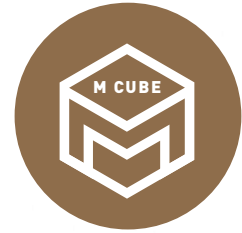




GLOBAL POWER SYNERGY PUBLIC COMPANY LIMITED

ANNUAL REPORT 2016

SUSTAINABLE GROWTH



MAXIMIZE

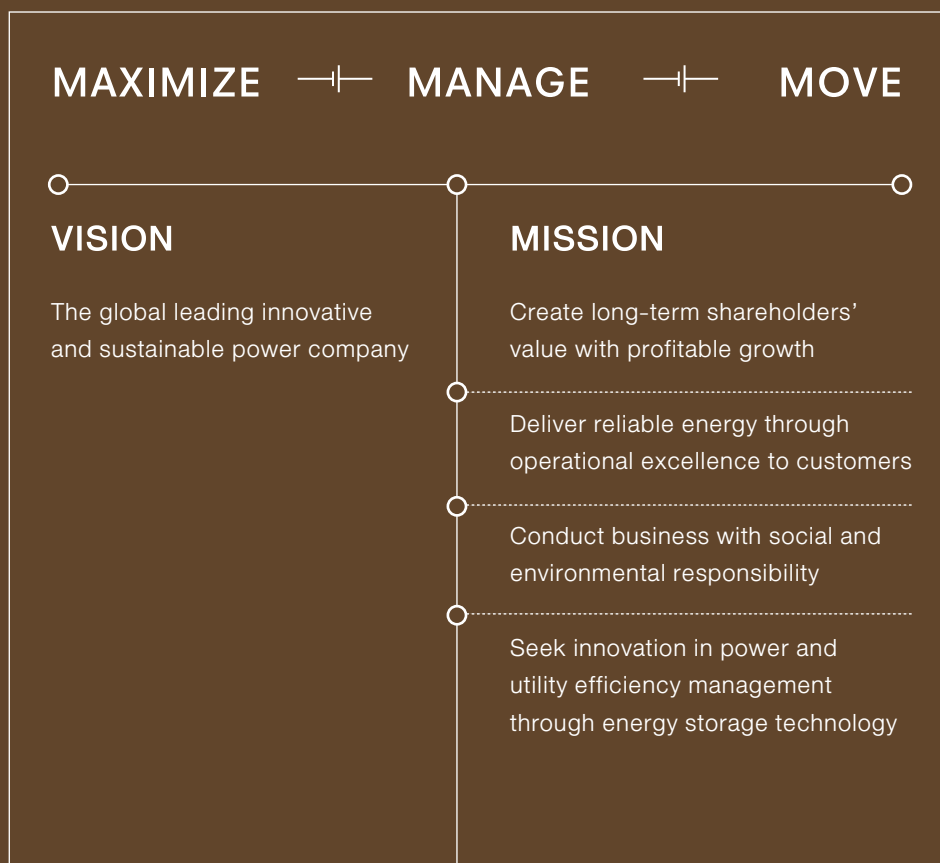


MANAGE



MOVE





Investors can acquire company's information from the annual disclose form (Form 56-1) as shown in www.sec.or.th or the company's website at www.gpscgroup.com

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Mr. Toemchai Bunnag
Chief Executive Officer



MESSAGE FROM THE BOARD OF DIRECTORS

Dear Shareholders,

In 2016, GPSC faced tough challenges to its mandate of delivering results to all shareholders and stakeholders amid critical changes in economic and national circumstances, all extensively resulting in price volatility of energy and other commodities as well as volatile investment in the capital market. However, due to commendable collaboration among the Board, the management, and employees, GPSC has sailed through these testing times.

For GPSC's continued growth, efficiency, and success as PTT Group's power flagship, this year we have undertaken crucial strategic change, namely the amendment of the corporate vision, mission, and business goals, so that they may reflect current businesses and long-term objectives in corporate growth plans. And to enable GPSC to achieve its vision, mission, and goals, we have adopted the "Maximize / Manage / Move" management scope. To elaborate, "Maximize" refers to the strategy to conduct our core businesses. "Manage" means the strategy to manage invested companies to fulfill plans. And "Move" represents the strategy to develop new projects.

Apart from this shift in strategies, we have focused on forging understanding of and confidence in GPSC's businesses. To this end, our management team has constantly engaged international investors so as to grow their confidence in our business strategies, business processes, executives' production caliber, control of projects with planned commercial operation, and administration of long-term sales agreements.



A stylized, handwritten signature in white ink.

Mr. Surong Bulakul
Chairman

GPSC has consequently posted performance outcomes characterized by certainty and growth, securely delivering decent investment values. In 2016, our net profit amounted to THB 2,700 million, a rise of 42% from last year.

