D									
	Renewable Projects in Thailand	19	Solarta Company Limited						D					
		20	First Korat Wind Company Limited											
		21	K. R. Two Company Limited											
		22	Solar Power (Korat 3) Company Limited											
		23	Solar Power (Korat 4) Company Limited											
		24	Solar Power (Korat 7) Company Limited											
		25	Songkhla Biomass Company Limited											
	International Projects	26	SouthEast Asia Energy Limited					D						
		27	Nam Ngum 2 Power Company Limited					D						
		28	Hongsa Power Company Limited	DD		D								
		29	Nam Ngum 3 Power Company Limited											
		30	Xe-Pian Xe-Namnoy Power Company Limited		DD	D								
		31	PT Medco Ratch Power Riau	DD		D								
		32	Fareast Renewable Development PTE. LTD.											
	Related Businesses	33	Chubu Ratchaburi Electricity Company Limited											
		34	Songkhla Biofuel Company Limited											
		35	EGAT Diamond Service Company Limited											
		36	Phu Fai Mining Company Limited	DD		D								
		37	Northern Bangkok Monorail Company Limited		D									
		38	Eastern Bangkok Monorail Company Limited		D									
		39	EDL-Generation Public Company											

Notes No director of Ratchaburi Electricity Generating Holding Public Company Limited holds director or executive positions in the Company's subsidiary, affiliates or joint ventures except Mr. Kijja Sripatthangkura, Director and Chief Executive Officer
DD = Chairman D = Director CEO = Chief Executive Officer CBD1 = Chief Business Development Officer 1 CPD = Chief Project Development Officer CAM = Chief Asset Management Officer CFO = Chief Financial Officer EVP = Executive Vice President
SVP = Senior Vice President VP = Vice President MD = Managing Director

Directors' and Executives' Securities Holdings in the Company

As of 31 December 2018[1]

	Name	Position[2]	Ratchaburi Electricity Generating Holding Public Company Limited			
			Ordinary Shares			
			1 Jan 18[3]	31 Dec 18[4]	Changes During the Year Increase/ (Decrease)	Shareholding Propotion (%)
Directors and Executives						
1	Mr. Sutat Patmasiriwat	Chairman	-	-	-	-
	Indirect securities holding		-	-	-	-
2	Mr. Chartchai Rojanaratanangkule	Independent Director	5,000	5,000	-	0.0003
	Indirect securities holding		-	-	-	-
3	Mr. Samack Chouvaparnante	Independent Director	-	-	-	-
	Indirect securities holding		-	-	-	-
4	Mrs. Siriporn Luangnual	Independent Director	-	-	-	-
	Indirect securities holding		-	-	-	-
5	Mr. Somboon Nhookeaw[(1)]	Independent Director	- (As of 23 Feb 18)	-	-	-
	Indirect securities holding		- (As of 23 Feb 18)	-	-	-
6	Mr. Veerasak Pungrassamee	Independent Director	-	-	-	-
	Indirect securities holding		-	-	-	-
7	Mrs. Premrutai Vinaiphat[(2)]	Independent Director	- (As of 6 Apr 18)	-	-	-
	Indirect securities holding		- (As of 6 Apr 18)	-	-	-
8	Mr. Ratanachai Namwong[(3)]	Independent Director	7,500 (As of 6 Jun 18)	7,500	-	0.0005
	Indirect securities holding		- (As of 6 Jun 18)	-	-	-
9	Mr. Chuan Sirinunporn	Director	-	-	-	-
	Indirect securities holding		-	-	-	-
10	Mr. Suchalee Sumamal[(4)]	Director	- (As of 1 May 18)	-	-	-
	Indirect securities holding		- (As of 1 May 18)	-	-	-
12	Mr. Boonyanit Wongrukmit[(5)]	Director	- (As of 1 May 18)	-	-	-
	Indirect securities holding		- (As of 1 May 18)	-	-	-
11	Mr. Seubphong Buranasirin[(6)]	Director	- (As of 1 Oct 18)	-	-	-
	Indirect securities holding		- (As of 1 Oct 18)	-	-	-
13	Mr. Kijja Sripatthangkura	Director and Chief Executive Officer	5,165	5,165	-	0.0004
	Indirect securities holding		-	-	-	-
14	Mr. Peerawat Pumthong	Chief Business Development Officer	-	-	-	-
	Indirect securities holding		-	-	-	-
15	Mr. Raluke Satayaporn	Chief Project Development Officer	-	-	-	-
	Indirect securities holding		-	-	-	-

	Name	Position[2]	Ratchaburi Electricity Generating Holding Public Company Limited — Ordinary Shares			
			1 Jan 18[3]	31 Dec 18[4]	Changes During the Year Increase/ (Decrease)	Shareholding Propotion (%)
16	Mr. Somnuk Jindasup	Chief Asset Management Officer	-	-	-	-
	Indirect securities holding		7,300	7,300	-	0.0005
17	Mrs. Sunee Rajatamutha	Chief Financial Officer	-	-	-	-
	Indirect securities holding		-	-	-	-
18	Mrs. Wadeerat Charoencoop	Executive Vice President - Finance	-	-	-	-
	Indirect securities holding		-	-	-	-
19	Mr. Sakchai Sripetch	Senior Vice President - Head of Financial Planning and Management Division	1,152	1,152	-	0.0001
	Indirect securities holding		-	-	-	-
20	Mrs. Supatra Thongkarn	Senior Vice President - Head of General Accounting Division	4,000	4,000	-	0.0003
	Indirect securities holding		-	-	-	-
21	Ms. Suwannee Sirisajjawat	Vice President - Head of Accounting Control and Analysis Division	-	-	-	-
	Indirect securities holding		-	-	-	-
22	Miss Chatuporn Laohapiboonratana	Vice President - Head of Tax Management and General Ledger Division	-	-	-	-
	Indirect securities holding		-	-	-	-
	Total securites held directly and indirectly by the independent directors			**12,500**		**0.0009**
	Total securites held directly and indirectly by the Board of Directors			**17,665**		**0.0012**
	Total securities held directly and indirectly by the executives			**17,617**		**0.0012**
	Grand Total			**30,117**		**0.0021**

Securities Holdings of Directors and Executives Who Vacated Their Positions During 2018

1	Miss Prapa Puranachote[7]	Independent Director	-	- (As of 5 Apr 18)	-	-
	Indirect securities holding		-	- (As of 5 Apr 18)	-	-
2	Mr. Prapon Kitichantaropas[8]	Independent Director	-	- (As of 5 Apr 18)	-	-
	Indirect securities holding		-	- (As of 5 Apr 18)	-	-
3	Mr. Witoon Kulcharoenwirat[9]	Director	-	- (As of 5 Apr 18)	-	-
	Indirect securities holding		-	- (As of 5 Apr 18)	-	-
4	Mr. Viboon Rerksirathai[10]	Director	-	- (As of 30 Apr 18)	-	-
	Indirect securities holding		-	(As of 30 Apr 18)	-	-
5	Mr. Thaworn Ngamkanokwan[11]	Director	30,000	30,000 (As of 30 Sep 18)	-	0.0021
	Indirect securities holding		13,000	13,000 (As of 30 Sep 18)	-	0.0009

Notes

1 The information on the securities holdings of the Company's directors and executives shall only disclose the shareholdings of the directors, Chief Executive Officer, top four executives and those in position equal to the top four executives, including vice president level executives and equivalent or above in the accounting and financial function.The disclosed shareholdings include the aforementioned persons' direct shareholdings (their own shareholdings) and indirect shareholding (the shareholdings of their respective spouses and minor children) including the shareholdings by the nominees of the directors or the executives, and the respective spouses and minor children of the aforementioned persons according to the criteria in the Notification of the Capital Market Supervisory Board No. TorChor 44/2556. In 2018, there was no report regarding shareholdings by nominees of the directors, executive, respective spouses or minor chilredn of such person.

2 Disclosing the director's position in the Board of Directors only. The information of each director's position in the Committees is disclosed in his or her respective profile. More information regarding changes of positions in Committees can be found under "Changes in Board of Directors and Committee in 2018".

3 For directors and executives who were appointed during the year 2018, the number of securities disclosed in the table is the number of securities held on the day they took office.

4 For directors and executives who left office during the year 2018, the number of securities disclosed in the table is the number of securities held on the day they left office.

Assumption of Office of Directors and Executives During 2018

(1) Mr. Somboon Nhookeaw was elected an independent director on 23 February 2018.

(2) Mrs. Premrutai Vinaiphat was elected an independent director in the 2018 Annual General Meeting of Shareholders on 5 April 2018.

(3) Mr. Ratanachai Namwong was elected an independent director in the 2018 Annual General Meeting of Shareholders on 5 April 2018.

(4) Mr. Suchalee Sumamal was elected a director on 1 May 2018.

(5) Mr. Boonyanit Wongrukmit was elected a director on 1 May 2018.

(6) Mr. Seubphong Buranasirin was elected a director on 1 October 2018.

Vacation of Office of the Directors and Executives During 2018

(7) Miss Prapa Puranachote left the position as an independent director due to the end of term in the 2018 Annual General Meeting of Shareholders on 5 April 2018.

(8) Mr. Prapon Kitichantaropas left the position as an independent director due to the end of term in the 2018 Annual General Meeting of Shareholders on 5 April 2018.

(9) Mr. Witoon Kulcharoenwirat resigned from his position as a director on 6 April 2018.

(10) Mr. Viboon Rerksirathai resigned from his position as a director on 1 May 2018.

(11) Mr. Thaworn Ngamkanokwan resigned from his position as a director on 1 October 2018.

Corporate Governance and Social Responsibility Committee's Report

Throughout 18 years since the inception of Ratchaburi Electricity Generating Holding Public Company Limited, sustainable growth based on social and environmental responsibility had been the intent that had always been strictly adhered by the Board of Directors, the Management and all employees in their operations. The Corporate Governance and Social Responsibility Committee was appointed by the Company's Board of Directors to be responsible for establishing policies and practice guidelines as well as monitoring the operations so that they achieve all objectives under good governance principles as a responsible corporate citizen.

In the past year, the Board of Directors, executives and employees of the Company remained committed to such intent and focused on business operation based on good governance principles and all corporate governance principles a listed company should comply with the aspects of moral, ethic, transparency, social and environmental responsibility, and stakeholders in all segments. State-of-the-art technology and qualitied equipment were used to ensure that the production process would not affect the community, which was one of the responsibilities that the Company regarded as one of its top priorities. The Company focused on building conscience and awareness regarding good corporate governance to the Company's personnel, including ensuring that the Company's personnel receive compensation, welfare, other benefits and development that were suitable for their capability and potential. Furthermore, the Company recognized the importance of all forms of anti-corruption. Having joined the Private Sector Collective Action Coalition Against Corruption Council since 2016 and believing that such a matter is a shared responsibility of everyone and every division within the organization, a work group was assigned with representatives from all functions as members in order to disseminate and communicate knowledges to all employees so that the correct and transparent operations were constantly aware of and clear personal values and organizational cultures were created. The Company strongly believes that this will be a key mechanism and driving force behind the Company's sustainable development and growth, and truly earn trust and confidence from shareholders and all stakeholders.

Regarding social and environmental responsibility, which is one of the Company's five missions, the Corporate Governance and Social Responsibility Committee has set a policy on social and environmental responsibility, promoting efficient use of resources as well as regulating that activities be arranged and supporting activities related to community, social and environmental development so that the Company's operation would be as beneficial as possible to the society and the environment. This is considered the Company's repayment to the society as a corporate citizen that does not only strengthens energy security but also drives good actions and cultivates voluntary mind to the society in form of projects and CSR activities aside from its normal business operation.

To broadly create good changes in the society, the Company has set up framework for its CSR activities in 2 aspects namely environmental and social. The needs of the community and society were brought up in order to find creative responses. Each project has a different set of objectives that is jointly defined with the stakeholders.

Environmental projects were implemented with the purposes to conserve natural resources, increase green area as carbon dioxide storage and mitigate global warming. Love Forests and Community Project is the main project that has been in operation for 11 years since 2008 under the collaboration among the Company, the Royal Forest Department and the communities in all regions. The Project promotes management of community forest, which is the most effective mechanism for forest area preservation and is a forest protection process that support the way of life and promote good livelihood of the surrounding communities. This will create awareness of the forest value and as a result, promote forest protection in broader respects. Other activities that carried out this conservation concept are Kla Yim Youth Camp and Community Forest Network Seminar, for example.

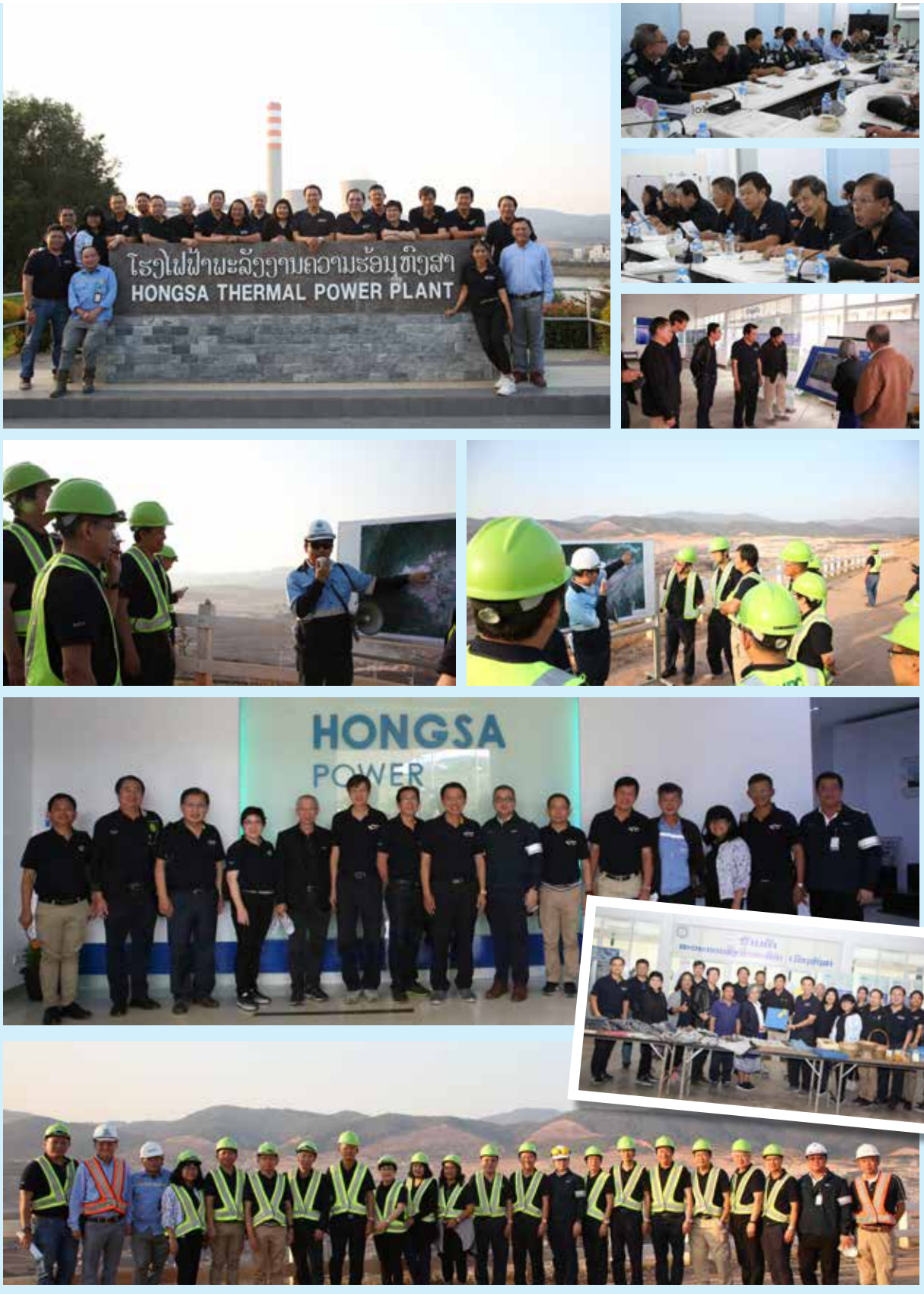
Social project implementation has important objectives to improve the quality of life, reduce the problem of disparity and promote human rights. The implementation process focuses on brainstorming, solution seeking and jointly developing the community while the project's operating results are based on the community's needs. The examples of social projects are Happy Elderly, Healthy Thailand Project, which responds to the changes of population structure which is becoming that of an aging society; @Careline Happy Community Network Project which aims at promoting readiness and efficiency in learning according to the age of the youth; Pumaree - Women's Power Protecting the Environment Project which focuses on enhancing the potential of women, enabling them to participate and be a leader in caring for natural resources and the environment in the community. The success of this project does not only meet the environmental needs but it also promotes gender equality which is one of the goals of sustainable development.

Due to the aforementioned operations, the Company has well gained overall acceptance and trusted from the community and society. An evaluation, made by a third party, on the awareness level of the projects and their impacts to the community, found satisfactory results on the Company's projects in both respects. Important environmental project namely Love Forests and Community Project which is a project that promote better care of forests, encourage unity of the community and raising recognition of the importance of the forests. The awards given to community forests also inspire other community forests with good examples to be followed in order to achieve success which means that the forest will be taken care of and become more abundant. As for social projects, the community is satisfied and finds that all the projects' processes motivates the community with the opportunity to develop their own potential, such as Pumaree - Women's Power Protecting the Environment Project, which allows women to develop themselves so that they can participate and become main forces of the community in the matter of natural resources protection. Grouping within the community is formed in order to give concrete care to the environment, and the group is strong enough to continue the process even after the end of the Project.

All these satisfactory performances are a significant driving force for the Company to implement its projects for the benefit of the society and to initiate new projects that would support the improvement of quality of life of the people in the society. Building on the knowledge gained from its operation, the Company is prepared to create value to the community and society as a whole. The Corporate Governance and Social Responsibility Committee strongly believes that our sincere and serious commitment to operating under the principles of good corporate governance and responsibility will be a significant drive for the Company's stable growth which will move forward together with sustainable development of the society.

(Mr. Chuan Sirinunporn)
Chairman of the Corporate Governance and Social Responsibility Committee

Good Corporate Governance



The Company's Board of Directors and executives visited and monitored Hongsa Thermal Power Plant in Lao People's Democratic Republic during 31 January 2019 - 3 February 2019

The Company's operations adhere to good corporate governance practices for listed companies which cover ethics; transparency; responsibility for society, environment and all stakeholders; and actions against fraud and corruption. Such practices are the key mechanism that will drive the Company towards sustainable development and growth, as well as truly strengthen trust and confidence among shareholders and other stakeholders.

The Board of Directors has formulated the "Corporate Governance Policy for the Group", "Code of Conduct", and "Policies on Specific Stakeholders Group" which serve as the framework and guidelines for its directors, executives, employees and other stakeholders. All are prepared in writing and published on the Company's website under Good Corporate Governance section. The Board of Directors realizes its leading role in assuring understanding about corporate governance principles and its benefits in creating value and enhancing the Company's prosperity, stability, and sustainability in the international level. The Corporate Governance and Social Responsibility Committee was assigned to consider, review, promote, supervise and monitor the execution of corporate governance practice by the Corporate Governance Working Team which appointed by the Chief Executive Officer. The Working Team is assigned to monitor, study, consider, review and improve the corporate governance policy at least once a year to ensure it is updated and corresponds with the current international practices, laws, rules, regulations, recommendations and/or relevant organizations' orders. The Working Team is also responsible for proposing corporate governance practices for the Company and its subsidiaries, setting the framework for corporate governance practices and risk management that is related to and covers anti-corruption practices; promoting consciousness in the principles and anti-corruption practice among employees of the Company and its subsidiaries; making recommendations to the executives on risk assessment; collecting assessment results of fraud risks to support the preparation of corporate risk paper which covers fraud risk profile and fraud risk register; and monitoring, evaluating and reporting the execution of corporate governance policy and risk management plan related to anti-corruption practices to the Board of Directors, the Corporate Governance and Social Responsibility Committee, the Audit Committee, the Management and related committees or organizations. The procedure is designed to ensure the good corporate governance practices are executed systematically and include appropriate development plan, and regular assessment of further efficiency improvement, to match changing business environment and circumstances. In 2018, the Company executed has the corporate governance practices as follows:

1. Rights of Shareholders

The Board of Directors formulates and announces the policy on shareholders, requiring continuous review and monitoring of the implementation, to ensure shareholders equally receive the basic rights: including the right to attend shareholders' meetings; the right to propose agenda and/or nominate directors at the meetings; the right to express opinion and ask questions at the meetings; the right to appoint a proxy to attend the meetings and vote on their behalf; the right to receive dividend; the right to elect, terminate and determine remuneration for directors; the right to appoint and determine remuneration for the auditor; the right to vote on any significant activities; the right to register share ownership and transfer; and the right to accurately, sufficiently, timely and equally receive significant information. The Company has promoted the equitable rights of all shareholder groups as follows:

1.1 Right to attend meetings: The Company encourages shareholders, as business owners, to attend annual meetings, vote on significant agenda, as well as acknowledge and examine the performance of the Board of Directors and the Management The Company held the 2018 Shareholders' Annual General Meeting on Thursday 5 April 2018 as required by law, related rules and regulations, as well as requirements on meeting quality and efficiency development. The Company encouraged shareholders to exercise their basic right to attend shareholders' meetings and facilitated the shareholders in the following areas;

- **Pre-meeting preparation**

- Minority shareholders were given an opportunity to propose issues to be added in the meeting agenda and/or nominate qualified persons for the director election at the 2018 Shareholders' Annual General Meeting. The process was held according to the Board of Directors' criteria and carried out from 1 September 2017 to 31 December 2017, totaling 4 months. The Company announced clear details about criteria, method, and process on SET's disclosure system and the Company's website (on 28 August 2017). At the end of the period, no shareholder proposed agenda or nominated person for a director position.

- The Company sufficiently and completely informed shareholders of the meeting date, time, venue and agenda together with relevant details and the Board of Directors' opinions on each agenda via the SET's information disclosure system before the morning trading session on 14 February 2018, after the Board of Directors resolved on 13 February 2017 to hold the 2018 Shareholders' Annual General Meeting on Thursday 5 April 2018 at 14.00 hours at World Ballroom, Level 23, the Centara Grand and Bangkok Convention Center, Central World, No. 999/99 Rama 1 Road, Pathumwan, Bangkok. The venue is easily accessible with public transport and sufficiently large to support a large number of meeting attendants.

- The Company notified shareholders of an amendment to the 2018 Shareholders' Annual General Meeting agenda, relating to the election of persons to replace directors who retired by rotation; and completely and sufficiently prepared the Board of Directors' opinion. The information was published on SET's information disclosure system after the stock market closing on 22 February 2018, in line with the Board of Directors' resolution at the meeting on 22 February 2018.

- The meeting notice and supporting documents for the 2018 Shareholders' Annual General Meeting was published in Thai and English on the Company's website on 2 March 2018, which was 30 days prior to the meeting date.

- The Company sent the meeting notice and supporting documents to shareholders on 13 March 2018, 21 days prior to the meeting date, which complies with related laws and good corporate governance guidelines requiring listed companies to send out meeting notice to shareholders at least 7 days and 21 days in advance, respectively. The meeting notice provided details of the date, time, venue, a map of the meeting venue, agenda which is arranged according to their priority, background, reasons and key issue of each agenda item proposed for shareholders' approval or acknowledgement. The Board of Directors' opinion on each agenda item is sufficiently and clearly provided.

- The Company sent the meeting notice to the Registrar on 13 March 2018, well ahead of the meeting date (no less than 7 days as required by law) and to the auditor on the same day.

- The Company allowed shareholders to submit additional questions and/or opinions on the items already included in the meeting agenda and/or other recommendation that is beneficial to the Company's operations prior to the meeting date by post or fax to the Company Secretary or email to CS@ratch.co.th in order to enable the Company to clarify or provide more information at the 2018 Shareholders' Annual General Meeting. The Company published the details on the matters on SET's disclosure system, the Company's website and in the meeting notice that was sent to shareholders. At the 2018 Shareholders' Annual General Meeting, no shareholder submitted questions and/or recommendation in advance to the Company.

- The Company published the meeting announcement in Thai and English newspapers from 23 - 25 March 2018 for 3 consecutive days and no less than 3 days prior to the meeting date in compliance with relevant laws and the Company's Articles of Association.

- The Company informed shareholders on 13 March 2018 about detailed identification document; proxy document; proxy appointment procedure and advice; the list of Independent Directors, Chief Executive Officer and other persons shareholders would appoint as proxy to attend the meeting and vote on their behalf; registration form; and the Company's Articles of Association related to shareholders' meeting to assist shareholders' voting on each agenda item.

- **Procedure on the meeting date**

- The 2018 Shareholders' Annual General Meeting was held at World Ballroom, Level 23, the Centara Grand and Bangkok Convention Center, Central World, No. 999/99 Rama 1 Road, Pathumwan, Bangkok. The meeting venue is easily accessed through public transport system, which provides travel convenience. The venue is big enough to accommodate a large number of participants. The registration was opened at 12.00 hours, (2 hours before the meeting time) and the meeting began at 14.00 hours and adjourned at 16.40 hours, totaling 2.40 hours. The Company allowed shareholders to register for the entire meeting or for a particular agenda item. The Company did not deprive shareholders from voting on the agenda being discussed. Shareholders arriving after the meeting began were allowed to register their attendance until the meeting adjourned.

- The Company fully provided meeting facilities, including audio-visual equipment to support presentation, computer and barcode system recording individual shareholder's information for their registration and vote counting. This enabled convenient, fast, accurate and transparent and accountable vote counting.

- Identification documents that shareholders have to present to attend the meeting were checked by the persons appointed by the Company's Chairman. The checking was done in simple process and in the procedure as informed earlier in the meeting notice.

- The Chairman acted as the chairman of the meeting according to the Company's Articles of Association. The Chairman announced the quorum, assigned the Company Secretary to record and prepare the meeting minutes, and introduced the directors, executives, auditors and legal advisors who were present at the meeting and could provide additional information and answer questions asked in the meeting. They also played a neutral role in determining the appropriateness and completeness of the meeting procedure.

- Shareholders were informed about the voting procedure on each agenda item, voting and vote counting method, and the announcement of individual resolutions, to comply with SET's guidelines on annual shareholders meeting and to affirm the clarity. Details were included in the meeting notice.

- Separate ballot was prepared for each agenda item. All shareholders received such ballot at registration. Voting process was made simple: shareholders disagreeing or wishing to abstain simply raised their hands and the Company's staff members collected their ballots. Computerized and barcode systems were used in vote counting.

- Neutral legal advisors were invited to check on different areas, including the inspection procedure for shareholders' or their proxies' identification document, the quorum, persons with conflict of interests who could not exercise the voting right, the voting and vote counting method, to ensure that the process complies with the Company's Articles of Association and the rules announced to the meeting. The inspectors also ensured that all ballots were collected from all shareholders especially on the director election and that meeting resolutions and vote counting were correct.

- The meeting proceeded as announced earlier. The Company did not abruptly inform the meeting of additional significant information or add new agenda for shareholders' approval, or change significant information without prior notice. The matters proposed to the 2018 Shareholders' Annual General Meeting complied with law and the Company's Articles of Association.

- The meeting process was in the same order as informed in the meeting notice without switching agenda items, as the Board of Directors realized the necessity that shareholders must have sufficient time to study the information before making decision. The Board did not take any action that will infringe or deprive shareholders' right at all shareholders' annual general meetings.

- The process for each agenda item began with the Chairman providing background, details, full information and recommendation as stated in the meeting notice. The Chairman allocated appropriate time for discussions and questions. The Chairman and the Management jointly clarified for full understanding on related matters, before shareholders were asked to cast their votes.

- Director election and remuneration approval ware treated as two different agenda items and ware voted separately. Shareholders voted separately for each new director election. All ballots were kept for reference to ensure accuracy and transparency.

- In each agenda voting, the Company provided ballots for each shareholder. A computerized system was used to facilitate vote counting.

- After each vote counting, voting results were announced to the meeting by dividing into "approval", "disapproval", "abstention", and "voided ballot" votes.

- Other agenda items (if any) were allowed in order to provide opportunity for the shareholders to propose additional issues other than those set in the meeting agenda. According to the Company's Articles of Association, the new agenda proposed for the shareholders meeting's consideration must be proposed by the shareholders whose combined shares are at least one third of the Company's tradable shares. In the 2018 Shareholders' Annual General Meeting, no other agenda item was proposed for voting. Only some recommendations and questions about the Company's operations were raised as recorded in the meeting minutes.

- A number of 1,411 shareholders and proxies attended the 2018 Shareholders' Annual General Meeting, holding 935,019,113 shares or 64.48 percent of tradable shares, which made a quorum as required. The Company's Chairman acted as the meeting chairman according to the Company's Articles of Association.

- The entire Board of Directors and all Sub-Committees attended the meeting, representing 100 percent of the Board/Sub-Committees members.

- **Post-meeting process**

- The resolutions of the 2018 Shareholders' Annual General Meeting were published via SET's disclosure system immediately after the stock market closing on 5 April 2018. The resolutions were clearly presented with details on "approval", "disapproval", "abstention" and "voided ballot" with percentage of each category.

- The Company Secretary prepared written meeting minutes by clearly and adequately recording essence of each agenda, questions by the shareholders and clarifications by the Board of Directors and the Management, attendants' recommendations, and the meeting resolutions, including detailed voting results and percentage in all categories.

- The meeting minutes were published via the SET's disclosure system and the Company's website on 18 April 2018 (prior to legal deadline: within 14 days from the meeting date.) This was to allow shareholders to express their opinions without waiting for the next meeting. After the publicizing, no shareholder asked the Company to amend, add or adjust the meeting minutes.

- The Company submitted the complete minutes signed by the Chairman of the meeting to the SET, the SEC and the Registrar (the Department of Business Development) for reviewing and reference on 18 April 2018 (prior to deadline required by law: within 14 days from the meeting date.)

- Meeting evaluation form was arranged to collect opinions and recommendations from the meeting attendees on the meeting notice and annual report, facilitation to the shareholders, meeting arrangement and meeting minutes. The information collected is used for further improving the arrangement of shareholders meeting in order to ensure efficiency, transparency, and benefits to both shareholders and the Company.

- The Company's arrangement of 2018 Shareholders' Annual General Meeting was scored 98 percent by the Thai Investors Association, above the average score of 92.42 percent.

1.2 Right to appoint proxy to attend meeting and vote on their behalf: The Company allows shareholders to appoint persons who have come of age as their proxies to attend the shareholder meeting and vote on their behalf. Proxy appointment document must be in the format designed by the Registrar. The proxy has to present the proxy document to the meeting chairman or the person assigned by the chairman before attending the meeting.

1.3 Right to receive dividend: The Company has a policy to pay dividend at no less than 40 percent of its net profit according to the consolidated financial statements after legal reserve and other reserves, depending on the Company's cash flow. In 2018, the Company set the "Record Date" on 28 February 2018 to gather the list of shareholders allowed to participate in the shareholders meeting and voting and receive dividend, payable on 20 April 2018. The dividend payment was announced in Thai and English newspapers for 3 consecutive days, during 9 - 11 April 2018, as required by law and the Company's Articles of Association.

The Company annually checked dividend-related information to protect shareholders' rights. The Company found a certain amount of accrued dividend payment that shareholders have not yet received. The Company has contacted the shareholders based on existing contact details in the Registrar's database, by sending a letter to notify the shareholders of their accrued dividend and the procedure to receive the dividend. It facilitated shareholders on cheque reissuing in case of loss or expiration and also assisted the dividend payment to shareholders' heirs in case the shareholders passed away.

Shareholders are also dispatched the application form for e-Dividend service, for a convenient, fast and safe means to receive dividends in the next rounds. More shareholders tend to use e-Dividend service.

1.4 Right to appoint, dismiss and determine remuneration for directors: The Company requires the Board of Directors to submit nominations to the annual general meeting so that shareholders consider and appoint directors to replace the ones who retired by rotation. Shareholders also determine remuneration for directors. Details are stated in Management Structure.

1.5 Right to appoint auditors and set audit fee: The Company requires the Board of Directors to propose to shareholders at the annual general meeting for the appointment of auditors and set the audit fee.

1.6 Right to share ownership registration or transfer: The Company appointed Thailand Securities Depositories Company Limited (TSD) as its registrar responsible for the depositing, collecting and updating shareholders' information and provides services to shareholders, such as issuing, depositing, withdrawing and transferring of share certificates, as well as remitting benefits to the shareholders. Shareholders can contact TSD directly at the TSD Call Center at +66 2009 9999 or apply for internet-based Investor Portal service at http://www.set.or.th/tsd/th/investorportal/investorportal.html

1.7 Right to receive significant information in accurate, sufficient and timely manner: The Company has completely, accurately and timely followed the regulations, criteria, conditions and procedure related to listed companies' information disclosure and other activities.

In 2018, there was **no punishment** due to failure to submit reports as required by law or due to delayed submission. **No incident or action was deemed violating or depriving shareholders' rights.**

2. Equitable Treatment of Shareholders

The Company exercised equitable treatment of all shareholders without discrimination of their status as major shareholders, minority shareholders, institutional shareholders, or Thai and other nationalities. Major activities are as follows:

2.1 Access to the Company's information: To ensure shareholders' equal access to the Company's information, the Company uses SET's disclosure system as the main communication channel. The Chairman of the Board of Directors, directors, Chief Executive Officer and chief officers are the authorized persons responsible for the Company's information disclosure. To ensure equal access to the Company's information, the Company sets up additional communication channels through the Company's website and related units namely the Company Secretary Office, Internal Audit Division, Corporate Relations Division and Investor Relations Department.

2.2 Preparation of bilingual documents: For equitable treatment of both Thai and foreign investors, the Company prepares and publishes information in Thai and English through the SET's disclosure system and the Company's website.

2.3 Encouraging minority shareholders to propose items for the shareholder meetings' agenda and/or nominate directors: The Company invited minority shareholders to through the SET's disclosure system propose meeting agenda and/or nominate qualified persons as directors at the 2018 Shareholders' Annual General Meeting. The proposal period was from 1 September to 31 December 2017, totaling 4 months. Clear details about criteria, method, process and channel of agenda proposing was published on the Company's website on 28 August 2017. At the end of the period, shareholders did not make any proposal or nomination.

2.4 Proxy appointment: The Company prepared 3 forms of proxy document as designed by the Department of Business Development and delivered it to shareholders to facilitate the shareholders who cannot participate in the shareholders' meeting so that they can appoint other persons to attend the meeting and vote on their behalf. The 3 types of document are:

- Form A, a general proxy appointment form.
- Form B, a proxy appointment that lists specific items for proxy appointment.
- Form C, a proxy appointment that is used only when the shareholder is a foreign investor with a custodian in Thailand.

Shareholders can also download all three types of proxy document from the Company's website or they can also use other forms of proxy or prepare it themselves as deemed appropriate.

At the 2018 Shareholders' Annual General Meeting, the Company nominated 3 independent directors and the Chief Executive Officer and included the information of each and their vested interest, if any, in the meeting agenda so that shareholders could appoint them as their proxies and vote on their behalf. A number of 150 shareholders appointed the Company's independent directors as their proxies and the Chief Executive Officer was the proxy of 29 shareholders.

2.5 Ballots: The Company provided ballots for every participant of the annual general meeting. The computerized system was deployed for tallying and the legal advisor, as a neutral party, is assigned as an inspector to review the vote counting accuracy. Concerning director appointment, votes were counted for each director and all the ballots were kept as reference for accuracy and transparency.

2.6 Additional agenda item: No additional agenda was proposed for the 2018 Shareholders' Annual General Meeting as the Board of Directors realized the significance and necessity that shareholders should have sufficient time in studying information before making a decision. As such, no new agenda other than those informed in the meeting notice was proposed. If shareholders wish to propose additional agenda for consideration if necessary, by following the rules set in Company's Articles of Association.

2.7 Prevention of the abuse of inside information: The Company followed good corporate governance practice in preventing the abuse of inside information, by formulating the written policy and guidelines in safekeeping inside information from abusive acts. The policy and guidelines are included in the Company's Code of Conduct, regulations, orders and related announcements for the acknowledgement and compliance by directors, executives, employees and stakeholders. Directors, executives and employees signed their acknowledgement on their first day of employment or on the orientation day. The policy is also published in the internal communication channels and the Company's website. The key preventive measures are as follows;

- All executives and employees must protect the Company's confidential information and are not allowed to use such information for personal benefit or suggest others to do, especially on the trading of the Company's securities.

- No disclosure/abuse/transfer of inside information and/or confidential information to outsiders or those who are not related to the Company, including family members, cousins, friends, which may decrease the Company's benefit.

- Sharing or giving confidential information to other persons within the Company can be done if necessary and only to support the other persons' ability to perform their duties.

- The Company requires directors and executives to report securities holdings and the changes

in securities holdings of their own, spouses and minor children to the SEC according to Section 59 of the Securities and Exchange Act B.E. 2535 within 3 days from the date of change and notified the Company Secretary who will keep records and report the securities holdings summary to the Board of Directors. The summary is required to be reported to the Board on a monthly basis. The Company also requires all executives and employees report the change of the securities holdings of their own, spouses and minor children to the Chief Executive Officer within 3 days after the date of change.

- The Company defined and announced the "Network and Computer Usage Policy" through its internal communication channels and website, which served as guidelines for efficient use of the Company's computer network, maximum benefits and compliance with the Computer Crime Act. The Company also improved the efficiency, security and prevention of network threats. The key guidelines are summarized as follows:
  - Limiting usage by issuing passwords which must be kept confidential.
  - Encouraging employees to use the internet for their work and not to distribute information that is against moral norm, tradition and laws.
  - Using the Company-authorized email, internet and computer device accordingly to safety instructions, only for the Company's benefits.
  - Using only copyrighted programs.
  - The Company checks, searches, monitors, investigates and controls the use of information technology system as appropriate to ensure safety.

Throughout 2018, no director or executive was accused of not reporting their securities holdings as required by the Company or wrongfully using inside information for their own or others' benefits.

3. Role of stakeholders

3.1 Stakeholder policy

The Company's Board of Directors clearly specifies the policy and guideline on stakeholder groups. The Company's Code of Conduct was reviewed and improved as the framework for directors, executives and employees in treating each stakeholder group including shareholders, employees, customers, creditors, partners, competitors, the government and communities around the Company's premises, to ensure the protection of their legal rights. The policy and guidelines are announced and published through various channels and the Company's website. Here is the summary:

Treatment of shareholders

- Operate business to generate growth, profits and good returns for shareholders.
- Operate business with carefulness, caution, integrity and fairness for all shareholders.
- Respect the right to receive information; and disclose quality, accurate, complete, sufficient, and equitable information.
- Monitor and ensure compliance with the policy and Code of Conduct related to shareholders, ensuring the basic rights as well as fair and equitable treatment and quality information. Encourage shareholders to attend the shareholders' meeting to engage in the making of significant decisions, acknowledge the progress of the Company's operations and activities, express their opinions and monitor the Board of Directors and the Management's performance. Efficient measures are in place to prevent directors and executives from using inside information for their own benefits and refrain from taking any action that infringes or lessens shareholders' rights.

Treatment of employees

- Promote quality of life by providing good work environment, occupational health and safety.
- Emphasize continuous and thorough management and enhancement of its personnel's knowledge and capability.
- Manage and ensure remuneration and welfare is appropriate and comparable to that offered by other leading companies.
- Transfer, appoint, award and punish employees equitably and fairly. Allow employees to lodge complaint when treated unfairly or without the appropriate process.
- Monitor and ensure full compliance with work-related laws and regulations.

Treatment of community, society and environment

- Promote community engagement and communications.
- Support community development and enhance community strengths.
- Promote the conservation and restoration of local tradition and enhance social quality.
- Support environmental conservation and restoration.
- Operate business with responsibilities for community, society and environment.

Treatment of customers

- Produce and deliver quality products and services with responsibility for the customers.
- Provide conditional warranty for products and services under an appropriate period of time.
- Disclose complete and accurate information on products and services.
- Provide a complaint system and process whereby customers can lodge complaints on products and services and handle complaints as best as possible.
- All executives and employees must keep customers' information confidential.
- Do not ask for, accept or pay any illegal benefit to customers while strictly complying with trade conditions.

Treatment of creditors

- Strictly respect the conditions with creditors.
- Do not ask for, accept or pay any illegal benefit to and from creditors.
- Cooperate well with creditors to solve problems related to requests for, acceptance or payment of illegal benefits.
- Provide accurate, complete, timely and regular financial reports.
- Inform creditors in advance if the Company cannot meet conditions to find mutual solutions.

Treatment of partners/suppliers

- Consider the Company's best benefits, not personal benefits.
- Offer partners and suppliers an equitable and equal opportunity.
- Adopt international standards for assessment process, partner selection and contract.
- Put in place a good system to monitor that contract and conditions are well and completely respected.
- Do not ask for, accept or pay any illegal benefit to partners.
- Inform partners/suppliers in advance in case the Company cannot meet the conditions so as to find a mutual solution.

Treatment of competitors

- Respect and adopt internationally-accepted competition guidelines and principles.
- Do not seek competitor's confidential information through dishonest or inappropriate means.
- Do not accusing competitors groundlessly.
- Do not ask for, accept or pay any illegal benefit to trade competitors.
- Strictly respect trade conditions.

Treatment of business partners

- Strictly adhere to the contract and commitment.
- Provide business assistance that will bring mutual benefits by considering the Company's benefit as priority and fair return for both parties.
- Provide accurate information and report while any negotiations seeking solution to a problem shall be based on business relations.

Treatment of the public sector

- Support the government and follow the policy and criteria set by related regulators.
- Promote and support collaboration for public organizations' activities.

3.2 Respect for human rights

In line with the International Labor Organization (ILO) Convention, the Company since 2013 has upheld human rights principles under the labor law as the basis for treatment of 3 stakeholder groups which are employees, community and partners. They also serve as the guideline in caring for and protecting employees and employment, including the employment of local workers. Regarding communities, the Company continuously respects their rights to information and safety through the appropriate and efficient use of various types of communications. Regarding partners, the Company focuses on the partners' fair treatment of labor. The Company also sets the basic guideline for human rights practice in the Code of Conduct, and promotes the knowledge and understanding of human rights among employees so that they acknowledge, practice and be aware of the Company's sustainability as risks related to human rights may affect stakeholders' trust as well as the corporate image.

3.3 Use and protection of intellectual property

The Company requires all employees to protect the Company's intellectual property and use it only for the Company's benefits. Employees must respect intellectual property rights and avoid infringing the intellectual property rights of the Company's and others'. They must follow the Group's Network and Computer Usage Policy and the basic information technology manual by which the Company assigns user accounts and passwords for its employees accordingly to the Computer Crime Act. Employees' access to information and use of intellectual property will be terminated when their employment ends.

3.4 Risk management

The Company's Board of Directors the "Risk Management Committee" to be responsible for risk management. The Company ensures that risk management is planned and implemented with carefulness, and provides preventive and remedial measures for different stakeholder groups. The "Risk Management Policy" was formulated and announced through internal communication channels and the Company's website with key essence as follows:

Risk management policy

- Promote risk management culture.
- Put in place quality, appropriate and sufficient risk management process, guideline and measures.
- Undertake qualitative and quantitative risk assessment.
- Set risk appetite and identify event or risk level that serves as a warning sign.
- Impose written operation guideline.

Risk management guideline

The Company identifies risk factors and sets measures to manage risks within the risk appetite to prevent or mitigate impacts on the business operations, the corporate image and stakeholders. The guideline calls for a review and assessment of risk management practice and gives importance to warning signs and irregularities, in order to achieve timely adjustment in strategies, business plans and management methods. The progress is reported to the Audit Committee and then to the Board of Directors on a quarterly basis. (Details are in the Risk Management Committee's Report, Management Structure and Risk Factors.)

3.5 Anti-corruption

The Company is committed to operating business with transparency, fairness and responsibility for society and the environment as well as all stakeholder groups, in line with good corporate governance principles and the Company's policy to fight against all forms of corruption. One of its actions underlining this commitment is the participation in Thailand's Private Sector Collective Action Coalition against Corruption (CAC) since 2016. The membership certification has been extended by the CAC Council's resolution on 4 February 2019 and the certification period is 3 years from the resolution date, affirming the Company's commitment against corruption and its determination to operate business with good governance practices, transparency, accountability and non-involvement with corruption whether directly or indirectly. The policy applies with its interactions with both the public and private sectors. All insiders, from directors to executives and employees, are prohibited from asking for or receiving all bribes or committing any corrupted acts. The Board of Directors formulated the anti-corruption policy and operational framework involving risk management and internal control. It also sets the scope of responsibility, practice guideline and rules for related persons in writing, serving as a clear guideline to prevent fraud and corruption in all business activities. The practice is to ensure the organization is led towards sustainable business operations and progress. The message is communicated with all stakeholders through appropriate communication channels, forcing them to strictly adhering to the policy. The process is under the supervision of the Board of Directors, the Corporate Governance and Social Responsibility Committee, the Audit Committee and the Management as the organization's leaders bound by their role and responsibility to show the organization's anti-corruption stance which will strengthen confidence among employees, business partners and the public towards the Company's operations.