Regarding the management approach since the listing on the Stock Exchange of Thailand (SET), we have adhered to Good Corporate Governance in our business conduct and to sound organizational management, coupled with responsibility to all stakeholders and due regard for the environment, all of which have earned us acceptance and trust from international institutional investors. Our market capitalization has therefore met the SET 50 criteria. In addition, we have garnered acceptance for corporate governance and sustainability management from assorted entities. For instance, assessment by the Thai Institute of Directors rated GPSC as “Excellent” for its corporate governance. Thaipat Institute, meanwhile, placed GPSC among the top 100 listed companies known as ESG 100 (Environment, Social, and Governance) in 2016.

We continue to value human resource development across the company with a focus on raising business process efficiency to keep pace with change under any circumstances - innovation, technology, or economic circumstances that are subject to change now and in the future.

On behalf of the Board of Directors, the management, and employees, we therefore wish to express our appreciation to the shareholders and stakeholders for their remarkable trust and confidence in us, both of which have long formed a cornerstone for our businesses, which have in turn achieved all goals under the 2016 plans. Grievingly, however, Thailand is mourning the passing of His Majesty the late King Bhumibol, an immense loss for the entire nation. As a Thai company, we will apply the late king’s discourses on sufficiency economy and promotion of renewable energy as our business guidelines for managing PTT Group’s power flagship, while playing a key role in driving the national economy and forging national energy security over future years.



MAXIMIZE



Core Business Management

Core business management amid fluctuating customers' demand, machinery efficiency, production costs, and other factors affecting product price including regulations on contracts, safety, and the environment. At the bottom line, optimal profits and system security to bolster customers' confidence.







COMBINED CYCLE POWER PLANT /
COGENERATION POWER PLANT

MANAGE



Management of Invested Companies

Steering commercial projects
by GPSC's invested companies
for planned business execution, while
keeping projects under construction
on course for completion.





RENEWABLE
POWER PLANT



HYDRO
POWER PLANT



OTHER
BUSINESSES





MOVE



Development of New Projects

Pursuit of worldwide power business investment opportunities along with related business development for sustainable growth.





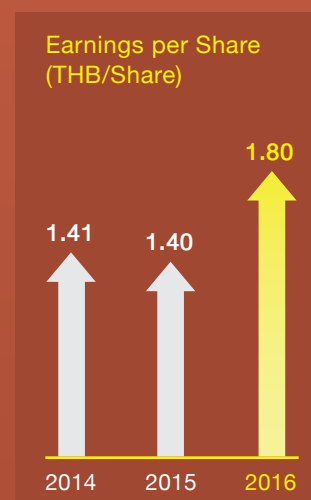
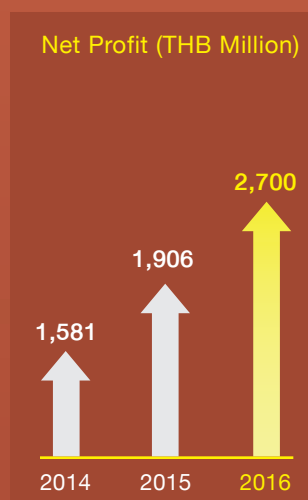
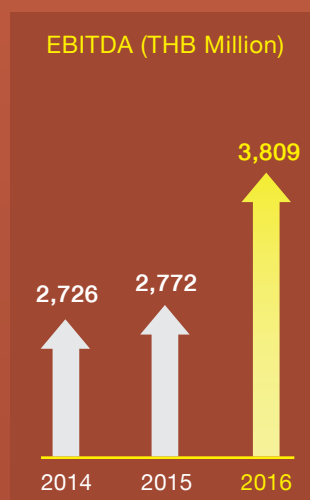
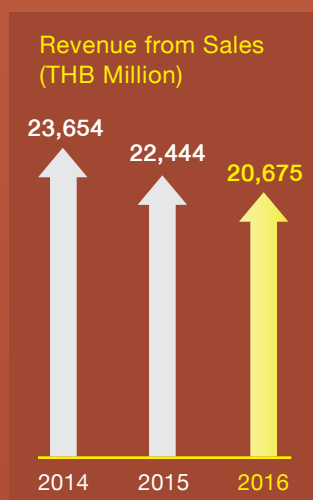