Anti-corruption policy

- Promote the anti-fraud and corruption culture.
- Ensure clear principle, process and guideline for business operations.
- Provide internal control system related to fraud and corruption risks.
- Formulate appropriate assessment and supervision criteria for the implementation of anti-fraud and corruption policy.
- Put in place anti-corruption regulations and business risk management in writing.
- Establish an appropriate channel where fraud and corruption-related complaints and reports can be filed.

Corruption-related risk management The 5 main corruption prevention measures are as follows:

- **Corruption-related risk assessment:** The Company requires risk identification and assessment of impact, probability and severity; and considers appropriate internal control and measures to reduce the risks.
- **Preparation and improvement of policy, regulations, order and Code of Conduct** on a regular basis, ensuring all employees understand and strictly follow the Company's anti-fraud and corruption policy and practices.
- **Communications and training:** The Company prepares annual communications and training plans, specifying channels, frequency, content and implementation to ensure effective communications both internally and externally. The objective is to raise awareness on the importance and encourage their participation in the Company's corruption-related risk management, so that they can pass on their understanding to business partners and stakeholders.

In 2018, a working team represented by all functions implemented communications and training activities, to prepare the annual anti-corruption training plan. The team convened every quarter. The Company's main communications and training activities are as follows:

1. Organize anti-corruption training having Thai Institute of Directors Association's anti-corruption experts as the speakers. The training involved executives and employees at all levels, to raise their understanding and awareness. The content mainly covered general knowledge on fraud and corruption, corruption problems in Thailand, and the role of organization's leaders and employees in fighting against corruption.
2. Host an exhibition and issue newsletters on anti-fraud and corruption issues.
3. Organize a test to assess awareness, understanding and adherence to anti-fraud and corruption practices, requiring all executives and employees to pass the test with a score of at least 80 percent.
4. Announce, publish and officially notify business partners and stakeholders on the anti-fraud and corruption policy, for their acknowledgement and strict compliance.
5. Host an orientation regarding anti-fraud and corruption for newly-recruited employees.

- **Review of profile of personnel and business stakeholders prior to employment and the start of contract or transactions:** The action shall be taken with consent from the other party and in compliance with related laws. The Company clearly specifies the strict compliance with the Code of Conduct, the anti-corruption policy and measures in the employment contract, which must be acknowledged and signed before the start of work.

- **Internal Control:** All the Company's units shall have in place clear and written procedure and appropriate internal control with clear separation of responsibilities in all process, and review it at least once a year.

Once all corruption-related risk management measures are implemented, the Company **monitors and evaluates the compliance with the anti-corruption policy.**

- Set a clear corruption and whistleblowing reporting mechanism, with a channel that conceals the identity of the complainants, to protect them from harm or threats. The reporting procedure is specified as disclosed in Section 3.6 Complaint and Whistleblower Reports.
- Specify in writing responsible persons to monitor the implementation of each aspect of the anti-corruption policy.
- Assign the Corporate Governance Working Team to supervise, collect corruption risk assessment results, monitor the implementation of risk management plan and regularly report to the Management, the Corporate Governance and Social Responsibility Committee, the Audit Committee, the Board of Directors and related organizations.

The Audit Committee supervises and reviews the completeness of the anti-corruption procedure through the Internal Audit Division, before reporting to the Board of Directors. The process covers the following tasks:

- Review the anti-corruption policy and corruption-related risk management process, and assess the sufficiency of internal control to prevent possible corruption and fraudulent acts.
- Set internal audit criteria and monitor the integration of anti-corruption policy in the operations, to ensure the policy is appropriately implemented and complies with international standards.
- Review anti-corruption practice regarding communications and training policy, to ensure the acknowledgement and compliance of all employees, outsiders and business partners.
- Review compliance with the Company's regulations, order and the Code of Conduct related to anti-corruption and fraud, as well as the giving and receiving of gifts and souvenirs, charitable donations, financial supports, reception expenses, and fraudulent risk management, etc.
- Set the annual plan to review corruption risk management to ensure compliance with preset criteria and measures.

In 2018, no fraudulent or unethical action was found and there was no director or executive resigning due to corporate governance issue.

3.6 Complaint and whistleblower report

Stakeholders including outsiders affected or risking to be affected by the Company's operations as a result of executives and employees' **illegal, unethical and possible corrupted acts** can file their corruption complaints or suspected irregularities through the following channels.

Process after a complaint is received

1. Complaint receiver collects fact related to the violation of failure to comply with the Code of Conduct either by himself or by assigning other appropriate person.
2. Submit the fact to the Chief Executive Officer who will consider forming an investigation committee.
3. The investigation committee collects related fact through interviews and/or inspection of document.
4. The investigation committee analyzes the fact and makes a conclusion, to consider the appropriate process for handling this matter.
5. The investigation committee sets a measure to solve or alleviate damages of the affected and submit a report to the Chief Executive Officer who will subsequently report to the Board of Directors.
6. The investigation committee reports the investigation result to the complainant if the person reveals his identity.

Employees are supported by the Company's guideline and complaint report process, which is part of the regulations on Personnel Management under Complaint section. This covers employees who experience unfair treatment; the protection of complainants against employment termination or punishment for presenting information, fact or evidence concerning a complaint; and the protection of those who file reports in honesty though such reports may affect the Company.

Other communication channels: The Company has provided other communication channels to receive complaints, opinions and recommendations for the Company's improvement from all stakeholder groups. The channels include the Company's website, the Company Secretary, Corporate Relations Division, Internal Control Division and Investor Relations Department. Complainants may use other channels as deemed appropriate.

3.7 Reporting of directors and executives' interests

The Board of Directors required all directors and executives to report interests of their own and their related persons as specified in the "Directors' and Executives' Interests Report Form". The original report shall be submitted to the Company Secretary for record keeping and the copy shall be submitted to the Company's Chairman and the Chairman of the Audit Committee on an annual basis. The report must be updated immediately after a change, to assist the Board of Directors' consideration and decision which person, with vested interests, should not involve in the voting on the Company's transactions or which persons having conflict of interest. The information will help the Board of Directors reach a conclusion that benefits the Company in an appropriate and transparent manner.

3.8 Promoting community engagement

The Board of Directors has set and announced the policy on society and environment as a guideline for the Company's Group, which has emphasized community engagement, communications; the development and strengthening of communities; local tradition conservation and restoration; and environmental conservation and restoration. The emphasis reflects in all activities of the Company, in the operating or under development process. During project development period, the Company studied preliminary technical information in parallel with a study on the community's economic and social conditions, traditions and way of life, in order to prepare community participation plan and key communication message as well as activities to promote understanding in the project and receive communities' opinions on various issues. The process is conducted within the requirements set by government agencies and related regulators. During the construction period, the Company regularly communicates with communities on its operations and policy towards community. Close and regular communications continue after the project is operational, to welcome recommendations

for continued improvement of the Company's activities so that they truly address community needs.

In addition, Ratchaburi Electricity Generating Company Limited initiated the "Ratchaburi Power Plant Environment Inspector Committee", comprising representatives from communities, community leaders, local and provincial administrative bodies. The committee is responsible for monitoring and ensuring that the power plant operations are in accordance with Ratchaburi Power Plant's environmental impact prevention and mitigation measures stated in the environmental impact assessment report. The committee also acts as the coordinator with power plants and provides information, problems or possible issues and recommendations from communities. It is an important channel that promotes community participation in the systematic and continuous monitoring of the Company's operations.

In 2018, the Company hosted activities to promote community engagement through its social and environmental operations. Details are described in Corporate Social and Environmental Responsibility.

3.9 Transaction that may involve conflict of interest

The Board of Directors provides a guideline in handling conflict of interest transparently and accountably, which is included in the Company's regulation on the Board of Directors. The guidelines says: "Directors with vested interest in any particular issue shall not have the right to vote on the issue". The Board strictly complies with the regulation. The Board of Directors and the Audit Committee have an important role in formulating measures to handle and prevent conflict of interest and supervising the operations in a reasonable manner. This includes the disclosure of complete information in accordance with related regulations for the overall benefit of the Company.

Based on the Audit Committee's screening and approval, the Board of Directors ensures that the connected transactions of the Company and subsidiaries are struck for the benefits of the Company and subsidiaries, based on the same pricing and conditions as in transaction with other business partners. Accurate and complete disclosure of such transactions is required according to related regulations. For flexibility and convenience, the Board of Directors authorized the Chief Executive Officer to approve connected transactions or regular business-supporting transactions in general which contain normal conditions and trade agreements and are valued no more than Baht 30 million each. Such transactions shall be reported to the Board of Directors on a quarterly basis, as demanded by Section 89/12 of the Securities and Exchange Act.

3.10 International standard on environment and occupational health

The Company has seriously and continuously encouraged the entire group to adopt national-level and internationally-accepted operational standards, such as ISO 14001 environmental management standard, OHSAS 18001 occupational health and safety management standard, and other standards issued by the Department of Industrial Works.

3.11 Safety, occupational health and work environment

The Company realizes the importance of safety, occupational health and work environment of its employees, partners and other stakeholders who work with the Company, especially in the Company's premises. It has arranged training to create understanding and awareness of their role and responsibility to perform their tasks with the highest safety level. The Safety, Occupational Health and Working Environment Working Team was appointed to monitor, assess and set preventive and correction measures to ensure safety and efficient/effective use of resources in line with the Company's Code of Conduct that was set by the Board of Directors and published on the internal communication channels and the Company's website. The measures can be summarized as follows:

Safety, Occupational Health and Work Environment Policy

• Promote and develop the safety, occupational health and work environment management system to strictly meet with international standard and comply with laws and regulations.

• Control and prevent loss in various forms as well as maintain safe work environment. All executives and employees are held responsible to report accidents or incidents according to the pre-set procedures.

• Arrange publicity and communication for concerned stakeholders' acknowledgement and compliance.

• When finding any unsafe practice which does not comply with regulations, standards or may have impact on safety, occupational health and work environment, the work shall be temporarily halted. Related persons should be informed according to the procedures for immediate solution.

• Monitor and assess the performance for strict and effective implementation.

In 2018, the Company monitored and ensured the implementation of safety, occupational health and work environment measures was in line with the plan and legal requirements, under close supervision by the Safety, Occupational Health and Work Environment Committee. The Committee convened 12 meetings and carried out key safety, occupational health and work environment activities as follows:

1. 2018 Annual fire evacuation drill, hosted in collaboration with disaster prevention and mitigation and related authorities, at the Company's office building on 30 August 2018.

2. Training courses on safety for employees and relevant individuals, including such as the Safety, Health and Work Environment Training for employees on 10 August 2018 with 23 attendants; the training on fire extinguishing for the beginners on 17 August 2018 with 17 attendants; the course on how to use personal smoke prevention masks during fire during 1-2 October 2018 with 15 attendants who all received personal masks.

3. RATCH Go Green@Work 2018 Exhibition which drew 116 attendants including the executives and employees of the Company and other business units in the Company's Group. Activities were held to raise understanding among employees and campaign for their realization on safety, occupational health and work environment as well as energy and environmental conservation.

In 2018, the Company held the statistics of 551,780 continuous work hours without accidents that resulted in the stoppage of work as in early 2018, an employee slipped and reported a knee injury. In this regard, the Company had already instructed the cleaning contractor to strictly operate under the Company's safety procedures by putting up safety sign (Be careful: Slippery floor) before the start of work.

Due to its commitment to operating under the policy regarding safety, occupational health and work environment, the Company received the outstanding building on safety award (Silver Level).

4. Information disclosure and transparency

4.1 Types of disclosed information

The Company discloses both financial and non-financial information in periodic and non-periodic reports. The objective of the reports is to provide accurate, complete, sufficient and timely information that support readers' investment decision. In 2018, the Company's disclosed information is summarized as follows:

Disclosed information in 2018	Times
- Periodic reports	32
- Non-Periodic reports	35
- Analyst meeting	4
- Company visit	48
- Domestic roadshow	2
- International roadshow	1
- Press releases on financial statements and operational performances	2
- Media participation in CSR activities	3
- Press and photo releases for news media	17
- Site visit by shareholders and investors, in Thailand and overseas	2
- Exhibition	6
- Executive interviews	1
- Website visit (monthly average)	17,509
(From 1 January 2018 to 31 December 2018, totaling 210,117 times)	

4.2 Information quality

Information quality includes accuracy, clarity, completeness, sufficiency, timeliness, transparency and accountability. Significant information disclosed by the Company includes both financial and non-financial information. It is not one-sided as it presented both positive and negative aspects. The disclosure complies with related criteria and regulations, such as immediate disclosure of significant information, comprehensive distribution to the general public, clarification on rumors and news, actions on irregular stock trading which must not unreasonably buoy the irregularity, and stock trading by insiders. The disclosure must not cost the Company excessively or infringe the Company's competitiveness. Other details are presented under the Rights of Shareholders section and Board of Directors' Report on Its Responsibility to the Financial Reports which is published along with the Independent Auditor's Report in the Annual Report and the Audit Committee's opinion on the quality of financial reports as published in its report.

Disclosing quality information to outsiders not only reflects the Company's transparency but also enhances investors and related persons' confidence and trust. As a result, the Board of Directors closely supervised and monitored to ensure that responsible persons follow the plan which is above legal disclosure requirement and that investors have equal access to such information.

4.3 Disclosure channels

The Company primarily discloses information via SET's electronic communications channel and uses other channels as deemed appropriate, like the Company's website, financial results press conferences, analyst meetings, press releases, roadshows in Thailand and overseas, and other activities as detailed in Types of Disclosed Information.

The Company and the Board of Directors give importance to the disclosure of significant information. The disclosure has been closely monitored to ensure that it meets specified principles and rules, and strictly supervised the implementation of such activity. Authorized and responsible persons are designated while information distribution channels are improved to ensure information disclosure quality as follows:

- **Authorized persons to disclose information:** The persons assigned by the Company to disclose information are the Company's Chairman, directors, Chief Executive Officer and chief officers. Other units responsible for preparing the information are:
- **Communication channels:** Based on the commitment to providing complete and equitable access to the Company's significant information, the Company communicates via various channels and covers both one-way and two-way communication. The distributed information is prepared in Thai and English and distributed at the same time via SET's electronic channel as the main information disclosure channel; the Company's website (www.ratch.co.th) for better understanding and greater convenience of shareholders, investors, the interested and the general public. The Company also released information via analyst meetings; domestic and international roadshows; press conferences to announce quarterly and annual performances; distribution of news releases and photo releases of the Company's activities; executive interviews; exhibitions; site visits for shareholders, institutional investors and analysts; and media relations activities.

4.4 Investor relations

The Company assigned the "Investor Relations Department" to be the communication center. It fairly and equitably provides information and news as well as arranges activities to build and strengthen relationship between the Company and its shareholders, institutional investors, individual investors, analysts and concerned government agencies. The Department is also responsible for preparing annual investor relations plan regularly participated by high-level executives. The Chief Executive Officer and high-level executives act as spokespersons who report, provide additional information, clarify and answer questions at the analyst meeting, local and international road shows. The Department can be contacted at: by post under the Company's address; phone number +66 2794 9841 or fax +66 2794 9888 Ext. 9841; the Company's website www.ratch.co.th or email to IR@ratch.co.th

4.5 Disclosure of directors and executives remuneration policy and payment

The Board of Directors discloses the director and executive remuneration payment and remuneration of individual director and executive remuneration by categories. Overall employees' remuneration is also included. (Details are explained in Management Structure.)

5. Board of Directors' responsibility

5.1 Board of Directors Structure

- ***Composition and qualification*** (Details appeared in Management Structure)

- ***Independence of Chairman***

The Chairman is a non-executive director. Despite the fact that the Chairman is the representative of EGAT, the major shareholder holding a 45 percent stake in the Company, the Board of Directors also comprises 7 independent directors, representing 53.85 percent or more than half of the total of 13 directors. As a result, the directors can independently perform their duties as the shareholders' representative with appropriate checks and balances. The Chairman independently performs his duty and does not influence or convince other directors during discussions. He also encourages all directors to discuss and express opinion openly by giving sufficient time to find mutual resolution on all matters considered at the Board of Directors' meeting.

- ***Segregation of the Chairman and Chief Executive Officer positions***

The Chairman is not the same person as the Chief Executive Officer and has no relations with the Management. The segregation of the Chairman and the Chief Executive Officer positions has ensured proper balance and prevented either one of them from excessive power. Their roles and scopes of responsibility are clearly defined. The Chairman is the leader and has significant role in deciding the Company's policy resulted from the joint meeting between the Board of Directors and the Management on business goals. The Chairman leads and conducts the meetings in efficient and effective manner, and encourages all directors to participate in the meeting and openly express their opinion. The Chairman also supports and provides recommendation for the Management operation through the Chief Executive Officer and does not intervene in routine work which is the Management's responsibility. Meanwhile, the Chief Executive Officer is only executive director of the Company and is the Management's top officer whose roles and responsibilities are explained in Management Structure.

- ***Directorship in Other Companies***

None of the Company's directors holds positions in more than three listed companies, which complies with the Company's regulation on the Board of Directors and the SET's recommendation on director's efficiency and time contribution. More information about individual directors is revealed under Profiles of Directors.

Mr. Kijja Sripatthangkura, Chief Executive Officer, does not hold directorship in other company aside from the Company's subsidiaries and joint ventures. For other directors and executives, the Board of Directors has approved their directorship and executive position in subsidiaries and joint ventures depending on their knowledge, skills and responsibility.

The Board of Directors has formulated the Company's regulation on Subsidiaries, Affiliates and Joint Ventures Supervision, covering clear criteria for the appointment and responsibilities of the Company's representatives assigned to hold directorship or hold stakes in the companies in which the Company invests. This allows the representatives to convey the Board's policies and report performances of those businesses back to the Board. (Details on the Company's representatives assigned to be director and shareholders in subsidiaries, affiliates and joint ventures appear in the Information about Positions of Directors and Executives in the Company's Group.)

- ***Recruitment and nomination of directors*** (Details appeared in Management Structure)
- ***Secretary to the Board of Directors and Company Secretary*** (Details appeared in Management Structure)

5.2 Sub-committees

The Board of Directors has appointed 5 sub-committees namely the Audit Committee, the Human Resources and Remuneration Committee, the Risk Management Committee, the Investment Committee and the Corporate Governance and Social Responsibility Committee. The appointment is to assist it in studying information, screening work and making recommendation, which enables the Board to perform its duty more efficiently. (Details appeared in Management Structure.)

5.3 Roles, Duties and Responsibilities of the Board of Directors

The Board of Directors realizes its roles, duties and responsibilities, being committed to independent decision making for the best benefits of the Company and its shareholders. All directors give importance and realize the responsibility towards the shareholders who own the business and appoint directors to supervise the operations for shareholders' maximum benefits. The Fiduciary Duty covers four major responsibilities namely Duty of Care (perform with care), Duty of Loyalty (being loyal), Duty of Obedience (compliance with laws, goals, regulations and shareholders' resolutions), and Duty of Disclosure (disclosure of accurate, complete, transparent and timely information).

The Board of Directors' roles, duties and responsibility are summarized as follows:

- Formulate and review the Company's strategy, business plan, policy, budget, business direction and supervision with participation of the Management on a yearly basis.

• Consider and approve human resource management strategy, executive development plan, organization structure, remuneration structure, and remuneration plan.

• Consider criteria, method and process for the recruitment, removal and termination of directors and high level executives.

• Supervise the evaluation process of high level executives to ensure effectiveness, benchmarking the performance against the mutually agreed goals.

• Communicate the Company's vision, goals and operating results to directors, executives and employees to ensure acknowledgement and understanding throughout the entire organization.

• Monitor the progress, efficiency and success of the strategic plan, benchmarking against short and long term goals and competitors' operational efficiency and effectiveness; disclose the implementation result and the governance under good corporate governance principles in the annual report; and require the Management to present regular reports to the Board of Directors as follows:

- Monthly reports covering monthly operational performance analysis; short and long term investment summary; cash flow; and electricity peak, installed capacity of EGAT and Thailand; securities holdings and/or change in holdings of directors, executives and spouses and minor children; and share prices of energy stocks.

- Quarterly reports covering quarterly financial results, risk management and progress on investment projects.

- Annual reports covering annual financial statements, annual performance evaluation against the targets and the sub-committees' meeting reports.

In 2018, the Board of Directors reviewed the strategic plan and business strategies and approved vision, mission, goals, business strategies and performance evaluation criteria for the implementation in 2019. The task is to support the long-term plan within 2023. It also fits the changing conditions in today's world and supports the Company's strategy to diversify its businesses and strengthen its core business for long-term growth. In case that the operational performance does not meet the targets due to controllable factors, the cause of the problems will be analyzed and then corrected. In case that such problem arises from uncontrollable factors, the plan has to be reviewed and new and/or alternative target shall be set as deemed appropriate.

To promote good understanding between directors and among directors, the Management and employees, in 2018, the Company arranged informal meetings of directors, the Management and employees, including the Company's activities such as corporate social and environmental responsibility activities, annual recreational activity of directors and internal knowledge development activity.

• Ensuring completeness of significant issues namely the right mix of independent directors to balance the power of the Management and/or major shareholders; reviewing and approving vision, strategy, mission and Code of Conduct, and communicate with employees at all levels for acknowledgement and implementation; auditing and approving annual financial reports to strengthen shareholders' confidence; supervising internal audit procedure, internal control and risk management system, prevention of conflict of interest, connected transaction, protection of corporate reputation, optimal resources exploitation efficiency and effectiveness; and ensuring full compliance with related laws, rules, regulations, Articles of Association, Code of Conduct as well as good corporate governance principles.

• Establishing and approving role and responsibility of the Company's sub-committees as appropriate and necessary.

• Setting criteria and evaluating the performance of the Board of Directors and sub-committees for both the entire Board/sub-committee and individual members, on a yearly basis and disclose the results in the annual report.

• Setting up Board of Directors' meeting schedules and voting.

- Holding the Board of Directors' meeting at least once a month and holding at least one meeting for non-executive directors per year to offer the directors a chance to review the performance of the Board of Directors, the Management and the Company, and to discuss significant management issues without presence of the Management. The Chief Executive

Officer will be informed of the meeting resolutions and subsequently improve efficiency.

- Assign one vote to each director. Directors with vested interests in specific agenda item shall not have the right to vote. In case the number of votes is equal, the chairman of the meeting shall have the casting vote.

5.4 Management and prevention of conflict of interest (Details appeared in Role of stakeholders, item 3.9)

5.5 Risk management (Details appeared in Role of stakeholders, item 3.4)

5.6 Board of Directors' Meeting

• ***Board of Directors' meeting principle and guideline:*** For maximum benefits of the Company and its shareholders, the Company highly emphasizes directors' independence. Directors must perform their duty with loyalty, integrity and care for the Company's and the shareholders' benefits, always holding in mind that they represent shareholders. They must take a leading role, observe the operations, give advice, closely assist and support the Management.

• ***Meeting schedule, meeting agenda and document preparation:*** In 2018, the Board of Directors set the meeting schedules for the Board and sub-committees for the entire year in advance and notified each director of the schedules. The Board's meeting was scheduled at 15.00 hours of the third Monday of each month.

The Chairman and the CEO jointly considered the matters to be included in meeting agenda to ensure that all significant matters are submitted to the meeting. Directors were informed of the agenda in advance and the meeting notice was distributed at the appropriate time according to the Company's regulation. However, directors were free to propose other matters by submitting the proposal 10 days prior to the meeting date. In case of urgent matters which may directly or indirectly affect the Company, directors were free to propose such matters for consideration or acknowledgement during the meeting. (Method for deciding matters to be included in the agenda and the method for directors to propose other matters are stated in the Company's regulation on the Board of Directors and published on the Company's website.)

Meeting agenda was grouped for easy consideration and the meeting was run in the pre-set sequence namely matters to be informed by the chairman, matters arising from the previous meeting, matters proposed for consideration, matters proposed for acknowledgement, and others (if any). Regular matters to be proposed to the Board of Directors at the specific period, such as monthly, quarterly and annual agenda are set in advance. Schedule of monthly performance analysis report and progress of projects that the Company invests in are also reported to the Board of Directors meeting every month.

The Company sends meeting notice, agenda and related documents to each director approximately one week prior to the meeting date, providing them with sufficient time to study the information. Directors may ask for more information from the Chief Executive Officer and the Company Secretary Office. Members of the sub-committees can ask for more information related to their tasks from the Chief Executive Officer and through the secretary of each sub-committee.

• ***Roles of the Chairman, directors, Management and meeting atmosphere***

- ***Chairman*** leads the meeting, sufficiently and adequately allocates time for directors to equally discuss and express opinions, encourages directors to participate in the discussion and freely express opinions, and summarizes the meeting's resolutions.

- ***Directors*** share opinions based on the study of the information provided by the Management and other necessary and relevant information. They discuss constructively, taking into account the benefits and impact as well as risks for the Company and all stakeholders in order to obtain the meeting resolution. Directors shall contribute time, knowledge and experience to their role as a director of a listed company.

- ***The Management*** is responsible for providing accurate, sufficient, complete and timely information that is relevant and necessary to support the Board of Directors' decision, as well as present the information in advance in order to allow sufficient time to study the information. The Management shall propose options to the Board of Directors, and provide information and clarify additional information when asked in the meeting. The Board of Directors requires high level executives from all functions to attend

the meeting and invite other concerned executives for clarification on specific matters.

- ***Meeting atmosphere and expression of opinions:*** The Company provides appropriate and sufficient meeting equipment and facilities. The meeting atmosphere is open and encourages all directors to participate in the discussion and openly and positively express opinions based on mutual benefit and impact on all stakeholders. Each meeting lasted 1.5 hours to 2 hours on average.

- ***Meeting process:*** In the consideration and discussion of general issues, the Management presents the background, rationale, necessity, clarifications and related information to support the Management's decision making process and the Management's proposal. The Chairman allows sufficient time for all directors to discuss all issues and encourages directors to express opinions and ask questions on important matters for the Management to clarify. Afterward, all will make a meeting resolution.

- ***Directors with vested interests in a specific matter*** cannot vote on the matter (vested interests are based on the reports of the interests of each director and executive and their related persons' interests which were submitted to the Company Secretary.) This has been strictly implemented at all Board of Directors meetings.

- ***Consideration of connected transaction and items that may involve conflict of interest*** is done by taking benefits of the Company and shareholders into consideration. Necessity and reasons for each matter is compared with transactions of similar nature. Correct and complete process and the disclosure of accurate and complete information as required by laws are highly weighted.

- ***Company Secretary*** provides initial recommendation to the Management and the Board of Directors to ensure that they perform in line with laws and related regulations, such as the disclosure of asset acquisition or disposal, connected transaction and compliance with good corporate governance principles.

- ***Meeting minutes preparation and storage***

- **Company Secretary Office** is assigned by the Board of Directors to record, prepare and keep the minutes of the Board of Directors' meeting and shareholders' meetings.

- **Meeting minutes** are prepared in writing and cover all important details, including date and time, the start and the end, meeting venue, list of attending directors and executives, list of absent directors, summary of the matters presented in the meeting, summary of the discussed matters, opinions and observation of the directors, the meeting resolution, and the signatures of the minutes taker and the meeting chairman. Meeting minutes are completed within approximately three days after the meeting and delivered to all directors for consideration. If no revision is made within seven days, the minutes are considered approved and then delivered to be signed by the meeting's Chairman. A copy of the signed meeting minutes is then delivered to each director for reference. In addition, the certified meeting minutes will be added as an agenda for acknowledgement in the next meeting.

- **Dissemination of meeting resolutions:** The Company Secretary distributes the Board of Directors' written resolution to related units for their acknowledgement and/or implementation. The implementation will be monitored and reported to the Board of Directors.

- ***Board of Directors and sub-committee's meetings*** (Details appeared in Management Structure)

5.7 Performance assessment

- ***Self-assessment of Board of Directors and sub-committees***

The Board of Directors conducts self-assessment with the objective to use the result, observation and recommendations for further improvement of the Board and sub-committees as well as the improvement of individual directors in line with good corporate governance principles.

The assessment covers many important areas according to the good corporate governance principles for listed companies, including 1) the Board of Directors' readiness (that covers structure, components, independence, responsibilities and development), 2) strategy formulation and business supervision, 3) risk management and internal control, 4) conflict of interest prevention, 5) the monitoring of financial and operating performance reports, 6) the Board of Directors' meetings, 7) nomination, remuneration

and the evaluation of directors and high level executives as well as the succession plan for high level executives.

The self-assessment of all sub-committees covers the overall performance of each sub-committee in terms of their readiness, completeness of duty as assigned by the Board of Directors, and meeting arrangement whether they be pre-meeting (provision of meeting document prior to the meeting date to provide sufficient time for committee members to study the information), during the meeting (the presentation of information and significant agenda, discussion, question answering and voting); or post-meeting (preparation, submission and storing the meeting minutes).

Five assessment levels are assigned for the assessment of the Board of Directors and sub-committees, for both entirely and individually, according to average scoring of the individual assessment as follows:

Excellent	>	90	per cent
Very good	>	80-90	per cent
Good	>	70-80	per cent
Fair	>	50-70	per cent
Should improve	<	50	per cent

In 2018, the assessment result is as follows:

	2018				2017			
	Entirely		Individually		Entirely		Individually	
	Score/ Full score	Level	Score/ Full score	Level	Score/ Full score	Level	Score/ Full score	Level
Board of Directors	95.53/100.00	Excellent	95.07/100.00	Excellent	97.14/100.00	Excellent	96.19/100.00	Excellent
Sub-committees comprising:	Score/ Full score	Level	Score/ Full score	Level	Score/ Full score	Level	Score/ Full score	Level
1 Human Resources and Remuneration Committee	87.58/100.00	Very Good	88.89/100.00	Very Good	97.39/100.00	Excellent	97.39/100.00	Excellent
2 Audit Committee	29.00/30.00	Excellent	29.00/30.00	Excellent	29.00/30.00	Excellent	29.00/30.00	Excellent
3 Corporate Governance and Social Responsibility Committee	27.00/30.00	Very Good	27.67/30.00	Excellent	28.33/30.00	Excellent	28.83/30.00	Excellent
4 Investment Committee	27.75/30.00	Excellent	27.75/30.00	Excellent	29.50/30.00	Excellent	29.00/30.00	Excellent
5 Risk Management Committee	25.33/30.00	Very Good	24.67/30.00	Very Good	27.25/30.00	Excellent	27.25/30.00	Excellent

The Company will use the performance appraisal result of the Board of Directors and sub-committees for further improvement of operational efficiency for both Board of Directors and sub-committees and to improve performance of individual directors in accordance with the management policy under the good corporate governance principles.

- ***High-level executives' performance assessment***

With the screening from the Human Resources and Remuneration Committee, the Board of Directors conducted an annual assessment of high level executives' performance, based on the criteria that were mutually agreed upon early of the year. In 2018, the criteria comprised 5 areas namely business development, assets management, planning and supervision of affiliated companies, financial management, and organizational management. Each area has different weight. The Company also appraised high level executives in terms of capability and management skills, including leadership, strategy formulation and implementation, financial planning and performance, networking, business knowledge and understanding and personal qualifications for the Chief Executive Officer and high level executives. The Company uses the assessment result to determine the remuneration for high level executives and to arrange knowledge and skill development plan in line with the Company's operational and performance contexts as well as the succession plan.

- ***Directors and high level executives' remuneration*** (Details appeared in Management Structure).

5.8 New director orientation and the development of directors and executives

Newly-appointed directors will be given orientation and briefing by the Chief Executive Officer regarding the nature of the business, the Board of Directors' and the sub-committees roles and responsibilities, investment structure, organization structure, financial operating results, progress of investment projects and the Company's good corporate governance principle. Supporting documents on the aforementioned subjects are provided together with Memorandum of Association, objectives, Affidavit, Articles of Association, rules and regulations, policy, Code of Conduct, remuneration and benefits for directors, annual report and sustainability report, as well as the guideline for directors of a listed company and compliance database. The orientation is held according to the Board of Director's policy to prepare directors to be ready to perform their duties.

Director development: To enhance understanding of roles, duties and responsibilities as well as necessary skills for the directors to do their best job as directors of a listed company, the Company financially supports directors' participation in training and seminars arranged by related organizations, such as Thai Institute of Directors Association (IOD), Stock Exchange of Thailand and Thailand Energy Academy.

Directors' Attendance in Training Courses in 2018

No.	Directors		Course	Organizer
1	Mr. Sutat	Patmasiriwat	-	-
2	Mr. Chartchai	Rojanaratanangkule	Advanced Audit Committee Program (AACP 31/2018)	Thai Institute of Directors Association
3	Mr. Samack	Chouvaparnante	-	-
4	Mrs. Siriporn	Luangnual	Advanced Audit Committee Program (AACP 31/2018) Financial Statements for Directors (FSD 35/2018)	Thai Institute of Directors Association Thai Institute of Directors Association
5	Mr. Somboon	Nhookeaw	Director Accreditation Program (DAP 154/2018)	Thai Institute of Directors Association
6	Mr. Veerasak	Pungrassamee	-	-
7	Mrs. Premrutai	Vinaiphat	-	-
8	Mr. Ratanachai	Namwong	-	-
9	Mr. Chuan	Sirinunporn	-	-
10	Mr. Suchalee	Sumamal	Director Certification Program (DCP 225/2018)	Thai Institute of Directors Association
11	Mr. Boonyanit	Wongrukmit	Corporate Governance for Directors and Senior Executives of State Enterprises and Public Organizations (2018)	King Prajadhipok's Institute
12	Mr. Seubphong	Buranasirin	-	-
13	Mr. Kijja	Sripatthangkura	-	-

Note Other training attendance in previous years are reported in individual directors' profiles

The Management regularly prepared a summary report of the rules, regulations and memorandum, both newly issued and amended, by the SEC and the SET then presented to the Board of Directors to use as guideline so that their practice strictly complies with the law and the regulators' regulations.

The Company also sent executives and relevant operators to attend company secretary, corporate governance, internal audit, anti-corruption and risk management courses as well as other related courses organized by various institutes and organizations. This enables them to better understand their responsibilities, which supports the works of the Board of Directors and sub-committees.

5.9 Succession plan for high level executives

The succession plan for the Chief Executive Officer follows the policy of EGAT, the Company's major shareholder. EGAT will pick its executive who has appropriate qualifications, knowledge and capability to perform the task and brings greater benefits to the Company and nominate the person to the Board of Directors for consideration and appointment through the Human Resources and Remuneration Committee. The Board of Directors assigned the Human Resources and Remuneration Committee to prepare the career path plan for high level executives.

Regarding the succession plans for other executive positions, the Company hired a consulting firm with expertise to help developing career path of individual position. This covers the competency model which has been developed in systematic manner, covering analysis of competency and expected qualifications of different positions. The guideline will support human resource development and nomination of qualified persons to be promoted, demoted, retired, and transferred and to prepare the Company's personnel for current and future business expansion.

In 2018, the Company appointed capable executives and talents qualified for vacant positions, in line with the preparation process and the succession plan and corresponding with the Company executives' retirement.

5.10 Directors and officers liability insurance

The Board of Directors required the Management to propose the Directors and Officers Liability Insurance (D&O) together with its conditions, limitation and premium for the Board's consideration every year, to cope with the Company's business diversification. The Company has engaged more with new business transactions that require directors and executives' approval, opinion provision, authorization and signing on important documents. Some of such activities may have high risks of claims from outsiders, shareholders and stakeholders on directors and executives responsibility arising from performing their duty. The insurance will provide protection over liabilities or claims against directors and officers who perform their duty in accordance with their position in good faith. In case of fraud, the Company is not liable for the loss and can requests the corrupted person to pay for the fees arising from the lawsuit against the corrupted directors or officials.

6. Code of Conduct

The Company has been operating its business by adhering to the good corporate governance principles. The Company is strongly committed to fighting against corruption in all forms, to prevent and mitigate negative impacts on the country, stakeholders and the organization. The organization will be led towards success, to support vision, mission, policy, business goals, and sustainable development amid fast-changing global contexts. Becoming a certified member in Thailand's Private Sector Collective Action Coalition against Corruption (CAC) since 22 April 2016 is a key factor to prevent and fight against frauds and corruption.

In 2018, the Company considered, reviewed and improved regulations, rules and Code of Conduct to keep them updated and cover the entire work process according to the CAC's anti-corruption framework and in line with the new Code of Conduct which has been used as a policy and the desired behaviors as well as good corporate governance principles implementation guideline for the directors, executives, employee and all groups of stakeholders of the Company's Group. This will raise the corporate governance practices to that of the international standard and build confidence of the investors and stakeholders in the Company's operations. The Company has a process to raise awareness, build conscience, as well as regularly follow up and evaluate the employees' performance. Newly-recruited employees must attend orientation and sign their acknowledgement. The Board of Directors annually reviews the Code of Conduct in response to changes in business conditions. The interested persons can find the details of the Code of Conduct on the Company's website.

7. Communications and monitoring of performance to ensure full compliance with the corporate governance policy and business ethics

New Director's orientation is disclosed in section 5.8. For new employee's orientation, human resources officer will give every new employee a briefing on the Company's overall business operations, investment structure, organization structure, operating result, good corporate governance and corporate social and environmental responsibility principles, rules, regulations, policy, business ethics, remuneration, benefits and welfare. Supporting documents such as the Code of Conduct and other documents that can be used as guideline and reference when performing duties are given at the orientation and the new employee have to sign their acknowledgement. Corporate governance policy is communicated throughout the Company from the Board of Directors and high level executives to all level of employees.

The Company also provides communication channels to listen to and collect employees' problems, concerns and recommendations for consideration, further action planning and execution as well as ensures the practice and the performance are in line with the good corporate governance principle. The Intranet, email system that employees have easy access and internal meetings, are channels provided to effectively communicate, raise awareness and commitment to implementation of Code of Conduct. The implementation result is reported to sub-committees and the Board of Directors for acknowledgement respectively.

Aside from regularly discussing with other divisions, the "Internal Audit Division" has also been assigned to be responsible for monitoring and following up with the implementation of annual audit plan and a quarterly report the audit results as well as making recommendation on solution and prevention of possible damages to the Audit Committee and the Board of Directors respectively.

The "Compliance Database" was prepared, and distributed to the Board of Directors and published on the Company's internal database, which is easily accessible for use by all employees. The database comprises guidelines for important areas of practice and operations of the Company as a listed company, such as the disclosure of information, connected transaction, the acquisition or disposition of assets. The information is regularly updated.

The Board of Directors prepared the "Directors' and Executives' Interests Report Form" and instructed the Directors and executives to report their interests and related persons' to the Company Secretary for reference and record. The Company Secretary shall make a copy and submit the report to the Company's Chairman and the Chairman of the Audit Committee, according to the Securities and Exchange Act. The report will be used when considering those who shall not vote at the Board of Directors' and shareholders' meetings.

In addition, the Corporate Governance Working Team was assigned to communicate and follow up the implementation of corporate governance practices in accordance with the Corporate Governance Policy and Code of Conduct. The Working Team also reports the implementation results of corporate governance and anti-corruption related risk management plans to the Board of Directors, the Corporate Governance and Social Responsibility Committee, the Audit Committee, the Management and other committees or related units in accordance with the pre-set procedure.

The Board of Directors reviewed the appropriateness of **good corporate governance principles in 2018** against the Company's business contexts, as well as the necessity and current practices for the issues which have not yet met the criteria including:

Unfulfilled criteria	Current practices and necessity
• The Board of Directors seeks a professional search firm's help or uses the Director Pool in nominating new directors.	The Human Resources and Remuneration Committee selects and nominates qualified persons as new directors. Experts in particular areas are invited to participate in the selection process as necessary, before the nomination is submitted for the Board of Directors' approval.
• The Company defines the minimum quorum at the Board of Directors' meetings. At least two thirds of members must be present to make a quorum.	Despite the absence of a written policy, the Chairman of the Board of Directors has ensured that two thirds of members are present to vote on any issue.
• The Company's Chairman is an independent director.	The Company's Chairman is not the same person as the Chief Executive Officer who is the top executive and the Chairman has no relations with the Management though representing the Company's major shareholder. The Chairman's independence in performing his duty is assured as the Board of Directors consists of 7 independent directors from a total of 13 members (53.85 percent) (an increase from 2017 when there were 6 independent directors or half of 12 members). As more than half of directors are independent directors, appropriate checks and balances are in place. Meanwhile, during meetings, the Chairman encourages and allows all directors to express their opinions and engage in open discussions before resolutions are made. The Chairman does not guide or influence directors during the discussions.
• Independent directors should represent a majority of the Human Resources and Remuneration Committee's members (more than 50 percent). The sub-committee's chairman should also be an independent director.	Though independent directors do not represent a majority of the Human Resources and Remuneration Committee's members and the chairman is not an independent director, all the directors are knowledgeable and realize the role, duty and responsibility of company directors. They perform their duty and make decisions with full independence, to achieve the optimal goal which is the maximum benefits of the Company and shareholders. All directors give importance and realize their duty to shareholders who are the business owners and who appoint directors to supervise the business for shareholders' maximum benefits (Fiduciary Duty) which covers 4 aspects: Duty of Care (perform with care), Duty of Loyalty (being loyal), Duty of Obedience (compliance with laws, goals, regulations and shareholders' resolutions), and Duty of Disclosure. (disclosure of accurate, complete, transparent and timely information).

Throughout 2018, the Company complied with good corporate governance practices and guidelines that corresponded with relevant criteria, taking into account all stakeholders and the economic, social, environmental and governance dimensions. The Company witnessed no incident or practice that contradicted the Company's good corporate governance policy and Code of Conduct. The Company received the following awards due to its commitment to continuously improve good corporate governance:

- **Assessment of Corporate Governance Report of Thai Listed Companies** in 2018, the Company was deemed "Excellent" with the average score of 94 percent, higher than the average score of all listed companies of 84 percent.
- **Annual General Shareholders' Meeting Assessment** in 2018, the Company received the score of 98, against the average score of 92.42, from the assessment conducted by Thai Institute of Directors Association.
- **Sustainability Report Award 2018** – "Excellence" bestowed for 6 consecutive years (2013-2018) by Thai Listed Companies Association's CSR Club with support from the Office of the Securities and Exchange Commission and Thaipat Institute.
- **Thailand Sustainability Investment 2018,** bestowed by the Stock Exchange of Thailand for 4 consecutive years.
- **Outstanding Booth Award** for its presentation and services to the visitors of SET in the City Bangkok 2018.
- **Green Office Award 2018** – "Excellent" (Gold Level) from the Department of Environmental Quality Promotion, Ministry of Natural Resources and Environment. The Company has won the award for 4 consecutive years (2015-2018).

Corporate Social and Environmental Responsibility

Ever since its inception until now, the Company has been strictly adhering to business operation with social responsibility under the foundation of good governance. Other than selecting efficient technology to be used in the production process to prevent and mitigate any potential effects that may impact the community, and increasing investment in power generation from renewable energy which is environmentally friendly; the Company also commits to taking parts in the mitigation of impacts from environmental and social problems. Such problems are also taken into consideration in all dimensions before all social and environmental projects and activities are designed and implemented. The Company's CSR activities are, therefore, divided into 2 broad aspects namely environmental and social.

Environmental Projects

Due to the continuous decline of forest areas which affects the ecosystem, climate change, and global warming that are experienced by the whole world population; the Company had taken its part in resolving and mitigating impacts of such problems since 11 years ago when **Love Forests and Community Project** was initiated. The project is a part of the effort to conserve forest resources by using community forest as a driving force as it was clearly evident that the best person to take care of the forests is those who are close to the forest and rely on the forest in their way of life. Once the people recognize the importance of the forest, they will come to love the forest by themselves. This concept is known as growing forests in people's mind. Therefore, all activities under the project emphasize on raising the level of conscience that has already existed in communities around the forests and instilling conservation concept to new generation of youth so that they become citizens who has conservation in mind. Once people of all generations see how beneficial and important forests are to their way of life, community and overall society; forest preservation behaviors will be formed, resulting in a sustainable increase of the nation's forest areas and achieving the expected outcome of abundant environment and ecosystems.

A notable activity of Love Forests and Community Project is the community forest contest, which emphasizes on praising the community with effective community forest management so as to inspire more community forests to be established. In 2018, the total of 1,171 communities participated in the community forest contest, which is an 11.74 percent increase from the previous year. This reflects that the project has gained more interest and participation from the community across all regions of the country.

In 2018, the addition of 1,260 community forests were established, with a total forest area of 450,676 rai. The ecosystem services value of these newly established community forests could be calculated to approximately Baht 40,442 million per year, based to the study by the Biodiversity-Based Economy Development Office (Public Organization) or BEDO in September 2017, which found that various types of forests in Thailand provided ecosystem services such as prevention of soil erosion, adsorption of groundwater, nutrient, water flow and reduction of temperature with the average value of Baht 89,737.48 per rai per year.