FINANCIAL HIGHLIGHTS

SUMMARY OF SIGNIFICANT FINANCIAL INFORMATION

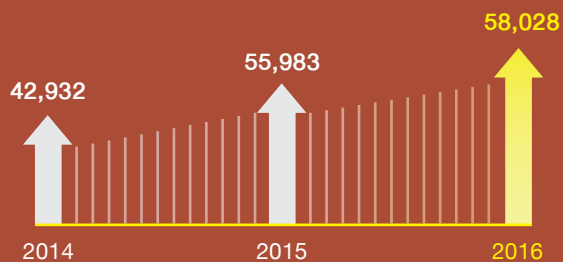
Financial Overview	Unit	2014	2015 (Restated)	2016
OPERATING				
Revenue from Sales	THB Million	23,654	22,444	20,675
EBITDA	THB Million	2,726	2,772	3,809
Net Profit	THB Million	1,581	1,906	2,700
Earnings per Share	THB/Share	1.41	1.40	1.80
FINANCIAL				
Total Assets	THB Million	42,932	55,983	58,028
Total Liabilities	THB Million	16,914	18,855	19,274
Shareholders' Equity	THB Million	26,018	37,128	38,754
FINANCIAL RATIOS				
Interest Coverage Ratio	Times	3.58	4.29	6.09
Current Ratio	Times	1.57	3.58	2.78
Net Debt to Equity Ratio	Times	0.35	0.10	0.22
Return on Equity	Percent	6.42	6.22	7.38
Return on Assets	Percent	3.66	3.82	5.04

OPERATING

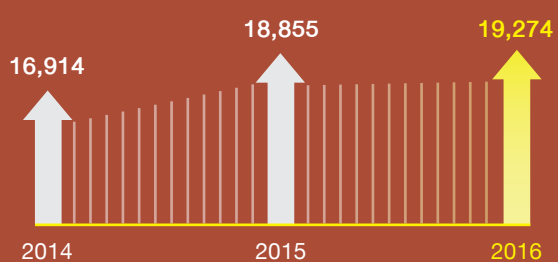


FINANCIAL

Total Assets (THB Million)



Total Liabilities (THB Million)



Shareholders' Equity (THB Million)

26,018

2014

37,128

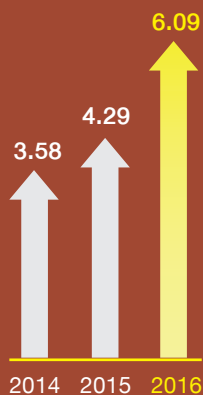
2015

38,754

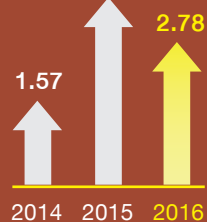
2016

FINANCIAL RATIOS

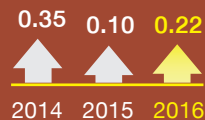
Interest Coverage Ratio (Times)



Current Ratio (Times)



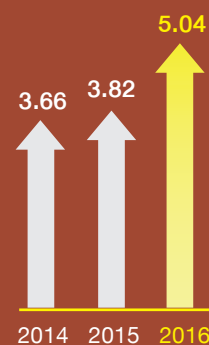
Net Debt to Equity Ratio (Times)



Return on Equity (%)



Return on Assets (%)





REPORT OF THE AUDIT COMMITTEE

Dear Shareholders,

The Audit Committee of Global Power Synergy Public Company Limited (GPSC) comprises four independent directors with expertise and experience in engineering and energy businesses, law, financial accounting, economics, and corporate management, with Mr. Norkun Sitthiphong serving as the Chairman of the Audit Committee; Mr. Chulasingh Vasantasingh, Ms. Panada Kanokwat, and Maj. Gen. Chaowalek Chayansupap serving as Members of the Audit Committee; and Mr. Kraisorn Puavilai, Vice President of Corporate Internal Audit (Acting), serving as the Secretary to the Audit Committee.

The Audit Committee has independently fulfilled its duties as prescribed by GPSC's Board of Directors and specified in the Audit Committee Charter, in compliance with all the rules stipulated by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The duties in the Committee's purview include the review of financial statements, connected transactions, risk management, internal control systems, supervision of internal auditing, compliance with laws and regulations relevant to GPSC's domestic and overseas operations, appointment of external auditors, and review of the audit fee. In 2016, the Audit Committee convened a total of 18 meetings. The summary of its operations in 2016 is provided below.

1. Review of financial statements

The Audit Committee reviewed the quarterly and annual financial statements of GPSC and its subsidiaries in 2016, with related members of the management and the external auditors present at the review meetings to offer clarifications and answer questions that the Audit Committee may have had regarding the accuracy, completeness, and adjustments to material items that affected the financial statements, the sufficiency of the information disclosure, and the observations of the auditors. After due consideration and thorough review, the Audit Committee was of the opinion that the financial statements present GPSC's financial position fairly in all material respects and are fully consistent with Thailand's financial reporting

standards, complete, timely, and reliable that are beneficial to investors and users.

In addition, the Audit Committee convened meetings specifically with the external auditors, without the management present, to discuss information of materiality and GPSC's internal control systems related to accountancy and financial reporting and other relevant matters, including obstacles to their operation. The Audit Committee found that the auditors were given full cooperation from the management and provided with operational independence. In addition, the external auditors were knowledgeable and possessed experience and expertise commensurate with their duties as auditors.

2. Review of connected transactions or transactions that may result in possible conflicts of interest

The Audit Committee reviewed connected transactions and those potentially creating conflicts of interest that were considered connected transactions under the SET's and the SEC's notifications. The review of connected transactions between GPSC and relevant parties revealed that GPSC operated under general, fair, and reasonable terms and did not facilitate any transfer of interest. In addition, its disclosure of information was complete, sufficient, and in compliance with GPSC's corporate governance policies and the SET's notifications.

3. Review of risk management

The Board of Directors, the Risk Management Committee, and the management have placed great emphasis on risk management and thus prescribed assessment of internal and external risk factors, risk potential, and impacts as well as compiled risk management plans to prevent or mitigate potential impacts on the business to an acceptable level. The Risk Management Committee was appointed by the Board of Directors to oversee risk management of GPSC, and the management is responsible for reporting risk developments regularly. The Audit Committee reviewed the efficiency of GPSC's risk management

based on the performance reports of GPSC and its joint ventures as well as reports of internal and external auditors and found that GPSC's management had effectively reduced risks to an acceptable level.

4. Review of internal control's assessment

The Audit Committee reviewed the internal control systems of GPSC and its joint ventures in accordance with the SEC's and the SET's guidelines. The results reported by the Office of Internal Audit and the external auditors revealed no issue or flaw that could significantly impact GPSC. In addition, the management had consistently implemented recommendations of the Audit Committee, the external auditors, and the Office of Internal Audit. These efforts reflected GPSC's commitment to appropriate internal control and constituted sufficient grounds to be confident that GPSC's internal control was effective and sufficient.

5. Review of legal compliance

The Audit Committee reviewed the operation and compliance of GPSC to ensure consistency with the prescribed system and that the operations of GPSC and its joint ventures were governed with integrity and strictly complied with laws and regulations of the SEC and the SET as well as other laws relevant to the operation of GPSC so as to ensure that GPSC operated under correct and appropriate terms.

The Audit Committee reviewed and ensured that GPSC operated strictly in compliance with the laws and regulations of the SEC and the SET and other laws relevant to the operations of GPSC and its joint ventures. In 2016, no case of violation of relevant laws and regulations was found in GPSC and its joint ventures.

6. Review of internal audit

The Audit Committee ensured that the Office of Internal Audit maintained its independence and reported directly to the Audit Committee as specified in the Audit Committee Charter and that the operation of the Office was of international standards. In addition, the Audit Committee also offered recommendations on its operation to ensure strict adherence to the approved plans formulated based on GPSC's risk bases and consistency with the strategies and direction of GPSC so as to achieve added value, good governance, and effective internal control. The Audit Committee

also assessed the annual performance of the head of the Office of Internal Audit and reviewed the appropriateness of its organizational structure, internal audit units, auditing processes, and manpower for maximum effectiveness and efficiency. The Audit Committee Charter and the Internal Audit Charter were also reviewed by the Committee to ensure strict internal audit professionalism and keep in line with those of the universal standards.

7. Appointment of the external auditors and review of the audit fee for 2017

Following thorough consideration of external auditor candidates based on their performance, independence, qualifications, skills, competency, experience in the energy business, and the service rendered for GPSC in the previous year as well as the audit fees, the Audit Committee submitted auditors from KPMG Phoomchai Audit Company Limited to the Board of Directors to be proposed at the 2017 Annual General Meeting of Shareholders, to be appointed as GPSC's 2017 external auditors, namely Mr. Waiyawat Korsamarnchaiyakij, CPA Registered No. 6333, Mr. Vairoj Jindamaneepitak, CPA Registered No. 3565, Mr. Charoen Phosamritlert, CPA Registered No. 4068, and Mr. Natthaphong Tantichattanont, CPA Registered No. 8829.

In summary, in 2016, the Audit Committee sufficiently maintained its independence and fulfilled its duties in monitoring GPSC's operation with proficiency in accordance with the roles and responsibilities prescribed in the Audit Committee Charter. The Committee was of the opinion that GPSC's financial statements reliably present material information and are fully consistent with general financial reporting standards and acknowledged GPSC's sufficient disclosure of connected transactions or those that may result in possible conflicts of interest, good corporate governance, appropriate risk management, sufficient internal control systems, and full compliance with all the laws, rules, and regulations relevant to the operation of GPSC.