In the past year, the Company has assigned experts from the Forestry Research Center, Faculty of Forestry, Kasetsart University to monitor and evaluate the project. The experts also reviewed the suggestions on the project implementation and analyzed opinions on

the Company's image that was the result of the project implementation by holding small group meetings in 4 regions with representatives from the communities that had received Kla Yim Award across the country. Both secondary and primary data were collected then those data as well as suggestions and opinions on the Company and the project were analyzed. The study found that the majority of the meeting participants viewed that the project gave them encouragement and inspiration. It was a good and supportive project as it encouraged the communities that protect the forests and enhanced strength and unity of the community. The award that was given was also a symbol that could prevent people from seeking unlawful benefit from the community forests. It was a prestigious award that created pride for the community and also paved ways for the other agencies to provide additional supports

In addition, the company has initiated **Community Forest Strength Enhancement Project** to support and continue the work of potential community forests in the network of Love Forests and Community Project. The works are, for examples: check dam building in Ban Ao Ai Yor, Nam Tok Sub-district, Thung Song District, Nakhon Si Thammarat Province, and Ban Nong Phuk Community Forest, Puea Sub-district, Chiang Klang District, Nan Province; Forest Fire Prevention and Control Training in southern community forests network; and training activities on using social media as public relations for community forests. In addition to conserving forest resources, it also helps solving problems for the community by using natural methods. For example, sediment problems in agricultural areas caused by an influx of water in the community forest, water shortage in the dry season of community forests and forest fire problems, etc. These activities have received good responses from the community forests that participated as they can apply knowledge to concretely develop and improve community forests.

To spread the concept of conservation of natural resources in society, the Company has requested and received a royal permission to participate in **Plant Genetic Conservation Project under the Royal Initiative of HRH Princess Maha Chakri Sirindhorn** which comprises botanical garden activities in schools, focusing on transferring knowledge on operating school botanical garden so that the teachers have a guideline to develop the botanical garden in their schools to be a learning resource for students in all fields; and local resources activities to disseminate the project's practice guidelines to local organizations and authorities to create a useful database for the national resources conservation.

One of the issues of forest resources that have continuously been mentioned is forest trespassing in Nan Province. It was the reason behind the initiation of Pumaree - **Women's Power Protecting the Environment Project**, which does not only aim to restore and protect natural resources of Nan Province, but also seek to enhance women's potential to participate in the natural resources conservation of the local, the community and the country. The project's operations are based in 2 districts namely Chiang Klang District and Thung Chang District, with 3 works being driven: forest resource management, ecotourism and community waste management. The women in the community are important forces to drive such work. In addition to protecting forest resources for communities in Nan Province, it is a part in pushing women's potential to receive equality and acceptance.

Social Projects

The current changes in population structure due to the increasing number of elderly people and the expectation that Thailand will fully become aging society in 2020 are important changes in Thai society as they may bring about many problems, such as shortage of labor, access to medical care as well as family relationships. Perceiving that such problems can be prevented and the impacts can be mitigated, the Company initiated **Happy Elderly, Healthy Thailand Project** with the aim to educate the elderly on how to take care of themselves both physically and socially, and also to give them technology and social media literacy. At present, the project is operated in Nonthaburi Province, which is the location of the Company's headquarters. The target group covers both the elderly and the elderly caregivers.

On the other end of the social structure is the youth who is the future forces of the nation. The important aspect for the youth is inevitably their education, as it is a foundation and immunity for their lives in the future. **@CareLine Happy Community Network Project** continuously promotes brain-based learning (BBL), enabling children to properly develop and their brains to be effectively developed so that they are ready for learning. The activities focus on improvement of school environment such as using color to stimulate various parts of the children's brain; improvement of school desks and chairs; multipurpose playground and equipment, which is part of the main keys to success according to BBL concept; and teacher training and development activities that will enable teachers to have a variety of teaching styles and methods that could be concretely applied with their students. In 2018, the project organized DJ Kids @CareLine Happy Community Network activities for junior high school students in Nonthaburi Province, providing them with knowledge about radio programs and giving them opportunities to experience being radio presenters in real situation with the focus on communicating correct information regarding energy. The activity does not only enhance the children's experience and help them find their own potentials, but it also develops planning skills, teamwork and promotes learning outside the classroom.

Community Solar Power Promotion Project in Ban Hua Ha Hamlet, Mae Ukho Sub-district, Khum Yuam District, Mae Hong Son Province. This is a pilot project for true quality of life improvement as Ban Hua Ha Hamlet used to be a community with no access to electricity until the Company initiated this project and installed solar home system for 25 households in the community, enabling them to have lighting and necessary electrical appliances. As a result of the project's implementation, the community gains access to communication and news channels while the children have lights to use for their study. The community is able to increase working hours at night, and thus gains more income. It also reduces firewood cutting to be used as fuel.

For Lao PDR, one of the main investment bases of the Company where high value of investment was made, the Company continues to apply the policy to coexist as a good neighbor and be a good corporate citizen in all countries that the Company makes investment. The Company initiated a project as social returns to Lao PDR based on the needs to develop vocational education of Lao PDR, namely **Education for Career Empowerment Project** which the Company initiated in collaboration with the Ministry of Education and Sports, Lao PDR in 2011. It is the first long-term social project between the government of Lao PDR and Thai private sector that invests in Lao PDR. The aim is to strengthen vocational education in Lao PDR, which is an important plan in the strategy to develop Lao PDR's education. The project has continued for 5 years and achieved tangible success. For example, it has raised the level of specific courses for teachers in high-level vocational and undergraduate education. It also includes training of practical skills to vocational students who graduated from institution so that they have expertise and can effectively use such skills in their works whether they join an organization or become a freelancer. Laboratories of the target vocational institutions are also improved. The project has achieved its operation goals, and is also recognized as a prototype of CSR project that achieved concrete results initiated by private sector who invests in Lao PDR. Therefore, the Government of Lao PDR awarded the Cross of Development to the Company to honor its participation and virtuous works in educational development.

Both parties agreed to continue the project in phase 2 by enhancing the potential of the vocational institutions that participated in phase 1 of the project. In addition, vocational institutions will be strengthened so that they can have effective course in the field of renewable energy (energy crops, waste energy and solar power). Therefore, on 5 February 2018, the Company and Ministry of Education and Sports, Lao PDR signed the letter of intent to implement "Education for Career Empowerment" Project Phase 2 (2018-2023).

The activities mentioned above are important activities in 2018, which were arranged based on environmental and social problems in order to participate in solving, preventing and mitigating impacts from all problems. The Company's intentions on social and environmental responsibilities were conveyed and instilled as a characteristic of all employees of Ratchaburi Electricity Generating Holding Public Company Limited. All employees are given opportunity to show the power of giving and create benefit to the society through **Employee Volunteer Activities**. The Company has set a policy requiring all employees to participate in volunteer activities for at least 5 days a year. In 2018, the Company organized 14 volunteer activities covering natural resources conservation, education, religious support maintenance and relief aid. 157 out of 197 executives and employees participated in the activities, equivalent to 739 person-day of activities participation time.

In 2018, the Company assigned Suan Dusit Poll, Suan Dusit University, to conduct a survey for public opinion on the Company's corporate social responsibility under "Survey on Corporate Image from the Company's Social Activities" Project. The purpose was to survey the people and related persons' awareness of news regarding social activity arrangement. This also includes the corporate image survey, satisfaction level of the Company's social activities according to the opinions

of the public and the related persons. The survey result will be the inputs for future improvement and development of activities and projects. The result was satisfactory in project's activities which include staff, expert speakers, the project's benefit, activity arrangement process, quality and facility. According to the sample group, the social activities that the Company should implement are environment conserving, supporting energy usage reduction and helping disadvantaged communities, all of which, the Company has already carried out. It is also suggested that activities be continuously arranged in order to add to the knowledge and extend the projects. And finally, the survey explored confidence factors to the Company's social activities. It was found that the factors that caused the confidence include being a famous and reliable organization that operates under international standards with performance that is well accepted by the society.

The responses and feedback from the communities for all the projects' activities are the Company's encouragement to move forward and create good things for the society. The Company will take all comments and suggestions into consideration in order to further develop and improve the projects' activities. The Company remained committed to being good neighbor to the community and good corporate citizen of the country and the world as it is confident that business operations that move forward together with the community and the society is a solid foundation for sustainable growth.

Internal Control and Risk Management

The Company is confident that upholding morals, ethics and integrity coupled with good corporate governance and efficient and effective internal control is a key in promoting sustainable business and maintaining leadership. The Company has realized and given importance to maintaining efficient internal control. As ordered by the Board of Directors, the Audit Committee reviews and monitors the sufficiency of internal control and risk management, to ensure all the Company's activities are efficient, effective and compliant to laws, rules and regulations. The checks and balances ensure asset utilization is truly for the Company's benefits.

In 2018, the Audit Committee held 7 meetings including one meeting between the Committee and the auditors without the presence of the Management. The Committee complied with the law, the scope of duty defined by the Board of Directors, and the Company's rules on the Audit Committee. The Audit Committee did not report any auditor's notification on significant flaws in the Company's internal control.

Organization and Control Environment

- The Company operates with integrity and ethics through the Board of Directors and the Management, under the organizational structure which segregates responsibilities. The vision, mission and business objectives are clearly set and measurable. The Code of Conduct is put in place along with Code of Regulations, penalties and fraud/corruption reporting guidelines. The management has regularly reviewed and modernized operational practices to meet changing circumstances and achieve efficiency.

- The Board of Directors performs with proficiency, efficiency and independence from the Management. It oversees control environment, assesses risks of control activities, demands efficient ICT channels, follows up and evaluates.

- The Company sets training schedules and sets aside an annual budget for training and human resource development activities, in line with the Company's objectives. The succession plan is clearly set, and career path is defined to inspire executives and working-level employees to improve themselves in the designed paths. Coaching and mentoring activities are organized via dialogues between supervisors and subordinates, to ensure direct communications and mutual understanding in the development direction.

- The Company encourages all executives and staff to share their responsibility for internal control through clearly-defined job descriptions under the organizational structure. Performance assessments, rewards and penalties are specified on an individual basis.

The Company puts emphasis on effective internal control and risk management, to reduce risks that may affect the Company. It ensures the supportive environment to internal control by which the Board of Directors defines clear and measurable vision, mission and business objectives. These serve as the guidelines for the Management and employees and they are regularly reviewed for the Company's strong and sustainable growth.

The Company has a clear organizational structure which clearly lays down lines of supervision, authorization power, and job descriptions of each level. Business goals are set accordingly to the Company's strategy and business plan. The Key Performance Indicators (KPI) is defined for all departments and benchmarked against goals. The benchmarking results are reported to the Board of Directors bi-annually and annually. The Company set up the Evaluation Committee (having the Chief Executive Officer as its chairman) to monitor the reporting on a quarter basis and to ensure the operations remain in line with the Company's business objectives and evaluation criteria.

The Company has Code of Conduct and good corporate governance practices as guidelines for directors and employees. It also publishes the anti-fraud and corruption policy and devises a concrete assessment system against fraud risks. The Company is part of the declaration against all forms of corruption and was certified by CAC Council as a member of the Private Sector Collective Action Coalition Against Corruption (CAC) in 2016 and the certificate was renewed by the CAC Council's resolution on 4 February 2019. The certificate shall last 3 years from the resolution's date. In Thai Institute of Directors' Corporate Governance Report of Thai Listed Companies (CGR) Survey in 2018, the Company's CG Score won 5-star rating. For greater transparency and clearer operational process, the Company imposes an anti-fraud and corruption for the entire Group and issues a no-gift policy to raise the good governance level and set a good business standard. To enhance internal control efficiency, the Company has a channel to receive complaints or reports on frauds; unlawful and unethical activities; and internal control flaws.

Risk Assessment and Risk Management

The Company outlines risk management procedures and actions as follows;

- Set risk assessment targets, by identifying the financial report essence that reflects the organization's activity aligned with generally-accepted accounting standards. The risk management plan is approved by the Board of Directors and is acknowledged by executives and employees at all levels.

- Identify, analyze and manage internal and external risk factors at corporate and functional levels. The risk management structure involves the Board of Directors, the Risk Management Committee, the Risk Management Working Team and the Corporate Planning and Systems Development Division.

- The Audit Committee and the Internal Audit Division review fraud and corruption probability, taking into account targets, incentives and pressure, to define preventive measures and ensure the application of such measures.

• Identify and assess changes of risks which may affect the internal control, weather there are changes in external environment, business patterns or corporate chiefs.

To guarantee the Risk Management Committee's efficient and close supervision on the Company's operations, the Company puts in place the risk management structure consisting of the Board of Directors, the Risk Management Committee, the Risk Management Working Team and the Corporate Planning and Systems Development Division. They are responsible for outlining risk management objectives as well as identifying risk factors, opportunities, impacts and measures to control risks within the risk appetite. They are tasked to coordinate and convene meetings with all functions every quarter, to assess risks and impacts after measures are exercised. Recommendations are summarized and reported to the Risk Management Working Team which consists of high-level executives from all functions. They brainstorm and screen the recommendations, before submitting quarterly reports to the Risk Management Committee and the Board of Directors.

The Risk Management Committee and the Audit Committee convened a joint meeting, to exchange their opinions and boost the efficiency and integration of internal control and risk management activities.

The Company establishes the Corporate Governance Working Team to perform their duty according to the Company's corporate governance policy which includes the responsibility to manage fraud risks and monitor the implementation of risk management plan and reports to the Audit Committee, the Corporate Governance and Social Responsibility Committee and the Board of Directors, respectively.

Investors can study risk assessment and risk management in detail in Risk Factors Section and/or the Company's annual 56-1 Form published on website: www.sec.or.th or the Company's website: www.ratch.co.th

Control Activities

• The Company has undertaken tasks to maintain risks at tolerable level. Internal control measures are identified under the Company's rules that cover all aspects of the operations, taking into account job description and authorization. The information caretaker is appropriately appointed and the control policy is reviewed regularly.

• The Company has continuously improved the technology supporting internal control activities and identified the policies on safety, contingency plan, as well as system provision, development and maintenance.

- The Company applies a concise control policy and identifies the related party transaction policy, to prevent conflict of interest related particularly to the transactions and authorization of the Board of Directors and high-level executives. The Company regularly monitors the operations of subsidiaries and joint ventures and reviews the control measures.

To ensure efficient and goal-oriented application and response of the policy and guidelines identified by the Board of Directors and the Management, the Company has established internal control on finance and accounting, operational system, and operation monitoring process as follows;

- Issue written rules and orders on the scope of authorization and responsibility, expense approval authority matrix, and cheque signing authority of executives at all levels.

- Any transactions deemed as connected transactions must be approved by the authorized persons who have no interests in the matter and must be pre-approved by the Audit Committee before submission for Board of Directors or shareholders' approval, taking into account the Company's optimum benefits.

- Regularly monitor subsidiaries' performance, holding the Chief Asset Management Officer responsible for the monitoring and reporting to the Board of Directors and the Management on a monthly basis. The direction is identified accordingly to the Company's strategy and regulation on supervision of subsidiaries, affiliates and joint ventures. Under the regulation, the Board of Directors sets policy via the Company's representative and requires the representative to report progress to the Board of Directors on a quarterly basis.

Information Technology and Communications System

The Company views that the information technology and communications system are an important tool for the Company's operations. For maximum efficiency and effectiveness, the Management has provided the following components;

- Related information which is sufficient for business decision making, taking into account the cost and expected returns. The secrecy classification method is identified while information is systematically stored.

- Meeting notice and related document is sent to the Board of Directors prior to the meeting date as required by law while meeting minutes are completely prepared and stored.

- Efficient internal and external communications process under a secret channel to receive fraud and corruption reports. Important information is regularly reported to the Board of Directors.

- Via external communications channel, the Company discloses information via SET's system and the Company's website to fully ensure the equitable release of the Company's information to outsiders, shareholders, investors and the general public.

Furthermore, the Management has arranged an efficient internal communications channel as follows;

- The Board of Directors and committees receiving meeting notice and sufficiently provided with related documents prior to the meeting date, with sufficient time to study the information. Questions, clarifications, opinions, notice and recommendations of each director on each agenda are recorded. The resolutions are summarized in the meeting minutes as reference.

- Arranging separate meetings between the Chief Executive Officer and head of each business function, from vice president level and above, on monthly basis to monitor the progress of work and solutions and to communicate the information important to their jobs.

- Finance and accounting executives in cooperation with the auditors presenting information to the Audit Committee for accounting review according to generally-accepted accounting standards as well as any amendments to the standards.

- The storage system for information, the document related to accounting and financial report preparation and other important documents being in place. The Company has never been informed of significant problems related to the matter from the auditors.

- The Company sets up a fraud and corruption working team, represented by officers from all functions for joint communications activities focusing on anti-fraud and corruption matters. The working team convenes every quarter and reports to the Corporate Governance and Social Responsibility Committee and the Board of Directors, respectively.

- Internal communications channels via Intranet, Lotus Notes and Outlook are provided, to reach all operators and enable their thorough and timely access to information related to the Company's policy, regulations, orders and announcements.

Monitoring and Evaluation System

- The Company monitors and evaluates the internal control on compliance with the Company's Code of Conduct, to prevent conflict of interests and assess the sufficiency of the internal control through internal inspection and employees' self-assessment. The Internal Control Division will timely report recommendations for improvement to the Audit

Committee and put in place the system to monitor the application of such recommendations. To improve internal control officers' potential, the officers are encouraged to continuously obtain training and development accordingly to international standards, particularly from the internal audit-related courses that hand out training certificates.

- The Company sets policy and guidelines on the immediate reporting of severe fraud incidents, law violations, or irregular conducts that significantly affect the Company's reputation and financial status to the Board of Directors.

- The Company sets targets against strategic and business plans, imposing KPI for all functions and assessing the performance against the targets. Any difference from the targets (if any) is analyzed for the possible causes, as well as impacts, solutions, and approaches to mitigate the impacts. The analysis results are reported to the Board of Directors on a quarterly basis.

- The Internal Audit Unit reviews the sufficiency and appropriateness of the internal control through the annual inspection plan approved by the Audit Committee. The result is regularly reported to the Audit Committee. The Committee plays an important role in ensuring compliance with audit plans and international standards on internal audit profession.

Details on the assessment form of the Company's internal control sufficiency are available on the Company's website: www.ratch.co.th

Related Party Transactions

Ratchaburi Electricity Generating Holding Public Company Limited
Related Party Transactions
For the year ended 31 December 2018

There were related party transactions between the Company and subsidiaries. The relations are either by being shareholders of one another or having mutual shareholders or directors as disclosed in the 2018 financial statements under notes to financial statements section. Important related party transactions are summarized as follows:

1. Ratchaburi Electricity Generating Holding Company Limited

	Related party transactions	Related company	Value (million baht)	Necessities and reasons
1.1	**Management service agreement** 1.1.1 Providing management service by secondment of two officers in its subsidiary as Managing Director and Deputy Managing Director and providing services in internal audit, legal, secretariat to the Board of Directors, accounting and budgeting, financial, tax, information technology, human resource management, corporate relations and corporate reputation.	Ratchaburi Electricity Generating Co., Ltd.	102.17	Ratchaburi Electricity Generating Co., Ltd. does not have employee with these skills while the Company does. Service fee is charged on monthly basis at the rate as stated in the service and management contract plus other actual expenses.
	1.1.2 Providing legal and secretariat to the Board of Directors, accounting and budgeting, financial and tax services.	Ratchaburi Energy Co., Ltd.	0.21	Ratchaburi Electricity Generating Co., Ltd. does not have employee with these skills while the Company does. Service fee is charged on quarterly basis at the rate as stated in the service and management contract plus other actual expenses.
	1.1.3 Providing internal audit, legal, tax, secretariat to the Board of Directors, information and technology work, financial and human resource management.	RATCH-Lao Services Co., Ltd.	4.02	RATCH-Lao Services Co., Ltd. requested the Company to provide the services and the Company has experts in these areas. Service fee is charged on monthly basis at the rate as stated in the service and management contract plus other actual expenses.
	1.1.4 Providing legal, secretariat to the Board of Directors, accounting and budgeting, financial management and tax services.	Ratchaburi Alliances Co., Ltd.	0.15	Ratchaburi Alliances Co., Ltd. requested for the Company to provide the services and the Company has experts in these areas. Service fee is charged on annual basis at the rate as stated in the service and management contract plus other actual expenses.
	1.1.5 Providing legal, secretariat to the Board of Directors, accounting and budgeting, financial management and tax services.	RH International Corporation Ltd.	0.92	RH International Corporation Ltd. requested the Company to provide the services and the Company has experts in these areas. Service fee is charged on annual basis at the rate as stated in the service and management contract plus other actual expenses.
	1.1.6 Securing loan and loan guarantee service (JPY).	RH International (Singapore) Corporation Pte. Ltd.	3.25	RH International (Singapore) Corporation Pte. Ltd. requested the Company to provide the services and the Company has experts in securing loan and loan guarantee.
	1.1.7 Providing legal, human resource, accounting, financial and tax services.	RH International (Singapore) Corporation Pte. Ltd.	28.63	RH International (Singapore) Corporation Pte. Ltd. requested the Company to provide the services and the Company has experts in these areas. Service fee is charged on annual basis at the rate as stated in the service and management contract plus other actual expenses.

Related party transactions	Related company	Value (million baht)	Necessities and reasons
1.1.8 The Company provided bond issuance service of the USD 300 million bonds. Service fee is charged base on its success. (Success fee).	RH International (Singapore) Corporation Pte. Ltd.	11.13	RH International (Singapore) Corporation Pte. Ltd. requested the Company to provide the service and the Company has experts in finding loan. Service fee is charged base on its success. (Success fee) plus other actual expenses.
1.1.9 The Company provided service in buying 20 percent of shares of RATCH-Australia Corporation Pty Ltd from its previous shareholder. Service fee is charged base on its success. (Success fee).	RH International (Singapore) Corporation Pte. Ltd.	3.36	RH International (Singapore) Corporation Pte. Ltd. requested the Company to provide the service and the Company has experts in the area.
1.1.10 Providing budgeting and accounting and financial services.	RE Solar 1 Co., Ltd.	0.06	The aforementioned company does not have employee with these skills while the Company has experts in these areas. Service fee is charged on annual basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.11 Providing budgeting and accounting and financial services.	CN Biomass Co., Ltd.	0.06	The aforementioned company does not have employee with these skills while the Company has experts in these areas. Service fee is charged on annual basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.12 Providing budgeting and accounting and financial services.	LP Biomass Co., Ltd.	0.06	The aforementioned company does not have employee with these skills while the Company has experts in these areas. Service fee is charged on annual basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.13 Providing budgeting and accounting and financial services.	PB Biomass Co., Ltd.	0.06	The aforementioned company does not have employee with these skills while the Company has experts in these areas. Service fee is charged on annual basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.14 Providing budgeting and accounting and financial services.	RATCH O&M Co., Ltd.	0.06	The aforementioned company does not have employee with these skills while the Company has experts in these areas. Service fee is charged on annual basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.15 Providing budgeting and accounting and financial services.	RATCH China Power Ltd.	0.12	The aforementioned company does not have employee with these skills while the Company has experts in these areas. Service fee is charged on annual basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.16 Providing budgeting and accounting and financial services.	RH International (Mauritius) Corporation Ltd.	0.12	The aforementioned company does not have employee with these skills while the Company has experts in these areas. Service fee is charged on annual basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.17 Providing management service by secondment of an officer to take position as a financial executive at Ratchaburi Power Co., Ltd.	Ratchaburi Power Co., Ltd.	4.83	Ratchaburi Power Co., Ltd., requested the Company to provide the service and the Company has experts in this area. Service fee is charged on monthly basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.18 Management Agreement with Ratchaburi Power Co., Ltd	Ratchaburi Power Co., Ltd.	80.63	The Company provides public relations and technical consult on power plant construction, operations and maintenance. Service fee is received from the date the Power Plant Unit 1 commenced commercial operations (1 Mar 2008). Agreement term is 25 years and 3 months. Service fee is charged on quarterly basis.

Related party transactions	Related company	Value (million baht)	Necessities and reasons
1.1.19 Providing management service by secondment of two officers to take position as the Managing Director and Administration and Finance Manager at Chubu Ratchaburi Electric Services Co., Ltd.	Chubu Ratchaburi Electric Services Co., Ltd.	10.32	Chubu Ratchaburi Electric Services Co., Ltd. requested the Company to provide the service and Company has experts in this area. Service fee is charged on monthly basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.20 Service Agreement with Nam Ngum 2 Hydropower Co., Ltd.	Nam Ngum 2 Power Co., Ltd.	25.00	Nam Ngum 2 Power Co., Ltd. has a service agreement with the Company. Service fee is charged on quarterly basis at the rate as stated in the service and management contract.
1.1.21 Providing management service by secondment of two officers to serve as Deputy Managing Directors at Hongsa Power Co., Ltd.	Hongsa Power Co., Ltd	16.84	Hongsa Power Co., Ltd. requested the Company to provide the service and the Company has experts in this area. Service fee is charged on quarterly basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.22 Providing management service by secondment of four officers to take positions as Managing Director, Deputy Managing Director and Managers at Nava Nakorn Electricity Generating Co., Ltd.	Nava Nakorn Electricity Generating Co., Ltd.	11.16	Nava Nakorn Electricity Generating Co., Ltd. requested the Company to provide the service as the Company has experts in this area. Service fee is charged based on the market rate.
1.1.23 Providing management service by secondment of two officers to be the Managing Director and Deputy Managing Director at Solarta Co., Ltd.	Solarta Co., Ltd.	9.38	Solarta Co., Ltd. requested for the Company to provide the service and the Company has experts in this area. Service fee is charged on monthly basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.24 Office space and other services in the premise.	Solarta Co., Ltd.	0.76	The Company leased out office space covering 72 square meters and other services including computer and network and telephone system. The contract period is 36 months (from 1 Jan 16 - 31 Dec 18)
1.1.25 Providing management service by secondment of officers to be Assistant Managing Director, vice president, managers and employees at Xe-Pian Xe-Namnoy Power Co., Ltd.	Xe-Pian Xe-Namnoy Power Co., Ltd.	6.64	Xe-Pian Xe-Namnoy Power Co., Ltd. requested the Company to provide the service and the Company has experts in this area. Service fee is charged on monthly basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.26 Providing construction control and supervision service for the Xe-Pian Xe-Namnoy Hydroelectric Power Plant in Lao PDR	Xe-Pian Xe-Namnoy Power Co., Ltd.	62.47	The Company signed Construction Supervision Contractor Services Agreement with Xe-Pian Xe-Namnoy Power Co., Ltd. Service fee is charged on monthly basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.27 Providing management service by secondment of an officer to be the Managing Director of Songkhla Biomass Co., Ltd.	Songkhla Biomass Co., Ltd.	2.58	Songkhla Biomass Co., Ltd. requested the Company to provide the service and the Company has experts with the required skills. Service fee is charged on monthly basis at the rate as stated in the service and management contract plus other actual expenses. The contract period is 36 months (from 1 May 16 - 30 Apr 19)
1.1.28 Providing management service by secondment of 3 officers to be managers and vice president	Berkprai Cogeneration Co., Ltd.	5.77	Berkprai Cogeneration Co., Ltd. requested the Company to provide the service and the Company has experts with the required skills. Service fee is charged on monthly basis at the rate as stated in the service and management contract plus other actual expenses.

Related party transactions	Related company	Value (million baht)	Necessities and reasons
1.1.29 Providing management service for Huay Bong 3 Wind-Turbine Power Plant	First Korat Wind Co., Ltd.	1.09	First Korat Wind Co., Ltd., requested the Company to provide the service and the Company has experts with the required skills. Service fee is charged on monthly basis at the rate as stated in the service and management contract plus other actual expenses.
1.1.30 Providing management service for Huay Bong 2 Wind-Turbine Power Plant	K. R. Two Co., Ltd.	1.09	K. R. Two Co., Ltd., requested the Company to provide the service and the Company has experts with the required skills. Service fee is charged on monthly basis at the rate as stated in the service and management contract plus other actual expenses.
1.2 Loan given to subsidiaries/jointly-controlled entities 1.2.1 Loan given to Ratchaburi Electricity Generating Co., Ltd. in promissory notes. Total loans as of 31 Dec 17 is as follows: million baht 1 Jan 18 Previous loan 2,730 Repayment (2,730) 31 Dec 18 Loan balance -	Ratchaburi Electricity Generating Co., Ltd.	29.53	For Ratchaburi Electricity Generating Co., Ltd., to use as working capital with 2.10-2.48 percent interest per annum.
1.2.2 Loan given to RATCH-Lao Services Co., Ltd. under a loan agreement. Total loan as of 31 Dec 18 is as follows: m.USD 1 Jan 18 Previous loan 32.75 Repayment (0.15) 31 Dec18 Loan balance 32.60	RATCH-Lao Services Co., Ltd.	39.50	To purchase shares of EDL-Generation Public Company (EDL Gen) in the Lao Securities Exchange. The interest rate is 3.65 percent per annum.
1.2.3 Loan given to Ratchaburi Energy Co., Ltd. in promissory notes. Total loans as of 31 Dec 18 is as follows: million baht 1 Jan 18 Previous loan 203 Repayment (28) 31 Dec 18 Loan balance 175	Ratchaburi Energy Co., Ltd.	7.54	To buy shares in Solarta Co., Ltd., Solar Power (Korat 3) Co., Ltd. Solar Power (Korat 4) Co., Ltd., Solar Power (Korat 7) Co., Ltd., Songkhla Biomass Co., Ltd. and Songkhla Biofuel Co., Ltd. at interest rate of 4.00 percent per annum.
1.2.4 Loan given to Xe-Pian Xe-Namnoy Power Co., Ltd. under Shareholders' Loan Agreement. Total loan as of 31 Dec 18 is USD 1.32 million	Xe-Pian Xe-Namnoy Power Co., Ltd	2.60	To support Lao Holding State Enterprise as guarantee for LHSE's equity. A total of USD 4 million shareholders' loan was arranged with repayment of both capital and interest within 27 years. Interest rates: - First 2 years: IBOR +3.5% - 3rd year onwards: LIBOR +4%

2. Ratchaburi Electricity Generating Company Limited

Related party transactions	Related company	Value (million baht)	Necessities and reasons
2.1 Power Purchase Agreement 2.1.1 Power Purchase Agreement: Ratchaburi Power Plant - Power sales income Baht 29,631.52 million. - Finance lease income Baht 3,071.99 million.	EGAT	32,703.51	Ratchaburi Power Plant has 25-year power purchase agreement with EGAT (signed on 9 Oct 2000) and will supply generated electricity to EGAT and receive income from EGAT under the conditions in the power purchase agreement according to the normal business practice.
2.1.2 Power Purchase Agreement: Tri Energy Power Plant - Power sales income Baht 4,320.07 million. - Financial lease income Baht 263.85 million.	EGAT	4,583.90	Tri Energy Power Plant has 20-year power purchase agreement with EGAT (signed on 22 May 1997) and will supply generated electricity to EGAT and receive income from EGAT under the conditions in the power purchase agreement according to the normal business practice.

	Related party transactions	Related company	Value (million baht)	Necessities and reasons
2.2	**Electricity supply agreement and water supply system's electricity**	EGAT	171.84	Ratchaburi Electricity Generating Co., Ltd. has to buy electricity from EGAT for its power plant operations and the water supply system. Electricity rate is the same as that charged on other EGAT customers.
2.3	**Power Plant Operation and Maintenance Agreement** Ratchaburi Electricity Generating Co., Ltd. commissioned EGAT to provide power plant operation and major and general maintenance services to Ratchaburi Power Plant. - Monthly service fee Baht 1,069.33 million. - Other expenses Baht 114.68 million.	EGAT	1,184.01	EGAT has experience and expertise in power plant operations and maintenance. Service fee is charged with annual incremental adjustment according to Thailand's consumer price index, which is a normal business practice.
2.4	**Service Agreement with EGAT** 2.4.1 Ratchaburi Electricity Generating Co., Ltd. commissioned EGAT to provide waste water quality monitoring system maintenance service at Ratchaburi Power Plant	EGAT	1.26	Ratchaburi Electricity Generating Co., Ltd. does not have experts in this area while EGAT has highly experienced specialists. Service fee is charged at normal business practice.
	2.4.2 Ratchaburi Electricity Generating Co., Ltd. hires EGAT to coordinate the procurement and transport of fuel (bunker oil).	EGAT	2.14	EGAT is a major client of PTT and thus has strong bargaining power for price and volume as well as speed of delivery. Service charge is based on normal business practice.
2.5	**Management Service Agreement** 2.5.1 Ratchaburi Electricity Generating Co., Ltd., leases to Ratchaburi Power Co., Ltd., a plot of 143 rai for construction of a power plant, and another plot of 2 rai for natural gas receiving station.	Ratchaburi Power Co., Ltd.	12.07	Ratchaburi Power Plant has comprehensive facilities and utilities that support power generating business. Ratchaburi Electricity Generating Co., Ltd., charges leasing fee with incremental adjustment every 5 years in accordance with Thailand's consumer price index, which is a normal business practice
	2.5.2 Ratchaburi Electricity Generating Co., Ltd. gives service to Ratchaburi Power Co., Ltd., for the use of power plant facilities. The revenue comprises: - Environmental service fee Baht 3.42 million - Diesel tank rental fee Baht 2.18 million - Utility service fee Baht 28.65 million	Ratchaburi Power Co., Ltd.	34.25	Ratchaburi Electricity Generating Co., Ltd., has comprehensive utilities and facilities to support power generating business comprising: • Environmental service. • Diesel oil tank rental service which will be increased every 5 years according to Thailand's consumer price index, which is a normal business practice. • Utility service charge based on the previously agreed contract, which is a normal business practice.

3. RH International (Singapore) Corporation Pte. Ltd.

	Related party transactions	Related company	Value (million baht)	Necessities and reasons
3.1	**RH International (Singapore) Corporation Pte. Ltd. extended loan to RATCH-Australia Corporation Pty Ltd** under Mezzanine Facility Agreement the total loan as of 31 Dec 18 is as follows: m.AUD 1 Jan 18 Previous loan 250 Repayment (8.5) 31 Dec 18 Loan balance 241.5 Related party transactions are as follows: - Interest income Baht 279.97 million. - Management service income Baht 73.57 million.	RATCH-Australia Corporation Pty Ltd	353.54	To pay for RAC loan and restructure the Company's loan at the interest rate of BBSY +2.25% per year and management service fee at 1.125% per year

4. RATCH-Lao Services Company Limited

	Related party transactions	Related company	Value (million baht)	Necessities and reasons
4.1	**O&M Agreement for Hongsa Thermal Power Plant in Lao PDR**	EGAT	50.90	EGAT considered that RATCH-Lao Services Co., Ltd. is a Lao legal entity which has high flexibility in coordinating in Lao PDR and therefore hired RATCH-Lao Services Co., Ltd. to provide O&M services for Hongsa Thermal Power Plant.

Relationship between related parties is as follows:

1. Ratchaburi Electricity Generating Holding Public Company Limited

1.1 The Company and Ratchaburi Electricity Generating Company Limited are related as follows:
- The Company holds a 99.99 percent stake in Ratchaburi Electricity Generating Company Limited.
- Some of the Company's executives are directors of Ratchaburi Electricity Generating Company Limited.

1.2 The Company and Ratchaburi Energy Company Limited are related as follows:
- The Company holds a 99.99 percent stake in Ratchaburi Energy Company Limited.
- Some of the Company's executives are directors of Ratchaburi Energy Company Limited.

1.3 The Company and RATCH-Lao Services Company Limited are related as follows:
- The Company holds a 99.99 percent stake in RATCH-Lao Services Company Limited.
- Some of the Company's executives are directors of RATCH-Lao Services Company Limited.

1.4 The Company and Ratchaburi Alliances Company Limited are related as follows:
- The Company holds a 99.99 percent stake in Ratchaburi Alliances Company Limited.
- Some of the Company's executives are directors of Ratchaburi Alliances Company Limited.

1.5 The Company and RH International Corporation Limited are related as follows:
- The Company holds a 99.99 percent stake in RH International Corporation Limited.
- Some of the Company's executives are directors of RH International Corporation Limited.

1.6 The Company and RH International (Singapore) Corporation Pte. Limited are related as follows:
- The Company holds a 99.99 percent stake in RH International Corporation Limited.
- RH International Corporation Limited, the Company's subsidiary, holds a 100.00 percent stake in RH International (Mauritius) Corporation Limited.
- RH International (Mauritius) Corporation Limited holds a 100.00 percent stake in RH International (Singapore) Corporation Pte. Limited.
- Some of the Company's executives are directors of RH International (Singapore) Corporation Pte. Limited.

1.7 The Company and RE Solar 1 Company Limited are related as follows:
- Ratchaburi Energy Company Limited, the Company's subsidiary, holds a 99.99 percent stake in RE Solar 1 Company Limited.
- Some of the Company's executives are directors of RE Solar 1 Company Limited.

1.8 The Company and CN Biomass Company Limited are related as follows:
- Ratchaburi Energy Company Limited, the Company's subsidiary, holds a 99.99 percent stake in CN Biomass Company Limited.
- Some of the Company's executives are directors of CN Biomass Company Limited.

1.9 The Company and PB Biomass Company Limited are related as follows:
- Ratchaburi Energy Company Limited, the Company's subsidiary, holds a 99.99 percent stake in PB Biomass Company Limited.
- Some of the Company's executives are directors of PB Biomass Company Limited.

1.10 The Company and LP Biomass Company Limited are related as follows:
- Ratchaburi Energy Company Limited, the Company's subsidiary, holds a 99.99 percent stake in LP Biomass Company Limited.
- Some of the Company's executives are directors of LP Biomass Company Limited.

1.11 The Company and RATCH O&M Company Limited are related as follows:
- The Company holds a 99.99 percent stake RATCH O&M Company Limited.
- Some of the Company's executives are directors of RATCH O&M Company Limited.

1.12 The Company and RATCH China Power Limited are related as follows:
- The Company holds a 99.99 percent stake in RH International Corporation Limited.
- RH International Corporation Limited, the Company's subsidiary, holds a 100.00 percent stake in RH International (Mauritius) Corporation Limited.
- RH International (Mauritius) Corporation Limited holds a 100.00 percent stake in RH International (Singapore) Corporation Pte. Limited.
- RH International (Singapore) Corporation Pte. Limited holds a 100.00 percent stake in RATCH China Power Limited.
- Some of the Company's executives are directors of RATCH China Power Limited.

1.13 The Company and RH International (Mauritius) Corporation Limited are related as follows:
- The Company holds a 99.99 percent stake in RH International Corporation Limited.
- RH International Corporation Limited, the Company's subsidiary, holds a 100.00 percent stake in RH International (Mauritius) Corporation Limited.
- Some of the Company's executives are directors of RH International (Mauritius) Corporation Limited.

1.14 The Company and Ratchaburi Power Company Limited are related as follows:
- Ratchaburi Alliances Company Limited, the Company's subsidiary, holds a 25.00 percent stake in Ratchaburi Power Company Limited.
- Some of the Company's executives are directors of Ratchaburi Power Company Limited.

1.15 The Company and Chubu Ratchaburi Electric Services Company Limited are related as follows:
- The Company holds a 50.00 percent stake in Chubu Ratchaburi Electric Services Company Limited.
- Some of the Company's executives are directors of Chubu Ratchaburi Electric Services Company Limited.

1.16 The Company and Nam Ngum 2 Power Company Limited are related as follows:
- SouthEast Asia Energy Limited, the Company's joint venture, holds a 75.00 percent stake in Nam Ngum 2 Power Company Limited.
- Some of the Company's executives are directors in Nam Ngum 2 Power Company Limited.

1.17 The Company and Hongsa Power Company Limited are related as follows:
- RH International (Singapore) Corporation Pte. Limited, the Company's indirect subsidiary, holds a 40.00 percent stake in Hongsa Power Company Limited.
- Some of the Company's executives are directors of Hongsa Power Company Limited.

1.18 The Company and Nava Nakorn Electricity Generating Company Limited are related as follows:
- Ratchaburi Electricity Generating Company Limited, the Company's subsidiary, holds a 40.00 percent stake in Nava Nakorn Electricity Generating Company Limited.
- Some of the Company's executives are directors of Nava Nakorn Electricity Generating Company Limited

1.19 The Company and Solarta Company Limited are related as follows:
- Ratchaburi Energy Company Limited, the Company's subsidiary, holds a 49.00 percent stake in Solarta Company Limited.
- Some of the Company's executives are directors of Solarta Company Limited.

1.20 The Company and Xe-Pian Xe-Namnoy Power Company Limited are related as follows:
- The Company holds a 25.00 percent stake in Xe-Pian Xe-Namnoy Power Company Limited.
- Some of the Company's executives are directors of Xe-Pian Xe-Namnoy Power Company Limited.

1.21 The Company and Songkhla Biomass Company Limited are related as follows:
- Ratchaburi Energy Company Limited, the Company's subsidiary, holds a 40.00 percent stake in Songkhla Biomass Company Limited.
- Some of the Company's executives are directors of Songkhla Biomass Company Limited.

1.22 The Company and Berkprai Cogeneration Company Limited are related as follows:
- Ratchaburi Electricity Generating Company Limited, the Company's subsidiary, holds a 35.00 percent stake in Berkprai Cogeneration Company Limited.
- Some of the Company's executives are directors of Berkprai Cogeneration Company Limited

1.23 The Company and First Korat Wind Company Limited are related as follows:
- The Company holds a 20.00 percent stake in First Korat Wind Company Limited.
- Some of the Company's executives are directors of First Korat Wind Company Limited

1.24 The Company and K. R. Two Company Limited are related as follows:
- The Company holds a 20.00 percent stake in K. R. Two Company Limited.
- Some of the Company's executives are directors of K. R. Two Company Limited.

2. Ratchaburi Electricity Generating Company Limited

2.1 Ratchaburi Electricity Generating Company Limited and EGAT are related as follows:
- EGAT holds a 45.00 percent stake in the Company.
- The Company holds a 99.99 percent stake in Ratchaburi Electricity Generating Company Limited.
- Some of EGAT executives are directors in Ratchaburi Electricity Generating Company Limited.

2.2 Ratchaburi Electricity Generating Company Limited and Ratchaburi Power Company Limited are related as follows:
- The Company holds a 99.99 percent stake in Ratchaburi Electricity Generating Company Limited.
- Ratchaburi Alliances Company Limited, the Company's subsidiary, holds a 25.00 percent stake in Ratchaburi Power Company Limited.
- Some of the Company's directors and executives are directors of Ratchaburi Power Company Limited.

3. RH International (Singapore) Corporation Pte. Limited

3.1 RH International (Singapore) Corporation Pte. Limited and RATCH-Australia Corporation Pty Ltd are related as follows:
- RH International (Singapore) Corporation Pte. Limited holds a 100.00 percent stake in RATCH-Australia Corporation Pty Ltd (Since 31 May 2008).
- Some of the Company's executives are directors of RATCH-Australia Corporation Pty Ltd.

4. RATCH-Lao Services Company Limited

4.1 RATCH-Lao Services Company Limited and EGAT are related as follows:
- EGAT holds a 45.00 percent stake in the Company.
- The Company holds 99.99 percent stake in RATCH-Lao Services Company Limited.

Related Party Transaction Approval Measures and Procedures

Responsible units take the initial step to evaluate the transaction by providing information and analyzing whether the transaction in reasonable. Various conditions are considered to ensure compliance with normal business practice. The Company may hire independent experts to provide additional comments. The transaction will then be proposed according to the approval process. The Management prepares a summary of the transactions and report to the Audit Committee on a quarterly basis.

The process is to ensure that each transaction is not a transfer of benefits between the company or the Company's shareholders but is a transaction that is based on optimum benefit of all shareholders. The Company discloses related party transactions in the notes to the financial statements which were audited by the Company's auditor, in this annual report and in the Company's Annual Registration Statement (Form 56-1).

Independent Auditor's Report

To the Shareholders of Ratchaburi Electricity Generating Holding Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries (the "Group") and of Ratchaburi Electricity Generating Holding Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2018, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2018 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Key Audit Matters

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

Independent Auditor's Report

Impairment testing of goodwill, right to power purchase agreements and property, plant and equipment particularly the power plants in Australia in the consolidated financial statements and investment in subsidiary in the separate financial statements	
Refer to Notes 4, 13, 17 and 18 to the consolidated and separate financial statements.	
The key audit matter	**How the matter was addressed in the audit**
As at 31 December 2018, the Group holds significant amounts of goodwill, right to power purchase agreements and property, plant and equipment on the consolidated statement of financial position which contains a net book value of goodwill of Baht 228.71 million and net book value of right to power purchase agreements and property, plant and equipment of Baht 19,976.91 million together representing approximately 20% of total assets. There is a risk that the carrying values of the Group's goodwill, right to power purchase agreements and property, plant and equipment balances might exceed its recoverable amounts. The Company also has an investment in RH International Corporation Limited ("RHIC"), a subsidiary in Thailand, amounting to Baht 17,650 million which holds, via RH International (Singapore) Corporation Pte. Ltd., investments in the power plants in Australia. The recoverability of the investment in RHIC is a key audit matter because the investments in the power plants in Australia might be impaired. I focused on the estimated value in use of the cash generation units "CGUs" of the operation of the power plants in Australia because the determination of future cash flows and the recoverable amounts are highly judgmental and subject to material uncertainty.	My audit procedures in this area included, among others: - assessing the Group's process for identifying indicators of impairment; - assessing the Group's response to the identified impairment indicators; - understanding process for estimating the impairment; - involving KPMG in Australia to assist in evaluating the appropriateness of discount rates applied, which included comparing the weight average cost of capital with sector averages for the relevant markets in which the Group operate and evaluating the appropriateness of the assumptions applied to key inputs such as contracted revenue, prices, operating costs, inflation rate and long-term growth rates, which included comparing these inputs with externally derived data. In addition, KPMG in Australia performed sensitivity analysis, which included assessing the effect of reasonably possible reductions in growth rates and forecast cash flows to evaluate the impact on the CGUs; - assessing the appropriateness of discount rates applied; - involving KPMG in Singapore to evaluate the appropriateness of key assumptions applied in determining the recoverable amounts of the investments in the power generation in Australia, including the consistency of the assumptions with business plans and forecasts used for impairment testing as described in my response above; and - evaluating the adequacy of the financial statement disclosures in accordance with Thai Financial Reporting Standards.