On behalf of the Audit Committee,



Mr. Norkun Sitthiphong

Chairman of the Audit Committee



REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

Dear Shareholders,

The Board of Directors of Global Power Synergy Public Company Limited (GPSC) has appointed the Nomination and Remuneration Committee and prescribed that the Committee should be composed of at least three directors of GPSC, one of whom must be an independent director.

Currently, the Nomination and Remuneration Committee comprises three directors, namely Mr. Chulasingh Vasantasingh, independent director, serving as the Chairman of the Nomination and Remuneration Committee, and Mr. Payungsak Chartsutipol, independent director, and Mr. Patiparn Sukorndhaman, director, serving as members of the Nomination and Remuneration Committee.

In 2016, the Nomination and Remuneration Committee convened a total of five meetings. The summary of its operations is provided below.

1. Nominated qualified candidates for directorship to be submitted to the Board of Directors for consideration and proposed at the 2016 Annual General Meeting of Shareholders to be appointed as GPSC's directors to succeed retiring directors
2. Nominated qualified candidates for directorship to be submitted to the Board of Directors for consideration and appointed as GPSC's directors to replace directors who resigned before completing their terms

3. Nominated qualified candidates for membership of sub-committees to be considered by the Board of Directors and appointed as deemed appropriate
4. Reviewed the remuneration for the Board of Directors for 2016 to be submitted to the Board of Directors for consideration and proposed to the Annual General Meeting of Shareholders for approval
5. Reviewed "Criteria for the Nomination and Appointment of Directors in Companies in Which Global Power Synergy Public Company Limited Holds Investments" to be submitted to the Board of Directors for consideration
6. Nominated qualified candidates for directorship in companies in which GPSC has invested in accordance with the management's recommendations to propose to the Board of Directors for approval
7. Reviewed the performance assessment of the Chief Executive Officer in 2016 to propose to the Board of Directors for approval

On behalf of the Nomination and Remuneration Committee

Mr. Chulasingh Vasantasingh
Chairman of the Nomination and Remuneration Committee

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

Dear Shareholders,

The Board of Directors of Global Power Synergy Public Company Limited (GPSC) has appointed the Corporate Governance Committee to oversee the corporate governance and code of conduct, sustainability management, and corporate social responsibility. The Corporate Governance Committee currently comprises three members, namely Mr. Payungsak Chartsutipol, independent director, serving as the Chairman of the Corporate Governance Committee, and Maj. Gen. Chaowalek Chayansupap, independent director, and Mr. Somchai Wongwattanasan, director, serving as members of the Corporate Governance Committee.

In 2016, the Corporate Governance Committee convened a total of six meetings. The summary of its operations is provided below.

1. Reviewed the GPSC's action plans for 2016 on corporate governance and code of conduct, sustainability management, and corporate social responsibility and regularly monitored their implementation
2. Offered recommendations to working teams and tracked the results of the 2016 Annual General Meeting of Shareholders (AGM)
3. Offered recommendations and oversaw the preparation for the 2016 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors (IOD)
4. Reviewed additional guidelines relevant to GPSC's corporate governance policies, namely the roles and responsibilities of Chairman of the Board and "the Guidelines on Office Holding in Other Companies, Organizations, or Juristic Persons of GPSC's CEO, Management, and Employees," to propose to the Board of Directors
5. Reviewed the eligibility criteria for participation in GPSC's Shareholders Site Visits
6. Reviewed the criteria for proposal of agenda items and nomination of director candidates in advance for the 2017 AGM to propose to the Board of Directors

7. Reviewed the performance assessment of the Board of Directors in 2016 to propose to the Board of Directors
8. Reviewed the directors' guidelines for considering meeting agendas that may have directors with conflict of interests to propose to the Board of Directors

As a result of GPSC's commitment to corporate governance in its operation, GPSC's corporate governance and sustainability management performance has been recognized on the national level, as detailed below.

- Rated **"Excellent"** in the Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors (IOD)
- Given the **full score of 100 on the AGM Checklist** for its first AGM and thus presented with an Investors' Choice Award by the Thai Investors Association for "companies with the perfect score in its first AGM"
- Awarded with the **ESG 100 Certificate**, given to listed companies with outstanding Environmental, Social and Governance (ESG) performance, by the Thaipat Institute
- Given a **Sustainability Report Award 2016** (Recognition Class) by the Thai Listed Companies Association for GPSC's disclosure of its Environmental, Social and Governance (ESG) information beneficial to investors and stakeholders

The Corporate Governance Committee is determined to continue to develop GPSC's operations regarding corporate governance and code of conduct, sustainability management, and corporate social responsibility to promote integrity and transparency in its business conduct and to ultimately achieve sustainable development.