Emphasis of Matter

I draw attention to note 3 to the financial statements describing the effect of the Group's adoption from 1 January 2018 of the accounting policy for derivatives and hedge accounting. The corresponding figures presented are based on the audited consolidated financial statements as at and for the year ended 31 December 2017 after making the adjustments described in note 3. My opinion is not modified in respect of this matter.

Independent Auditor's Report

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. 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 those charged with governance and request that the correction be made.

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

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

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

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

Independent Auditor's Report

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

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

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

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

(Vairoj Jindamaneepitak)
Certified Public Accountant
Registration No. 3565

KPMG Phoomchai Audit Ltd.
Bangkok
18 February 2019

Financial Statements

Statement of financial position

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

Assets	Note	Consolidated financial statements			Separate financial statements	
		31 December 2018	31 December 2017 (Restated)	1 January 2017 (Restated) (In Baht)	31 December 2018	31 December 2017
Current assets						
Cash and cash equivalents	7	11,695,247,224	9,287,457,748	9,419,212,345	4,856,977,013	4,240,821,465
Current investments	8	2,229,095,879	723,081,882	3,175,475,498	767,761,082	691,017,686
Derivative assets	5, 35	10,617,674	16,197,018	26,409,455	-	-
Trade account receivable from related party	6, 9	5,226,925,756	6,671,484,944	7,369,126,556	-	-
Trade accounts receivable from other parties	9	404,357,474	113,567,705	195,288,443	-	-
Other current receivables	10	153,382,198	752,490,564	182,333,080	45,572,410	47,508,320
Dividend receivables	6	64,091,160	69,400,000	41,000,000	64,091,160	69,400,000
Advances to and other current receivables from related parties	6, 10	51,982,947	24,091,488	36,361,398	68,966,766	93,825,163
Short-term loans to related party	6	-	-	-	-	2,730,000,000
Current portion of finance lease receivable from related party	6	1,262,817,809	3,554,682,715	3,170,047,948	-	-
Spare parts and supplies	11	1,932,891,676	2,127,420,610	2,153,869,162	-	-
Other current assets		129,493,318	192,252,682	60,306,346	3,990,510	2,344,199
Total current assets		**23,160,904,215**	**23,542,127,359**	**26,329,432,231**	**5,798,658,951**	**7,874,119,834**
Non-current assets						
Available for sale investments	8, 35	2,538,932,764	3,195,527,324	3,730,280,425	-	-
Investments in associates	7, 12	1,628,894,504	1,749,698,926	1,892,595,058	764,604,000	764,604,000
Investments in subsidiaries	13	-	-	-	40,690,558,000	40,690,558,000
Investments in joint ventures	7, 12	29,093,246,673	23,566,203,319	22,750,999,065	4,653,056,867	4,280,337,926
Investments in other companies	14	2,442,299,900	762,299,900	62,299,900	2,442,299,900	762,299,900
Other long-term investments	8	113,000,000	386,921,708	434,299,684	113,000,000	383,000,000
Derivative assets	5, 35	226,405,591	127,313,528	462,144,744	-	-
Advance payment for investment	15	696,907,546	692,253,783	-	-	-
Other non-current receivables from related parties	6, 16	9,900,520	7,301,515	5,559,796	16,910,923	8,467,330
Long-term loans to related parties	6	42,495,968	42,810,142	46,947,120	1,266,966,208	1,307,890,317
Land for future development projects	16	318,567,570	309,207,570	309,207,570	305,389,850	305,389,850
Property, plant and equipment	17	19,772,596,299	17,165,150,997	13,806,678,875	551,934,400	574,314,234
Goodwill	18	228,711,902	230,340,735	297,329,455	-	-
Intangible assets	19	2,982,369,630	3,547,219,288	3,932,951,168	7,158,935	6,333,703
Finance lease receivable from related party	6	16,407,697,071	17,670,514,880	21,225,197,596	-	-
Deferred tax assets	29	202,231,833	153,043,088	53,463,264	32,421,563	29,947,221
Other non-current assets	20	1,386,745,167	666,468,865	754,550,482	4,456,998	13,701,458
Total non-current assets		**78,090,997,738**	**70,252,278,570**	**69,764,504,206**	**50,848,757,674**	**49,126,838,949**
Total assets		**101,251,901,953**	**93,794,405,929**	**96,093,936,437**	**56,647,416,625**	**57,000,958,783**

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

Statement of financial position

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

		Consolidated financial statements			Separate financial statements	
Liabilities and equity	*Note*	31 December 2018	31 December 2017 (Restated)	1 January 2017 (Restated) *(in Baht)*	31 December 2018	31 December 2017
Current liabilities						
Short-term loan from financial institutions			-	3,800,000,000	-	-
Derivative liabilities	3, 35	15,428,225	108,762,341	21,255,931	-	-
Trade account payable to related party		-	-	1,002,755	-	-
Trade accounts payable to other parties		4,408,410,900	5,190,051,301	5,552,561,863	-	-
Other current payables	6, 22	1,452,200,529	1,401,852,391	1,254,163,270	366,304,995	256,038,673
Current portion of long-term loans from financial institutions	21, 35	939,376,887	2,658,281,083	-	-	-
Debentures due within one year	21, 35	3,471,390,265	-	-	-	-
Current portion of finance lease liabilities	21	843,133	1,358,132	1,272,585	-	-
Current tax payable		87,655,197	89,475,009	116,649,445	-	-
Other current liabilities		61,346,692	201,616,531	142,109,022	22,216,199	20,212,527
Total current liabilities		10,436,651,828	9,650,397,288	10,889,019,471	388,521,194	256,251,200
Non-current liabilities						
Long-term loans from financial institutions	21, 35	12,633,424,933	2,117,415,202	2,567,008,909	-	-
Debentures	21, 35	16,107,244,841	16,139,580,580	17,327,198,043	-	-
Long-term loans from related party	6, 21	-	1,010,802,834	1,029,085,384	-	-
Derivative liabilities	3, 35	358,117,345	3,729,681,353	3,830,989,671	-	-
Other non-current payable to related party	6, 22	-	150,379,622	79,930,550	-	-
Finance lease liabilities	21	1,099,700	1,808,283	3,170,965	-	-
Deferred tax liabilities	7, 10	1,478,916,774	1,703,283,587	1,804,734,844	-	-
Non-current provisions for employee benefits	23	176,805,634	175,687,661	158,706,387	147,677,379	142,292,699
Other long-term provisions		123,621,104	102,878,229	161,425,636	-	-
Total non-current liabilities		30,879,233,261	25,134,514,351	26,922,249,989	147,677,379	142,292,699
Total liabilities		41,315,885,109	34,784,911,639	37,811,269,460	536,198,573	398,543,899
Equity						
Share capital:	24					
Authorised share capital		14,500,000,000	14,500,000,000	14,500,000,000	14,500,000,000	14,500,000,000
Issued and paid-up share capital		14,500,000,000	14,500,000,000	14,500,000,000	14,500,000,000	14,500,000,000
Share premium on ordinary shares	24	1,531,778,000	1,531,778,000	1,531,778,000	1,531,778,000	1,531,778,000
Difference arising from common control transaction		-	-	-	221,308,748	221,308,748
Retained earnings						
Appropriated						
Legal reserve	25	1,450,000,000	1,450,000,000	1,450,000,000	1,450,000,000	1,450,000,000
Unappropriated	5	48,502,769,121	46,892,413,182	44,333,862,766	38,432,950,592	38,932,147,414
Other components of equity	5	(6,048,530,277)	(4,690,680,239)	(3,024,206,438)	(22,819,288)	(22,819,288)
Total equity attributable to owners of the parent		59,936,016,844	59,683,510,943	58,791,434,328	56,113,218,052	56,602,414,874
Non-controlling interests	3, 5	-	(674,016,653)	(508,767,351)	-	-
Total equity		59,936,016,844	59,009,494,290	58,282,666,977	56,113,218,052	56,602,414,874
Total liabilities and equity		101,251,901,953	93,794,405,929	96,093,936,437	56,647,416,625	57,000,958,773

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

Statement of comprehensive income

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

	Note	Consolidated financial statements Year ended 31 December 2018	2017 (Restated)	Separate financial statements Year ended 31 December 2018	2017
			(in Baht)		
Revenue from sales and rendering of services	6	36,184,135,649	38,000,516,141	-	-
Revenue from finance lease contracts	6	3,335,813,806	3,995,454,542	-	-
Cost of sales and rendering of services	6, 30	(35,170,093,308)	(36,847,369,613)	-	-
Gross profit		**4,349,856,147**	**5,148,601,070**	**-**	**-**
Management service income	6	238,881,810	244,662,892	394,050,317	412,441,717
Interest income	6	213,402,024	165,956,139	162,273,431	267,385,223
Dividend income	6, 8, 12, 13	186,787,647	188,896,940	3,505,809,648	4,698,176,019
Surplus in liquidating distribution from subsidiary	6	-	-	-	9,816,932
Other income	6, 27	189,058,655	265,684,385	910,475	3,041,172
Administrative expenses	6, 28, 30	(1,594,940,357)	(1,686,260,338)	(1,057,836,703)	(1,050,452,073)
Net foreign exchange gain (loss)		(865,020,604)	452,469,580	(12,058,107)	(139,236,238)
Finance costs	3, 6, 31	(1,014,887,795)	(1,587,247,955)	-	(39,593,407)
Share of profit of associates and joint ventures	3, 12	4,735,161,876	3,595,403,560	-	-
Profit before income tax expense		**6,439,546,403**	**6,788,166,273**	**2,990,803,178**	**4,167,583,345**
Tax expense	3, 32	(870,579,572)	(872,995,667)	(2,345,873)	(1,120,307)
Profit for the year		**5,568,966,831**	**5,915,170,606**	**2,990,803,178**	**4,166,463,038**
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Exchange differences on translating foreign operations	3	(193,945,285)	(1,154,563,534)	-	-
Losses on remeasuring available-for-sale investments		(645,982,541)	(387,611,588)	-	-
Cash flow hedges - effective portion of changes in fair value	3	(126,375,121)	(305,477,127)	-	-
Share of other comprehensive income (expense) of associates and joint ventures	3, 12	146,746,318	139,308,956	-	-
Total items that will be reclassified subsequently to profit or loss		**(819,556,629)**	**(1,708,343,293)**	**-**	**-**
Items that will not be reclassified to profit or loss					
Gains on remeasurements of defined benefit plans	23	1,748,323	-	-	-
Share of other comprehensive income (expense) of associates and joint ventures	12	(1,018,225)	-	-	-
Total items that will not be reclassified to profit or loss		**729,798**	**-**	**-**	**-**
Other comprehensive income (expense) for the year, net of tax		**(818,826,831)**	**(1,708,343,293)**	**-**	**-**
Total comprehensive income (expense) for the year		**4,750,140,000**	**4,206,827,313**	**2,990,803,178**	**4,166,463,038**
Profit (loss) attributable to:					
Owners of the parent		5,587,601,852	6,038,550,416	2,990,803,178	4,166,463,038
Non-controlling interests		(18,635,021)	(123,379,810)	-	-
Profit for the year		**5,568,966,831**	**5,915,170,606**	**2,990,803,178**	**4,166,463,038**
Total comprehensive income (expense) attributable to:					
Owners of the parent		4,722,486,347	4,372,076,615	2,990,803,178	4,166,463,038
Non-controlling interests		27,953,653	(165,249,302)	-	-
Total comprehensive income (expense) for the year		**4,750,140,000**	**4,206,827,313**	**2,990,803,178**	**4,166,463,038**
Basic earnings per share *(in Baht)*	7, 33	**3.85**	**4.16**	**2.06**	**2.87**

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

Statement of changes in equity

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

	Note	Issued and paid-up share capital	Share premium	Retained earnings: Legal reserve	Retained earnings: Unappropriated	Other components of equity: Translating account on foreign operations	Other components of equity: Available-for-sale investments	Other components of equity: Cash flow hedge reserves	Other components of equity: Share of other comprehensive income (expense) of associates and joint ventures	Other components of equity: Losses on remeasurements of defined benefit plans	Other components of equity: Total other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
						Consolidated financial statements (Baht)								
Year ended 31 December 2017														
Balance at 1 January 2017 - as reported		14,500,000,000	1,451,775,000	1,450,000,000	47,315,153,989	(3,698,560,605)	188,554,551	-	(7,014,519)	(17,727,278)	(2,535,487,215)	52,331,471,515	131,396,281	52,462,766,156
Impact of changes in accounting policies	4	-	-	-	(1,011,290,514)	(3,232,078)	-	59,581,263	(546,760,468)	-	(486,710,283)	(1,501,032,875)	643,161,612	(1,370,161,140)
Balance at 1 January 2017 - restated		14,500,000,000	1,451,775,000	1,450,000,000	46,303,863,765	(3,701,808,683)	188,554,551	59,581,263	(553,816,303)	(17,727,278)	(2,934,266,498)	50,830,438,640	(508,767,331)	50,283,606,977
Dividends to owners of the Company	17	-	-	-	(3,480,000,000)	-	-	-	-	-	-	(3,480,000,000)	-	(3,480,000,000)
Comprehensive income for the year														
Profit for the year		-	-	-	5,030,550,416	-	-	-	-	-	-	5,030,550,416	(115,190,810)	4,915,170,606
Other comprehensive income (expense)		-	-	-	-	(1,173,785,467)	(357,611,568)	(246,361,702)	130,208,956	-	(1,666,173,781)	(1,666,173,781)	(49,569,492)	(1,715,743,273)
Total comprehensive income (expense) for the year		-	-	-	5,030,550,416	(1,173,785,467)	(357,611,568)	(246,361,702)	130,208,956	-	(1,666,173,781)	3,364,376,635	(164,760,302)	3,199,427,333
Balance at 31 December 2017		14,500,000,000	1,451,775,000	1,450,000,000	48,854,414,181	(4,874,594,150)	(169,057,017)	(186,780,439)	(423,607,347)	(17,727,278)	(4,600,440,279)	50,714,814,973	(673,528,033)	50,483,034,310

The accompanying notes are an integral part of these financial statements

Statement of changes in equity

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

	Note	Issued and paid-up share capital	Share premium	Retained earnings: Legal reserve	Retained earnings: Unappropriated	Other components of equity: Exchange differences on translating financial statements of foreign operations	Other components of equity: Available-for-sale investments	Other components of equity: Cash flow hedges reserve	Other components of equity: Share of other comprehensive income (expense) of associates and joint ventures	Other components of equity: Gains (losses) on remeasurements of defined benefit plans	Other components of equity: Total other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
						(in Baht)								
Year ended 31 December 2018														
Balance at 1 January 2018 - as reported		14,500,000,000	1,531,778,656	1,450,000,000	50,001,563,331	(3,393,600,395)	(199,057,607)	-	(7,956,875)	(17,727,276)	(4,218,343,153)	63,265,256,725	15,390,004	63,281,178,329
Impact of change in accounting policies	3	-	-	-	(3,106,440,994)	319,000,000	-	(184,797,439)	(403,550,471)	-	(269,347,910)	(3,581,737,383)	(639,505,747)	(4,221,243,130)
Balance at 1 January 2018 - restated		14,500,000,000	1,531,778,656	1,450,000,000	46,895,122,337	(3,074,600,395)	(199,057,607)	(184,797,439)	(411,507,346)	(17,727,276)	(4,487,691,063)	59,683,519,342	(624,115,743)	59,059,403,199
Transactions with owners, recorded directly in equity														
Contributions by and distributions to owners of the parent														
Dividends to owners of the Company	34	-	-	-	(3,480,000,000)	-	-	-	-	-	-	(3,480,000,000)	-	(3,480,000,000)
Changes in ownership interests in subsidiaries														
Acquisition of non-controlling interests without a change in control	5	-	-	-	(497,144,913)	(493,454,533)	-	-	-	-	(492,494,533)	(989,650,446)	646,650,000	(343,650,446)
Total transactions with owners, recorded directly in equity		-	-	-	(3,977,144,913)	(493,454,533)	-	-	-	-	(492,494,533)	(4,469,650,446)	646,650,000	(3,823,650,446)
Comprehensive income for the year														
Profit or loss		-	-	-	5,287,601,352	-	-	-	-	-	-	5,287,601,352	(38,635,021)	5,248,966,331
Other comprehensive income (expense)		-	-	-	-	(231,864,141)	(645,282,541)	(135,044,959)	645,728,603	1,748,023	(365,415,505)	(365,415,505)	16,765,674	(348,649,831)
Total comprehensive income (expense) for the year		-	-	-	5,287,601,352	(231,864,141)	(645,282,541)	(135,044,959)	645,728,603	1,748,023	(365,415,505)	4,722,185,847	(21,869,347)	4,700,316,500
Balance at 31 December 2018		14,500,000,000	1,531,778,656	1,450,000,000	48,205,579,121	(3,799,919,069)	(844,340,148)	(319,842,398)	(265,778,743)	(15,979,253)	(5,345,600,277)	59,936,016,844	-	59,936,016,844

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

Statement of changes in equity

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

		Separate financial statements						
					Retained earnings		Other components of equity	
	Note	Issued and paid-up share capital	Share premium	Difference arising from common control transaction	Legal reserve	Unappropriated	Losses on remeasurements of defined benefit plans	Total equity
					(in Baht)			
Year ended 31 December 2017								
Balance at 1 January 2017		**14,500,000,000**	**1,531,778,000**	**221,308,748**	**1,450,000,000**	**38,235,684,376**	**(22,819,288)**	**55,915,951,836**
Dividends to owners of the Company	*34*	**-**	**-**	**-**	**-**	**(3,480,000,000)**	**-**	**(3,480,000,000)**
Comprehensive income for the year								
Profit		-	-	-	-	4,166,463,038	-	4,166,463,038
Other comprehensive income (expenses)		-	-	-	-	-	-	-
Total comprehensive income (expenses) for the year		**-**	**-**	**-**	**-**	**4,166,463,038**	**-**	**4,166,463,038**
Balance at 31 December 2017		**14,500,000,000**	**1,531,778,000**	**221,308,748**	**1,450,000,000**	**38,922,147,414**	**(22,819,288)**	**56,602,414,874**

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

Statement of changes in equity

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

		Separate financial statements						
					Retained earnings		Other components of equity	
	Note	Issued and paid-up share capital	Share premium	Difference arising from common control transaction	Legal reserve	Unappropriated	Losses on remeasurements of defined benefit plans	Total equity
					(in Baht)			
Year ended 31 December 2018								
Balance at 1 January 2018		14,500,000,000	1,531,778,000	221,308,748	1,450,000,000	38,922,147,414	(22,819,288)	56,602,414,874
Dividends to owners of the Company	34	-	-	-	-	(3,480,000,000)	-	(3,480,000,000)
Comprehensive income for the year								
Profit		-	-	-	-	2,990,803,178	-	2,990,803,178
Other comprehensive income (expenses)		-	-	-	-	-	-	-
Total comprehensive income (expenses) for the year		-	-	-	-	2,990,803,178	-	2,990,803,178
Balance at 31 December 2018		14,500,000,000	1,531,778,000	221,308,748	1,450,000,000	38,432,950,592	(22,819,288)	56,113,218,052

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

Statement of cash flows

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

	Note	Consolidated financial statements Year ended 31 December 2018	2017 (Restated)	Separate financial statements Year ended 31 December 2018	2017
			(In Baht)		
Cash flows from operating activities					
Profit for the year		5,568,966,831	5,915,170,606	2,590,803,178	4,166,463,038
Adjustments to reconcile profit to cash receipts (payments)					
Tax expense	3, 33	870,579,572	872,995,667	2,345,873	1,120,307
Finance costs	3, 21, 31	1,914,887,795	1,587,247,955	-	39,593,407
Depreciation	17	904,965,662	998,539,292	28,242,846	78,371,755
Amortisation	18	279,051,893	302,311,055	2,715,168	1,707,141
Impairment losses on goodwill	18	-	40,832,230	-	-
Unrealised (gain) loss on exchange		714,640,152	(311,905,721)	8,214,647	106,729,043
(Gain) loss on fair value adjustment of debt securities held for trading	8	845,528	(2,856,047)	1,222,339	(2,425,920)
Fair value adjustment of finance lease receivable from related party		(100,209,572)	(130,330,587)	-	-
Share of profit of associates and joint ventures, net of tax	3, 12	(4,735,464,876)	(3,595,403,560)	-	-
(Reversal of) doubtful debts expenses	6, 9	(55,939,976)	55,939,976	-	-
Losses on spare parts and supplies devaluation	11	50,236,177	53,277,154	-	-
(Reversal of) losses on fuel oil devaluation	11	25,510,148	(49,403,716)	-	-
Impairment losses on land for future development projects	16	20,580,000	-	-	-
(Gain) loss on write-off and disposal of equipment		3,378,350	(78,574)	2,439	(19,387)
Div dend income	6, 8, 12, 13	(186,781,647)	(188,896,940)	(3,505,809,648)	(4,698,176,019)
Interest income		(213,462,024)	(165,956,139)	(162,273,431)	(267,385,223)
Gains on disposal of interest in joint ventures		-	(27,874,453)	-	-
Write-off withholding tax deducted at source		86,011,949	6,895,459	3,717,128	6,871,214
		4,247,856,062	5,340,503,677	(630,819,861)	(567,150,644)
Changes in operating assets and liabilities					
Trade account receivable from related party		1,500,499,163	637,809,585	-	-
Trade accounts receivable from other parties		(302,554,494)	78,820,585	-	-
Other current receivables		(24,132,955)	(597,688,466)	(11,669)	(2,657,598)
Advances to and other current receivables from related parties		(467,589)	2,214,264	14,865,933	(18,623,390)
Finance lease receivable from related party		3,654,892,287	3,920,378,536	-	-
Spare parts and supplies		89,310,028	(81,686,188)	-	-
Other current assets and other non-current assets		(134,871,611)	48,163,599	7,749,340	121,418,477
Trade account payable to related party		-	(1,002,755)	-	-
Trade accounts payable to other parties		(771,252,737)	(360,188,889)	-	-
Other current payables and other non-current payables		35,011,501	323,584,729	125,128,647	16,081,152
Other current liabilities		(131,910,589)	56,586,138	1,195,443	(3,379,785)
Non-current provisions for employee benefits		3,320,950	17,051,454	5,384,680	11,216,276
Long-term provisions		24,776,893	2,958,826	-	-
Net cash generated from (used in) operating		8,180,476,889	9,387,503,095	(476,607,487)	(443,095,512)
Taxes paid		(1,011,912,705)	(1,180,087,921)	(3,298,465)	(6,777,759)
Net cash from (used in) operating activities		7,168,564,184	8,207,417,174	(479,905,952)	(449,873,271)

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

Statement of cash flows

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

	Note	Consolidated financial statements Year ended 31 December 2018	2017 (Restated)	Separate financial statements Year ended 31 December 2018	2017
			(in Baht)		
Cash flows from investing activities					
Net cash payment for acquisition of non-controlling interests	4	(343,617,447)	-	-	-
Net cash inflow (outflow) in current investments		(1,202,965,746)	2,462,249,660	222,034,255	2,289,263,925
Proceeds from repayment of short-term loans to related party	6	-	-	10,510,000,000	13,520,000,000
Short-term loans to related party	6	-	-	(7,780,000,000)	(10,850,000,000)
Proceeds from repayment of long-term loans to related parties	6	-		32,722,253	213,579,698
Proceeds from sale of interest in joint ventures		-	334,595,926	-	-
Payment for investments in joint ventures	12	(3,071,288,172)	(1,004,837,127)	(372,718,931)	(651,646,239)
Payment for investments in other companies	14	(1,680,000,000)	(700,000,000)	(1,680,000,000)	(700,000,000)
Net cash outflow in advance for investment	15	(69,988,190)	(708,033,340)	-	-
Net cash inflow (outflow) in other long-term investments		(30,000,000)	40,000,000	(30,000,000)	40,000,000
Proceeds from sale of equipment		6,363,043	97,207	-	36,946
Payment for acquisition of property, plant and equipment		(5,383,365,509)	(4,569,714,688)	(3,950,050)	(6,363,500)
Payment for acquisition of intangible assets		(7,344,660)	(169,929,363)	(3,315,400)	(2,822,000)
Dividends received		2,568,129,010	2,532,102,208	3,511,118,488	4,669,776,015
Interest received		198,941,389	177,596,391	169,339,656	357,338,119
Net cash from (used in) investing activities		**(9,015,136,282)**	**(1,605,872,426)**	**4,575,250,271**	**8,879,462,968**
Cash flows from financing activities					
Proceeds from short-term loans from financial institutions		-	1,300,000,000	-	1,300,000,000
Repayment of short-term loans from financial institutions		-	(3,100,000,000)	-	(3,100,000,000)
Proceeds from long-term loans from financial institutions	21	11,854,067,364	2,247,613,119	-	-
Repayment of long-term loans from financial institutions	21	(2,449,689,806)	-	-	-
Repayment of long-term loans from related party	6, 21	(950,432,881)	-	-	-
Proceeds from issue of debentures	21	9,375,570,283	-	-	-
Transaction costs from issue of debentures	21	(33,774,118)	-	-	-
Payment to repurchase the debentures	21	(6,112,471,580)	-	-	-
Repayment of unwinding derivatives		(3,058,600,602)	-	-	-
Payment by a lessee for reduction of the outstanding liability relating to a finance lease	31	(1,244,834)	(1,225,696)	-	-
Dividend paid to owners of the Company		(3,479,191,771)	(3,478,901,111)	(3,479,191,771)	(3,478,901,111)
Finance costs paid		(1,354,409,942)	(1,397,887,344)	-	(15,992,403)
Net cash from (used in) financing activities		**(3,789,822,113)**	**(6,430,401,032)**	**(3,479,191,771)**	**(7,294,893,514)**
Net increase in cash and cash equivalents, before effect of exchange rates		1,943,250,015	171,143,716	616,152,548	1,134,396,183
Effect of exchange rate changes on cash and cash equivalents		464,539,461	(302,898,313)	-	-
Net increase (decrease) in cash and cash equivalents		**2,407,789,476**	**(131,754,597)**	**616,152,548**	**1,134,396,183**
Cash and cash equivalents at 1 January		9,287,457,748	9,419,212,345	4,240,824,465	3,106,428,282
Cash and cash equivalents at 31 December		**11,695,247,224**	**9,287,457,748**	**4,856,977,013**	**4,240,824,465**

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

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

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Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 18 February 2019.

1 General information

Ratchaburi Electricity Generating Holding Public Company Limited, the "Company", is incorporated in Thailand and has its registered office at 8/8 Moo 2, Ngamwongwan Road, Bangkhen, Muang, Nonthaburi, Thailand.

The Company was listed on the Stock Exchange of Thailand in October 2000.

The Company's major shareholder during the financial year was Electricity Generating Authority of Thailand ("EGAT") (45% shareholding) which was incorporated in Thailand.

The principal businesses of the Company are the investing in companies, whose objectives are to generate and sell electricity. Details of the Company's subsidiaries, associates and joint ventures as at 31 December 2018 and 2017 were as follows:

Name of entities	Type of business	Country of incorporation	Ownership interest (%) 2018	2017
Direct subsidiaries				
Ratchaburi Electricity Generating Company Limited	Generating and selling electricity and investing in the power energy business	Thailand	99.99	99.99
Ratchaburi Energy Company Limited	Developing and operating power plant and investing in the power energy business	Thailand	99.99	99.99
RATCH-Lao Services Company Limited	Providing operation and maintenance services	Lao PDR	99.99	99.99
RH International Corporation Limited	Investing in the power energy business	Thailand	99.99	99.99
RATCH O&M Company Limited	Providing operation and maintenance services	Thailand	99.99	99.99
Ratchaburi Alliances Company Limited	Investing in the power energy business	Thailand	99.99	99.99
Indirect subsidiaries				
RH International (Mauritius) Corporation Limited	Investing in the power energy business internationally	Mauritius	100	100

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

Name of entities	Type of business	Country of incorporation	Ownership interest (%) 2018	2017
Indirect subsidiaries				
RH International (Singapore) Corporation Pte. Ltd.	Investing in the power energy business internationally	Singapore	100	100
RATCH-Australia Corporation Pty. Ltd. and its subsidiaries	Developing and operating power plant and investing in the power energy business	Australia	100	80
RATCH China Power Company Limited	Investing in the power energy business internationally	Hong Kong	100	100
RE Solar 1 Company Limited	Generating and selling electricity	Thailand	99.99	99.99
CN Biomass Company Limited	Generating and selling electricity	Thailand	99.99	99.99
PB Biomass Company Limited	Generating and selling electricity	Thailand	99.99	99.99
LP Biomass Company Limited	Generating and selling electricity	Thailand	99.99	99.99
Direct associates				
First Korat Wind Company Limited	Generating and selling electricity	Thailand	20	20
K.R. TWO Company Limited	Generating and selling electricity	Thailand	20	20
Indirect associates				
Solar Power (Korat 3) Company Limited	Generating and selling electricity	Thailand	40	40
Solar Power (Korat 4) Company Limited	Generating and selling electricity	Thailand	40	40
Solar Power (Korat 7) Company Limited	Generating and selling electricity	Thailand	40	40
Direct joint ventures				
Chubu Ratchaburi Electric Services Company Limited	Providing operation and maintenance services	Thailand	50	50

Notes to the financial statements
Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

Name of entities	Type of business	Country of incorporation	Ownership interest (%) 2018	2017
Direct joint ventures				
SouthEast Asia Energy Limited	Investing in the power energy business	Thailand	33.33	33.33
Nam Ngum 3 Power Company Limited (In process of liquidation)	Generating and selling electricity	Lao PDR	25	25
Xe-Pian Xe-Namnoy Power Company Limited	Generating and selling electricity	Lao PDR	25	25
Indirect joint ventures				
Ratchaburi Power Company Limited	Generating and selling electricity	Thailand	25	25
Nava Nakorn Electricity Generating Company Limited	Generating and selling electricity and steam	Thailand	40	40
Ratchaburi World Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	40	40
Berkprai Cogeneration Company Limited	Generating and selling electricity and steam	Thailand	35	35
Solarta Company Limited	Generating and selling electricity	Thailand	49	49
Songkhla Biomass Company Limited	Generating and selling electricity	Thailand	40	40
Songkhla Biofuel Company Limited	Providing material of biofuel	Thailand	40	40
Hongsa Power Company Limited	Generating and selling electricity	Lao PDR	40	40
Phu Fai Mining Company Limited	Coal mining and trading	Lao PDR	37.50	37.50
PT Medco Ratch Power Riau	Generating and selling electricity	Republic of Indonesia	49	49
Fareast Renewable Development Pte. Ltd.	Investing in the power energy business internationally	Singapore	50	-

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

Name of entities	Type of business	Country of incorporation	Ownership interest (%) 2018	2017
Subsidiary of a direct joint venture				
Nam Ngum 2 Power Company Limited	Generating and selling electricity	Lao PDR	25	25
Subsidiary of an indirect joint venture				
PT Bajradaya Sentranusa	Generating and selling electricity	Republic of Indonesia	26.61	-

2 Basis of preparation of the financial statements

(a) *Statement of compliance*

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

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2018. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of new and revised TFRS which are not yet effective for current periods. The Group has not early adopted these standards in preparing these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in Note 38.

(b) *Basis of measurement*

The financial statements have been prepared on the historical cost basis except for the following items.

Items	*Measurement bases*
Derivatives	Fair value
Available for sale investments	Fair value
Defined benefit liability	Present value of the defined benefit obligation as explained in Note 4 (m)

(c) *Functional and presentation currency*

The financial statements are prepared and presented in Thai Baht, which is the Company's functional currency.

(d) *Use of judgements and estimates*

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

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

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

(i) Judgements

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

Note 6	Leases: whether an arrangement containing a lease.

(ii) Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustments to the carrying amounts of assets and liabilities within the year ending 31 December 2019 is included in the following notes:

Note 12	Acquisition of joint venture: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis;
Note 18	Impairment test: key assumptions underlying recoverable amounts;
Note 19	Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used; and
Note 23	Measurement of defined benefit obligations: key actuarial assumptions.

Measurement of fair values

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

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

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

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

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

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

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

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

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

Note 12	Acquisition of joint venture;
Note 16	Land for future development projects; and
Note 35	Financial instruments.

3 Changes in accounting policies

Except as described below, the accounting policies applied in these financial statements are consistent with those applied in the financial statements for the year ended 31 December 2017.

From 1 January 2018, the Group adopted accounting policy for *derivatives and hedge accounting*. The changes have been applied retrospectively.

(a) Derivatives

Derivatives are used to manage exposure to foreign exchange and interest rate risks arising from operational, financing and investment activities. Derivatives are not used for trading purposes. However, derivatives that do not qualify for hedge accounting are accounted for as trading instruments.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, they are remeasured at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see accounting policy 3 (b)).

The fair value of interest rate swaps is based on broker quotes at the reporting date. Those quotes are tested for reasonableness by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the reporting date.

The fair value of forward exchange contracts is based on their listed market price, if available. If a listed market price is not available, then fair value is estimated by discounting the difference between the contractual forward price and the current forward price at the reporting date for the residual maturity of the contract using a risk-free interest rate (based on government bonds).

(b) Hedging

Cash flow hedges

When a derivative is designated as the hedging instrument in a hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve in equity. Any ineffective portion is recognised immediately in profit or loss.

When a hedged forecast transaction occurs and results in the recognition of a financial asset or financial liability, the gain or loss recognised in other comprehensive income does not adjust the initial carrying amount of the asset or liability but remains in equity and is reclassified from equity to profit or loss consistently with the recognition of gains and losses on the asset or liability as a reclassification adjustment.

For hedges of forecast transactions that result in the recognition of a non-financial asset or non-financial liability, the gain or loss recognised in other comprehensive income is reclassified from equity to profit or loss consistently with the recognition of gains and losses on the asset or liability as a reclassification adjustment.

Discontinuing hedge accounting

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting. Any cumulative gain or loss on the hedging instrument existing in equity is retained in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is recognised in profit or loss immediately.

The impacts to the financial statements are summary as follows:

	Consolidated financial statements		
	As previously reported	Adjustment	As restated
	(in thousand Baht)		
Statement of financial position			
At 1 January 2017			
Assets			
Derivative assets	-	488,554	488,554
Investments in associates	1,907,692	(15,097)	1,892,595
Investments in joint ventures	23,521,611	(770,612)	22,750,999
Total		**(297,155)**	
Liabilities			
Derivative liabilities	-	3,872,246	3,872,246
Deferred tax liabilities	1,804,034	701	1,804,735
Total		**3,872,947**	
Equity			
Retained earnings - unappropriated	47,375,153	(3,041,291)	44,333,862
Other components of equity			
- Translating reserve on foreign operations	(2,698,570)	(2,232)	(2,700,802)
- Cash flow hedges reserves	-	59,584	59,584
- Share of other comprehensive income (expense) of associates and joint ventures	(7,715)	(546,102)	(553,817)
		(3,530,041)	
Non-controlling interests	131,294	(640,061)	(508,767)
Total		**(4,170,102)**	
At 31 December 2017			
Assets			
Derivative assets	-	143,511	143,511
Investments in associates	1,774,872	(25,173)	1,749,699
Investments in joint ventures	24,114,966	(548,763)	23,566,203
Total		**(430,425)**	

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

	Consolidated financial statements		
	As previously reported	Adjustment	As restated
	(in thousand Baht)		
Liabilities			
Derivative liabilities	-	3,838,444	3,838,444
Deferred tax liabilities	1,700,465	2,815	1,703,280
Total		**3,841,259**	
Equity			
Retained earnings - unappropriated	50,001,853	(3,109,440)	46,892,413
Other components of equity			
- Translating reserve on foreign operations	(3,993,602)	119,011	(3,874,591)
- Cash flow hedges reserves	-	(184,798)	(184,798)
- Share of other comprehensive income (expense) of associates and joint ventures	(7,957)	(406,551)	(414,508)
		(3,581,778)	
Non-controlling interests	15,890	(689,906)	(674,016)
Total		**(4,271,684)**	
Statement of comprehensive income			
For the year ended 31 December 2017			
Finance costs	(1,502,502)	(84,746)	(1,587,248)
Share of profit (loss) of associates and joint ventures	3,577,164	18,239	3,595,403
Tax expense	(870,895)	(2,101)	(872,996)
Total		**(68,608)**	
Exchange differences on translating foreign operations	(1,287,514)	132,951	(1,154,563)
Cash flow hedges - effective portion of changes in fair value	-	(305,477)	(305,477)
Share of other comprehensive income (expense) of associates and joint ventures	(242)	139,551	139,309
Total items that will be reclassified subsequently to profit or loss		**(32,975)**	
Other comprehensive income (expense) for the year, net of tax	**(1,675,368)**	**(32,975)**	**(1,708,343)**
Total comprehensive income (expense) for the year	**4,308,410**	**(101,583)**	**4,206,827**
Basic earnings per share *(in Baht)*	**4.21**	**(0.05)**	**4.16**

The effect of the adoption of such accounting policies to the consolidated financial statements as at 31 December 2018 are as follows: total assets decreased by Baht 86.47 million, total liabilities increased by Baht 376.24 million and total equity decreased by Baht 462.71 million. Profit and total comprehensive income for the year ended 31 December 2018 increased by Baht 3,558.77 million and Baht 3,808.97 million, respectively. (Total equity as at 31 December 2017 also decreased Baht 4,271.68 million.)

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in Note 3, which addresses changes in accounting policies.

(a) Basis of consolidation

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

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group, as describe in subsidiaries section, other than those with entities under common control.

The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

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

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

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

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

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

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

Acquisitions from entities under common control

Business combination under common control are accounted for using a method similar to the pooling of interest method. Under that method the acquirer recognises assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or discount from business combinations under common control in shareholder's equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative period or the moment the businesses came under common control, whichever date is later, until control ceases.

Subsidiaries

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

Non-controlling interests

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

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

Loss of control

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

Interests in equity-accounted investees

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

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

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

Transactions eliminated on consolidation

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

(b) *Foreign currencies*

Foreign currency transactions

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

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

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

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- available for sale equity investments (except on impairment in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss); and
- qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

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

Goodwill and fair value adjustments arising on the acquisition of foreign operations are translated to Thai Baht at the exchange rates at the reporting date.

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

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve, except to extent that the translation difference is allocated to non-controlling interest.

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

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

(c) Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and saving accounts and highly liquid short-term investments.

(d) Trade and other accounts receivable

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

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

(e) Spare parts and supplies

Spare parts and supplies are measured at the lower of cost and net realisable value.

Spare parts comprises fuel oil and supplies which are used for specific equipment in the power plant.

Cost is calculated using the moving average cost principle, and comprises all costs of purchase and other costs incurred in bringing the spare parts and supplies to their present location and condition.

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

The allowance for obsolescence of spare parts is calculated from the balances of spare parts at the end of year on a straight-line basis to write-down the spare parts over the remaining useful lives of power plants.

(f) Investments

Investments in associates, subsidiaries and joint ventures

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

Investments in other debt and equity securities

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Debt securities that the Group has the positive intent and ability to hold to maturity are classified as held to maturity investments. Held to maturity investments are stated at amortised cost, less any impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortised using the effective interest rate method over the period to maturity.

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available for sale investments. Available for sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on available for sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

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

The fair value of financial instruments classified as held for trading and available for sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

(g) Property, plant and equipment

Recognition and measurement

Owned assets

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

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

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

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

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Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and accumulated impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Subsequent costs

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

Depreciation

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

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

Buildings and structures	20 - 40 years
Building improvements	5 years
Power plants, substation and transmission systems	4 - 45 years
Operating and maintenance equipment	5 years
Furniture, fixtures and office equipment	5 years
Vehicles	5 years

No depreciation is provided on freehold land or assets under construction.

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

(h) Intangible assets

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in Note 4(a). Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses.

Other intangible assets

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

Subsequent expenditure

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

Amortisation

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

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

The estimated useful lives for the current and comparative periods are as follows:

Software licences	3 - 10	years
Licenses on project development	25	years
Right to power purchase agreements	20 - 25	years

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

(i) Project development expenditure

Project development expenditure is recognised in profit or loss as incurred. Project development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to use or sell the asset. The expenditure capitalised includes borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated impairment losses. Capitalised development expenditure will be amortised when it is available for use in the manner intended.

(j) Impairment

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

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

When a decline in the fair value of an available for sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held to maturity securities carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available for sale financial assets is calculated by reference to the fair value.

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

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available for sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available for sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

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

(k) *Interest-bearing liabilities*

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

(l) *Trade and other accounts payable*

Trade and other accounts payable are stated at cost.

(m) *Employee benefits*

Defined contribution plan

Defined contribution plan is post-employment benefit plan which the Group contributes a fixed amount to another entity ("Provident Fund") and has no legal or constructive obligation to pay the additional contributions. Obligations for contributions to defined contribution plan are expensed in profit or loss as the related service is provided by the employee.

Defined benefit plans

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

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

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

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

Short-term employee benefits

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

(n) Provisions

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

(o) Revenue

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

Revenue from sales of electricity

Revenue from sales of electricity are recognised in profit or loss based on the units of electricity delivered at the agreed rates.

Revenue from rendering of services

Revenue from rendering of services are recognised in profit or loss when the services are provided.

Revenue from finance lease contracts

Revenue from finance lease contracts are recognised in profit or loss by using the effective interest rate method over the period of the power purchase agreements.

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Rental income

Rental income is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

Dividend income

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

Interest income and other income

Interest income and other income are recognised in profit or loss as it accrues.

(p) *Finance costs*

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

(q) *Financing fees*

Financing fees are recognised initially at cost and presented as deferred financing fees and amortised on the effective interest rate method over the period of the long-term loan agreements and capitalised as cost of an asset during the construction period. After construction completed, amortisation are recognised in profit or loss. Deferred financing fees are part of borrowing costs and are presented deduction from long-term loans.

(r) *Lease payments*

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

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

(s) *Other expenses*

Other expenses are recognised in profit or loss as it accrues.

(t) *Income tax*

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

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

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

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

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

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

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

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Basic earnings per share

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

(v) Segment reporting

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

5 Acquisitions of non-controlling interests

In May 2018, the Group acquired an additional 20% interest in RATCH-Australia Corporation Pty. Ltd. for Australian Dollars 14.29 million (paid to the existing shareholder amounting to Australian Dollars 6.89 million or equivalent to Baht 166.52 million and related transaction costs amounting to Australian Dollars 7.40 million or equivalent to Baht 177.10 million), increasing its ownership from 80% to 100%.