On behalf of the Corporate Governance Committee



Mr. Payungsak Chartsutipol

Chairman of the Corporate Governance Committee



REPORT OF THE RISK MANAGEMENT COMMITTEE

Dear Shareholders,

The Board of Directors of Global Power Synergy Public Company Limited (GPSC) resolved to appoint the Risk Management Committee in the 7/2015 Board of Directors meeting, convened on June 17, 2015, and subsequently appointed an additional committee member. As a result, the Risk Management Committee currently comprises five members, namely Mr. Payungsak Chartsutipol, serving as Chairman of the Risk Management Committee, and Mr. Supattanapong Punmeechaow, Mr. Atikom Terbsiri, Mr. Toemchai Bunnag, and Mr. Chavalit Punthong¹, serving as members of the Risk Management Committee.

The scope of responsibilities of the Risk Management Committee has been prescribed by the Board of Directors to adhere to the Risk Management Committee Charter under GPSC's Enterprise Risk Management (ERM) Framework, which is consistent with the COSO ERM Framework and ISO31000 : 2009, as well as the Enterprise Risk Management Framework of PTT Public Company Limited.

In 2016, the Risk Management Committee convened a total of seven meetings, with all its members present in all meetings. The summary of its operations is provided below.

1. Formulated and reviewed GPSC's Enterprise Risk Management to ensure appropriateness and consistency with GPSC's strategic plans and operations amidst shifting circumstances
2. Monitored, assessed and offered recommendations on GPSC's operations and investment projects on a regular basis (at least once every two months) to ensure that the management maintained GPSC's operations within its risk appetite, as well as produced concrete and pragmatic mitigation plans to promptly minimize potential damage
3. Proposed recommendations and approved GPSC's Corporate Risk Profile of 2016, which has been formulated to correspond with GPSC's business directions, strategic plans, and goals
4. Reported the results of GPSC's Enterprise Risk Management to the Board of Directors

On behalf of the Risk Management Committee

(Mr. Payungsak Chartsutipol)

Chairman of the Risk Management Committee

¹ The Board of Directors meeting resolved to appoint Mr. Chavalit Punthong (Director) as an additional member of the Risk Management Committee on October 20, 2016. Mr. Chavalit Punthong attended the 7/2016 Risk Management Committee meeting on November 9, 2016.





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AWARDS AND RECOGNITIONS



1. Thailand Voluntary Emission Reduction Program : T-VER Awards

Presented by: Thailand Greenhouse Gas Management Organization
February 5, 2016

2. PTT Group Operational Excellence Award 2016

GPSC's Rayong Central Utility Plant 2 and Sriracha Power Plant was honored with a "Zero Unplanned Shutdown Award" for PTT Group's project to lower process losses as well as impacts on communities and the environment due to unplanned shutdowns. This award embraced the entire power and steam supply chain, from upstream to downstream and support functions which contribute to security for the entire system.

Presented by: PTT Group Operational Excellence
March 23, 2016

3. GPSC was given the full score of 100 on the AGM Checklist for its first annual general meeting of shareholders and thus presented with an **Investors' Choice Award 2016** for "Companies with the perfect score in its first AGM."

Presented by: Thai Investors Association
June 27, 2016

4. Mrs. Wanida Boonpiraks, Chief Financial Officer, won "**Best CFO**" (Resource Industry).

Presented by: Investment Analysts Association
July 14, 2016

5. GPSC received an "**ESG 100 Certificate**" and was among the 100 Thai listed companies with outstanding environmental, social and governance (ESG) performance.

Presented by: Thaipat Institute
August 15, 2016



6. **Low Emission Supporting Scheme (LESS) Awards** for GPSC's four power plants: Rayong Central Utility Plant 1-3 and Sriracha Power Plant, Chonburi province.

Presented by: Thailand Greenhouse Gas Management Organization
September 8, 2016

7. **EIA Monitoring Awards 2016**

GPSC was recognized as an excellent organization by Environment Impact Assessment (EIA) Standard in 2016.

Presented by: Office of Natural Resources and Environmental Policy and Planning
September 19, 2016

8. At its first-year assessment, GPSC achieved **"Excellent" corporate governance scoring from the Corporate Governance Report of Thai Listed**

Companies (CGR) 2016 and was ranked in the Top Quartile of listed companies with market capitalization over THB 10,000 million.

Presented by: Thai Institute of Directors
October 27, 2016

9. GPSC won the **"Most Progress in IR Award in South East Asia 2016."**

Presented by: IR Magazine
December 1, 2016

10. **Sustainability Report Award 2016 (Recognition Class)**

Presented by: Thai Listed Companies Association, Securities and Exchange Commission, and Thaipat Institute
December 15, 2016



M CUBE



MAXIMIZE



MANAGE



MOVE



POLICY AND BUSINESS OVERVIEW

Vision

The global leading innovative and sustainable power company

Mission

- Create long-term shareholders' value with profitable growth
- Deliver reliable energy through operational excellence to customers
- Conduct business with social and environmental responsibility
- Seek innovation in power and utility efficiency management through energy storage technology



Long – Term Goals

1. Achieve additional power equity capacity of 600 – 1,000 megawatts
2. Gain at least 10% renewables of total capacity
3. Attain top-quartile performance in return on invested capital (ROIC)
4. Create and commercialize energy storage technology platform



M CUBE



MAXIMIZE



MANAGE



MOVE

Operation Overview

Global Power Synergy Public Company Limited (GPSC) is PTT Group's flagship that operates the power generation business to support growth of the group as well as other industries. GPSC is also involved in other businesses while seeking opportunities for investment in power projects, both domestic and overseas. It is also determined to develop technologies for improving energy storage in its attempt to become a leading power company that is internationally recognized for innovation and sustainability.



Projects under construction



Combined cycle/Cogeneration



Hydro power plant



Renewable power plant

For the core business, GPSC has power plants fueled by natural gas, both under commercial operation and under construction, as detailed below :

- **Combined cycle power plant**

One plant located in Sriracha district, Chonburi province

- **Cogeneration power plants**

- Three central utility plants (CUP 1-3) located in Hemaraj Eastern Seaboard Industrial Estate (Map Ta Phut), Rayong province
- One central utility plant (CUP-4) located in Asia Industrial Estate, Rayong province

GPSC also has investment in other businesses as follows:

- **Power generation and distribution, both in Thailand and abroad, comprising nine companies, namely:**

Power plants fueled by natural gas :

- Ratchaburi Power Company Limited
- IRPC Clean Power Company Limited
- Nava Nakorn Electricity Generating Company Limited
- Bangpa-In Cogeneration Company Limited
- Combined Heat and Power Producing Company Limited

Renewable power plants :

- Thai Solar Renewable Company Limited, holding shares in Siam Solar Energy 1 Company Limited
- Ichinoseki Solar Power 1 GK
- Combined Heat and Power Producing Company Limited (Solar power plant by Chantaburi's Shrimp Farmers Cooperative Limited)

Hydro power plants :

- Natee Synergy Company Limited, holding shares in Xayaburi Power Company Limited
- Nam Lik 1 Power Company Limited

- **Other businesses, both in Thailand and abroad, comprising three companies, namely :**

- **GPSC International Holdings Limited** in Hong Kong to support future overseas investment
- **24M Technologies Inc.**, a company engaging in research and development of batteries for power storage in the industrial sector to reinforce stability of power distribution and power network systems

- **Business Services Alliance Company Limited**, a company specifically established for manpower supply for PTT Group.

Business Strategies

To keep up with the changing business environment and to achieve long-term goals, GPSC has set up three strategic frameworks (Maximize / Manage / Move) to drive the business, as detailed below :

1. Maximize –strategy for core business

The strategy is intended to manage the core business, namely Sriracha Power Plant (independent power producer : IPP) and the three central utility plants (CUP 1-3) in Rayong province (small power producer : SPP), to maximize profit by optimizing load of customers' demand, production cost, and machine efficiency. The strategy includes managing regulations, contracts, safety, and the environment to set a production plan that can maximize profits while enhancing system stability to win customers' confidence.

2. Manage - strategy for invested companies

GPSC aims to take the management role in companies where it has a stake, most of which are projects and subsidiaries that can add future revenue and profits for GPSC. It pays attention to management and control of projects under construction to make sure they are complete as planned and budgeted. Management of companies already in commercial operation is to ensure that their business goals are attained and their policies and work standards are in line with those of GPSC.

3. Move - strategy for new projects

GPSC pursues opportunities to invest in the power business, both inside and outside Thailand, and develop related businesses for sustainable growth.