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The following summarises the effect of the change in the Group's ownership interests in RATCH-Australia Corporation Pty. Ltd.:

	(in thousand Baht)
Carrying amount of non-controlling interests acquired	(153,629)
Less consideration paid to non-controlling interests	(343,617)
Decrease in equity attributable to owners of the Group from additional investments in subsidiary	**(497,246)**

6 Related parties

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

Relationships with subsidiaries, associates, joint ventures, key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Electricity Generating Authority of Thailand	Thailand	Major shareholder, some common directors
Ratchaburi Electricity Generating Company Limited	Thailand	Direct subsidiary, 99.99% shareholding
Ratchaburi Energy Company Limited	Thailand	Direct subsidiary, 99.99% shareholding
RATCH-Lao Services Company Limited	Lao PDR	Direct subsidiary, 99.99% shareholding
RH International Corporation Limited	Thailand	Direct subsidiary, 99.99% shareholding
RATCH O&M Company Limited	Thailand	Direct subsidiary, 99.99% shareholding
Ratchaburi Alliances Company Limited	Thailand	Direct subsidiary, 99.99% shareholding
RH International (Mauritius) Corporation Limited	Mauritius	Indirect subsidiary, 100% shareholding by a direct subsidiary
RH International (Singapore) Corporation Pte. Ltd.	Singapore	Indirect subsidiary, 100% shareholding by an indirect subsidiary
RATCH-Australia Corporation Pty. Ltd.	Australia	Indirect subsidiary, 100% shareholding by an indirect subsidiary, some common directors
RATCH China Power Limited	Hong Kong	Indirect subsidiary, 100% shareholding by an indirect subsidiary

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Name of entities	Country of incorporation/ nationality	Nature of relationships
RE Solar 1 Company Limited	Thailand	Indirect subsidiary, 99.99% shareholding by a direct subsidiary
CN Biomass Company Limited	Thailand	Indirect subsidiary, 99.99% shareholding by a direct subsidiary
PB Biomass Company Limited	Thailand	Indirect subsidiary, 99.99% shareholding by a direct subsidiary
LP Biomass Company Limited	Thailand	Indirect subsidiary, 99.99% shareholding by a direct subsidiary
First Korat Wind Company Limited	Thailand	Direct associate, 20% shareholding
K.R. TWO Company Limited	Thailand	Direct associate, 20% shareholding
Solar Power (Korat 3) Company Limited	Thailand	Indirect associate, 40% shareholding by a direct subsidiary
Solar Power (Korat 4) Company Limited	Thailand	Indirect associate, 40% shareholding by a direct subsidiary
Solar Power (Korat 7) Company Limited	Thailand	Indirect associate, 40% shareholding by a direct subsidiary
Perth Power Partnership (Kwinana)	Australia	Indirect associate, 30% shareholding by an indirect subsidiary
Chubu Ratchaburi Electric Services Company Limited	Thailand	Direct joint venture, 50% shareholding
SouthEast Asia Energy Limited	Thailand	Direct joint venture, 33.33% shareholding
Nam Ngum 3 Power Company Limited	Lao PDR	Direct joint venture, 25% shareholding
Xe-Pian Xe-Namnoy Power Company Limited	Lao PDR	Direct joint venture, 25% shareholding
Ratchaburi Power Company Limited	Thailand	Indirect joint venture, 25% shareholding by a direct subsidiary, some common directors
Nava Nakorn Electricity Generating Company Limited	Thailand	Indirect joint venture, 40% shareholding by a direct subsidiary
Ratchaburi World Cogeneration Company Limited	Thailand	Indirect joint venture, 40% shareholding by a direct subsidiary

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

Name of entities	Country of incorporation/ nationality	Nature of relationships
Berkprai Cogeneration Company Limited	Thailand	Indirect joint venture, 35% shareholding by a direct subsidiary
Solarta Company Limited	Thailand	Indirect joint venture, 49% shareholding by a direct subsidiary
Songkhla Biomass Company Limited	Thailand	Indirect joint venture, 40% shareholding by a direct subsidiary
Songkhla Biofuel Company Limited	Thailand	Indirect joint venture, 40% shareholding by a direct subsidiary
Hongsa Power Company Limited	Lao PDR	Indirect joint venture, 40% shareholding by an indirect subsidiary, some common directors
Phu Fai Mining Company Limited	Lao PDR	Indirect joint venture, 37.50% shareholding by an indirect subsidiary, some common directors
PT Medco Ratch Power Riau	Republic of Indonesia	Indirect joint venture, 49% shareholding by an indirect subsidiary, some common directors
Fareast Renewable Development Pte. Ltd.	Singapore	Indirect joint venture, 50% shareholding by an indirect subsidiary, some common directors
Nam Ngum 2 Power Company Limited	Lao PDR	Subsidiary of a direct joint venture, 75% shareholding by a direct joint venture
PT Bajradaya Sentranusa	Republic of Indonesia	Subsidiary of an indirect joint venture, 53.21% shareholding by an indirect joint venture
Broadspectrum Pty Limited *	Australia	Related party of an indirect subsidiary, 20% shareholding of an indirect subsidiary
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

* The Group acquired an additional 20% interest in an indirect subsidiary from Broadspectrum Pty Limited in May 2018.

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

The pricing policies for transactions are explained further below:

Transactions	Pricing policies
Revenue from sales of electricity	Contractually agreed price
Operation and maintenance service income	Contractually agreed price
Revenue from finance lease contracts	Contractually agreed price
Management service income	Contractually agreed price
Purchase of goods/ raw materials	Contractually agreed price
Operation and maintenance service fee	Contractually agreed price
Interest income	Contractually agreed rate
Other income	Contractually agreed price
Rental income	Contractually agreed price
Interest expense	Contractually agreed rate

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

	Consolidated financial statements		Separate financial statements	
Year ended 31 December	2018	2017	2018	2017
	(in thousand Baht)			
Major Shareholder				
Revenue from sales of electricity	33,951,586	35,625,780	-	-
Operation and maintenance service income	50,900	50,877	-	-
Revenue from finance lease contracts	3,335,814	3,995,454	-	-
Purchase of electricity	171,836	204,404	-	-
Operation and maintenance service fee	1,184,010	1,239,799	-	-
Management service of fuel	2,137	2,128	-	-
Other service fee	3,902	9,947	2,617	7,287
Subsidiaries				
Management service income	-	-	155,168	167,783
Interest income	-	-	76,573	157,998
Dividend income	-	-	3,193,828	4,107,131
Surplus in liquidating distribution from subsidiaries	-	-	-	9,817
Associates				
Management service income	2,188	2,145	2,188	2,145
Dividend income	-	-	95,683	316,000
Joint ventures				
Management service income	236,371	241,827	236,371	241,827
Interest income	2,599	1,742	2,599	1,742
Dividend income	-	-	216,298	275,045
Rental income	12,067	12,067	-	-
Other income	34,247	38,705	-	-
Other related party				
Interest expense	23,716	75,168	-	-

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

Year ended 31 December	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Key management personnel compensation				
Short-term employee benefits	159,877	167,566	82,004	77,678
Post-employment benefits	7,937	12,091	3,004	5,635
Other long-term benefits	1,509	2,807	331	1,477
Total key management personnel compensation	**169,323**	**182,464**	**85,339**	**84,790**

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

Trade accounts receivable from related party	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Major Shareholder				
Electricity Generating Authority of Thailand	5,226,926	6,731,131	-	-
	5,226,926	**6,731,131**	-	-
Less allowance for doubtful accounts	-	(59,646)	-	-
Net	**5,226,926**	**6,671,485**	-	-
(Reversal of) doubtful debts expense for the year	**(55,940)**	**55,940**	-	-

Dividend receivables	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Direct associates				
First Korat Wind Company Limited	-	36,000	-	36,000
K.R. TWO Company Limited	64,091	33,400	64,091	33,400
Total	**64,091**	**69,400**	**64,091**	**69,400**

Advances to and other current receivables from related parties	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Major Shareholder				
Electricity Generating Authority of Thailand	1,618	1,573	-	-
Direct subsidiaries				
Ratchaburi Electricity Generating Company Limited	-	-	9,019	28,205
Ratchaburi Energy Company Limited	-	-	54	238
RH International Corporation Limited	-	-	984	963
RATCH O&M Company Limited	-	-	64	-
Ratchaburi Alliances Company Limited	-	-	161	128

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Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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Advances to and other current receivables from related parties	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Indirect subsidiaries				
RH International (Mauritius) Corporation Limited	-	-	121	-
RH International (Singapore) Corporation Pte. Ltd.	-	-	28,788	43,898
RATCH-Australia Corporation Pty. Ltd.	-	-	417	-
RATCH China Power Limited	-	-	121	-
RE Solar 1 Company Limited	-	-	64	-
CN Biomass Company Limited	-	-	64	-
PB Biomass Company Limited	-	-	64	-
LP Biomass Company Limited	-	-	64	-
Direct associates				
First Korat Wind Company Limited	98	96	98	96
K.R. TWO Company Limited	98	96	98	96
Direct joint ventures				
Chubu Ratchaburi Electric Services Company Limited	920	915	920	915
SouthEast Asia Energy Limited	-	270	-	270
Xe-Pian Xe-Namnoy Power Company Limited	10,986	11,150	10,986	11,150
Indirect joint ventures				
Ratchaburi Power Company Limited	12,403	12,868	-	-
Nava Nakorn Electricity Generating Company Limited	1,038	1,018	1,038	1,018
Berkprai Cogeneration Company Limited	1,029	-	1,029	-
Solarta Company Limited	1,696	1,610	1,696	1,610
Songkhla Biomass Company Limited	192	181	192	181
Hongsa Power Company Limited	4,225	4,257	4,225	4,257
PT Medco Ratch Power Riau	17,681	57	-	-
Total	**51,984**	**34,091**	**60,267**	**93,025**

Loans to related parties	Interest rate		Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017	2018	2017
	(% per annum)		*(in thousand Baht)*			
Short-term loans						
Direct subsidiary						
Ratchaburi Electricity Generating Company Limited	-	2.45 and 2.48	-	-	-	2,730,000
			-	-	-	**2,730,000**
Less allowance for doubtful accounts			-	-	-	-
Short-term loans to related party-net			-	-	-	**2,730,000**

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

Loans to related parties	Interest rate		Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017	2018	2017
	(% per annum)		*(in thousand Baht)*			
Long-term loans						
Direct subsidiaries						
Ratchaburi Energy Company Limited	4.00	4.00	-	-	175,000	203,000
RATCH-Lao Services Company Limited	3.65	3.65	-	-	1,049,472	1,062,077
Direct joint venture						
Xe-Pian Xe-Namnoy Power Company Limited	6.58	5.67	42,494	42,813	42,494	42,813
			42,494	**42,813**	**1,266,966**	**1,307,890**
Less current portion due within one year			-	-	-	-
allowance for doubtful accounts			-	-	-	-
Long-term loans to related parties-net			**42,494**	**42,813**	**1,266,966**	**1,307,890**
Summary of loans to related parties						
Short-term loans			-	-	-	2,730,000
Long-term loans			42,494	42,813	1,266,966	1,307,890
			42,494	**42,813**	**1,266,966**	**4,037,890**
Less allowance for doubtful accounts			-	-	-	-
Total loans to related parties-net			**42,494**	**42,813**	**1,266,966**	**4,037,890**
Bad and doubtful debts expense for the year			-	-	-	-

Movements during the years ended 31 December of loans to related parties were as follows:

Loans to related parties	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Short-term loans				
Direct subsidiary				
At 1 January	-	-	2,730,000	5,400,000
Increase	-	-	7,780,000	10,850,000
Decrease	-	-	(10,510,000)	(13,520,000)
At 31 December	-	-	-	2,730,000
Long-term loans				
Direct subsidiaries				
At 1 January	-	-	1,265,077	1,581,209
Decrease	-	-	(32,722)	(213,580)
Exchange rate adjustment	-	-	(7,883)	(102,552)
At 31 December	-	-	1,224,472	1,265,077

Notes to the financial statements
Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

Loans to related parties	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Long-term loans				
Direct joint venture				
At 1 January	42,813	46,947	42,813	46,947
Exchange rate adjustment	(319)	(4,134)	(319)	(4,134)
At 31 December	**42,494**	**42,813**	**42,494**	**42,813**
Total long-term loans to related parties				
At 1 January	42,813	46,947	1,307,890	1,628,156
Decrease	-	-	(32,722)	(213,580)
Exchange rate adjustment	(319)	(4,134)	(8,202)	(106,686)
At 31 December	**42,494**	**42,813**	**1,266,966**	**1,307,890**

Finance lease receivable from related party	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Major Shareholder				
Electricity Generating Authority of Thailand	**17,670,515**	**21,225,198**	-	-

	Consolidated financial statements					
	2018	2017	2018	2017	2018	2017
	Portion due within one year		Portion due after one year		Total	
	(in thousand Baht)					
Receivables under finance lease contracts	3,952,243	6,642,158	25,146,057	29,098,300	29,098,300	35,740,458
Less unearned interest income	(2,689,425)	(3,087,475)	(8,738,360)	(11,427,785)	(11,427,785)	(14,515,260)
	1,262,818	3,554,683	16,407,697	17,670,515	17,670,515	21,225,198
Less allowance for doubtful accounts	-	-	-	-	-	-
Receivable under finance lease contracts-net	**1,262,818**	**3,554,683**	**16,407,697**	**17,670,515**	**17,670,515**	**21,225,198**

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

The gross receivable and interest under finance lease contracts as at 31 December were as follows:

	Consolidated financial statements			
	2018		2017	
	Receivable and interest under finance lease contracts	Receivable under finance lease contracts -net	Receivable and interest under finance lease contracts	Receivable under finance lease contracts -net
	(in thousand Baht)			
Portion due within one year	3,952,243	1,262,818	6,642,158	3,554,683
Portion due after one year but within five years	17,254,194	10,363,312	18,373,611	9,915,207
Portion due after five years	7,891,863	6,044,385	10,724,689	7,755,308
	29,098,300	**17,670,515**	**35,740,458**	**21,225,198**
Less unearned interest income	(11,427,785)		(14,515,260)	
Receivable under finance lease contracts-net	**17,670,515**		**21,225,198**	

Other non-current receivables from related parties	**Consolidated financial statements**		**Separate financial statements**	
	2018	2017	2018	2017
	(in thousand Baht)			
Direct subsidiaries				
Ratchaburi Energy Company Limited	-	-	3,605	89
RATCH-Lao Services Company Limited	-	-	3,405	1,077
Direct joint venture				
Xe-Pian Xe-Namnoy Power Company Limited	9,901	7,301	9,901	7,301
Total	**9,901**	**7,301**	**16,911**	**8,467**

Other payables to related parties	**Consolidated financial statements**		**Separate financial statements**	
	2018	2017	2018	2017
	(in thousand Baht)			
Current				
Major Shareholder				
Electricity Generating Authority of Thailand	40,958	69,017	703	181
Direct subsidiaries				
Ratchaburi Electricity Generating Company Limited	-	-	310	242
RATCH-Lao Services Company Limited	-	-	-	2,387
Indirect subsidiaries				
RH International (Singapore) Corporation Pte. Ltd.	-	-	-	2,978
RATCH-Australia Corporation Pty. Ltd.	-	-	2,508	-

Notes to the financial statements
Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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Other payables to related parties	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Indirect joint venture				
Ratchaburi Power Company Limited	15,187	15,194	13,679	13,686
Total	**56,145**	**84,211**	**17,200**	**19,474**
Non-current				
Other related party				
Broadspectrum Pty Limited	-	**150,380**	-	-

Long-term loans from related party	Interest rate		Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017	2018	2017
	(% per annum)		*(in thousand Baht)*			
Other related party						
Broadspectrum Pty Limited	-	7.15	-	1,013,803	-	-
Less current portion of long-term loans			-	-	-	-
Long-term loans from related party-net			-	**1,013,803**	-	-

Movements during the years ended 31 December of long-term loans from related party were as follows:

Long-term loans from related party	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
		(in thousand Baht)		
At 1 January	1,013,803	1,029,085	-	-
Decrease	(950,433)	-	-	-
Exchange rate adjustment	(63,370)	(15,282)	-	-
At 31 December	-	**1,013,803**	-	-

Significant agreements with related parties

Long-term loans to related parties

As at 31 December 2018, the Company had outstanding balance of loans to Ratchaburi Energy Company Limited, a direct subsidiary, amounting to Baht 175 million which bear interest at the rate of 4.00 per annum and will be due at call. The Company has no intention to recall such loans from the subsidiary within one year. Therefore, the Company classified the balance of such loans as long-term loans.

As at 31 December 2018, the Company had outstanding balance of loans to RATCH-Lao Services Company Limited, a direct subsidiary, amounting to U.S. Dollars 32.60 million or equivalent to Baht 1,049.47 million which bear interest at the rate of 3.65 per annum. Principle and interest will be due as stipulated in the agreement. The Company has no intention to recall such loans from the subsidiary within one year. Therefore, the Company classified the balance of such loans as long-term loans.

As at 31 December 2018, the Company had outstanding balance of loans to Xe-Pian Xe-Namnoy Power Company Limited, a direct joint venture, in proportion of investment of 25%, amounting to U.S. Dollars 1.32 million or equivalent to Baht 42.49 million which bear interest at the rate of 3-Month London Interbank Offered Rate (LIBOR), plus fixed margin per annum. Such loan agreement determined the repayment term of principal and interest within 27 years commencing from such joint venture made the first drawdown of loans from financial institutions on 5 February 2014 and when the outstanding of unpaid-up share capital under Lao Holding State Enterprise, the shareholder of such joint venture, fully paid share capital.

Power Purchase Agreement

On 9 October 2000, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Power Purchase Agreement with EGAT for a period of 25 years, whereby such subsidiary will deliver net electricity generation from Thermal power plants unit 1 and 2 and Combined Cycle power plants block 1, 2 and 3 to EGAT under the conditions of the Power Purchase Agreement. Such subsidiary will receive revenue from EGAT, which is comprised of an Availability Payment (AP) and an Energy Payment (EP). Availability Payment (AP) covers the repayment of principal and interest of loans, return on shareholders' equity, fixed costs of operation and maintenance, and administrative expenses. Such costs will be adjusted to cover the changes of interest rates, Consumer Price Index and exchange rates. Energy Payment (EP) covers production costs which is comprised of fuel costs, variable costs of operation and maintenance. Such costs will be adjusted in accordance with fuel price, Energy Efficiency Ratio and Consumer Price Index.

On 1 August 2014, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, obtained the transfer of right in a Power Purchase Agreement with EGAT from a subsidiary which was dissolved in year 2014. Such agreement dated on 22 May 1997 and has a period of 20 years commencing from the commercial operation date of such dissolved subsidiary.

Operation and Maintenance Agreement

On 7 January 2009, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into an Operation and Maintenance Agreement with EGAT. The agreement is effective from 1 January 2009 until the termination dates of the Power Purchase Agreement for Thermal power plants and Combined Cycle power plants. EGAT will operate and provide routine maintenance services including major overhaul to such subsidiary. The initial value of the agreement is approximately Baht 16,608.16 million, which will be adjusted by the annual Consumer Price Index.

Fuel Management Service Agreement

On 1 July 2012, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Fuel Management Service Agreement with EGAT, whereby EGAT will coordinate the supply and delivery of fuel oil, according to the demand of such subsidiary and align with EGAT's power dispatching plan. The agreement is effective from 1 July 2012 until 30 June 2013. The service fee is stipulated in the agreement. The agreement is automatically extended for a period of 1 year unless written notice.

Land Lease Agreement and Common Facility Agreement

On 7 June 2004 and 21 October 2005, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Land Lease Agreement for an area of 145 rai with Ratchaburi Power Company Limited, an indirect joint venture. The land is located in the Ratchaburi Power Plant area. The rental period is 25 years and 3 months commencing from the commercial operation date of Ratchaburi Power Company Limited.

On 25 November 2005, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Common Facility Agreement with Ratchaburi Power Company Limited, an indirect joint venture, whereby such subsidiary will provide certain facilities, services, right to use and access rights to utilities relating to construction and operation to Ratchaburi Power Company Limited as stipulated in the agreement. This agreement is effective from the signing date in the agreement until the termination date of the Land Lease Agreement dated on 7 June 2004.

Management Service Agreement

On 27 February 2004, the Company entered into a Management Service Agreement with Ratchaburi Power Company Limited, an indirect joint venture, whereby the Company will receive management service fee amounting to U.S. Dollars 2.50 million per annum for a period of 25 years and 3 months commencing from the commercial operation date of the Power Plant Unit 1 of Ratchaburi Power Company Limited. The total value of the agreement is U.S. Dollars 63.12 million.

Operation and Maintenance Service Agreement

On 10 September 2013, RATCH-Lao Services Company Limited, a direct subsidiary, entered into a Personnel Providing Service for Operation and Maintenance Agreement with EGAT, whereby such subsidiary will recruit and provide qualified personnel according to the number and qualifications specified in the agreement for operation and maintenance of Hongsa Thermal Power Plant located in Lao PDR. Subsequently on 22 November 2017, RATCH-Lao Services Company Limited entered into new Operation and Maintenance Service Agreement of Hongsa Thermal Power Plant with EGAT. The agreement is effective from 1 December 2017 to 31 October 2020. The total value of the agreement is Baht 135 million.

Construction Supervision Contractor Service Agreement

On 28 November 2013, the Company entered into a Construction Supervision Contractor Service Agreement with Xe-Pian Xe-Namnoy Power Company Limited, a direct joint venture, to provide control and management services for the construction of Xe-Pian Xe-Namnoy Hydroelectric Power Plant located in Champasak district and Attapeu district, Lao PDR, for a period of 64 months with service fee U.S. Dollars 10.96 million.

Agreement in relation to investments in Chubu Ratchaburi Electric Services Company Limited

On 29 September 2005, the Company and Chubu Electric Power (Thailand) Company Limited entered into a Shareholders Agreement to set up Chubu Ratchaburi Electric Services Company Limited, a direct joint venture. Under the terms of the Shareholders Agreement, if Chubu Ratchaburi Electric Services Company Limited requires additional funding exceeding its authorised share capital, the Company agreed to provide financial support in the form of shareholders' loans or the provision of shareholders guarantees in proportion of investment of 50%. The agreement does not specify the amount of financial support. As at 31 December 2018, the Company has not provided any loans or guarantees under the agreement.

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Sponsor Support Agreement with Northern Bangkok Monorail Company and Eastern Bangkok Monorail Company Limited

On 9 October 2017, the Company entered into a Sponsor Support Agreement with Northern Bangkok Monorail Company Limited and Eastern Bangkok Monorail Company Limited, investments in other companies. The Company agreed to provide financial support in the form of shareholders' loans or the provision of shareholders guarantee in proportion of investment of 10%. The agreement does not specify the amount of financial support. As at 31 December 2018, the Company has not provided any loans or guarantees under the agreement.

Obligations related to the Share Purchase Agreement

The Company has obligations under a Share Purchase Agreement related to purchase of ordinary shares in two associates. Under the terms of the agreement, other shareholder has retain additional right to the Company's dividend entitlements from such associates.

7 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Cash on hand	341	279	30	30
Cash at banks - current accounts	2,991,887	3,342,076	750	55
Cash at banks - savings accounts	1,266,441	1,490,103	456,197	625,739
Highly liquid short-term investments	7,436,578	4,455,000	4,400,00	3,615,000
Cash and cash equivalents in the statement of financial position	**11,695,247**	**9,287,458**	**4,856,977**	**4,240,824**
Bank overdrafts used for cash management purposes	-	-	-	-
Cash and cash equivalents in the statement of cash flows	**11,695,247**	**9,287,458**	**4,856,977**	**4,240,824**

8 Other investments

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Current investments				
Short-term deposits at financial institutions	1,425,000	200,000	-	200,000
Debt securities held for trading	500,202	493,082	467,761	461,018
Other debt securities held to maturity	303,894	30,000	300,000	30,000
	2,229,096	**723,082**	**767,761**	**691,018**
Other long-term investments				
Equity securities available for sale	2,538,934	3,195,527	-	-
Other debt securities held to maturity	113,000	386,922	113,000	383,000
	2,651,934	**3,582,449**	**113,000**	**383,000**
Total	**4,881,030**	**4,305,531**	**880,761**	**1,074,018**

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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As at 31 December 2018, other long-term investments held to maturity, with a carrying amount of Baht 113.00 million *(2017: Baht 386.92 million)* have annual interest rates of from 3.00% to 3.05% *(2017: 0.5% to 5.2%)* and mature within 2 to 4 years.

Movements during the years ended 31 December of marketable equity and debt securities were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Current investments				
Debt securities held for trading				
At 1 January	493,082	482,475	461,018	447,856
Purchases during the year	284,219	181,654	284,219	181,654
Sales during the year	(276,253)	(173,903)	(276,253)	(170,918)
Valuation adjustment	(846)	2,856	(1,223)	2,426
At 31 December	**500,202**	**493,082**	**467,761**	**461,018**
Other long-term investments				
Equity securities available for sale				
At 1 January	3,195,527	3,730,280	-	-
Valuation adjustment	(656,593)	(534,753)	-	-
At 31 December	**2,538,934**	**3,195,527**	-	-

Dividend income from equity securities available for sale

During the year 2018, the Group had received dividend income in the proportion of investment in equity securities available for sale amounting to Baht 186.78 million *(2017: Baht 188.90 million)*.

9 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Related party (Note 6)	5,226,926	6,731,131	-	-
Other parties	404,357	113,568	-	-
Total	**5,631,283**	**6,844,699**	-	-
Less allowance for doubtful accounts	-	(59,646)	-	-
Net	**5,631,283**	**6,785,053**	-	-
(Reversal of) doubtful debts expense for the year	(55,940)	55,940	-	-

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Related party				
Within credit terms	5,226,926	6,437,590	-	-
Overdue:				
Less than 3 months	-	34,598	-	-
3-6 months	-	74,280	-	-
6-12 months	-	97,805	-	-
Over 12 months	-	86,858	-	-
	5,226,926	**6,731,131**	-	-
Less allowance for doubtful accounts	-	(59,646)	-	-
	5,226,926	**6,671,485**	-	-
Other parties				
Within credit terms	273,604	113,568	-	-
Overdue:				
Less than 3 months	73,799	-	-	-
3-6 months	56,954	-	-	-
6-12 months	-	-	-	-
Over 12 months	-	-	-	-
	404,357	**113,568**	-	-
Less allowance for doubtful accounts	-	-	-	-
	404,357	**113,568**	-	-
Net	**5,631,283**	**6,785,053**	-	-

The normal credit term granted by the Group is not exceeding 1 month.

10 Other receivables

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		(in thousand Baht)			
Related parties	6	**61,885**	**41,392**	**77,178**	**101,492**
Other parties					
Prepaid expenses		69,491	95,064	11,774	11,219
Insurance claim receivable		-	599,152	-	-
Others		83,891	58,275	33,798	36,289
		153,382	**752,491**	**45,572**	**47,508**
Total		**215,267**	**793,883**	**122,750**	**149,000**
Less allowance for doubtful accounts		-	-	-	-
Net		**215,267**	**793,883**	**122,750**	**149,000**
Current		205,366	786,582	105,839	140,533
Non-current		9,901	7,301	16,911	8,467
Total		**215,267**	**793,883**	**122,750**	**149,000**

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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11 Spare parts and supplies

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Fuel oil	1,197,775	1,211,235	-	-
Spare parts and supplies	1,683,131	1,805,925	-	-
Spare parts and supplies in transit	3,350	106,230	-	-
Total	**2,884,256**	**3,123,390**	-	-
Less allowance for obsolescence of spare parts and suppliers	(925,799)	(995,915)	-	-
allowance for decline in value of fuel oil	(25,565)	(54)	-	-
Net	**1,932,892**	**2,127,421**	-	-
Spare parts and supplies recognised as an expense in 'cost of sales':				
- Cost	118,089	425,842	-	-
- Write-down to net realisable value	75,746	61,934	-	-
- Reversal of write-down	-	(58,060)	-	-
Net	**193,835**	**429,716**	-	-

12 Investments in associates and joint ventures

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
		(Restated)		
		(in thousand Baht)		
At 1 January	25,315,902	24,643,594	5,044,942	4,393,296
Share of net profits of associates and joint ventures	4,735,465	3,595,403	-	-
Share of other comprehensive income (expense) of associates and joint ventures	145,728	139,309	-	-
Addition investments in joint ventures	3,071,288	1,004,837	372,719	651,646
Disposal of investments in joint ventures	-	(308,644)	-	-
Write-off investment in joint venture	-	(15,156)	-	(15,446)
Reversal of allowance for impairment	-	15,156	-	15,446
Dividend income	(2,372,274)	(2,371,606)	-	-
Exchange rate adjustment	(167,297)	(1,393,662)	-	-
Others	(6,671)	6,671	-	-
At 31 December	**30,722,141**	**25,315,902**	**5,417,661**	**5,044,942**

Investments in associates and joint ventures as at 31 December 2018 and 2017, and dividend income from those investments for the years then ended, were as follows:

	Consolidated financial statements									
	Ownership interest		Paid-up capital		Cost		Equity		Dividend income	
	2018	2017	2018	2017	2018	2017	2018	2017 (Restated)	2018	2017
	(%)				(in thousand Baht)					
Direct associates										
First Korat Wind Company Limited	20	20	1,996,020	1,996,020	399,204	399,204	415,025	486,558	57,141	186,000
K.R. TWO Company Limited	20	20	1,827,000	1,827,000	365,400	365,400	373,245	408,738	38,542	130,000
					764,604	764,604	788,270	895,296	95,683	316,000
Indirect associates										
Solar Power (Korat 3) Company Limited *	40	40	188,750	188,750	75,500	75,500	138,242	122,773	14,043	16,610
Solar Power (Korat 4) Company Limited *	40	40	199,250	199,250	79,700	79,700	145,667	126,486	9,405	11,238
Solar Power (Korat 7) Company Limited *	40	40	188,750	188,750	75,500	75,500	137,044	121,045	14,344	14,119
Perth Power Partnership (Kwinana)	30	24	2,311,167	2,311,167	618,531	618,531	419,671	484,099	55,673	103,304
					849,231	849,231	840,624	854,403	93,465	145,271
Total					1,613,835	1,613,835	1,628,894	1,749,699	189,148	461,271
Direct joint ventures										
Chubu Ratchaburi Electric Services Company Limited	50	50	20,000	20,000	10,000	10,000	71,384	77,035	22,500	35,000
SouthEast Asia Energy Limited	33.33	33.33	6,606,750	6,606,750	2,202,250	2,202,250	2,832,873	2,627,317	193,798	240,045
Nam Ngum 3 Power Company Limited	25	25	1,808	1,808	452	452	-	-	-	-
Xe-Pian Xe-Namnoy Power Company Limited	25	25	9,761,419	8,270,543	2,440,355	2,067,636	2,268,588	1,912,671	-	-
					4,653,057	4,280,338	5,172,845	4,617,023	216,298	275,045

*The Group reclassified these investments from investments in joint ventures to investments in associates.

For the year ended 31 December 2018

	Consolidated financial statements									
	Ownership interest		Paid-up capital		Cost		Equity		Dividend income	
	2018	2017	2018	2017	2018	2017	2018	2017 (Restated)	2018	2017
	(%)				(in thousand Baht)					
Indirect joint ventures										
Ratchaburi Power Company Limited	25	25	7,325,000	7,325,000	1,831,250	1,831,250	3,670,968	3,714,259	225,000	450,000
Nava Nakorn Electricity Generating Company Limited	40	40	1,550,000	1,525,000	620,000	610,000	735,578	703,321	144,000	-
Ratchaburi World Cogeneration Company Limited	40	40	2,500,000	2,500,000	1,000,000	1,000,000	1,283,102	1,242,432	200,000	150,000
Berkprai Cogeneration Company Limited	35	35	1,331,000	1,331,000	465,850	465,850	433,236	432,625	-	-
Solarta Company Limited	49	49	1,100,000	1,100,000	545,960	545,960	1,314,475	1,162,565	37,730	59,290
Songkhla Biomass Company Limited	40	40	246,000	246,000	98,400	98,400	149,162	135,104	20,000	16,000
Songkhla Biofuel Company Limited	40	40	1,000	1,000	400	400	342	352	-	-
Hongsa Power Company Limited	40	40	32,324,715	32,324,715	12,929,886	12,929,886	13,517,057	11,286,283	981,600	960,000
Phu Fai Mining Company Limited	37.50	37.50	1,679	1,679	630	630	109,864	272,239	358,498	-
PT Medco Ratch Power Riau	49	49	7,762	7,762	3,803	3,803	50,901	-	-	-
Fareast Renewable Development Pte. Ltd.	50	-	2,849,190	-	2,688,569	-	2,655,717	-	-	-
					20,184,748	17,486,179	23,920,402	18,949,180	1,966,828	1,635,290
Total					24,837,805	21,766,517	29,093,247	23,566,203	2,183,126	1,910,335

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

For the year ended 31 December 2018

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost		Impairment		At cost-net		Dividend income	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	(%)				(in thousand Baht)							
Associates												
First Korat Wind Company Limited	20	20	1,996,020	1,996,020	399,204	399,204	-	-	399,204	399,204	57,141	186,000
K.R. TWO Company Limited	20	20	1,827,000	1,827,000	365,400	365,400	-	-	365,400	365,400	38,542	130,000
Total					**764,604**	**764,604**	-	-	**764,604**	**764,604**	**95,683**	**316,000**
Joint ventures												
Chubu Ratchaburi Electric Services Company Limited	50	50	20,000	20,000	10,000	10,000	-	-	10,000	10,000	22,500	35,000
SouthEast Asia Energy Limited	33.33	33.33	6,606,750	6,606,750	2,202,250	2,202,250	-	-	2,202,250	2,202,250	193,798	240,045
Nam Ngum 3 Power Company Limited	25	25	1,808	1,808	452	452	-	-	452	452	-	-
Xe-Pian Xe-Namnoy Power Company Limited	25	25	9,761,419	8,270,543	2,440,355	2,067,636	-	-	2,440,355	2,067,636	-	-
Total					**4,653,057**	**4,280,338**	-	-	**4,653,057**	**4,280,338**	**216,298**	**275,045**

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

During the year ended 31 December 2018, there were the following acquisitions and additional paid-up share capital and increase in share capital of investments in joint ventures:

Investment in Fareast Renewable Development Pte. Ltd.

On 6 December 2018, RH International (Singapore) Corporation Pte. Ltd., an indirect subsidiary, has purchased the existing ordinary shares and the additional ordinary shares of Fareast Renewable Development Pte. Ltd. ("FRD"), incorporated in Singapore, from Fareast Green Energy Pte. Ltd., the existing shareholder, in order to participate in the operation of Asahan-1 Hydroelectric Power Plant ("Asahan-1") in the Republic of Indonesia, which operated by PT Bajradaya Sentranusa ("BDSN") in proportion of investment of 50% of issued and paid-up share capital, for a consideration of U.S. Dollars 81.92 million or equivalent to Baht 2,688.57 million. As a result, FRD became a joint venture of the Group.

After such transactions are completed, the shareholder structure of FRD comprises the Group 50% and Fareast Green Energy Pte. Ltd. 50%. The shareholder structure of BDSN comprises FRD 53.21% (the Group held an indirect investment through RHIS and FRD at approximately 26.61%) and minority interest 46.79%.

Asahan-1 is a run-of-river Hydroelectric Power Plant with the generation capacity of 180 Megawatts. It is located in Asahan River, North Sumatra Province in the Republic of Indonesia. It has commenced commercial operation since January 2011 and has a power purchase agreement with PT PLN (Persero) ("PLN") for a period of 30 years ending on 31 December 2040.

Management believes that the investment in such joint venture will enable the Group to benefit greatly from the expansion of investments in the Republic of Indonesia in the future.

Identifiable assets acquired and liabilities assumed

	Carrying amounts	Fair value adjustments	Fair value
		(in thousand Baht)	
Cash and cash equivalents	966,272	-	966,272
Derivative assets	148,336	-	148,336
Trade and other receivables	435,994	-	435,994
Property, plant and equipment	1,738	-	1,738
Finance lease receivable	13,289,782	5,268,430	18,558,212
Loans	(6,584,524)	-	(6,584,524)
Trade and other payables	(308,886)	-	(308,886)
Current tax payable	(11,690)	-	(11,690)
Deferred tax liabilities	(1,219,308)	(1,477,340)	(2,696,648)
Non-current provisions for employee benefits	(11,098)	-	(11,098)
Other long-term provisions	(772,298)	640,932	(131,366)
Net identifiable assets acquired and liabilities assumed	**5,934,318**	**4,432,022**	**10,366,340**
Non-controlling interests	(3,295,254)	(1,885,958)	(5,181,212)
Net	**2,639,064**	**2,546,064**	**5,185,128**
Interest acquired *(%)*			50

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Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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	Carrying amounts	Fair value adjustments	Fair value
		(in thousand Baht)	
Fair values of identifiable assets acquire			
and liabilities assumed			**2,592,564**
Goodwill arising from the acquisition			95,092
Total consideration - paid			**2,687,656**

An independent appraiser has been appointed to determine the fair value of the business but the report of the appraiser is not yet completed as at the date of approval of these consolidated financial statements. Accordingly, the fair value of assets acquired and liabilities assumed have been provisionally determined at the acquisition date.

In accordance with TFRS3, management is required to make a preliminary assessment of the fair values of businesses acquired as at the acquisition date. During the measurement period, which must not exceed one year from the acquisition date, the acquirer shall adjust the provisional amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date.

Investment in Asia Water Sole Co., Ltd.

On 19 December 2018, RATCH-Lao Services Company Limited, a direct subsidiary, entered into a sales and purchase agreement of shares in Asia Water Sole Co., Ltd., incorporated in Lao PDR, with a local company in Lao PDR to acquire 40% of the registered shares for U.S. Dollars 5.80 million to operate the Sandin Water Supply Project in Lao PDR. Under the agreement, the payment terms of purchase shares were separated into 2 portions (1st payment 10% and last payment 90%). Subsequently, on 3 January 2019, such subsidiary paid the 1st payment for advance payment in proportion of investment amounting to U.S. Dollars 0.58 million or equivalent to Baht 18.92 million. The last payment is expected to be paid in February 2019. As a result, such company became a joint venture of the Group.

Additional paid-up share capital and increase in share capital

During the year ended 31 December 2018, joint ventures called for additional paid-up share capital and increase in share capital. The Group paid for such share capital in the proportion of investments as follows:

Name of entities	Description	Amount *(in million Baht)*
Direct joint venture		
Xe-Pian Xe-Namnoy Power Company Limited	Called for additional paid-up share capital	372.72
Indirect joint ventures		
Nava Nakorn Electricity Generating Company Limited	Called for additional paid-up share capital	10.00
Fareast Renewable Development Pte. Ltd.	Called for increase in share capital	2,688.57

Progress of Saddle Dam D collapsed

On 23 July 2018, the Saddle Dam D of Xe-Pian Xe-Namnoy Hydroelectric Power Project, located in Champasak district, Lao PDR, of Xe-Pain Xe-Namnoy Power Company Limited, a direct joint venture, collapsed. The Saddle Dam fractured which caused the water flow to the downstream area. The joint venture evacuated the people residing around the affected area for safety. The project also has a standard insurance package in accordance with the loan agreement, including all risk insurance for construction, third-party liability insurance, and delay start-up insurance. The costs incurred as a result of the collapse are primarily the responsibility of the contractor in charge of engineering, procurement and construction (EPC). Currently, the joint venture, together with its insurers is in the process of assessing the situation and the Government of Lao PDR appointed National Investigation Committee to investigate such situation which expect to finish in year 2019.

Dissolution of joint venture

At the extraordinary shareholders' meeting of Nam Ngum 3 Power Company Limited, a direct joint venture, held on 31 July 2018, the shareholders approved to dissolution of such joint venture. Subsequently on 12 September 2018, such joint venture registered the dissolution with Ministry of Industry and Trade of Lao PDR. As at 31 December 2018, the liquidation has been under process.

Joint ventures

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

	Ratchaburi Power Company Limited		Hongsa Power Company Limited	
	2018	2017 (Restated)	2018	2017 (Restated)
	(in thousand Baht)			
Revenue	17,757,595	19,446,516	22,127,588	21,171,673
Profit from continuing operations	726,836	1,328,860[a]	7,800,048	5,183,567[c]
Other comprehensive income (loss)	-	-	410,631	348,877
Total comprehensive income (loss) *(100%)*	726,836	1,328,860	8,210,679	5,532,444
Group's interest *(%)*	25	25	40	40
Group's share of total comprehensive income (expense)	**181,709**	**332,215**	**3,284,272**	**2,212,978**
Current assets	9,194,217	8,968,822[b]	21,088,038	19,674,684[b]
Non-current assets	9,852,677	11,130,511	94,463,710	95,400,049
Current liabilities	(4,724,342)	(4,491,964)[a]	(8,568,213)	(7,758,292)[c]
Non-current liabilities	(1,065,237)	(2,262,462)[d]	(70,843,788)	(76,987,790)[d]
Net assets *(100%)*	13,257,315	13,344,907	36,139,747	30,328,651
Group's share of net assets	3,314,329	3,336,227	14,455,899	12,131,460
Exchange differences on translating in the consolidated financial statements and others	356,639	378,032	(938,842)	(845,177)
Carrying amount of interest in joint ventures	**3,670,968**	**3,714,259**	**13,517,057**	**11,286,283**

	Ratchaburi Power Company Limited		Hongsa Power Company Limited	
	2018	2017 (Restated)	2018	2017 (Restated)
	(in thousand Baht)			
Remark:				
a. Includes:				
– depreciation and amortisation	876,445	885,000	189,285	121,618
– interest expense	162,334	212,824	5,287,634	3,208,298
– income tax expense	232,252	362,998	-	-
b. Includes cash and cash equivalents	3,582,625	3,398,448	8,786,011	8,222,195
c. Includes current financial liabilities (excluding trade and other payables and provisions)	1,343,672	1,671,030	5,814,742	5,386,243
d. Includes non-current financial liabilities (excluding trade and other payables and provisions)	1,023,670	2,224,361	70,419,435	76,684,096

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Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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Immaterial associates and joint ventures

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

	Immaterial associates		Immaterial joint ventures	
	2018	2017 (Restated)	2018	2017 (Restated)
	(in thousand Baht)			
Carrying amount of interests in immaterial associates and joint ventures	**1,628,894**	**1,749,699**	**11,905,222**	**8,565,661**
Group's share of:				
- Profit from continuing operations	119,793	327,669	1,313,943	862,092
- Other comprehensive income (expense)	-	(3)	(18,524)	(239)
- Total comprehensive income (expense)	**119,793**	**327,666**	**1,295,419**	**861,853**

13 Investments in subsidiaries

	Separate financial statements	
	2018	2017
	(in thousand Baht)	
At 1 January	40,690,558	40,690,558
Additions investment	-	-
At 31 December	**40,690,558**	**40,690,558**

Investments in subsidiaries as at 31 December 2018 and 2017, and dividend income from those investments for the years then ended, were as follows:

	Separate financial statements											
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	(%)				(in thousand Baht)							
Subsidiaries												
Ratchaburi Electricity Generating Company Limited	99.99	99.99	21,900,000	21,900,000	21,900,000	21,900,000	-	-	21,900,000	21,900,000	2,968,828	3,657,131
Ratchaburi Energy Company Limited	99.99	99.99	640,000	640,000	640,000	640,000	-	-	640,000	640,000	-	-
RATCH-Lao Services Company Limited	99.99	99.99	77,858	77,858	77,858	77,858	-	-	77,858	77,858	-	-
RH International Corporation Limited *	99.99	99.99	17,650,000	17,650,000	17,650,000	17,650,000	-	-	17,650,000	17,650,000	-	-
RATCH O&M Company Limited	99.99	99.99	2,500	2,500	2,500	2,500	-	-	2,500	2,500	-	-
Ratchaburi Allimces Company Limited	99.99	99.99	420,200	420,200	420,200	420,200	-	-	420,200	420,200	225,000	450,000
Total					**40,690,558**	**40,690,558**	**-**	**-**	**40,690,558**	**40,690,558**	**3,193,828**	**4,107,131**

All subsidiaries were incorporated in Thailand, except RATCH-Lao Services Company Limited which was incorporated in the Lao PDR.

* Please see note to the financial statement 18 - Impairment testing for CGUs containing goodwill

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Increase in share capital of RATCH-Australia Corporation Pty. Ltd.

At the Board of Directors meeting of RATCH-Australia Corporation Pty. Ltd., an indirect subsidiary, held on 30 October 2018, the Board approved to increase the authorised share capital from Australian Dollars 312.65 million *(comprising 197.58 million ordinary shares)* to Australian Dollars 327.65 million *(comprising 337.19 million ordinary shares)* by issuance of new ordinary shares totalling 139.61 million shares. Subsequently on 27 December 2018, RH International (Singapore) Corporation Pte. Ltd., an indirect subsidiary, paid for share capital totalling Australian Dollars 15 million or equivalent to Baht 342.97 million, in the proportion of investment of 100%.

14 Investments in other companies

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
At 1 January	762,300	62,300	762,300	62,300
Addition investments	1,680,000	700,000	1,680,000	700,000
At 31 December	**2,442,300**	**762,300**	**2,442,300**	**762,300**

Investments in other companies as at 31 December 2018 and 2017, and dividend income from those investments for the years then ended, were as follows:

	Consolidated financial statements											
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	(%)				(in thousand Baht)							
Other companies												
EGAT Diamond Service Company Limited	10	10	623,000	623,000	62,300	62,300	-	-	62,300	62,300	-	-
Northern Bangkok Monorail Company Limited	10	10	11,800,000	3,500,000	1,180,000	350,000	-	-	1,180,000	350,000	-	-
Eastern Bangkok Monorail Company Limited	10	10	12,000,000	3,500,000	1,200,000	350,000	-	-	1,200,000	350,000	-	-
Total					2,442,300	762,300	-	-	2,442,300	762,300	-	-

Increase in share capital and additional paid-up share capital

During the year ended 31 December 2018, other companies increased in share capital and called for additional paid-up share capital. The Company paid for such share capital in proportion of investments as follows:

Name of entities	Description	Amount (in million Baht)
Northern Bangkok Monorail Company Limited	Increased in share capital and additional paid-up share capital	830.00
Eastern Bangkok Monorail Company Limited	Increased in share capital and additional paid-up share capital	850.00

15 Advance payment for investment

On 8 May 2017, Ministry of Energy and Mineral Resources of the Republic of Indonesia, approved a Power Purchase Agreement between PT PLN (PERSESO) and PT Medco Ratch Power Riau ("MRPR"), an indirect joint venture, to develop Riau Combined-Cycle Power Plant Project in the Republic of Indonesia. Under the agreement, MRPR need to open the Project Development Cost Account to fulfill the condition precedent of the Power Purchase Agreement by the given period as stipulated in the agreement. Subsequently on 19 May 2017, RH International (Singapore) Corporation Pte. Ltd., an indirect subsidiary, made a payment to open the Project Development Cost Account as stipulated in the agreement, amounting to U.S. Dollars 20.83 million, in proportion of investment of 49%.

During the year 2018, the Group received back the advance payment amounting to U.S. Dollars 19.85 million from MRPR due to the process of opening the Project Development Cost Account is completed. Subsequently, the Group made an additional advance payment to MRPR for use in project development amounting to U.S. Dollars 20.50 million.

As at 31 December 2018, the Group had outstanding balance of advance payment for investment amounting to U.S. Dollars 21.48 million or equivalent Baht 696.91 million.

16 Land for future development projects

At 31 December 2018, the Group has land for future development projects comprise the 317 rai located in Pathum Thani province, the 19 rai located in Nakhorn Sri Thammarat province and the 52 rai located in Petchaburi province with a net book value of Baht 318.57 million. The Group is considering the future development plan but not yet finalised.

However, the Group engaged an external independent property valuers to determine the market value of such land during 2018 by using the Market comparison approach (Market approach). The book value of land located in Petchaburi province is higher than the recoverable amount because some areas were eroded by sea. The Group has recognised impairment loss of such land Baht 20.58 million during 2018.

Measurement of fair value

Fair value hierarchy

The fair value of land for future development projects was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's land for future development projects on a regular basis.

The fair value measurement for land for future development projects has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

17 Property, plant and equipment

	Consolidated financial statements						
	Land	Buildings, structures and building improvements	Power plants, substation & transmission systems and operating & maintenance equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
				(in thousand Baht)			
Cost							
At 1 January 2017	1,355,876	488,717	24,507,744	581,915	19,966	1,119,131	28,073,349
Additions	8,989	-	191,057	4,611	-	4,379,543	4,584,200
Transfers	-	6,696	227,151	3,156	-	(237,003)	-
Disposals	-	(6,540)	(3,370)	(2,723)	-	(1,700)	(14,333)
Effect of movements in exchange rates	(3,685)	(1,790)	(345,875)	(83)	-	(80,726)	(432,159)
At 31 December 2017 and 1 January 2018	**1,361,180**	**487,083**	**24,576,707**	**586,876**	**19,966**	**5,179,245**	**32,211,057**
Additions	-	29,667	3,165,204	8,025	-	2,179,401	5,382,297
Transfers	-	-	4,527,870	4,884	-	(4,532,754)	-
Disposals	-	-	(17,969)	(6,429)	-	-	(24,398)
Reclassify	(29,940)	-	-	-	-	-	(29,940)
Effect of movements in exchange rates	(23,281)	(13,035)	(2,588,787)	(555)	-	(660,386)	(3,286,044)
At 31 December 2018	**1,307,959**	**503,715**	**29,663,025**	**592,801**	**19,966**	**2,165,506**	**34,252,972**

For the year ended 31 December 2018

	Consolidated financial statements						
	Land	Buildings, structures and building improvements	Power plants, substation & transmission systems and operating & maintenance equipment	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
				(in thousand Baht)			
Depreciation and impairment losses							
At 1 January 2017	-	144,448	13,643,142	459,646	19,434	-	14,266,670
Depreciation charge for the year	-	23,954	897,554	76,776	255	-	998,539
Disposals	-	(139)	(3,369)	(2,701)	-	-	(6,209)
Effect of movements in exchange rates	-	(1,082)	(211,957)	(55)	-	-	(213,094)
At 31 December 2017 and 1 January 2018	-	**167,181**	**14,325,370**	**533,666**	**19,689**	-	**15,045,906**
Depreciation charge for the year	-	23,740	855,324	25,646	255	-	904,965
Disposals	-	-	(8,038)	(6,419)	-	-	(14,457)
Effect of movements in exchange rates	-	(7,412)	(1,448,256)	(370)	-	-	(1,456,038)
At 31 December 2018	-	**183,509**	**13,724,400**	**552,523**	**19,944**	-	**14,480,376**
Net book value							
At 1 January 2017	**1,355,876**	**344,269**	**10,864,602**	**122,269**	**532**	**1,119,131**	**13,806,679**
At 31 December 2017 and 1 January 2018	**1,361,180**	**319,902**	**10,251,337**	**53,210**	**277**	**5,179,245**	**17,165,151**
At 31 December 2018	**1,307,959**	**320,206**	**15,938,625**	**40,278**	**22**	**2,165,506**	**19,772,596**

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2018 amounted to Baht 628.89 million and Australian Dollars 71.46 million *(2017: Baht 573.65 million and Australian Dollars 62.38 million)*.

Security

As at 31 December 2018, RATCH-Australia Corporation Pty. Ltd., an indirect subsidiary, has mortgaged land, buildings and power plants and has pledged power plant's equipment of 4 power plants with a net book value of Australian Dollars 686.57 million or equivalent to Baht 15,698.35 million *(2017: Australian Dollars 100 million or equivalent to Baht 2,550.71 million)* as collateral for long-term loans from financial institutions (see Note 21).

	Separate financial statements					
	Land	Buildings, structures and building improvements	Furniture, fixtures and office equipment	Vehicles	Assets under construction and installation	Total
			(in thousand Baht)			
Cost						
At 1 January 2017	295,993	309,636	454,770	960	1,670	1,063,029
Additions	-	-	3,066	-	1,360	4,426
Transfers	-	-	1,330	-	(1,330)	-
Disposals	-	-	(914)	-	(1,700)	(2,614)
At 31 December 2017 and 1 January 2018	**295,993**	**309,636**	**458,252**	**960**	**-**	**1,064,841**
Additions	-	-	5,865	-	-	5,865
Disposals	-	-	(5,445)	-	-	(5,445)
At 31 December 2018	**295,993**	**309,636**	**458,672**	**960**	**-**	**1,065,261**
Depreciation						
At 1 January 2017	-	49,901	362,592	559	-	413,052
Depreciation charge for the year	-	12,386	65,794	192	-	78,372
Disposals	-	-	(897)	-	-	(897)
At 31 December 2017 and 1 January 2018	**-**	**62,287**	**427,489**	**751**	**-**	**490,527**
Depreciation charge for the year	-	12,385	15,665	192	-	28,242
Disposals	-	-	(5,442)	-	-	(5,442)
At 31 December 2018	**-**	**74,672**	**437,712**	**943**	**-**	**513,327**
Net book value						
At 1 January 2017	**295,993**	**259,735**	**92,178**	**401**	**1,670**	**649,977**
At 31 December 2017 and 1 January 2018	**295,993**	**247,349**	**30,763**	**209**	**-**	**574,314**
At 31 December 2018	**295,993**	**234,964**	**20,960**	**17**	**-**	**551,934**

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2018 amounted to Baht 385.85 million *(2017: Baht 354.41 million)*.

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Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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18 Goodwill and intangible assets

	Consolidated financial statements				
	Software licences	Licenses on project development	Goodwill from business acquisition	Right to power purchase agreements	Total
			(in thousand Baht)		
Cost					
At 1 January 2017	125,267	716,614	672,697	5,586,981	7,101,559
Additions	15,427	-	-	-	15,427
Effect of movements in exchange rates	1,062	(62,996)	(26,157)	(82,970)	(171,061)
At 31 December 2017 and 1 January 2018	**141,756**	**653,618**	**646,540**	**5,504,011**	**6,945,925**
Additions	7,570	-	-	-	7,570
Effect of movements in exchange rates	(5,737)	(4,622)	(1,629)	(570,171)	(582,159)
At 31 December 2018	**143,589**	**648,996**	**644,911**	**4,933,840**	**6,371,336**
Amortisation and impairment losses					
At 1 January 2017	82,669	33,996	375,367	2,379,246	2,871,278
Amortisation charge for the year	11,153	27,150	-	264,008	302,311
Impairment losses	-	-	40,832	-	40,832
Effect of movements in exchange rates	(860)	(3,994)	-	(41,202)	(46,056)
At 31 December 2017 and at 1 January 2018	**92,962**	**57,152**	**416,199**	**2,602,052**	**3,168,365**
Amortisation charge for the year	9,842	25,848	-	243,362	279,052
Effect of movements in exchange rates	(5,356)	(293)	-	(281,514)	(287,163)
At 31 December 2018	**97,448**	**82,707**	**416,199**	**2,563,900**	**3,160,254**
Net book value					
At 1 January 2017	**42,598**	**682,618**	**297,330**	**3,207,735**	**4,230,281**
At 31 December 2017 and at 1 January 2018	**48,794**	**596,466**	**230,341**	**2,901,959**	**3,777,560**
At 31 December 2018	**46,141**	**566,289**	**228,712**	**2,369,940**	**3,211,082**

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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	Separate financial statements Software licences *(in thousand Baht)*
Cost	
At 1 January 2017	24,407
Additions	4,492
At 31 December 2017 and 1 January 2018	**28,899**
Additions	3,540
At 31 December 2018	**32,439**
Amortisation	
At 1 January 2017	20,858
Amortisation charge for the year	1,707
At 31 December 2017 and at 1 January 2018	**22,565**
Amortisation charge for the year	2,715
At 31 December 2018	**25,280**
Net book value	
At 1 January 2017	**3,549**
At 31 December 2017 and at 1 January 2018	**6,334**
At 31 December 2018	**7,159**

Impairment testing for CGUs containing goodwill

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs. The balance of goodwill as at 31 December 2018 and 2017 mainly came from Toora Wind Farm in Australia.

The recoverable amounts of goodwill, right to power purchase agreements and property, plant and equipment in Australia (CGU) were based on its value in use, determined by discounting the future cash flows to be generated from the continuing use of the power plants in Australia.

The key assumptions used in the estimation of value in use included the discount rates which was a post-tax measure based on the rate of 7-year historic of average 10-year government bonds from Reserve Bank Australia (RBA) defined as a risk free rate, in line with the principle underlying the Capital Asset Pricing Model (CAPM) theory with debt leveraging of 60% for Thermal power plants and 50% for Wind Farms and the future cash flows were prepared using the external information, which included sales volumes, prices, operating costs, inflation rate and long-term growth rates based on estimate throughout the remaining period of the power purchase agreements.

The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources. The key assumptions used in the estimation of value in use are set out below:

	Consolidated financial statements	
	2018	2017
	(%)	
Discount rate - Thermal power plants	6.37	6.48
Discount rate - Wind Farms	6.16	6.43

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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The discount rates were a post-tax measure based on the rate of 10-year government bonds issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally and the systematic risk of the specific CGU.

Revenue projection

The total revenue projections for the power plant assets have been determined in accordance with the power purchase agreements applying the revenue projections from external information for the post power purchase agreement periods. The assumptions included tariff from thermal power plants and wind farms, carbon credit prices, nature gas prices, electricity demands, exchange rates, inflation rates and other related factors.

The impairment testing has been prepared by the management of RATCH-Australia Corporation Pty. Ltd. ("RAC") from the information as specified in the power purchase agreements with the counterparties while estimating revenue and expenses from the external source and other related factors and conservative approach are used when preparing the testing. The RAC's management have also conducted many sensitivity tests from the most conservative approach to more aggressive assumptions. There were no impairment loss recognised for any RAC's assets.

19 Deferred tax

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

	Consolidated financial statements			
	Assets		Liabilities	
	2018	2017 (Restated)	2018	2017 (Restated)
	(in thousand Baht)			
Total	4,961,187	5,707,095	(6,237,871)	(7,277,333)
Set off of tax	(4,758,955)	(5,574,052)	4,758,955	5,574,052
Net deferred tax assets (liabilities)	**202,232**	**133,043**	**(1,478,916)**	**(1,703,281)**

	Separate financial statements			
	Assets		Liabilities	
	2018	2017	2018	2017
	(in thousand Baht)			
Total	32,422	29,942	-	-
Set off of tax	-	-	-	-
Net deferred tax assets	**32,422**	**29,942**	**-**	**-**

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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

	Consolidated financial statements				
		(Charged) / credited to:			
	At 1 January 2018 (Restated)	Profit or loss	Other comprehensive income	Exchange differences	At 31 December 2018
			(in thousand Baht)		
Deferred tax assets					
Allowance for obsolescence of spare parts and supplies and allowance for decline in value of fuel oil	272,465	16,228	-	(4,144)	284,549
Property, plant and equipment	4,814,444	(627,393)	-	(73,452)	4,113,599
Finance leases liabilities	135	1	-	-	136
Provisions for employee benefits	34,727	2,400	-	-	37,127
Loss carry forward	479,409	(8,254)	-	(47,501)	423,654
Others	105,915	8,266	-	(12,059)	102,122
Total	**5,707,095**	**(608,752)**	**-**	**(137,156)**	**4,961,187**
Deferred tax liabilities					
Property, plant and equipment	(2,751,729)	109,917	-	256,268	(2,385,544)
Finance lease receivable from related party	(4,245,039)	710,937	-	-	(3,534,102)
Derivatives	(2,815)	108	-	14	(2,693)
Others	(277,750)	(90,172)	-	52,390	(315,532)
Total	**(7,277,333)**	**730,790**	**-**	**308,672**	**(6,237,871)**
Net	**(1,570,238)**	**122,038**	**-**	**171,516**	**(1,276,684)**

	Consolidated financial statements				
		(Charged) / credited to:			
	At 1 January 2017 (Restated)	Profit or loss	Other comprehensive income	Exchange differences	At 31 December 2017 (Restated)
			(in thousand Baht)		
Deferred tax assets					
Allowance for obsolescence of spare parts and supplies and allowance for decline in value of fuel oil	272,249	859	-	(643)	272,465
Property, plant and equipment	5,452,335	(626,529)	-	(11,362)	4,814,444
Finance leases liabilities	117	18	-	-	135
Provisions for employee benefits	31,875	2,852	-	-	34,727
Loss carry forward	481,096	5,281	-	(6,968)	479,409
Others	55,239	49,829	-	847	105,915
Total	**6,292,911**	**(567,690)**	**-**	**(18,126)**	**5,707,095**

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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	Consolidated financial statements				
		(Charged) / credited to:			
	At 1 January 2017 (Restated)	Profit or loss	Other comprehensive income	Exchange differences	At 31 December 2017 (Restated)
	(in thousand Baht)				
Deferred tax liabilities					
Property, plant and equipment	(2,893,123)	95,243	-	46,151	(2,751,729)
Finance lease receivable from related party	(4,999,049)	754,010	-	-	(4,245,039)
Derivatives	(700)	(2,101)	-	(14)	(2,815)
Others	(151,310)	(124,521)	-	(1,919)	(277,750)
Total	**(8,044,182)**	**722,631**	**-**	**44,218**	**(7,277,333)**
Net	**(1,751,271)**	**154,941**	**-**	**26,092**	**(1,570,238)**

	Separate financial statements			
		(Charged)/ credited to:		
	At 1 January 2018	Profit or loss	Other comprehensive income	At 31 December 2018
		(in thousand Baht)		
Deferred tax assets				
Provisions for employee benefits	29,942	2,479	-	32,421
Total	**29,942**	**2,479**	**-**	**32,421**

	Separate financial statements			
		(Charged)/ credited to:		
	At 1 January 2017	Profit or loss	Other comprehensive income	At 31 December 2017
		(in thousand Baht)		
Deferred tax assets				
Provisions for employee benefits	27,593	2,349	-	29,942
Total	**27,593**	**2,349**	**-**	**29,942**

Deferred tax assets have not been recognised in respect of the following items:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Tax losses	**544,984**	**472,786**	**308,163**	**214,809**

As at 31 December 2018, the Group recognised deferred tax assets of Baht 423.65 million from cumulative tax losses of an indirect subsidiary in overseas. The Group's management has estimated future taxable profits and they considered it probable that future taxable profits would be available against which such losses can be used. The tax losses in such country has unlimited and no expiration date, therefore, the related deferred tax assets are recognised.

20 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Deferred expenses for generator connection and access services	633,937	-	-	-
Deferred expenses under contractual service agreement	505,139	453,486	-	-
Development costs of renewable energy projects	225,006	179,087	-	-
Development costs-Nam Ngum 3 project	-	9,271	-	9,271
Others	22,661	24,625	4,457	4,430
Total	**1,386,743**	**666,469**	**4,457**	**13,701**

Renewable energy projects

The Group is developing projects to generate and selling electricity from renewable energy in Australia.

The Group has capitalised project development costs related to renewable energy projects in Australia as other non-current assets. Such projects have received the development approval from local authorities and the management has determined that these projects are technically and commercially feasible, future economic benefits are probable and total present value of the estimated future cash flows will not be lower than the carrying amount.

Generator Connection and Access agreement

On 26 October 2016, Mount Emerald Wind Farm Pty. Ltd., an indirect subsidiary, entered into a Generator Connection and Access agreement with a company in Australia to join construct a switchyard and a transmission line. Thus, such subsidiary can connect and transmit electricity to a substation for a period of 26 years starting the date specified in the agreement. The total value of such agreement is Australian Dollars 28.18 million which will be amortised over the term of the agreement. As at 31 December 2018, such subsidiary had outstanding deferred expenses for services amounting to Australian Dollars 27.72 million or equivalent to Baht 633.94 million.

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

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21 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Current				
Current portion of long-term loans from financial institutions net of deferred financing fees-secured	939,377	2,658,281	-	-
Debentures due within one year net of deferred financing fees-unsecured	3,471,390	-	-	-
Current portion of finance lease liabilities	843	1,358	-	-
Total current interest-bearing liabilities	**4,411,610**	**2,659,639**	**-**	**-**
Non-current				
Long-term loans from financial institutions net of deferred financing fees-secured	12,633,425	2,117,415	-	-
Debentures net of deferred financing fees -unsecured	16,107,245	16,139,581	-	-
Long-term loans from related party (Note 6)-unsecured	-	1,013,803	-	-
Finance lease liabilities	1,100	1,808	-	-
Total non-current interest-bearing liabilities	**28,741,770**	**19,272,607**	**-**	**-**

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Within one year	4,410,767	2,658,281	-	-
After one year but within five years	6,551,456	13,399,513	-	-
After five years	22,189,214	5,871,286	-	-
Total	**33,151,437**	**21,929,080**	**-**	**-**

As at 31 December 2018, RATCH-Australia Corporation Pty. Ltd., an indirect subsidiary, had outstanding long-term loans from financial institutions in Australia amounting to Australian Dollars 308.32 million or equivalent to Baht 7,049.62 million which bear interest at the floating rate of Bank Bill Swap Bid Rate (BBSY), announced by Reuters, plus a fixed margin per annum and will be repayable within 5 years during October 2018 to May 2023 *(31 December 2017: Australian Dollars 100 million or equivalent to Baht 2,550.71 million)*.

As at 31 December 2018, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, had outstanding debentures which are unsecured and unsubordinated debentures without a debenture holders' representative in the name-registered certificate amounting to Baht 2,000 million which bear interest at the fixed rate of 3.50% per annum. Such debentures have a period of 7 years and will be due for redemption in year 2022 *(31 December 2017: Baht 2,000 million)*.

On 27 March 2018, RH International (Singapore) Corporation Pte. Ltd., an indirect subsidiary, repurchased part of the debentures named "US$ 300,000,000 3.50% notes due 2019" ("the existing debentures") which bear interest at the fixed rate of 3.50% per annum and with a maturity of 2019 amounting to U.S. Dollars 193 million. The remaining balance of these debentures is U.S. Dollars 107 million. The Group recognised a loss on repurchase of debentures amounting to U.S. Dollars 2.51 million or equivalent to Baht 78.44 million which amount was recognised as part of finance costs in the consolidated statement of comprehensive income for the year ended 31 December 2018. On the same date, such subsidiary completed the issuance of new debentures named "US$ 300,000,000 4.50% notes due 2028" ("the new debentures") which bear interest at the fixed rate of 4.50% per annum and with a maturity of 2028 and placed these new debentures with investors for an amount of U.S. Dollars 300 million. As at 31 December 2018, the Group had outstanding debentures amounting to U.S. Dollars 407 million or equivalent to Baht 13,207.07 million. The repayment of debentures are guaranteed by the Company *(31 December 2017: U.S. Dollars 300 million or equivalent to Baht 9,804.27 million).*

As at 31 December 2018, RH International (Singapore) Corporation Pte. Ltd., an indirect subsidiary, had outstanding debentures which are unsecured and unsubordinated amounting to Japan Yen 15,000 million or equivalent to Baht 4,405.06 million which bear interest at the fixed rate of 2.72% per annum. Such debentures have a period of 15 years which will be due for redemption in year 2026. The repayment of debentures are guaranteed by the Company *(31 December 2017: Japan Yen 15,000 million or equivalent to Baht 4,353.10 million).*

As at 31 December 2018, Mount Emerald Wind Farm Pty. Ltd., an indirect subsidiary, had outstanding long-term loans from financial institutions in Australia amounting to Australian Dollars 236.42 million or equivalent to Baht 5,405.66 million which bear interest at the floating rate of Bank Bill Swap Bid Rate (BBSY), announced by Reuters, plus a fixed margin per annum and will be repayable within 5 years during December 2018 to November 2023 *(31 December 2017: Australian Dollars 86.38 million or equivalent to Baht 2,203.30 million).*

As at 31 December 2018, RATCH-Australia Collinsville Solar PV Pty. Ltd., an indirect subsidiary, had outstanding long-term loans from financial institutions in Australia amounting to Australian Dollars 54.68 million or equivalent to Baht 1,250.35 million which bear interest at the floating rate of Bank Bill Swap Bid Rate (BBSY), announced by Reuters, plus a fixed margin per annum and will be repayable within 5 years during June 2018 to December 2023 *(31 December 2017: Australian Dollars 1.74 million or equivalent to Baht 44.38 million).*

As at 31 December 2018, the Group had unutilised credit facilities totalling Baht 31,802 million, U.S. Dollars 235 million and Australian Dollars 24.63 million *(31 December 2017: Baht 26,000 million, U.S. Dollars 530 million and Australian Dollars 223.93 million).*

The Group has to comply with certain conditions in accordance with those agreements including maintaining certain key financial ratios.

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Changes in liabilities arising from financing activities

	Consolidated financial statements			
	Loans	Debentures	Finance lease liabilities	Total
	(in thousand Baht)			
Balance at 1 January 2018	5,789,499	16,139,581	3,166	21,932,246
Changes from financing cash flows	8,453,944	3,229,324	(1,245)	11,682,023
The effect of changes in foreign exchange rates	(488,902)	191,712	-	(297,190)
Other changes:				
Finance lease	-	-	22	22
Other non-cash movement	(181,739)	18,018	-	(163,721)
Balance at 31 December 2018	**13,572,802**	**19,578,635**	**1,943**	**33,153,380**

22 Other payables

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
		(in thousand Baht)			
Related parties	6	**56,145**	**234,591**	**17,200**	**19,474**
Other parties					
Accrued finance costs		332,814	313,459	-	-
Other payables and accrued expenses		1,063,242	1,003,182	347,105	216,565
		1,396,056	**1,316,641**	**347,105**	**216,565**
Total		**1,452,201**	**1,551,232**	**364,305**	**236,039**
Current		1,452,201	1,400,852	364,305	236,039
Non-current		-	150,380	-	-
Total		**1,452,201**	**1,551,232**	**364,305**	**236,039**

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23 Non-current provisions for employee benefits

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Statement of financial position				
Non-current provisions for:				
Post-employment benefits	**176,810**	**175,688**	**147,677**	**142,293**
Year ended 31 December				
Statement of comprehensive income				
Recognised in profit or loss:				
Post-employment benefits	**15,449**	**23,417**	**14,942**	**16,897**
Recognised in other comprehensive income:				
Actuarial gain recognised in the year	(1,748)	-	-	-
Effect of movements in exchange rates	(454)	(70)	-	-
	(2,202)	**(70)**	**-**	**-**

Defined benefit plan

The Group operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Movement in the present value of the defined benefit obligations.

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
		(in thousand Baht)		
At 1 January	175,688	158,706	142,293	131,076
Include in profit or loss:				
Current service cost and interest on obligation	15,449	23,417	14,942	16,897
Included in other comprehensive income:				
Actuarial gain	(1,748)	-	-	-
Effect of movements in exchange rates	(454)	(70)	-	-
	(2,202)	**(70)**	**-**	**-**
Other				
Benefits paid	(12,125)	(6,365)	(9,558)	(5,680)
At 31 December	**176,810**	**175,688**	**147,677**	**142,293**

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Actuarial gain recognised in other comprehensive income arising form:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Demographic assumption	1,380	-	-	-
Experience adjustment	907	-	-	-
Financial assumption	(539)	-	-	-
Total	**1,748**	-	-	-

Actuarial assumptions

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
		(%)		
Discount rate	3.18 to 4.5	3.18	3.18	3.18
Future salary growth	4 to 8	4 to 8	6.5 to 8	6.5 to 8
Employee turnover	0 to 15	0 to 10	0 to 10	0 to 10

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

As at 31 December 2018, the weighted-average durations of the defined benefit obligation were 11.50 and 30.20 years *(2017: 11.50 and 31.70 years)*.

Sensitivity analysis

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

	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	(in thousand Baht)			
At 31 December 2018				
Discount rate (1% movement)	(12,884)	15,207	(10,053)	11,738
Future salary growth (1% movement)	17,316	(14,911)	13,515	(11,754)
Employee turnover (20% movement)	(5,988)	6,618	(4,407)	4,773
Improving mortality rate (1% movement)	842	(956)	644	(725)
At 31 December 2017				
Discount rate (1% movement)	(13,372)	15,927	(9,828)	11,482
Future salary growth (1% movement)	16,801	(14,418)	12,235	(10,715)
Employee turnover (20% movement)	(5,635)	6,210	(3,819)	4,130
Improving mortality rate (1% movement)	820	(933)	581	(651)

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

On 13 December 2018, the National Legislative Assembly passed a bill amending the Labor Protection Act to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of 20 years or more, receives severance payment of 400 days of wages at the most recent rate. The Group will amend its retirement plan in the period in which the amendment will have become law and is announced in the Royal Gazette. As a result of this change, the provision for retirement benefits as at that future period end as well as past service cost recognised during that period in the consolidated and the separate financial statements is estimated to increase by an amount of approximately Baht 32 million and Baht 26 million, respectively.

24 Share capital

	Par value per share (in Baht)	2018 Number	2018 Amount	2017 Number	2017 Amount
			(thousand shares / thousand Baht)		
Authorised					
At 1 January					
- ordinary shares	10	1,450,000	14,500,000	1,450,000	14,500,000
At 31 December					
- ordinary shares	10	**1,450,000**	**14,500,000**	**1,450,000**	**14,500,000**
Issued and paid-up					
At 1 January					
- ordinary shares	10	1,450,000	14,500,000	1,450,000	14,500,000
At 31 December					
- ordinary shares	10	**1,450,000**	**14,500,000**	**1,450,000**	**14,500,000**

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

25 Reserves

Reserves comprise:

Appropriations of profit and/or retained earnings

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

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Other components of equity

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

Fair value changes in available for sale investments
The fair value changes in available for sale investments account within equity comprises the cumulative net change in the fair value of available for sale investments until the investments are derecognised or impaired.

Cash flow hedges
The cash flow hedges account within equity comprises the cumulative net change in the fair value of cash flow hedges related to hedged transactions that have not yet occurred.

26 Segment information

The Group has 4 reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

Segment 1	Domestic Electricity Generating
Segment 2	Renewable Energy
Segment 3	International Power Projects
Segment 4	Others

Information about reportable segments

	Domestic Electricity Generating		Renewable Energy		International Power Projects		Others		Total	
	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)
					(in thousand Baht)					
Revenue from sales and rendering of services	33,951,585	35,625,780	-	-	2,232,550	2,374,736	-	-	36,184,135	38,000,516
Revenue from finance lease contracts	3,335,814	3,995,454	-	-	-	-	-	-	3,335,814	3,995,454
Cost of sales and rendering of services	(33,746,816)	(35,281,744)	-	-	(1,423,247)	(1,565,625)	-	-	(35,170,093)	(36,847,369)
Gross profit	**3,540,583**	**4,339,490**	**-**	**-**	**809,303**	**809,111**	**-**	**-**	**4,349,856**	**5,148,601**
Management service income	-	-	-	-	-	-	238,882	244,663	238,882	244,663
Interest income	25,912	15,162	203	131	101,574	41,264	85,713	109,399	213,402	165,956
Dividend income	-	-	-	-	186,782	188,897	-	-	186,782	188,897
Other income	57,200	158,385	401	(4,522)	130,548	108,805	910	3,016	189,059	265,684
Administrative expenses	(210,145)	(288,990)	(5,661)	(536)	(322,059)	(348,197)	(1,056,125)	(1,048,537)	(1,593,990)	(1,686,260)
Net foreign exchange gain (loss)	21,350	53,594	-	-	(885,015)	425,410	(1,356)	(26,534)	(865,021)	452,470
Finance costs	(66,086)	(54,990)	-	-	(948,802)	(1,492,665)	-	(39,593)	(1,014,888)	(1,587,248)
Share of profit of associates and joint ventures	589,990	672,548	300,788	493,306	1,827,838	2,400,609	16,849	28,940	4,735,465	3,595,403
Profit (loss) before income tax expense	**3,958,774**	**4,895,199**	**295,731**	**488,379**	**2,900,169**	**2,133,234**	**(715,127)**	**(728,646)**	**6,439,547**	**6,788,166**
Tax (expense) income	(789,032)	(931,165)	-	-	(79,189)	59,276	(2,359)	(1,106)	(870,580)	(872,995)
Profit (loss) for the year	**3,169,742**	**3,964,034**	**295,731**	**488,379**	**2,820,980**	**2,192,510**	**(717,486)**	**(729,752)**	**5,568,967**	**5,915,171**

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Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of the assets.

Geographical information

	Revenues		Assets	
	2018	2017	2018	2017 (Restated)
	(in thousand Baht)			
Thailand	37,287,399	39,621,234	51,320,387	52,634,096
Australia	2,181,650	2,323,859	23,824,023	20,831,050
Other countries	50,900	50,877	26,107,492	20,329,260
Total	**39,519,949**	**41,995,970**	**101,251,902**	**93,794,406**

27 Other income

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Insurance and other compensation	131,938	60,097	-	-
Compensation under the operation and maintenance agreement	-	85,606	-	-
Gain on disposal of investments	-	27,887	-	-
Others	57,121	92,094	910	3,041
Total	**189,059**	**265,684**	**910**	**3,041**

28 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Employee benefit expenses	724,258	679,691	513,521	466,254
General administrative expenses	417,143	467,101	247,314	237,714
Consultant fees	254,728	266,486	220,685	222,394
Depreciation and amortisation	77,513	131,125	30,958	80,079
Public relation expenses	49,610	52,702	29,868	31,781
Impairment loss of land for future development projects	20,580	-	-	-
Impairment loss of goodwill	-	40,832	-	-
Property tax	26,563	27,874	692	772
Donation	23,595	20,449	14,799	11,458
Total	**1,593,990**	**1,686,260**	**1,057,837**	**1,050,452**

29 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Managements				
Directors' remuneration	10,558	10,228	8,316	8,268
Wages and salaries	102,207	112,562	34,559	32,982
Defined benefit plans	1,509	2,807	331	1,477
Defined contribution plans	7,937	9,167	3,004	2,710
Others	47,112	47,700	39,129	39,353
	169,323	**182,464**	**85,339**	**84,790**
Employees				
Wages and salaries	335,588	317,637	250,844	239,053
Defined benefit plans	18,174	19,158	14,611	15,420
Defined contribution plans	24,337	23,053	21,265	20,055
Others	176,836	137,379	141,462	106,936
	554,935	**497,227**	**428,182**	**381,464**
Total	**724,258**	**679,691**	**513,521**	**466,254**

Defined contribution plans

The Group in Thailand joined the contribution provident fund established by EGAT for the Group's employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employee at rates ranging from 5% to 15% of their basic salaries and by the Group at rates ranging from 5% to 10% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as juristic entities and is managed by a licensed Fund Manager.

30 Expenses by nature

The statements of comprehensive income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
Fuel costs	30,026,996	31,041,950	-	-
Operation and maintenance service fees	1,569,444	1,558,235	-	-
Repair expenses and spare parts used	1,457,179	1,917,075	-	-
Depreciation and amortisation	1,259,764	1,313,380	30,958	80,079
General administrative expenses	467,301	515,424	262,805	249,944
Employee benefit expenses	724,258	679,691	513,521	466,254
Insurance premium for power plants	371,361	455,624	-	-
Consultant fees	254,728	266,486	220,685	222,394
Public relation expenses	49,610	52,702	29,868	31,781
Others	583,443	733,063	-	-
Total cost of sales and rendering of services and administrative expenses	**36,764,084**	**38,533,630**	**1,057,837**	**1,050,452**

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31 Finance costs

	Note	Consolidated financial statements 2018	Consolidated financial statements 2017 (Restated)	Separate financial statements 2018	Separate financial statements 2017
			(in thousand Baht)		
Interest expense:					
Related party	6	23,716	75,168	-	-
Bank loans		1,270,449	1,409,744	-	39,562
Total interest expense		**1,294,165**	**1,484,912**	-	**39,562**
Amortisation of transaction costs capitalised		43,213	17,559	-	-
Change in fair value of derivatives - ineffective portion		(400,933)	84,746	-	-
Loss on repurchase of debentures	21	78,443	-	-	-
Other finance costs		-	31	-	31
Total finance costs		**1,014,888**	**1,587,248**	-	**39,593**

32 Income tax expense

Income tax recognised in profit or loss

	Note	Consolidated financial statements 2018	Consolidated financial statements 2017 (Restated)	Separate financial statements 2018	Separate financial statements 2017
			(in thousand Baht)		
Current tax expense					
Current year		1,007,467	1,044,681	4,713	3,200
Under (over) provided in prior years		(14,850)	(16,744)	112	269
		992,617	**1,027,937**	**4,825**	**3,469**
Deferred tax expense					
Movements in temporary differences	19	(122,038)	(154,941)	(2,479)	(2,349)
Total income tax expense		**870,579**	**872,996**	**2,346**	**1,120**

Reconciliation of effective tax rate

	Consolidated financial statements 2018		Consolidated financial statements 2017 (Restated)	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		6,439,546		6,788,166
Income tax using the Thai corporation tax rate	20	1,287,909	20	1,357,633
Effect of different tax rates in foreign jurisdictions		(69,472)		(19,102)
Income not subject to tax - dividend income		(37,356)		(37,780)
Effect from expense not deductible for tax purposes and income and expenses recognised in the different periods between accounting and tax		(424,891)		(533,955)
Recognition of previously unrecognised tax losses		(281)		(296)

	Consolidated financial statements			
	2018		2017 (Restated)	
	Rate (%)	*(in thousand Baht)*	*Rate (%)*	*(in thousand Baht)*
Current year losses for which no deferred tax asset was recognised		118,423		122,520
Over provided in prior years		(14,850)		(16,744)
Others		11,097		719
Total	**14**	**870,579**	**13**	**872,995**

	Separate financial statements			
	2018		2017	
	Rate (%)	*(in thousand Baht)*	*Rate (%)*	*(in thousand Baht)*
Profit before income tax expense		2,993,149		4,167,583
Income tax using the Thai corporation tax rate	20	598,630	20	833,517
Income not subject to tax - dividend income		(701,162)		(939,635)
Effect from expense not deductible for tax purposes and income and expenses recognised in the different periods between accounting and tax		39,185		(3,829)
Current year losses for which no deferred tax asset was recognised		60,868		107,598
Under provided in prior years		112		269
Others		4,713		3,200
Total	**0.08**	**2,346**	**0.03**	**1,120**

33 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2018 and 2017 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017
	(in thousand Baht/ thousand shares)			
Profit for the year attributable to ordinary shareholders of the Company (basic)	**5,587,602**	**6,038,550**	**2,990,803**	**4,166,463**
Number of ordinary shares outstanding	**1,450,000**	**1,450,000**	**1,450,000**	**1,450,000**
Earnings per share (basic) *(in Baht)*	**3.85**	**4.16**	**2.06**	**2.87**

34 Dividends

At the Board of Directors meeting of the Company held on 22 August 2018, the Board approved the appropriation of interim dividend of Baht 1.15 per share, totalling Baht 1,667 million. The interim dividend was paid to shareholders in September 2018.

At the annual general meeting of the shareholders of the Company held on 5 April 2018, the shareholders approved the appropriation of dividend of Baht 2.40 per share, totalling Baht 3,480 million, from the profit from operations of 2017 after deducting the interim dividend of Baht 1.15 per share, totalling Baht 1,667 million, paid to shareholders in September 2017 from the profit from operations for the six-month period ended 30 June 2017. The net amount of such dividend amounting to Baht 1,813 million was paid to shareholders in April 2018.

At the Board of Directors meeting of the Company held on 21 August 2017, the Board approved the appropriation of interim dividend of Baht 1.15 per share, totalling Baht 1,667 million. The interim dividend was paid to shareholders in September 2017.

At the annual general meeting of the shareholders of the Company held on 5 April 2017, the shareholders approved the appropriation of dividend of Baht 2.35 per share, totalling Baht 3,408 million, from the profit from operations of 2016 after deducting the interim dividend of Baht 1.10 per share, totalling Baht 1,595 million, paid to shareholders in September 2016 from the profit from operations for the six-month period ended 30 June 2016. The net amount of such dividend amounting to Baht 1,813 million was paid to shareholders in April 2017.

35 Financial instruments

Financial risk management policies

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

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

Capital management

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

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group has primarily exposed to interest rate risk from its borrowings (see Note 21). The Group mitigates this risk by using derivatives, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific borrowings.

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The effective interest rates of debt securities and loans receivable as at 31 December and the periods in which the loans receivable and debt securities mature or re-price were as follows:

	Consolidated financial statements				
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
		(in thousand Baht)			
2018					
Current					
Debt securities held for trading	1.39 to 2.71	318,342	181,860	-	500,202
Other debt securities held to maturity	0.50 to 5.33	303,894	-	-	303,894
Non-current					
Other debt securities held to maturity	3.04 to 3.10	-	113,000	-	113,000
Long-term loans to related party	6.45	-	-	42,494	42,494
Total		**622,236**	**294,860**	**42,494**	**959,590**
2017					
Current					
Debt securities held for trading	1.04 to 4.30	174,456	318,626	-	493,082
Other debt securities held to maturity	3.82	30,000	-	-	30,000
Non-current					
Other debt securities held to maturity	0.50 to 5.33	-	386,922	-	386,922
Long-term loans to related party	5.46	-	-	42,813	42,813
Total		**204,456**	**705,548**	**42,813**	**952,817**

	Separate financial statements				
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
		(in thousand Baht)			
2018					
Current					
Debt securities held for trading	1.39 to 2.71	285,901	181,860	-	467,761
Other debt securities held to maturity	5.33	300,000	-	-	300,000
Non-current					
Other debt securities held to maturity	3.04 to 3.10	-	113,000	-	113,000
Long-term loans to related parties	3.71 to 6.45	164,192	171,770	931,004	1,266,966
Total		**750,093**	**466,630**	**931,004**	**2,147,727**

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	Separate financial statements				
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
		(in thousand Baht)			
2017					
Current					
Debt securities held for trading	1.04 to 4.30	142,392	318,626	-	461,018
Other debt securities held to maturity	3.82	30,000	-	-	30,000
Short-term loans to related party	2.45 to 2.48	2,730,000	-	-	2,730,000
Non-current					
Other debt securities held to maturity	3.04 to 5.33	-	383,000	-	383,000
Long-term loans to related parties	4.35 to 5.46	210,124	155,047	942,719	1,307,890
Total		**3,112,516**	**856,673**	**942,719**	**4,911,908**

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

	Consolidated financial statements				
	Effective interest rate (% per annum)	Within 1 year	After 1 year but within 5 years	After 5 years	Total
		(in thousand Baht)			
2018					
Current					
Current portion of long-term loans from financial institutions	4.22 to 4.86	939,377	-	-	939,377
Debentures due within one year	3.42	3,471,390	-	-	3,471,390
Non-current					
Long-term loans from financial institutions	4.22 to 4.86	-	4,552,451	8,080,974	12,633,425
Debentures	2.71 to 4.47	-	-	16,107,245	16,107,245
Total		**4,410,767**	**4,552,451**	**24,188,219**	**33,151,437**
2017					
Current					
Current portion of long-term loans from financial institutions	3.85 to 4.83	2,658,281	-	-	2,658,281
Non-current					
Long-term loans from related party	7.40	-	-	1,013,803	1,013,803
Long-term loans from financial institutions	3.85	-	1,604,982	512,433	2,117,415
Debentures	2.71 to 3.56	-	11,794,531	4,345,050	16,139,581
Total		**2,658,281**	**13,399,513**	**5,871,286**	**21,929,080**

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Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases which are denominated in foreign currencies. The Group primarily utilises forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases, denominated in foreign currencies, for the subsequent period.

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(in thousand Baht)			
United States Dollars				
Long-term loans to related parties	42,494	42,813	1,091,966	1,104,890
Other current payables	(533,190)	(564,839)	(39,220)	(26,055)
Lao Kip				
Available for sale investments	2,538,934	3,195,527	-	-
Other current payables	(991)	-	(991)	-
Australian Dollars				
Other current payables	(54,199)	(56,295)	(2,379)	-
Japan Yen				
Other current payables	(43,835)	(41,823)	-	-
Debentures	(4,384,489)	(4,345,050)	-	-
Others				
Other current payables	(27)	(695)	(27)	(398)
Gross balance sheet exposure	**(2,435,303)**	**(1,770,362)**	**1,049,349**	**1,078,437**
Estimated forecast purchases	(237,699)	(2,443,656)	-	-
Gross exposure	**(2,673,002)**	**(4,214,018)**	**1,049,349**	**1,078,437**
Foreign currency forward contracts	-	2,598,205	-	-
Cross currency swap contracts	4,405,060	4,353,096	-	-
Net exposure	**1,732,058**	**2,737,283**	**1,049,349**	**1,078,437**

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the Group's major customers are the government, the state enterprise and the large enterprises and low credit risk. Management does not anticipate material losses from its debt collection.

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Liquidity risk

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

Carrying amount and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Consolidated financial statements				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2018					
Financial assets measured at fair value					
Current					
Debt securities held for trading	500,202	-	500,202	-	500,202
Derivative assets	10,618	-	10,618	-	10,618
Non-current					
Available for sale investments	2,538,934	2,538,934	-	-	2,538,934
Derivative assets	226,403	-	226,403	-	226,403
Financial liabilities measured at fair value					
Current					
Derivative liabilities	(15,428)	-	(15,428)	-	(15,428)
Non-current					
Derivative liabilities	(358,117)	-	(358,117)	-	(358,117)
Financial liabilities not measured at fair value					
Current					
Current portion of long-term loans from financial institutions	(939,377)	-	(939,377)	-	(939,377)
Debentures due within one year	(3,471,390)	-	(3,501,133)	-	(3,501,133)
Non-current					
Long-term loans from financial institutions	(12,633,425)	-	(12,633,425)	-	(12,633,425)
Debentures	(16,107,245)	-	(17,079,688)	-	(17,079,688)

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

	Consolidated financial statements				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2017 (Restated)					
Financial assets measured at fair value					
Current					
Debt securities held for trading	493,082	-	493,082	-	493,082
Derivative assets	16,197	-	16,197	-	16,197
Non-current					
Available for sale investments	3,195,527	3,195,527	-	-	3,195,527
Derivative assets	127,314	-	127,314	-	127,314
Financial liabilities measured at fair value					
Current					
Derivative liabilities	(108,762)	-	(108,762)	-	(108,762)
Non-current					
Derivative liabilities	(3,729,682)	-	(3,729,682)	-	(3,729,682)
Financial liabilities not measured at fair value					
Current					
Current portion of long-term loans from financial institutions	(2,658,281)	-	(2,658,281)	-	(2,658,281)
Non-current					
Long-term loans from financial institutions	(2,117,415)	-	(2,117,415)	-	(2,117,415)
Debentures	(16,139,581)	-	(16,915,170)	-	(16,915,170)

	Separate financial statements				
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2018					
Financial assets measured at fair value					
Current					
Debt securities held for trading	467,761	-	467,761	-	467,761
31 December 2017					
Financial assets measured at fair value					
Current					
Debt securities held for trading	461,018	-	461,018	-	461,018

Notes to the financial statements

Ratchaburi Electricity Generating Holding Public Company Limited and its subsidiaries

For the year ended 31 December 2018

Foreign currency forward contracts

The Group entered into various foreign currency forward contracts with financial institutions to manage exposure of fluctuations in foreign currency risk relate to purchases. As at 31 December 2018, the Group had no outstanding foreign currency forward contracts *(31 December 2017: Euro 11.32 million and U.S. Dollars 65.94 million equivalent to Australian Dollars 105.33 million or equivalent to Baht 2,686.61 million).*

Interest rate swap and cross currency swap contracts

The Group entered into various interest rate swap and cross currency swap contracts with financial institutions to manage exposure of fluctuations in interest rates and foreign currency risk on borrowings. The notional amounts of the outstanding interest rate swap and cross currency swap contracts as at 31 December 2018 comprise Baht currency totalling Baht 1,000 million, U.S. Dollars currency totalling U.S. Dollars 200 million, Japan Yen currency totalling Japan Yen 15,000 million and Australian Dollars currency totalling Australian Dollars 571.84 million *(31 December 2017: Baht currency totalling Baht 1,000 million, U.S. Dollars currency totalling U.S. Dollars 200 million, Japan Yen currency totalling Japan Yen 15,000 million and Australian Dollars currency totalling Australian Dollars 873.59 million).* All counterparties agreed to pay the interest and the principle amount in accordance with the terms and conditions specified in the contracts.

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 fair values for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in Note 2(d).

Financial instruments measured at fair value

Type	Valuation technique
Debt securities held for trading	*Market comparison/ discounted cash flow:* The fair value is estimated considering (i) current or recent quoted prices for identical securities in markets that are not active and (ii) a net present value calculated using discount rates derived from quoted prices of securities with similar maturity and credit rating that are traded in active markets, adjusted by an illiquidity factor.
Foreign currency forward contracts	*Forward pricing:* The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Interest rate swap contracts	*Swap models:* The fair value is calculated as the present value of the estimated future cash flows. Estimates of future floating-rate cash flows are based on quoted swap rates, futures prices and interbank borrowing rates. Estimated cash flows are discounted using a yield curve constructed from similar sources and which reflects the relevant benchmark interbank rate used by market participants for this purpose when pricing interest rate swaps. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the Group and of the counterparty; this is calculated based on credit spreads derived from current credit default swap or bond prices.

Type	Valuation technique
Cross currency swap contracts	*Black-Scholes model/ discounted cash flows*

Financial instruments not measured at fair value

Type	Valuation technique
Other financial liabilities	*Discounted cash flows:* The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.

36 Commitments with non-related parties

Operation and Maintenance Agreement

On 1 August 2014, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, obtained the transfer of right in the Operation and Maintenance Agreement with a service provider from a subsidiary which was dissolved in year 2014. Such agreement dated on 30 June 2000 and has a period of 20 years from the date specified in the agreement. Under the terms of the agreement, such service provider will operate and provide maintenance services to the subsidiary. Ratchaburi Electricity Generating Company Limited will pay compensation for project management to or receive compensation from the service provider under the conditions specified in the agreement.

Fuel Purchase Agreements

On 27 October 2000, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Gas Sales Agreement with PTT Public Company Limited ("PTT") for a period of 25 years, whereby PTT will distribute natural gas to such subsidiary at the agreed quantity and price.

On 1 June 2004, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Diesel Purchase Agreement with PTT for a period of 3 years. PTT will distribute diesel to such subsidiary at the agreed quantity and price. The agreement is automatically extended for a period of 1 year unless written notice at least 6 months before the agreement automatically extended.

On 1 August 2014, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, obtained the transfer of right in the Gas Sales Agreement with PTT from a subsidiary which was dissolved in year 2014. Such agreement dated on 22 May 1997 and has a period of 20 years from the date specified in the agreement.

Contractual Service Agreement

On 29 December 2005, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Contractual Service Agreement for the Combined Cycle power plants with the consortium of General Electric International Operations Company Inc. and GE Energy Parts, Inc. The agreement is effective from the agreement date until the end of the operation of gas turbine according to the Power Purchase Agreement in year 2027 with a total value of the agreement is U.S. Dollars 428.60 million. Subsequently in year 2014, both parties agreed to reduce price and amend the conditions in the agreement which has been effective in February 2014. The total value of the agreement is U.S. Dollars 418.21 million. As at 31 December 2018, such subsidiary had outstanding commitments amounting to U.S. Dollars 139.84 million *(31 December 2017: U.S. Dollars 161.74 million).*

In addition, in accordance with the agreement, such subsidiary is required to open a letter of credit amounting to U.S. Dollars 6 million. As at 31 December 2018, such subsidiary had an unused letter of credit amounting to U.S. Dollars 6 million *(31 December 2017: U.S. Dollars 6 million)*.

Generator Rotor Lease Agreement

On 1 December 2015, Ratchaburi Electricity Generating Company Limited, a direct subsidiary, entered into a Generator Rotor Lease Agreement for the Combined Cycle power plants with General Electric International Operations Company Inc. The agreement is effective from the agreement date until June 2020 with a total value of the agreement is U.S. Dollars 2.10 million. Such subsidiary has made advance payment under the terms of the agreement amounting to U.S. Dollars 1.00 million. In year 2017, both parties agreed to reduce price and amend the conditions in the agreement which has been effective in October 2017. The total value of the agreement is U.S. Dollars 1.98 million. As at 31 December 2018, such subsidiary had outstanding commitments amounting to U.S. Dollars 0.37 million *(31 December 2017: U.S. Dollars 0.61 million)*.

Letter of guarantee

As at 31 December 2018, the Company and its subsidiaries had commitments from letter of guarantee issued by financial institutions for the Company and its subsidiaries to comply with the conditions in the agreements in the amount of Baht 94.41 million, U.S. Dollars 11.50 million and Australian Dollars 15.24 million *(31 December 2017: Baht 95.36 million, U.S. Dollars 21.92 million and Australian Dollars 0.30 million)*.

Standby Letter of Credit

As at 31 December2018, the Company and its subsidiaries had commitments from Standby Letter of Credit issued by financial institutions for Debt Service Reserve Guarantee and equity contribution in joint ventures in the amount of Baht 1,600 million and U.S. Dollars 24.50 million *(31 December 2017: Baht 1,457.66 million and U.S. Dollars 24.00 million)*.

Capital commitment

As at 31 December 2018, RATCH-Australia Corporation Pty. Ltd. and its subsidiaries, an indirect subsidiary, had outstanding capital commitments according to the significant agreements under the Engineering Procurement & Construction Contracts for Wind Farm, Solar Power and Gas Turbine and other service agreements amounting to Australian Dollars 12.29 million *(31 December 2017: U.S. Dollars 61.21 million, Australian Dollars 119.84 million and Euro 11.32 million)*.

Pledge of share certificate agreements

The Company has pledged all share certificates of First Korat Wind Company Limited and K.R. TWO Company Limited, direct associates, as collateral for loans of such associates.

The Group has pledged all share certificates of Ratchaburi Power Company Limited, Hongsa Power Company Limited, Solarta Company Limited, Ratchaburi World Cogeneration Company Limited, Xe-Pian Xe-Namnoy Power Company Limited and Nava Nakorn Electricity Generating Company Limited, joint ventures, as collateral for loans of such joint ventures.

The Company has pledged all share certificates of SouthEast Asia Energy Limited, a direct joint venture, and such joint venture has pledged partial share certificates of Nam Ngum 2 Power Company Limited, a subsidiary of such joint venture, as collateral for loans of Nam Ngum 2 Power Company Limited.

Fareast Renewable Development Pte. Ltd., an indirect joint venture, has pledged partial share certificates of PT Bajradaya Sentranusa, a subsidiary of such joint venture, as collateral for loans of PT Bajradaya Sentranusa.

The Company has pledged all share certificates of Northern Bangkok Monorail Company Limited and Eastern Bangkok Monorail Company Limited, investments in other companies, as collateral for loans of such companies.

Significant litigation

In the year 2014, the plaintiff filed a lawsuit against the Company based on the allegations that the Company had breached the joint development agreement for bidding of the Power Plant Project. The plaintiff demanded the Company to pay damage. The management of the Company is confident that all of the Company's action have not been in accordance with the allegations of the plaintiff and has much more confidence in strong defenses. Therefore, the Company does not record a contingent liability in respect of this case. Subsequently on 25 October 2018, the Court issued a judgement to dismiss the claim made by the Plaintiff for this case.

37 Events after the reporting period

On 11 January 2019, the Company paid for the additional paid-up share capital of Xe-Pain Xe-Namnoy Power Company Limited, a direct joint venture, amounting to U.S. Dollars 0.44 million or equivalent to Baht 14.03 million, in proportion of investment of 25%.

On 12 February 2019, the Company paid for the additional paid-up share capital of Xe-Pain Xe-Namnoy Power Company Limited, a direct joint venture, amounting to U.S. Dollars 0.83 million or equivalent to Baht 25.85 million, in proportion of investment of 25%.

On 5 February 2019, the Company entered into a shareholder with a local company to participate in the underground optic fiber new work project. The counterparties agreed to establish a joint venture in Thailand. The Company will hold investment in proportion of 49%. Therefore, the process is expected to be completed by April 2019.

At the Board of Directors meeting of the Company held on 18 February 2019, the Board approved to submit for approval at the annual general meeting of the shareholders of the Company, the appropriation of 2018 annual dividend at the rate of Baht 2.40 per share, totalling Baht 3,480 million, from the profit from operations of 2018 after deducting the interim dividend of Baht 1.15 per share, totalling Baht 1,667 million. The balance of dividend amounting to Baht 1,813 million is subject to the approval of the shareholders at the annual general meeting on 12 April 2019.

38 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS which relevant to the Group's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS become effective for annual financial reporting periods beginning on or after 1 January of the following years.

TFRS	Topic	Effective
TFRS 7*	Financial Instruments: Disclosures	2020
TFRS 9*	Financial Instruments	2020
TFRS 15	Revenue from Contracts with Customers	2019
TFRS 16	Leases	2020
TAS 32*	Financial Instruments: Presentation	2020

TFRS	Topic	Effective
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments	2020

* *TFRS - Financial instruments standards*

(a) TFRS 15 Revenue from Contracts with Customers

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled.

Management is presently considering the potential impact of adopting and initially applying TFRS 15 on the consolidated and separate financial statements.

(b) TFRS - Financial instruments standards

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS - Financial instruments standards on the consolidated and separate financial statements.

(c) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases.

Management is presently considering the potential impact of adopting and initially applying TFRS 16 on the consolidated and separate financial statements.

Management Discussion and Analysis

1. Significant Events of the Year 2018

1.1 The Repurchase of Existing Notes and the Issuance and Offering of Newly-Issued Notes

On March 27, 2018, RH International (Singapore) Corporation Pte. Limited "RHIS", a subsidiary, partially repurchased "US$300,000,000 3.5% notes due 2019", that will be due in 2019, from investors overseas in aggregate principal amount of USD 193 million. Meanwhile, RHIS also completed its issue and offering of "US$300,000,000 4.5% notes due 2028" in the amount of USD 300 million. The new notes were issued with a tenor of 10 years and a maturity date in 2028, and bear a fixed interest rate of 4.50 percent per annum. Payment under the notes is guaranteed by the Company. The net proceeds from the issue of the new notes will be used to fund the repurchase of the existing notes and to finance the Group's general corporate purposes, including, but not limited to, working capital requirements, capital expenditures, funding the Group's investment activities and/or refinancing debts.

1.2 Securities Sale Deed to Increase Investment Proportion and Increase in Share Capital in RATCH-Australia Corporation Pty Limited

On April 20, 2018, RH International (Singapore) Corporation Pte. Limited, a subsidiary, entered into a Securities Sale Deed with Broadspectrum Pty Limited to acquire 20 percent of the shares of RATCH-Australia Corporation Pty Limited, a subsidiary, held by Broadspectrum Pty Limited and as part of the repayment of the outstanding long-term loans from Broadspectrum Pty Limited., including related rights under the terms of the agreement for an amount of AUD 53.50 million. Subsequently, on May 3, 2018, RH International (Singapore) Corporation Pte. Limited acquired such shares from Broadspectrum Pty Limited and repaid such outstanding long-term loans to Broadspectrum Pty Limited. As a result, the proportion of investment in RATCH-Australia Corporation Pty Limited of the Group changed from 80 percent to 100 percent.

Management Discussion and Analysis

On October 30, 2018, the Board of Directors meeting of RATCH-Australia Corporation Pty Limited approved to increase the authorized share capital from AUD 312.65 million to AUD 327.65 million by issuance of new ordinary shares totaling 139.61 million shares. Subsequently, on December 27, 2018, RH International (Singapore) Corporation Pte. Limited, paid for share capital totaling AUD 15 million or equivalent to Baht 342.97 million, in the proportion of investment of 100 percent.

1.3 The Expansion of Electricity and Steam Generation Capacity of Nava Nakorn Electricity Generating Company Limited

Nava Nakorn Electricity Generating Company Limited (an indirect joint venture in which Ratchaburi Electricity Generating Company Limited, the Company's direct subsidiary, holds 40 percent stake), the operator of a small power producer in Nava Nakorn Industrial Promotion Zone, invested in an expansion for an addition of 60 megawatts of electricity generation capacity and 10 tons per hour of steam generation capacity with the project cost of approximately Baht 3,105 million (the debt proportion is approximately 75 percent and the equity proportion is approximately 25 percent). The capacity expansion project began construction in September 2018 and is expected to be completed and commence commercial operation approximately in September 2020. After the operation, Nava Nakorn Electricity Generating Company Limited will have the total electricity generation capacity of approximately 185 megawatts and the net steam generation capacity of approximately 40 tons per hour.

1.4 The Signing of Project Development for Xe Kong 4A and 4B Hydroelectric Power Project in the Lao People's Democratic Republic

On May 29, 2018, the Company and the Government of the Lao People's Democratic Republic signed Power Development Agreement for Xe Kong 4A and 4B Hydroelectric Power Project with an installed capacity of approximately 340 megawatts. The project cost is approximately USD 835 million. The project's joint investors are the Company (60 percent), Lao World Engineering & Construction Company Limited (20 percent), and B.Grimm Power Public Company Limited (20 percent).

1.5 The Collapse of the Saddle Dam of Xe-Pian Xe-Namnoy Hydroelectric Power Project

On July 23, 2018, the Saddle Sam D of Xe-Pian Xe-Namnoy Hydroelectric Power Project, located in Champasak district, Lao PDR, of Xe-pian Xe-Namnoy Power Company Limited ("PNPC"), a joint venture which the Company holds 25 percent stake, collapsed. The Saddle Dam fractured, causing the water to flow to the downstream area. PNPC evacuated the people residing around the affected area for safety. PNPC has a standard insurance package in accordance with the loan agreement, including all risk insurance for construction, third-party liability insurance, and delay start-up insurance. The costs incurred as a result of the collapse are primarily the responsibility of the contractor in charge of engineering, procurement and construction (EPC). Currently, PNPC together with its insurers is in the process of assessing the situation and the Government of Lao PDR appointed National Investigation Committee to investigate such situation which expects to finish in 2019.

Xe-Pian Xe-Namnoy Power Company Limited, the developer of Xe-Pian Xe-Namnoy Hydroelectric Power Project with a capacity of 410 megawatts, is a joint venture company among SK Engineering & Construction Company Limited (26 percent), Korea Western Power Company Limited (25 percent), Lao Holding State Enterprise (24 percent) and the Company (25 percent). The project is located in Attapeu and Champasak Provinces in Lao PDR.

1.6 Commercial Operation of Diesel Generator Installation Project of the System Restart Service of Kemerton Power Station

On October 23, 2018, the Diesel Generator Installation Project of the System Restart Service (Black Start) of Kemerton Power Station (under the Operation of RATCH-Australia Kemerton Pty Limited which RATCH-Australia Corporation Pty Limited; an indirect subsidiary holds 100 percent stake) of 4 sets of diesel power generator with a total installation capacity of 7 megawatts has started its commercial operation consistent with Ancillary Service Deed System Restart Service which enables Kemerton Power Station to provide system restart service to the local grid of the south country region of the South West Interconnected System ("SWIS") of Western Australia.

Management Discussion and Analysis

1.7 Share Purchasing to Operate a Hydroelectric Power Project in the Republic of Indonesia

On December 6, 2018, RII International (Singapore) Corporation Pte. Limited, a subsidiary, has purchased ordinary shares in Fareast Renewable Development Pte. Limited ("FRD") in the portion of 50 percent from its existing shareholders in order to participate in the operation of Asahan-1 Hydroelectric Power Project ("Asahan-1") in the Republic of Indonesia. The investment value is approximately USD 81.92 million or equivalent to approximately Baht 2,688.57 million. The shareholding structure of Asahan-1 comprises of FRD at approximately 53.21 percent, resulting in RIIIS indirect stake in Asahan-1 of 26.61 percent.

Asahan-1 Hydroelectric Power Project is a run-of-river hydroelectric power plant with generation capacity 180 megawatts. It is located on Asahan River, North Sumatra Province, the Republic of Indonesia. It has commenced commercial operation since January 2011 and has 30-year power purchase agreement ending on December 31, 2040 with PT PLN (Persero).

1.8 Commercial Operation Commencement under the Power Purchase Agreement of Mount Emerald Wind Farm in Australia

On December 12, 2018, Mount Emerald Wind Farm Project, located in the north of Queensland, Australia, with the total production capacity of 180 megawatts which the Company invested through Mount Emerald Wind Farm Pty Ltd, an indirect subsidiary of RATCH-Australia Corporation Pty Limited has commenced the operation and recognition the benefit as per the Power Purchase Agreement.

1.9 Signing of Shareholders Agreement and Sale and Purchase Agreement of Shares to Jointly Invest in Sandin Water Supply Project in Lao PDR

On December 19, 2018, Ratch-Lao Services Company Limited, a subsidiary, signed Shareholders Agreement and Sale and Purchase Agreement of shares of Asia Water Sole Company Limited., the operator of Sandin Water Supply Project in Lao PDR at the proportion of 40 percent of the registered capital or equivalent to 4,800,000 ordinary shares with par value of LAK 8,400 each. The transaction amount is USD 5.80 million paid from Ratch-Lao Services Company Limited's working capital and loan.

Management Discussion and Analysis

On January 3, 2019, Ratch-Lao Services Company Limited paid 10 percent for advance payment for shares in the proportion of investment, in an amount of USD 0.58 million or equivalent to Baht 18.92 million. The last payment is expected to be paid in February 2019.

The Sandin Water Supply project is located in Naxay Thong, Vientiane Capital, Lao PDR. Its business is generating water supply and selling water to Nampapa Nakhone Luang under its 50-year concession with the total generating capacity of 48,000 cubic meters per day. The generating capacity is divided into 2 phases; Phase 1 commenced its operation in December 2018 at 24,000 cubic meters per day and Phase 2 to be expanded its generating capacity to 48,000 cubic meters per day by approximately 2031.

1.10 Changes in Accounting Policy

On January 1, 2018, the Company had adopted accounting policy for derivatives and hedge accounting. The changes have been applied retrospectively. The significant principles are as follows:-

Derivatives are used to manage exposure to foreign exchange and interest rate risks. Derivatives are recognized initially at fair value. Subsequent to initial recognition, they are remeasured at fair value and gain or loss on remeasurement to fair value is recognized immediately in profit or loss. However, where derivatives qualified for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.

In case of Cash Flow Hedges, only the effective portion of changes in the fair value of the derivatives is recognized in other comprehensive income. Any ineffective portion is recognized immediately in profit or loss.

The consolidated statement of financial position as at 31 December 2017, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, and the consolidated statement of cash flows for year ended 31 December 2017, comparative information, were adjusted according to the accounting policy changes. The impacts on the consolidated statement of financial position and the consolidated statement of comprehensive income are summarized as follows:-

Management Discussion and Analysis

Unit : Million Baht

Statement of Financial Position	Dec 31, 2017	Jan 1, 2017
Assets		
Total Assets - As Previously Reported	94,224.83	96,391.09
Derivative Assets Increase / (Decrease)	143.51	488.56
Investments in Associates and Joint Ventures Increase / (Decrease)	(573.93)	(785.71)
Total Assets - Restated	93,794.41	96,093.94
Liabilities		
Total Liabilities - As Previously Reported	30,943.65	33,938.32
Derivative Liabilities Increase / (Decrease)	3,838.44	3,872.25
Deferred Tax Liabilites Increase / (Decrease)	2.82	0.70
Total Liabilities - Restated	34,784.91	37,811.27
Equity		
Total Equity - As Previously Reported	63,281.18	62,452.77
Retained Earnings Increase / (Decrease)	(3,109.45)	(3,041.29)
Other Components of Equity Increase / (Decrease)	(472.33)	(488.75)
Non-Controlling Interests Increase / (Decrease)	(689.90)	(640.06)
Total Equity - Restated	59,009.50	58,282.67

Unit : Million Baht

Statement of Comprehensive Income	Year 2017
Profit Attributable to Owner of the Parent - As Previously Reported	6,106.70
Finance Costs (Increase) / Decrease	(84.75)
Share of Profit of Associates and Joint Ventures Increase / (Decrease)	18.24
Income Tax Expense (Increase) / Decrease	(2.10)
Non-controlling interests (Increase) / Decrease	0.46
Profit Attributable to Owner of the Parent - Restated	6,038.55

Management Discussion and Analysis

2. Operation Performance According to Consolidated Financial Statement

Unit : Million Baht

	2018	2017 *	Increase (Decrease)	%
Revenue from sales and rendering of services (excluding fuel cost)	5,881.33	6,656.26	(774.93)	(11.6)
Revenue from financial lease contract	3,335.81	3,995.45	(659.64)	(16.5)
Share of profit of associates and joint ventures	4,735.47	3,595.40	1,140.07	31.7
Management service income	238.88	244.66	(5.78)	(2.4)
Interest income and dividend income	400.18	354.86	45.32	12.8
Other incomes	189.06	265.68	(76.62)	(28.8)
Total revenues	14,780.73	15,112.31	(331.58)	(2.2)
Cost of sales and rendering of services (excluding fuel cost)	4,867.28	5,503.11	(635.83)	(11.6)
Administrative expenses	1,593.99	1,686.26	(92.27)	(5.5)
Finance costs	1,014.89	1,587.25	(572.36)	(36.1)
Income tax expense	870.58	872.99	(2.41)	(0.3)
Total expenses	8,346.74	9,649.61	(1,302.87)	(13.5)
	6,433.99	5,462.70	971.29	17.8
Non-controlling Interests	18.63	122.38	(104.75)	(84.9)
Profit attributable to owner of the Company before exchange rate	6,452.62	5,586.08	866.54	15.5
Gain (loss) on foreign exchange	(865.02)	452.47	(1,317.49)	(291.2)
Profit attributable to owner of the Company	**5,587.60**	**6,038.55**	**(450.95)**	**(7.5)**
Earnings per share (Baht)	3.85	4.16		
Fuel Cost	***30,302.81***	***31,344.26***		

* *Restated*

The operating result according to the consolidated financial statement for the year 2018 showed the profit (attributable to owners of the Company) of Baht 5,587.60 million or Baht 3.85 per share, decreasing by Baht 450.95 million, or 7.5 percent, compared to the profit of Baht 6,038.55 million or Baht 4.16 per share of the year 2017. However, the operating result according to the consolidated financial statement for the year 2018, without consideration of the effect of foreign exchange gain (loss) of the Company and its subsidiaries, showed the profit of Baht 6,452.62 million, compared to the profit of Baht 5,586.08 million of the year 2017, increasing by Baht 866.54 million, or 15.5 percent. The significant transactions were as follows:-

Management Discussion and Analysis

2.1 The Effect of Exchange Rate of the Company and its Subsidiaries

In the year 2018, the Company recorded loss on foreign exchange of Baht 865.02 million, the main reason was from loan to related parties in AUD currency. As a result, when the AUD currency depreciated in relative to USD currency, the asset value in AUD currency decreased. In contrast, the Company recorded gain on exchange rate of Baht 452.47 million in the year 2017 due to the appreciation of AUD currency in relative to USD currency, resulting in the increase of asset value in AUD currency.

2.2 Share of Profits of Associates and Joint Ventures

Share of profits of associates and joint ventures for the year 2018 was Baht 4,735.47 million, increasing by Baht 1,140.07 million or 31.7 percent from Baht 3,595.40 million in the year 2017. The main reasons were as follows:-

2.2.1 The profit of Hongsa Power Company Limited ("HPC"), a joint venture in a portion of 40, percent increased in the amount of Baht 1,046.60 million as Hongsa Power Plants generated more electricity than the previous year.

2.2.2 The profit of SouthEast Asia Energy Limited, a joint venture in the portion of 33.33 percent, increased in the amount of Baht 158.21 million due to the higher of water level in Nam Ngum 2 Dam when compared to the previous year, leading to higher electricity generation.

2.3 Cost of Sale and Rendering of Services (Excluding Fuel Costs)

Cost of sales and rendering of services for the year 2018 was Baht 4,867.28 million (excluding fuel costs of Baht 30,302.81 million), decreasing by Baht 635.83 million, or 11.6 percent from the cost of sales and rendering of services in the year 2017 in the amount of Baht 5,503.11 million (excluding fuel costs of Baht 31,344.26 million). The main reason was from the decrease in cost of sales of Ratchaburi Electricity Generating Company Limited, a subsidiary, by Baht 498.76 million, as the shutdowns for planned maintenance during the year 2018 were less than those of the previous year.

2.4 Finance Costs

Finance costs for the year 2018 was Baht 1,014.89 million, decreasing by Baht 572.36 million or 36.1 percent from Baht 1,587.25 million in the year 2017. The decrease in finance cost of Baht 458.68 million was from the recognition of gain on remeasurement to fair value of the derivative according to the adopted accounting policies for derivatives and hedge accounting.

2.5 Revenue from Sales and Rendering of Services (Excluding Fuel Costs)

Revenue from sale and rendering of services for the year 2018 was Baht 5,881.33 million (excluding fuel costs of Baht 30,302.81 million), decreasing by Baht 774.93 million or 11.6 percent from revenue from sale and rendering of services in the year 2017 of Baht 6,656.26 million (excluding fuel costs of Baht 31,344.26 million). The main reason was the decrease in revenue from sale of Ratchaburi Electricity Generating Company Limited, a subsidiary, in the amount of Baht 638.05 million due to the decrease in Base Availability Credit in 2018 compared to that of 2017, as specified in the Power Purchase Agreement.

2.6 Revenue from Finance Leases Contracts

Revenue from finance lease contracts for the year 2018 was Baht 3,335.81 million, decreasing by Baht 659.64 million or 16.5 percent from Baht 3,995.45 million in the year 2017. The change was due to the decreased lease receivable, calculated according to the Effective Interest Method.

3. Analysis of Statement of Financial Position

3.1 Analysis of Assets

As at December 31, 2018, the total assets were Baht 101,251.90 million, increasing by Baht 7,457.49 million or 8.0 percent from Baht 93,794.41 million as at December 31, 2017. The details were as follows:

(Million Baht)

	Dec 31, 2018	Dec 31, 2017 *	Increase (Decrease)	%
Current assets	23,160.90	23,542.13	(381.23)	(1.6)
Non-current assets	78,091.00	70,252.28	7,838.72	11.2
Total Assets	**101,251.90**	**93,794.41**	**7,457.49**	**8.0**

** Restated*

3.1.1 Cash and cash equivalents increased in the amount of Baht 2,407.79 million. The details are described in no.4.

3.1.2 Assets of RATCH-Australia Corporation Pty Limited, a subsidiary located in Australia, increased in the total amount of AUD 181.91 million or equivalent to approximately THB 2,605.18 million, due to the construction of Mount Emerald Wind Farm Project and Collinsville Solar Power Project.

3.1.3 Investments in associates and joint ventures increased in the amount of Baht 5,406.24 million. The main reason was from the share of profits contributed during the year in the total amount of Baht 4,735.47 million; as follows:-

Company	Million Baht
Hongsa Power Company Limited	3,120.02
SouthEast Asia Energy Limited	398.56
Ratchaburi World Cogeneration Company Limited	241.41
Phu Fai Mining Company Limited	198.16
Solarta Company Limited	189.64
Ratchaburi Power Company Limited	181.71
Nava Nakorn Electricity Generating Company Limited	166.26
Solar Power Company Limited (Korat 3 4 7)	88.44
PT Medco Ratch Power Riau	58.56
Perth Power Partnership (Kwinana)	42.69
Songkhla Biomass Company Limited	34.06
Fareast Renewable Development PTE. LTD.	15.59
Others	0.37
Total	4,735.47

3.1.4 The Company had invested in the MRT Pink Line Project and the MRT Yellow Line Project in the total amount of Baht 1,680 Million.

3.1.5 Financial lease receivables from related party decreased in the amount of Baht 3,554.68 million.

3.1.6 Trade accounts receivable from related parties of Ratchaburi Electricity Generating Company Limited, a subsidiary, decreased in the amount of Baht 1,444.08 million, as the electricity sales in November and December 2018 were less than the electricity sales in November and December 2017.

Management Discussion and Analysis

3.2 Analysis of Liabilities

As at December 31, 2018, total liabilities were Baht 41,315.88 million, increasing by Baht 6,530.97 million or 18.8 percent from Baht 34,784.91 million as at December 31, 2017. The details were as follows:

(Million Baht)

	Dec 31, 2018	Dec 31, 2017 *	Increase (Decrease)	%
Current Liabilities	10,436.65	9,650.40	786.25	8.1
Non-Current Liabilities	30,879.23	25,134.51	5,744.72	22.9
Total Liabilities	**41,315.88**	**34,784.91**	**6,530.97**	**18.8**

** Restated*

3.2.1 RATCH-Australia Corporation Pty Limited, a subsidiary, received long-term loans from financial institutions during the year in the net amount of AUD 411.30 million for corporate purpose and for Mount Emerald Wind Farm Project and Collinsville Solar Power Project.

3.2.2 On March 27, 2018, RH International (Singapore) Corporation Pte. Limited, a subsidiary, partially repurchased existing notes that will be due in 2019 in aggregate principal amount of USD 193 million, and completed its issuance and offering of USD 300 million notes with a tenor of 10 years (maturity date in 2028), and a fixed interest rate of 4.50 percent per annum.

3.2.3 Trade accounts payable of Ratchaburi Electricity Generating Company Limited, a subsidiary decreased in the amount of Baht 893.49 million as Ratchaburi power plants generated less electricity in November and December 2018 than that in November and December 2017, resulting in the decrease in fuel consumption.

3.2.4 On May 3, 2018, RH International (Singapore) Corporation Pte. Limited acquired shares from Broadspectrum Pty Limited to increase investment proportion in RATCH-Australia Corporation Pty Limited from 80 percent to 100 percent and repaid the outstanding long-term loan in the amount of AUD 39.75 million. The details are described in No. 1.2.

3.3 Analysis of Equity

As at December 31, 2018, equity was Baht 59,936.02 million, increasing by Baht 926.52 million or 1.6 percent from Baht 59,009.50 million as at December 31, 2017. The main reasons were as follows:

3.3.1 The profit of the year 2018 in the amount of Baht 5,587.60 million

3.3.2 The dividend payment during the year 2018 decreased retained earnings in the amount of Baht 3,480.00 million.

3.3.3 Change in fair value of the investment in EDL-Generation Public Company decreased the equity in the amount of Baht 645.98 million.

4. Analysis of Cash Flows

Cash and cash equivalents of the Company and its subsidiaries as at December 31, 2018 were Baht 11,695.25 million, increasing by Baht 2,407.79 million from Baht 9,287.46 million on December 31, 2017. The details were summarized below:

	(Million Baht)
Net cash from operating activities	7,168.57
Net cash used in investing activities	(9,015.14)
Net cash from financing activities	3,789.82
Effect of exchange rate changes on cash and cash equivalents	464.54
Net cash increase during the year	**2,407.79**

4.1 Net cash from operating activities increased cash flow in the amount of Baht 7,168.57 million. The reason was the operating result of year 2018 improved cash position by Baht 4,247.86 million, together with the change in operating assets and liabilities in the amount of Baht 2,920.71 million.

4.2 Net cash used in investing activities decreased cash flow in the amount of Baht 9,015.14 million. The main reasons were as follows:-

Management Discussion and Analysis

4.2.1 RATCH-Australia Corporation Pty Limited, a subsidiary, paid for the construction of Mount Emerald Wind Farm Project and Collinsville Solar Power Project in the total amount of AUD 213.80 million or equivalent to approximately THB 5,200.98 million.

4.2.2 RH International (Singapore) Corporation Pte. Limited "RHIS", a subsidiary, has purchased ordinary shares in Fareast Renewable Development Pte. Limited ("FRD") in the portion of 50 percent from its existing shareholders in order to participate in the operation of Asahan-1 Hydroelectric Power Project ("Asahan-1") in the Republic of Indonesia. The investment value is approximately USD 81.92 million or equivalent to approximately Baht 2,688.57 million. The details are as described in no.1.7.

4.2.3 The Company had invested in the MRT Pink Line Project and the MRT Yellow Line Project in the total amount of Baht 1,680 Million.

4.2.4 The Company paid cash for current investments in the amount of Baht 1,202.97 million.

4.2.5 The Company received dividends from associates and joint ventures in the total amount of Baht 2,568.13 million.

4.3 Net cash from financing activities increased cash flow in the amount of Baht 3,789.82 million. The main reasons were as follows:-

4.3.1 RII International (Singapore) Corporation Pte. Limited, a subsidiary, repurchased existing notes in aggregate principal amount of USD 193 million, and completed its issuance and offering of USD 300 million notes. The details are described in No. 3.2.2.

4.3.2 RATCH-Australia Corporation Pty Limited, a subsidiary, received long-term loans from financial institutions during the year in the net amount of AUD 411.30 million for corporate purpose and for Mount Emerald Wind Farm Project and Collinsville Solar Power Project.

4.3.3 The dividend payment to shareholders during the year in the amount of Baht 3,479.19 million.

4.3.4 RATCH-Australia Corporation Pty Limited, a subsidiary, unwinded its interest rate swap contracts with financial institutions in Australia and incurred the unwinding cost in the amount of Baht 3,058.60 million.

Management Discussion and Analysis

4.3.5 The Company paid for interest expenses in the amount of Baht 1,354.41 million.

4.3.6 On May 3, 2018, RIT International (Singapore) Corporation Pte. Limited acquired shares from Broadspectrum Pty Limited to increase investment proportion in RATCH-Australia Corporation Pty Limited from 80 percent to 100 percent and repaid the outstanding long-term loan in the amount of AUD 39.75 million. The details are described in No. 1.2.

5. Significant Financial Ratios (Excluded the Effect of Foreign Exchange Rate)

Ratios		2018	2017 **
1) Current Ratio	(Times)	2.22	2.44
2) Profit to Total Revenue (excluded fuel costs)	(%)	43.53	36.15
3) Return on Equity	(%)	10.79	9.43
4) Return on Assets	(%)	6.60	5.75
5) EBITDA *	(Million Baht)	9,600	9,236
6) EBITDA to Total Assets	(%)	9.84	9.73
7) Debt to Equity Ratio	(Times)	0.69	0.59
8) Debt Service Coverage Ratio	(Times)	6.75	1.58
9) Book Value per Share	(Baht)	41.34	41.16
* *Not included the change in lease receivable*	*(Million Baht)*	*3,654.89*	*3,920.38*

** *Restated*

Audit and Non-Audit Fees

Audit Fee: The Company and its subsidiaries, namely Ratchaburi Electricity Generating Company Limited, Ratchaburi Energy Company Limited, Ratchaburi Alliances Company Limited, RH International Corporation Limited, RATCH-Lao Services Company Limited, RATCH O&M Company Limited, RE Solar 1 Company Limited, CN Biomass Company Limited, PB Biomass Company Limited and LP Biomass Company Limited recorded a total of Baht 2,570,000 payment (excluding Baht 103,000 out-of-pocket expenses) as audit fee to the auditor's office in the past fiscal year. This includes the Company's audit fee of Baht 850,000 and the subsidiaries' audit fee of Baht 1,452,000 (not included Baht 60,000 out-of pocket expenses). Each subsidiary was responsible for its own audit fee.

In addition, the Company hired other businesses related to the auditor's office in 2018 as consultant for specific purpose and recorded Baht 5,804,145 as expenses during the year. The contract with the auditor's office for services other than the auditing does not incur conflict of interest. Without assignment to audit this project, the auditor maintains his independence and neutrality in performing his auditing service.

Profiles of Directors

01 Mr. Sutat Patmasiriwat

Age 65 years

Chairman (EGAT's Representative Director)
Chairman of the Investment Committee

Starting Date of Directorship : 20 October 2014
Date Elected as the Chairman : 21 December 2015
Time in Current Position : 4 years 2 months
Terms of Current Position : 3
The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Bachelor of Engineering (Mechanical Engineering), Chulalongkorn University

Trainings in Courses Arranged by Thai Institute of Directors Association

- Boards that Make a Difference (BMD 4/2017)
- Chartered Director Class (CDC 9/2015)
- Financial Statements for Directors (FSD 14/2011)
- Role of the Chairman Program (RCP 24/2010)
- Director Certification Program (DCP 83/2007)

Other Important Trainings/Seminars

- Advanced Management Program, Harvard Business School, United States of America
- Senior Executive Development Program-2, Foundation for International Human Resource Development
- Creating Value Through Product Management and Customer Profitability, SASIN Graduate Institute of Business Administration, Chulalongkorn University
- ASEAN Executive Development Program, Thammasat Business School, Thammasat University

Work Experiences

- 2015 - 2018 Board of Directors Member, EGAT
- 2014 - 2015 Board of Directors Member, Ratchaburi Electricity Generating Holding Public Company Limited
- 2010 - 2014 Board of Directors Chairman, Ratchaburi Electricity Generating Company Limited and Ratchaburi Power Company Limited
- 2011 - 2013 Board of Directors Chairman, EGAT International Company Limited
- 2010 - 2013 Board of Directors Member, Ratchaburi Electricity Generating Holding Public Company Limited
- 2009 - 2013 Board of Directors Member and Governor, EGAT

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations : None

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year :

Transactions with EGAT, a major shareholder, as disclosed in Related Parties Transactions topic. However, the interested director did not participate in the consideration or the voting for such transactions.

Notes (1) Major Shareholder (2) Subsidiary (3) Associate/Joint Venture (4) Energy Enterprise

02 Mr. Chartchai Rojanaratanangkule

Age 62 years

Independent Director
Chairman of the Audit Committee
Member of the Corporate Governance and Social Responsibility Committee

Starting Date of Directorship : 6 April 2017
Time in Current Position : 1 year 8 months
Terms of Current Position : 1
The Company's Securities Holding Proportion :

- Direct : 0.0003 Percent
- Indirect : None

Education

- Bachelor of Accountancy, Chulalongkorn University

Trainings in Courses Arranged by Thai Institute of Directors Association

- Advanced Audit Committee Program (AACP 31/2018)
- Director Certification Program (DCP223/2016)

Other Important Trainings/Seminars

- Thailand Insurance Leadership Program (2015), Office of Insurance Commission
- Executive Finance Management Program, Fiscal Policy Research Institute Foundation
- Infrastructure Financial Analysis & Tariff Setting: Essential Skills for Financial Analysis, The Institute for Public-Private Partnerships
- Financial Statement Analysis Workshop, Investment Analysts Association
- Advanced Mini MBA, Chulalongkorn University
- Project Feasibility Analysis, Mahidol Management Education Center of College of Management
- Privatizing Power in Emerging Economies: Structuring & Financing Public/Private Partnerships Through BOT Schemes and Divestiture, INTRADOS/International Management Group
- Advanced Financial Management, Cooperation between Chulalongkorn University and Thailand Management Association
- EGAT Senior Executive Program (ESEP)

Work Experiences

- 2014 - 2016 Deputy Governor-Account and Finance serving as Chief Finance Officer, EGAT
- 2013 - 2014 Assistant Governor-Internal Audit Bureau, EGAT

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations

- Jan 2018 - Present Board of Directors Member, National Science Museum Thailand

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

03 Mr. Samack Chouvaparnante

Age 69 years

Independent Director
Chairman of the Risk Management Committee

Starting Date of Directorship : 11 April 2015
Time in Current Position : 3 years 8 months
Terms of Current Position : 2
The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Political Science (Politics and Governments), Sukhothai Thammathirat Open University
- Bachelor of Law, Thammasat University

Trainings in Courses Arranged by Thai Institute of Directors Association

- How to Develop a Risk Management Plan (HRP 8/2015)
- Risk Management Program for Corporate Leaders (RCL 1/2015)
- Audit Committee Program (ACP 21/2008)
- Director Certification Program (DCP 99/2008)
- Director Accreditation Program (DAP 67/2007)

Other Important Trainings/Seminars

- Institute of Legal Education of the Thai Bar
- The Joint State-Private Sector Course, Class 4212, Thailand National Defence College

Work Experiences

- 2008 - 2014 Senator, Advisory Chairman on Justice and Chairman of the Senate Standing Committee on Justice and Police Affairs, Senate of Thailand
- Executive Committee Member, Thai Bar Association
- Lecturer, Lawyer Council of Thailand and Thammasat University
- Advisor to the Executive Committee, Institute of Legal Advocacy Training, Lawyer Council of Thailand
- Committee, Institute of Legal Education Thai Bar Association
- Company Legal Advisor to Vongsayam Korsang Company Limited
- President, Thammasat Law Association, Thammasat University (2 terms)

Current Positions in Other Listed Companies

- Legal Advisor, Burapha Golf Public Company Limited
- Legal Advisor, ANANDA Development Public Company Limited

Current Positions in Non-listed Organizations

- Lecturer, Institute of Legal Education of Thai Bar Association
- Advisor to the Commissioners, Office of the National Broadcasting and Telecommunications Commission
- Company Legal Advisor to
  - Red Bull Beverage Company Limited
  - T.C. Pharmaceutical Industry Company Limited
  - Siam Winery Trading Plus Company Limited
  - Siam Winery Company Limited
  - Tuscany-Ville Company Limited
  - Chief Advisor, AIA Company Limited (Thailand)
  - St. Andrews 2000 Company Limited
  - Toscana Valley Country Club Company Limited
  - Toscana Valley Company Limited and its subsidiaries
  - Samack & Associates Counselor Company Limited

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

Notes (1) Major Shareholder (2) Subsidiary (3) Associate/Joint Venture (4) Energy Enterprise

04 Mrs. Siriporn Luangnual

Age 59 years

Independent Director
Member of the Audit Committee

Starting Date of Directorship : 6 April 2017
Time in Current Position : 1 year 8 months
Terms of Current Position : 1
The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Business Administration, Pittsburg State University, United States of America
- Bachelor of Business Administration, Ramkhamhaeng University

Trainings in Courses Arranged by Thai Institute of Directors Association

- Advanced Audit Committee Program (AACP 31/2018)
- Financial Statements for Directors (FSD 35/2018)
- How to Develop a Risk Management Plan (HRP 12/2017)
- Risk Management Program for Corporate Leaders (RCL 6/2017)
- Director Certification Program Update (DCPU 3/2015)
- Director Certification Program (DCP 72/2006)

Other Important Trainings/Seminars

- Financial and Accounting for Non-Financial Manager, The Wharton School, United States of America
- Breakthrough Program for Senior Executives, IMD, Switzerland
- Advance Certificate Course, Public Administration and Public Law (Class 8), King Prajadhipok's Institute
- The National Defence Course (Class 55), Thailand National Defence College
- Capital Market Academy Executive Program, Class 18, Capital Market Academy
- Top Executive Program in Commerce and Trade (TEPCOT) Class 8, University of the Thai Chamber of Commerce
- Thailand Energy Academy Executive Program (TEA), Class 7, Thailand Energy Academy
- TLCA Executive Development Program (EDP 4), Thai Listed Companies Association

Work Experiences

- 2007 - 2017 Board of Directors Member, Ratchaburi Electricity Generating Company Limited
- 2011 - 2015 Deputy Director, State Enterprise Policy Office, Ministry of Finance
- 2014 Board of Directors Member, Government Housing Bank
- 2013 - 2014 Board of Directors Member, The Erawan Group Public Company Limited

Current Positions in Other Listed Companies

- 2014 - Present Board of Directors Member, TOT Public Company Limited

Current Positions in Non-listed Organizations

- Present Advisor on Finance, Ministry of Finance
- 2016 - Present Board of Directors Member, Metropolitan Waterworks Authority

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

Notes (1) Major Shareholder (2) Subsidiary (3) Associate/Joint Venture (4) Energy Enterprise

05 Mr. Somboon Nhookeaw

Age 56 years

Independent Director
Member of the Audit Committee

Starting Date of Directorship : 23 February 2018
Time in Current Position : 10 months
Terms of Current Position : 1
The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Engineering (Infrastructure Engineer and Management), Kasetsart University
- Bachelor of Engineering (Civil Engineering), Chiang Mai University

Trainings in Courses Arranged by Thai Institute of Directors Association

- Director Accreditation Program (DAP 154/2018)

Other Important Trainings/Seminars

- The National Defence Course, Class 60, Thailand National Defence College
- The Civil Service Executive Program for Senior Civil Servants, Program 1, Class 83, Office of the Civil Service Commission
- Advanced Certificate Course in Public Administration and Law for Executives, Class 14, King Prajadhipok's Institute
- Top Executive Program in Commerce and Trade (TEPCOT) Class 7, University of the Thai Chamber of Commerce
- Senior Executive Program (Class 4), Budget Bureau

Work Experiences

- 2015 - 2017 Director, Bureau of Oil Business Safety, Department of Energy Business, Ministry of Energy
- 2014 - 2015 Director, Bureau of Natural Gas Business Safety, Department of Energy Business, Ministry of Energy
- 2013 - 2014 Director, Energy Technical Development Institution, Department of Energy Business, Ministry of Energy

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations :

- Oct 2017 - Present Deputy Director-General, Department of Energy Business, Ministry of Energy

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

06 Mr. Veerasak Pungrassamee

Age 60 years

Independent Director
Member of the Risk Management Committee

Starting Date of Directorship : 8 April 2016
Time in Current Position : 2 years 8 months
Terms of Current Position : 1
The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Bachelor of Engineering (Mechanical Engineering), Prince of Songkla University

Trainings in Courses Arranged by Thai Institute of Directors Association

- Risk Management Program for Corporate Leaders (RCL 8/2017)

Other Important Trainings/Seminars

- Public Economics Management for Executive Course, Class 9 (KPI 9), King Prajadhipok's Institute
- The Joint State-Private Sector Course, Class 24, Thailand National Defence College
- Petroleum Engineering and Operation Drilling and Equipment Engineer, Shell Training Center, The Netherlands
- Natural Gas Reservoir Engineer, OGCI, United States of America
- Petroleum Management, IHRDC, United States of America
- The Energy Executive Development Program Class 2, Ministry of Energy
- Knowledge of Administrative Law for Management, Foundation for Research and Development of the Administrative Justice System
- People Participation for Country Development Course, Institute for Good Governance Promotion
- Senior Executive Program Class 4, Civil Service Training Institute, Office of the Civil Service Commission
- Executive Development Course : Executive Government, Class 7, Civil Service Training Institute, Office of the Civil Service Commission

Work Experiences

- Nov 2015 - Sep 2018 Director-General, Department of Mineral Fuels, Ministry of Energy
- Dec 2014 - Nov 2015 Deputy Director-General, Department of Mineral Fuels, Ministry of Energy
- Jul 2014 - Dec 2014 Director of Mineral Fuels Management Division, Ministry of Energy
- Sep 2009 - Jul 2014 Director of Petroleum Technology and Operations Supervision Bureau, Ministry of Energy

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations : None

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

Notes (1) Major Shareholder (2) Subsidiary (3) Associate/Joint Venture (4) Energy Enterprise

07 Mrs. Premrutai Vinaiphat

Age 56 years

Independent Director
Member of the Corporate Governance and Social Responsibility Committee

Starting Date of Directorship : 6 April 2018
Time in Current Position : 8 months
Terms of Current Position : 1
The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Engineering (Mineral Economics), McGill University, Montreal, Canada
- Bachelor of Science (Geology), Chiang Mai University

Trainings in Courses Arranged by Thai Institute of Directors Association : None

Other Important Trainings/Seminars

- The Program of Senior Executives on Justice Administration, Class 22, Judicial Training Institute
- Leadership 4.0 Program, The ICT Society for Social Development Association
- The National Defence Course, Class 57 (2014), Thailand National Defence College
- World Fiscal Systems for Oil and Gas, England
- Executive Development Program "Leadership with Vision and Virtue", Class 71, Office of the Civil Service Commission
- Development of Management Competency and Leadership Program for Talent Network "Leadership & Change", Office of the Civil Service Commission, Japan
- Top Level Energy Administration, Class 2, Ministry of Energy
- International Petroleum Management Certificate Program, United States of America
- Law of the Sea, Malaysia
- Managing Managers in the Energy Industry, United States of America

Work Experiences

- 2018 Inspector General, Ministry of Energy
- 2016 - 2018 Deputy Director-General, Department of Mineral Fuels, Ministry of Energy
- 2015 - 2016 Director of Petroleum Concession Management Bureau, Department of Mineral Fuels, Ministry of Energy
- 2011 - 2015 Director of International Petroleum Bureau, Department of Mineral Fuels, Ministry of Energy

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations :

- 2018 - Present Director-General, Department of Mineral Fuels, Ministry of Energy

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

08 Mr. Ratanachai Namwong

Age 62 years

Independent Director
Member of the Investment Committee

Starting Date of Directorship : 6 April 2018
Time in Current Position : 8 months
Terms of Current Position : 1
The Company's Securities Holding Proportion :

- Direct : 0.0005 Percent
- Indirect : None

Education

- Master of Engineering (Nuclear Technology), Chulalongkorn University
- Bachelor of Engineering (Metallurgical Engineering), Chulalongkorn University

Trainings in Courses Arranged by Thai Institute of Directors Association

- Director Certification Program (DCP 186/2014)

Other Important Trainings/Seminars

- Public Administration and Public Law, King Prajadhipok's Institute
- Promotion of a Peaceful Society, King Prajadhipok's Institute
- Senior Executive Development Program-2, Foundation for International Human Resource Development
- Masterful Coaching Workshop, Hay Group
- EGAT Newly-Promoted Executive Orientation Program (ENOP)
- EGAT Senior Executive Program (ESEP)
- EGAT Director Development Program (EDDP)
- EGAT's Successor Development Program (ESDP)

Work Experiences

- 2013 - 2016 Deputy Governor-Power Plant Development, EGAT
- 2010 - 2013 Assistant Governor-Power Plant Engineering, EGAT

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations

- Jul 2017 - Present Public Sector Audit and Evaluation Committee, Ministry of Energy

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

Notes (1) Major Shareholder (2) Subsidiary (3) Associate/Joint Venture (4) Energy Enterprise

09 Mr. Chuan Sirinunporn

Age 65 years

Director (EGAT's Representative Director)
Chairman of the Human Resources and Remuneration Committee
Chairman of the Corporate Governance and Social Responsibility Committee

Starting Date of Directorship : 19 December 2014
Time in Current Position : 4 years
Terms of Current Position : 2
The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Honorary Doctorates Degree (Public Administration), Ubon Ratchathani Rajabhat University
- Honorary Doctorates Degree (Environmental), Ubon Ratchathani University
- Master of Development Administration (Honors), The National Institute of Development Administration
- Bachelor of Arts (Political Science), Chulalongkorn University

Trainings in Courses Arranged by Thai Institute of Directors Association

- Ethical Leadership Program (ELP 8/2017)
- Director Accreditation Program (DAP 112/2014)

Other Important Trainings/Seminars

- The National Defence Course, Thailand National Defence College
- Senior Executive Development Program, Institute of Administration Development
- Graduate Diploma in Public Law, Thammasat University
- Thai Senior Executive Development Program, National Graduate Institute for Policy Studies (GRIPS), Japan
- Transformational Executive Leadership, Prince Damrongrajanubhab Institute of Research and Development, Ministry of Interior

Work Experiences

- 2014 - 2018 Board of Directors Member, EGAT
- Director-General, Department of Provincial Administration
- Governor of Nakhon Ratchasima Province
- Governor of Phrae Province
- Governor of Ubon Ratchathani Province

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations : None

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year :

Transactions with EGAT, a major shareholder, as disclosed in Related Parties Transactions topic. However, the interested director did not participate in the consideration or the voting for such transactions.

10 Mr. Suchalee Sumamal

Age 60 years

Director (EGAT's Representative Director)
Member of the Human Resources and Remuneration Committee

Starting Date of Directorship : 1 May 2018
Time Current Position : 8 months
Terms of Current Position : 1
The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Public Administration, Sripatum University
- Bachelor of Economics, Ramkhamhaeng University

Trainings in Courses Arranged by Thai Institute of Directors Association

- Director Certification Program (DCP 225/2018)
- Director Accreditation Program (DAP 142/2017)

Other Important Trainings/Seminars

- The Executive Program in Energy Literacy for a Sustainable Future, Class 9, Thailand Energy Academy
- Ministry Inspector General Skills, Class 2016, Office of the Civil Service Commission
- Public Legal Executive Training Programme, Class 4, Public Lawyer Development Institute, Office of the Council of State
- Training Course on Administrative Justice for Executives, Class 6, Office of the Administrative Court of Thailand

Work Experiences

- 2015 - 2017 Inspector General, Ministry of Energy
- 2013 - 2015 Deputy Director-General, Energy Policy and Planning Office, Ministry of Energy
- 2010 - 2013 Director, Petroleum and Petrochemical Policy Bureau, Energy Policy and Planning Office, Ministry of Energy

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations

- 2017 - Present Chief Inspector General, Ministry of Energy

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year :

Transactions with EGAT, a major shareholder, as disclosed in Related Parties Transactions topic. However, the interested director did not participate in the consideration or the voting for such transactions.

11 Mr. Boonyanit Wongrukmit

Age 55 years

Director (EGAT's Representative Director)
Member of the Investment Committee
Member of the Risk Management Committee

Starting Date of Directorship : 1 May 2018
Time in Current Position : 8 months
Terms of Current Position : 1
The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Business Administration (Energy Management) University of Montreal, Canada
- Master of Business Administration, Chiang Mai University
- Bachelor of Engineering (Mechanical Engineering), Chiang Mai University

Trainings in Courses Arranged by Thai Institute of Directors Association

- Director Certification Program (DCP 187/2014)

Other Important Trainings/Seminars

- Corporate Governance for Directors and Senior Executives of State Enterprises and Public Organizations (2018), King Prajadhipok's Institute
- Successful Boardroom Presentation (Class 2), OMEGAWORLDCLASS Research Institute
- Advanced Master of Management Program, National Institute of Development Administration
- Advanced Management Program, Harvard Business School, United States of America
- Leadership Succession Program, Institute of Research and Development for Public Enterprises
- Principle of Life Coaching, Thailand Coaching Academy
- EGAT Senior Executive Program (ESEP)
- EGAT Director Development Program (EDDP)
- EGAT New Leader Development Program (ENLP)
- EGAT Newly-Promoted Executive Orientation Program (ENOP)
- EGAT Enhancing Program (EEP)
- EGAT Leadership Development Program (ELDP)
- EGAT Get Ready Program (EGRP)

Work Experiences

- 2017 - 2018 Deputy Governor-Business Development, EGAT
- 2016 - 2017 Deputy Governor-Corporate Social Affairs, EGAT
- 2015 - 2016 Assistant Governor-Business Development, EGAT
- 2013 - 2015 Engineer Level 12, Deputy Governor-Business Development, EGAT, appointed as General Manager-EGAT Diamond Service Company Limited

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations

- Oct 2018 - Present Board of Director Member, EGAT International Company Limited[4]

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year :

Transactions with EGAT, a major shareholder, as disclosed in Related Parties Transactions topic. However, the interested director did not participate in the consideration or the voting for such transactions.

Notes [1] Major Shareholder [2] Subsidiary [3] Associate/Joint Venture [4] Energy Enterprise

12 Mr. Seubphong Buranasirin

Age 59 years

Director (EGAT's Representative Director)
Member of the Investment Committee
Member of the Human Resources and Remuneration Committee

Starting Date of Directorship : 1 October 2018
Time in Current Position : 3 months
Terms of Current Position : 1
The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Public Administration, National Institute of Development Administration
- Bachelor of Economics (Development Economics), Ramkhamhaeng University
- Bachelor of Law, Thammasat University

Trainings in Courses Arranged by Thai Institute of Directors Association

- Board Matters and Trends (BMT 4/2017)
- Boards that Make a Difference (BMD 4/2017)
- Role of the Chairman Program (RCP 40/2017)
- Anti-Corruption: The Practical Guide (ACPG 17/2015)
- Role of the Nomination and Governance Committee (RNG 3/2012)
- Director Certification Program (DCP 139/2010)
- Director Accreditation Program (DAP 75/2008)

Other Important Trainings/Seminars

- Advanced Certificate Course in Corporate Governance for Directors and Senior Executive of State Enterprises and Public Organization (Class 15) (2017), King Prajadhipok's Institute
- Bhumipalung Phandin for Executive (Class 4) (2015), Chulalongkorn University
- Training Course on Administrative Justice for Executives: AJE (Class 5) (2013), The Administrative Court of Thailand
- The Joint State - Private Sector Course (Class 25) (2012), Thailand National Defence College
- Anti - Corruption Strategic Management for Senior Executive (Class 1) (2010), The National Anti-Corruption Commission
- EGAT New Leader Development Program (ENLP)
- EGAT Senior Executive Program (ESEP)
- EGAT Director Development Program (EDDP)
- EGAT Newly-Promoted Executive Orientation Program (ENOP)
- EGAT Assistant Director Development Program (EADP)
- EGAT's Executive Development Program (EEDP)

Work Experiences

- 2017 - 2018 Deputy Governor-Corporate Social Affairs, EGAT
- 2014 - 2017 Deputy Governor-Administration, EGAT
- 2014 - 2014 Assistant Governor-Human Resources, EGAT
- 2012 - 2014 Assistant Governor-Human Resources, serving as Assistant Secretary to EGAT's Board of Directors and Assistant Secretary to the Executive Committee of EGAT's Board of Directors

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations

- Oct 2018 - Present Board of Director Member, EGAT International Company Limited[4]
- 2018 - Present Senior Deputy Governor, Office of the Governor, EGAT[1]

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year :

Transactions with EGAT, a major shareholder, as disclosed in Related Parties Transactions topic. However, the interested director did not participate in the consideration or the voting for such transactions.

Notes [1] Major Shareholder [2] Subsidiary [3] Associate/Joint Venture [4] Energy Enterprise

13 Mr. Kijja Sripatthangkura

Age 58 years

Director (EGAT's Representative Director and Executive Director)
Chief Executive Officer
Secretary to the Board of Directors

Starting Date of Directorship : 1 January 2017
Date Appointed as Chief Executive Officer : 6 April 2017
Time in Current Position : 2 years
Current Position in Office : 2
The Company's Securities Holding Proportion :

- Direct : 0.0004 percent
- Indirect : None

Education

- Bachelor of Engineering (Electrical Engineering), Prince of Songkla University

Trainings in Courses Arranged by Thai Institute of Directors Association

- Director Certification Program (DCP 245/2017)

Other Important Trainings/Seminars

- Advanced Certificate Course in Public Economics Management for Executives, King Prajadhipok's Institute
- Advanced Management Program, Harvard Business School, United States of America
- Senior Executive Program, SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Thailand and the ASEAN Community in Global Political Economy, King Prajadhipok's Institute
- The Executive Program in Energy Literacy for a Sustainable Future, Thailand Energy Academy

Work Experiences

- 2015 - 2017 Deputy Governor Policy and Planning, EGAT
- 2013 - 2015 Assistant Governor, Planning, EGAT

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations

- Dec 2018 - Present Board of Directors Member, Fareast Renewable Development Pte. Ltd.[3]
- Feb 2018 - Present Board of Directors Member, Ratchaburi Power Company Limited [3]
- Aug 2017 - Present Chairman of the Board of Directors, PT MEDCO RATCH POWER RIAU[3]
- May 2017 - Present Chairman of the Board of Directors, Hongsa Power Company Limited [3] and Phu Fai Mining Company Limited [3]
- Apr 2017 - Present Chairman of the Board of Directors, RATCH-Australia Corporation Limited ("RAC")[2], Mount Emerald Wind Farm Pty[2] and other subsidiaries of RAC[2]

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year :

Transactions with EGAT, a major shareholder, as disclosed in Related Parties Transactions topic. However, the interested director did not participate in the consideration or the voting for such transactions.

Notes [1] Major Shareholder [2] Subsidiary [3] Associate/Joint Venture [4] Energy Enterprise

Profiles of Executives

01 Mr. Kijja Sripatthangkura

Age 58 years

Chief Executive Officer

Starting Date : 6 April 2017

The Company's Securities Holding Proportion :

- Direct : 0.0004 percent
- Indirect : None

(His full profile is shown on page 265)

02 Mr. Peerawat Pumthong

Age 60 years

Chief Business Development Officer

Starting Date : 1 January 2017

The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Business Administration, Monash University, Australia, Certificate of Merit (Highest score) in International Business
- Master of Engineering, Asian Institute of Technology (AIT) (Germany Government Scholarship)
- Bachelor of Engineering (2nd Class Honor), Khonkaen University

Important Trainings/Seminars

- Director Certification Program (DCP 138/2010), Thai Institute of Directors Association
- Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives (Class 17), King Prajadhipok's Institute
- Advanced Course in Public Economics (Class 8), King Prajadhipok's Institute
- ASEAN Executive Development Program (AEDP), Thammasat Business School, Thammasat University
- Mini MBA, Chulalongkorn University
- Electric Power Development from Swedish Board of Investment and Technical Support (BITS), Sweden
- ASEAN Executive Program from General Electric International Operation Company, Inc., United States of America
- Hydro Electric Power from Japan International Cooperation Agency (JICA), Columbo Plan, Japan
- Thermal and Hydro Power Project Planning from Snowy Mountain Engineering Cooperation, Columbo Plan, Australia

Work Experiences

- 2010 - 2017 Board of Directors Member, Hongsa Power Company Limited, Phu Fai Mining Company Limited, SouthEast Asia Energy Limited and Nam Ngum 2 Power Company Limited
- 2014 - 2016 Chief Business Development Officer 1, Ratchaburi Electricity Generating Holding Public Company Limited
- 2014 - 2015 Board of Directors Chairman, Ratchaburi World Cogeneration Company Limited
- 2011 - 2014 Board of Directors Member and Acting Managing Director, RATCH-Australia Corporation Limited
- 2010 - 2014 Chief Operating Officer, Ratchaburi Electricity Generating Holding Public Company Limited

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations :

- Committee of the National Legislative Assembly, Sub-Committee on the Study and Follow-up on Renewable Energy Under Committee on Energy
- Director and executive positions in the Company's Group as shown on page 088

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

03 Mr. Raluke Satayaporn

Age 59 years

Chief Project Development Officer

Starting Date : 1 October 2017

The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Engineering (Civil Engineering), Asian Institute of Technology (AIT) (Electricity Generating Authority of Thailand Scholarship)
- Bachelor of Engineering (Civil Engineering), Kasetsart University

Important Trainings/Seminars

- Director Certification Program (DCP250/2017), Thai Institute of Directors Association
- Senior Executive Program (SEP), Sasin Graduate Institute of Business Administration, Chulalongkorn University
- Advanced Certificate Course in Public Economics Management for Executives, Class 12, King Prajadhipok's Institute
- Project Management, the Engineering Institute of Thailand
- Executive Development Program (EDP) (Class 12), Fiscal Policy Research Institute Foundation
- Executive Energy Program (EEP), the Institute of Industrial Energy, Federation of Thai Industries

Work Experiences

- 2017 Executive Vice President-Project Development, Ratchaburi Electricity Generating Holding Public Company Limited
- 2015 - 2017 Board of Directors Member, Solar Power (Korat 3) Company Limited, Solar Power (Korat 4) Company Limited and Solar Power (Korat 7) Company Limited,
- 2014 - 2017 Board of Directors Chairman, Oversea Green Energy Company Limited
- 2015 Executive Vice President-Business Development 2, Ratchaburi Electricity Generating Holding Public Company Limited
- 2015 Executive Vice President-Business Development 2 and Acting Vice President-Foreign Investment Division, Ratchaburi Electricity Generating Holding Public Company Limited
- 2014 Executive Vice President-Business Development 2, Ratchaburi Electricity Generating Holding Public Company Limited
- 2014 Senior Vice President and Acting Executive Vice President-Business Development 2, Ratchaburi Electricity Generating Holding Public Company Limited, acting as Managing Director of Sustainable Energy Corporation and Khaokor Wind Power Company Limited

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations :

- Director and executive positions in the Company's Group as shown on page 088

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

04 Mr. Somnuk Jindasup

Age 60 years

Chief Asset Management Officer

Starting Date : 1 March 2014

The Company's Securities Holding Proportion :

- Direct : None
- Indirect : 0.0005 percent (held by spouse)

Education

- Bachelor of Science (Electrical Engineering) (2nd Class Honor), King Mongkut's Institute of Technology North Bangkok Campus

Important Trainings/Seminars

- Leadership Assessment & Development Program (2013)
- Leading with the Speed of Trust (2013)
- Director Certification Program (DCP152/2011), Thai Institute of Directors Association
- Advanced Senior Executive Program (2010), SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Executive Development Program (2008), Thai Listed Company Association
- Advanced Certificate Course, Public Administration and Public Law (2006 - 2007), King Prajadhipok's Institute
- ASEAN Executive Program (2005), General Electric International Operation Company, Inc., United States of America
- Senior Executive Program (2003), SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Advanced Mini MBA, Chulalongkorn University
- Literacy for the World Program, Class 6 (TEA 6), Thailand Energy Academy
- Advanced Certificate Course, Politics and Governance in Democratic Systems for Executives, King Prajadhipok's Institute

Work Experiences

- 2014 - 2018 Board of Directors Member, Hongsa Power Company Limited and Phu Fai Mining Company Limited
- 2013 - 2018 Board of Directors Member, Ratchaburi Electricity Generating Company Limited
- 2014 - 2017 Board of Directors Member, SouthEast Asia Energy Limited and Nam Ngum 2 Power Company Limited
- 2014 - 2016 Chief Asset Management Officer Ratchaburi Electricity Generating Holding Public Company Limited, acting as Managing Director, Ratchaburi Electricity Generating Company Limited
- 2014 - 2016 Board of Directors Chairman, Ratch-Lao Services Company Limited and Oversea Green Energy Company Limited
- 2014 Board of Directors Chairman, Sustainable Energy Corporation Limited
- 2013 - 2014 Senior Executive Vice President, Ratchaburi Electricity Generating Holding Public Company Limited, seconded to be Managing Director, Ratchaburi Electricity Generating Company Limited

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations :

- Director and executive positions in the Company's Group as shown on page 088

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

05 ## Mrs. Sunee Rajatamutha

Age 60 years

Chief Financial Officer
(Top Responsible Person in Accounting and Finance)

Starting Date : 1 January 2017
The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Accounting, Thammasat University
- Master of Business Administration (Financial), Chulalongkorn University
- Bachelor of Accounting (2nd Class Honor), Chulalongkorn University

Important Trainings/Seminars

- Director Certification Program (DCP179/2013). Thai Institute of Directors Association
- Advanced Certificate Course in Public Economics Management for Executives (Class 13), King Prajadhipok's Institute
- Senior Executive Program, SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Chief Financial Officer, Federation of Accounting Professions
- Modern Management Program, Chulalongkorn University

Work Experiences

- 2017 Board of Directors Member, RICI International Investment Pte. Limited
- 2011 - 2017 Board of Director Member, Ratchaburi Energy Company Limited
- 2011 - 2016 Executive Vice President-Financial, Ratchaburi Electricity Generating Holding Company Limited
- 2011 - 2016 Board of Directors Member, Nava Nakorn Electricity Generating Company Limited

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations :

- Director and executive positions in the Company's Group as shown on page 088

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

06 ## Mr. Prayut Thongsuwan

Age 60 years

Executive Vice President - Corporate Administration

Starting Date : 1 September 2014

The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Public and Private Management, The National Institute of Development Administration
- Bachelor of Political Sciences (Public Administration), Thammasat University

Important Trainings/Seminars

- Financial Statements for Directors (FSD11/2011) Thai Institute of Directors Association
- ASEAN Executive Program, General Electric International Operation Company, Inc., United State of America
- Senior Executive Program, SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Advanced Mini MBA, Chulalongkorn University

Work Experiences

- 2016 - 2017 Board of Directors Member, CN Biomass Company Limited, PB Biomass Company Limited and LP Biomass Company Limited
- 2015 - 2017 Board of Directors Member, Solarta Company Limited
- 2016 Board of Directors Member and Managing Director, RE Solar 1 Company Limited
- 2014 Board of Directors Member, Oversea Green Energy Company Limited
- 2014 Board of Directors Member, Sustainable Energy Corporation Limited and Khao Kor Wind Power Company Limited
- 2012 - 2014 Board of Directors Member and Managing Director, Solarta Company Limited

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations :

- Director and executive positions in the Company's Group as shown on page 088

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

07 Mrs. Wadeerat Charoencoop

Age 44 years

Executive Vice President - Financial

Starting Date : 1 May 2017

The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Business Administration, The University of Washington, United States of America
- Bachelor of Business Administration (Finance) (2nd Class Honor), Chulalongkorn University

Important Trainings/Seminars

- Corporate Governance for Executives, Thai Institute of Directors Association
- Senior Development Program, Duke C.E.
- STARS Switzerland Symposium
- Chief Financial Officer Certification Program, Federation of Accounting Professions
- TLCA Executive Development Program, Thai Listed Companies Association

Work Experiences

- 2014 - 2017 Head of Group Finance, Treasury, Tax and IR, Siam City Cement Public Company Limited
- 2011 - 2014 Vice President-Head of Financial Planning and Management Division, Ratchaburi Electricity Generating Holding Company Limited

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations :

- Director and executive positions in the Company's Group as shown on page 088

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

08 ## Mr. Sakchai Sripetch

Age 59 years

Senior Vice President - Head of Financial Planning and Management Division

Starting Date : 1 January 2017

The Company's Securities Holding Proportion :

- Direct : 0.0001 percent
- Indirect : None

Education

- Master of Business Administration, Thammasat University
- Bachelor of Accountancy (Cost Accounting), Chulalongkorn University
- Bachelor of Law, Sukhothai Thammathirat Open University

Important Trainings/Seminars

- Senior Executive Program, SASIN Graduate Institute of Business Administration, Chulalongkorn University
- Chief Financial Officer Certification Program, Federation of Accounting Professions
- Executive Program for Young Professionals, Fiscal Policy Research Institute Foundation
- Certified Public Accountant

Work Experiences

- 2014 - 2016 Senior Vice President, Ratchaburi Electricity Generating Holding Public Company Limited, seconded to be Chief Financial Officer, Ratchaburi Power Company Limited
- 2013 - 2014 Vice President, Ratchaburi Electricity Generating Holding Public Company Limited, seconded to be Chief Financial Officer, Ratchaburi Power Company Limited

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations :

- Director and executive positions in the Company's Group as shown on page 088

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

09 Mrs. Supatra Thongkarn

Age 58 years

Senior Vice President - Head of General Accounting Division (Directly Responsible Person for Accounting Supervision)

Starting Date : 1 March 2017

The Company's Securities Holding Proportion :

- Direct : 0.0003 percent
- Indirect : None

Education

- Bachelor of Accountancy, Chulalongkorn University

Important Trainings/Seminars

- Mini MBA, Thammasat University
- Tax Controller Major in International Tax, School of Tax
- Chief Financial Officer Certification Program, Federation of Accounting Professions

Work Experiences

- 2017 Vice President-General Accounting Division, Ratchaburi Electricity Generating Holding Public Company Limited
- 2015 - 2017 Board of Directors Member, RICI International Investment Pte. Limited
- 2015 - 2016 Vice President-Accounting Control and Analysis Division, Ratchaburi Electricity Generating Holding Public Company Limited
- 2014 - 2015 Vice President-Head of Tax Management Division, Ratchaburi Electricity Generating Holding Public Company Limited and Acting Deputy Managing Director-Administration, Accounting and Finance, Solarta Company Limited
- 2014 Vice President-Head of Tax Management Division, Ratchaburi Electricity Generating Holding Public Company Limited
- 2013 - 2014 Vice President-Head of Treasury Division, Ratchaburi Electricity Generating Holding Public Company Limited

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations :

- Director and executive positions in the Company's Group as shown on page 088

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

10 Miss Chatuporn Laohapiboonratana

Age 47 years

Vice President - Head of Tax Management and General Ledger Division

Starting Date : 1 January 2017

The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Business Administration, Kasetsart University
- Bachelor of Accountancy (2nd Class Honors), Chiang Mai University

Important Trainings/Seminars

- Financial Management and Tax Planning Program (Class 41), Faculty of Economics, Chulalongkorn University
- Chief Financial Officer Certification Program (Class 13), Federation of Accounting Professions
- Mini MBA, Kasetsart University
- Tax Planning for The Boss Certification Program, Management and Psychology Institute

Work Experiences

- 2016 Vice President-Head of Tax Management Division, Ratchaburi Electricity Generating Holding Public Company Limited
- 2015 - 2016 Senior Manager Acting Vice President-Head of Tax Management Division, Ratchaburi Electricity Generating Holding Public Company Limited
- 2014 - 2015 Senior Manager-Head of Financial Planning Department, Ratchaburi Electricity Generating Holding Public Company Limited
- 2012 - 2014 Senior Manager, Ratchaburi Electricity Generating Holding Public Company Limited, seconded to be Chief Financial Officer, Solarta Company Limited

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations :

- Director and executive positions in the Company's Group as shown on page 088

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

11 Miss Suwannee Sirisajjawat

Age 48 years

Vice President - Head of Accounting Control and Analysis Division

Starting Date : 1 July 2017

The Company's Securities Holding Proportion :

- Direct : None
- Indirect : None

Education

- Master of Business Administration, Kasetsart University
- Bachelor of Business Administration (Accounting), Prince of Songkla University

Important Trainings/Seminars

- Mini MBA, Kasetsart University

Work Experiences

- 2017 Board of Directors Member, RATCH-Lao Services Company Limited
- 2017 Acting Vice President-Head of Accounting Control and Analysis Division, Ratchaburi Electricity Generating Holding Public Company Limited
- 2015 - 2016 Senior Manager-Head of Management Accounting Department, Ratchaburi Electricity Generating Holding Public Company Limited
- 2012 - 2015 Senior Manager-Head of Accounting Analysis and Budgeting Department, Ratchaburi Electricity Generating Holding Public Company Limited

Current Positions in Other Listed Companies : None

Current Positions in Non-listed Organizations :

- Director and executive positions in the Company's Group as shown on page 088

Prohibited Qualifications/Committed an Offence : None

Family Relationship with Directors and Executives : None

Participation in Managing Business Relationship/Providing Professional Service to the Company's Group in the Previous Year : None

Being an Employee/Partner of External Audit Company in the Previous 2 Years : None

Issues that May Cause Conflict of Interest in the Previous Year : None

General Information of the Company's Group

The Company's Group comprises subsidiaries, associates and joint ventures as follows:

Company's Name - Address	Shareholding (%)	Type of Business	Registered capital	Ordinary shares	Par value	Paid-up capital
• Subsidiaries totaling 14 companies						
1. **Ratchaburi Electricity Generating Company Limited** 128 Moo 6, Phikulthong, Muang, Ratchaburi 70000 Tel.: +66 2978 5111, +66 3271 9185 Ext. 3762 Fax: +66 2978 5110, +66 3271 9185 Ext. 3204 **Location of Branch 2** 39 Moo 5, Ratchaburi-HuayPhai Road, Hin Kong, Muang, Ratchaburi 70000 Tel.: +66 3271 9000 Fax: +66 3271 9090	99.99	Produce and sell power and invest in power related business	Baht 21,900 million	2,190 million shares	Baht 10	Baht 21,900 million
2. **Ratchaburi Alliances Company Limited** 8/8 Moo 2, Ngamwongwan Road, Bangkhen, Muang, Nonthaburi 11000 Tel.: +66 2794 9999 Fax: +66 2794 9998	99.99	Invest in power related business	Baht 420.20 million	42.02 million shares	Baht 10	Baht 420.20 million
3. **Ratchaburi Energy Company Limited** 8/8 Moo 2, Ngamwongwan Road, Bangkhen, Muang, Nonthaburi 11000 Tel.: +66 2794 9999 Fax: +66 2794 9998	99.99	Develop and operate power plants and invest in power related business	Baht 640 million	64 million shares	Baht 10	Baht 640 million

	Company's Name - Address	Shareholding (%)	Type of Business	Registered capital	Ordinary shares	Par value	Paid-up capital
4.	**RH International Corporation Limited** 8/8 Moo 2, Ngamwongwan Road, Bangkhen, Muang, Nonthaburi 11000 Tel.: +66 2794 9999 Fax: +66 2794 9998	99.99	Invest in power related business	Baht 17,650 million	1,765 million shares	Baht 10	Baht 17,650 million
5.	**RATCH O&M Company Limited** 8/8 Moo 2, Ngamwongwan Road, Bangkhen, Muang, Nonthaburi 11000 Tel.: +66 2794 9999 Fax: +66 2794 9998	99.99	Provide power plant operation and maintenance services	Baht 10 million	1 million shares	Baht 10	Baht 2.5 million
6.	**RATCH-Lao Services Company Limited** 187 Unit 12, Ban Ponesa-ad, Saysetha, Viantiane Capital, Lao PDR Tel.: +856 21 454 074 Fax: +856 21 454 075	99.99	Provide power plant operation and maintenance services	USD 2.5 million	2.5 million shares	USD 1	USD 2.5 million
7.	**RE Solar 1 Company Limited** 8/8 Moo 2, Ngamwongwan Road, Bangkhen, Muang, Nonthaburi 11000 Tel.: +66 2794 9999 Fax: +66 2794 9998	99.99 (held by Ratchaburi Energy Company Limited)	Producing and selling power	Baht 100 million	10 million shares	Baht 10	Baht 25 million
8.	**CN Biomass Company Limited** 8/8 Moo 2, Ngamwongwan Road, Bangkhen, Muang, Nonthaburi 11000 Tel.: +66 2794 9999 Fax: +66 2794 9998	99.99 (held by Ratchaburi Energy Company Limited)	Producing and selling power	Baht 20 million	2 million shares	Baht 10	Baht 5 million

	Company's Name - Address	Shareholding (%)	Type of Business	Registered capital	Ordinary shares	Par value	Paid-up capital
9.	**PB Biomass Company Limited** 8/8 Moo 2, Ngamwongwan Road, Bangkhen, Muang, Nonthaburi 11000 Tel.: +66 2794 9999 Fax: +66 2794 9998	99.99 (held by Ratchaburi Energy Company Limited)	Producing and selling power	Baht 20 million	2 million shares	Baht 10	Baht 5 million
10.	**LP Biomass Company Limited** 8/8 Moo 2, Ngamwongwan Road, Bangkhen, Muang, Nonthaburi 11000 Tel.: +66 2794 9999 Fax: +66 2794 9998	99.99 (held by Ratchaburi Energy Company Limited)	Producing and selling power	Baht 20 million	2 million shares	Baht 10	Baht 5 million
11.	**RH International (Mauritius) Corporation Limited** 4th Floor, Ebene Skies, Rue de L'Institut, Ebene, Republic of Mauritius	100 (held by RH International Corporation Limited)	Invest in power related business in foreign countries	USD 524.13 million	524.13 million shares	USD 1	USD 524.13 million
12.	**RH International (Singapore) Corporation Pte. Limited** 8 Marina Boulevard #05-02 Marina Bay Financial Centre Tower 1, Republic of Singapore 018981	100 (held by RH International (Mauritius) Corporation Limited)	Invest in power related business in foreign countries	USD 523.83 million or equivalent	523.83 million shares	USD 1	USD 523.83 million or equivalent
13.	**RATCH China Power Limited** 1401 Hutchison House 10, Harcout Road, Hong Kong	100 (held by RH International (Singapore) Corporation Pte. Limited)	Invest in power related business in foreign countries	USD 12,000	12,000 shares	USD 1	USD 12,000
14.	**RATCH-Australia Corporation Pty Ltd** Level 7, 111 Pacific Highway, North Sydney, NSW 2060, Australia Tel.: +61 2 8913 9400 Fax: +61 2 8913 9423	80 (held by RH International (Singapore) Corporation Pte. Limited)	Develop and operate power plants and invest in power related businesses	AUD 327.65 million	337.19 million shares	-	AUD 327.65 million

	Company's Name - Address	Shareholding (%)	Type of Business	Registered capital	Ordinary shares	Par value	Paid-up capital
•	**Subdiaries, associates and joint ventures totaling 25 companies**						
1.	**Chubu Ratchaburi Electric Services Company Limited** 128 Moo 6, Pikulthong, Mueang Ratchaburi, Ratchaburi 70000 Tel.: +66 3271 9300 Fax: +66 3271 9309	50	Provide power plant operation and maintenance services	20 million	0.40 million shares	Baht 50	Baht 20 million
2.	**PT Medco Ratch Power Riau** The Energy Building, 50th Floor, SCBD Lot 11A, Jl. Jendral Sudirman Kav. 52-53, Jakarta 12190, Indonesia	49 (held by RH International (Singapore) Corporation Pte. Limited)		IDR 12,000 million	12 million shares	IDR 1,000	IDR 3,000 million
3.	**SouthEast Asia Energy Limited** 587 Viriyathavorn Building, 20th Floor, Suthisarnvinijchai Road, Ratchadaphisek, Din Daeng, Bangkok 10400 Tel.: +66 2691 9720-34 Fax: +66 2691 8307	33.33	Invest in power related businesses	Baht 6,606.75 million	660.675 million shares	Baht 10	Baht 6,606.75 million
4.	**Nam Ngum 3 Power Company Limited** 093, Unit 07, Kamphengmeaung Road, Vienchaleun Village,Saysetha District, Vientiane, Lao PDR Tel: +856 21 412 639 Fax: +856 21 412 644	25	Produce and sell power	USD 0.30 million	0.003 million shares	USD 100	USD 0.06 million
5.	**Xe-Pian Xe-Namnoy Power Company Limited** 6th Floor, Capital Tower, No. 23 Singha Road, Ban Nong Bon, Saysettha, Vientiane Capital, Lao PDR Tel.: +856 21 455 025 Fax: +856 21 455 025	25	Produce and sell power	USD 306 million	3.06 million shares	USD 100	USD 295.35 million

	Company's Name - Address	Shareholding (%)	Type of Business	Registered capital	Ordinary shares	Par value	Paid-up capital
6.	**First Korat Wind Company Limited** 87/1 Capital Tower, All Seasons Place, 25th Floor, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Tel.: +66 2106 8000 Fax: +66 2106 8008	20	Produce and sell power	Baht 1,996.02 million	199.602 million shares	Baht 10	Baht 1,996.02 million
7.	**K. R. Two Company Limited** 87/1 Capital Tower, All Seasons Place, 25th Floor, Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Tel.: +66 2106 8000 Fax: +66 2106 8008	20	Produce and sell power	Baht 1,827 million	182.70 million shares	Baht 10	Baht 1,827 million
8.	**Ratchaburi World Cogeneration Company Limited** 155/115 Ratchaburi Industrial Estate, Moo 4 Chet Samian, Potharam, Ratchaburi 70120 Tel.: +66 3291 9990 Fax: +66 3291 9998 **Branch Office (1)** 155/116 Ratchaburi Industrial Estate, Moo 4 Chet Samian, Potharam, Ratchaburi 70120 **Branch Office (2)** 155/117 Ratchaburi Industrial Estate, Moo 4 Chet Samian, Potharam, Ratchaburi 70120	40 (held by Ratchaburi Electricity Generating Company Limited	Produce and sell power and steam	Baht 2,500 million	250 million shares	Baht 10	Baht 2,500 million
9.	**Nava Nakorn Electricity Generating Company Limited** 111 Moo 20, Paholyothin Road, Khlong Nueng, Khlong Luang, Pathumthani	40 (held by Ratchaburi Electricity Generating Company Limited)	Produce and sell power and steam	Baht 1,550 million	150 million shares	Baht 10	Baht 1,550 million

	Company's Name - Address	Shareholding (%)	Type of Business	Registered capital	Ordinary shares	Par value	Paid-up capital
10.	**Berkprai Cogeneraion Company Limited** 302 S&A Building, 2nd Floor, Silom Road, Suriyawong, Bang Rak, Bangkok Tel.: +66 2978 5380 Fax: +66 2978 5080 Ext. 5380	35 (held by Ratchaburi Electricity Generating Company Limited)	Produce and sell power and steam	Baht 1,331 million	133.10 million shares	Baht 10	Baht 1,331 million
11.	**Solarta Company Limited** 8/8 Moo 2, Bangkhen, Muang, Nonthaburi 11000 Tel.: +66 2978 5200 Fax: +66 2978 5080 Ext. 5200	49 (held by Ratchaburi Energy Company Limited)	Produce and sell power	Baht 1,320 million	13.20 million shares	Baht 100	Baht 1,100 million
12.	**Solar Power (Korat 3) Company Limited** 1 Capital Workplace Building, 4th Floor, Soi Chamchan, Klongton Nuea, Watthana, Bangkok 10110 Tel.: +66 2011 8111 Fax: +66 2011 8112	40 (held by Ratchaburi Energy Company Limited	Produce and sell power	Baht 188.75 million	18.875 million shares	Baht 10	Baht 188.75 million
13.	**Solar Power (Korat 4) Company Limited** 1 Capital Workplace Building, 4th Floor, Soi Chamchan, Klongton Nuea, Watthana, Bangkok 10110 Tel.: +66 2011 8111 Fax: +66 2011 8112	40 (held by Ratchaburi Energy Company Limited	Produce and sell power	Baht 199.25 million	19.925 million shares	Baht 10	Baht 199.25 million
14.	**Solar Power (Korat 7) Company Limited** 1 Capital Workplace Building, 4th Floor, Soi Chamchan, Klongton Nuea, Watthana, Bangkok 10110 Tel.: +66 2011 8111 Fax: +66 2011 8112	40 (held by Ratchaburi Energy Company Limited)	Produce and sell power	188.75 million	18.875 million shares	Baht 10	Baht 188.75 million

	Company's Name - Address	Shareholding (%)	Type of Business	Registered capital	Ordinary shares	Par value	Paid-up capital
15.	**Songkhla Biomass Company Limited** 56 Moo 3 Khun Tat Wai, Jana, Songkhla Tel.: +66 7489 0754-5 Fax: +66 7489 0757	40 (held by Ratchaburi Energy Company Limited	Produce and sell power	Baht 246 million	2.46 million shares	Baht 100	Baht 246 million
16.	**Songkhla Biofuel Company Limited** 1842 Krungthep-Nonthaburi Road, Wongsawang, Bang Sue, Bangkok 10800 Tel.: +66 2910 9700 Fax: +66 2910 9713	40 (held by Ratchaburi Energy Company Limited)	Biomass sourcing	Baht 1 million	0.01 million shares	Baht 100	Baht 1 million
17.	**Ratchaburi Power Company Limited** 1828 Sukhumvit Road, Phra Khanong Tai, Phra Khanong, Bangkok 10260 Tel.: +66 2311 5111 Fax: +66 2332 3882	25 (held by Ratchaburi Alliances Company Limited)	Produce and sell power	Baht 7,325 million	73.25 million shares	Baht 100	Baht 7,325 million
18.	**Nam Ngum 2 Power Company Limited** 215 Lan Chang Road, Ban Chiang Yuen, Chanthabuly, Vientaine Capital, Lao PDR Tel.: +856 21 251 718 Fax: +856 21 252 060	25 (held by SouthEast Asia Energy Limited)	Produce and sell power	Baht 8,809 million	880.90 million shares	Baht 10	Baht 8,809 million
19.	**Hongsa Power Company Limited** Sisattanark, Vientiane Capital, Lao PDR Tel.: +856 21 223 911 Fax: +856 21 222 089	40 (held by RH International (Singapore) Corporation Pte. Limited)	Produce and sell power	USD 927 million	92.70 million shares	USD 10	USD 927 million
20.	**Phu Fai Mining Company Limited** Sisattanark, Vientiane Capital, Lao PDR Tel.: +856 21 223 911 Fax: +856 21 222 089	37.50 (held by RH International (Singapore) Corporation Pte. Limited)	Produce and sell coal	USD 0.05 million	0.005 million shares	USD 10	USD 0.05 million

	Company's Name - Address	Shareholding (%)	Type of Business	Registered capital	Ordinary shares	Par value	Paid-up capital
21.	**Fareast Renewable Development Pte. Ltd.** 36 Robinson Road, #13-01 City House, 068877, Singapore	50 (held by RH International (Singapore) Corporation Pte. Limited)		USD 87.80 million	33.86 million shares	USD 1 for 19.80 shares and USD 4.84 for 14.06 million shares	USD 87.80 million
22.	**EGAT Diamond Service Company Limited** 56/25 Moo 20, Khlong Nueng, Khlong Luang, Pathumthani 12120 Tel.: +66 2529 0808 Fax: +66 2529 0900	10	Provide gas turbine maintenance services for power generating system	Baht 623 million	6.23 million shares	Baht 100	Baht 623 million
23.	**Northern Bangkok Monorail Company Limited** 21 Soi Choey Phuang, Vibhavadi Rangsit Road, Chom Phol, Chatuchak, Bangkok Tel.: +66 2273 8511-5 Fax: +66 2273 8516	10	Provide transport, cargo and passenger transport by electric train, and transport related activities	Baht 14,400 million	144 million shares	Baht 100	Baht 11,800 million
24.	**Easthern Bangkok Monorail Company Limited** 21 Soi Choey Phuang, Vibhavadi Rangsit Road, Chom Phol, Chatuchak, Bangkok Tel.: +66 2273 8511-5 Fax: +66 2273 8516	10	Provide transport, cargo and passenger transport by electric train, and transport related activities	Baht 14,400 million	144 million shares	Baht 100	Baht 12,000 million
25.	**EDL-Generation Public Company** Lao-Thai Friendship Road, P.O. Box 2392, Thongkang Village, Sisatanark District, Vientiane Capital, Lao PDR Tel.: +856 21 316 142 Fax: +856 21 316 141 Website: www.edlgen.com.la	10.11 (held by RATCH-Lao Services Company Limited (5.65%) Company Limited and RH International (Singapore) Corporation Pte. Limited (4.46%)	Produce and sell power	LAK 6,717,214.79 million	1,679.304 million shares	LAK 4,000	LAK 6,717,214.79 million

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ELECTRICITY GENERATING
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Ratchaburi Electricity Generating Holding
Public Company Limited
8/8 Moo 2 Ngamwongwan Road, Bangkhen,
Muang Nonthaburi, Nonthaburi 11000 Thailand
Tel. : +66 2794 9999
Fax : +66 2794 9998
www.ratch.co.th

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