M CUBE



MAXIMIZE



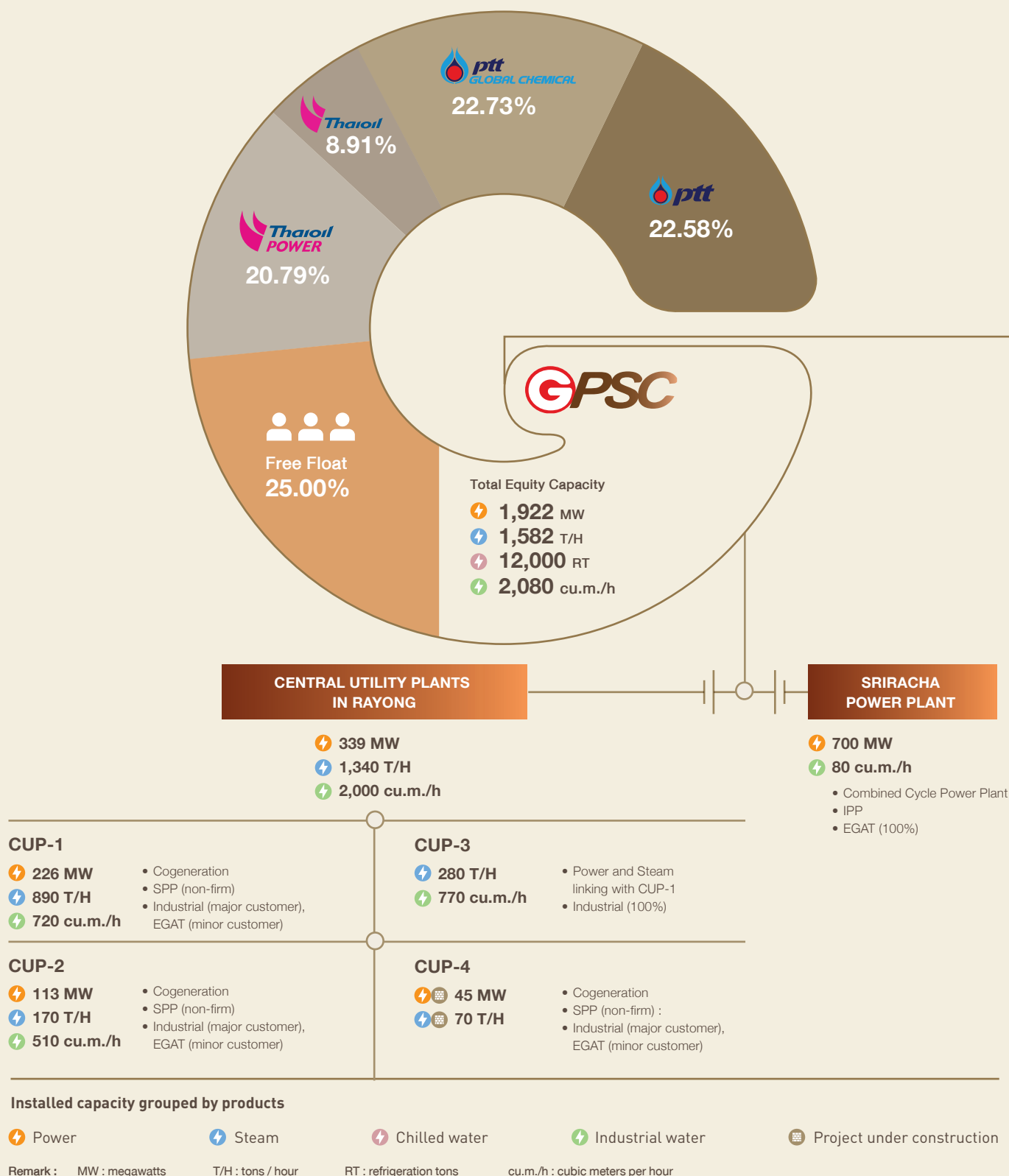
MANAGE



MOVE

Shareholding Structure

This picture illustrates GPSC's shareholders and GPSC's shareholding in invested companies, as of December 31, 2016.





COMBINED CYCLE POWER PLANT / COGENERATION POWER PLANT



Ratchaburi Power
Company Limited
(RPCL)

⚡ 1,400 MW
GPSC 15%



IRPC Clean Power
Company Limited
(IRPC-CP)

⚡ 45 MW ⚡ 170 T/H Ph.1
⚡ 195 MW ⚡ 130 T/H Ph.2
GPSC 51%



Nava Nakorn Electricity
Generating Company
Limited (NNEG)

⚡ 125 MW ⚡ 30 T/H
GPSC 30%



Bangpa-In Cogeneration
Company Limited (BIC)

⚡ 117 MW ⚡ 20 T/H Ph.1
⚡ 117 MW ⚡ 20 T/H Ph.2
GPSC 25%



Combined Heat
and Power Producing
Company Limited (CHPP)

⚡ 5 MW ⚡ 12,000 RT
GPSC 100%



RENEWABLE POWER PLANT



Thai Solar Renewable
Company Limited (TSR)

GPSC 40%



Ichinoseki Solar Power
1 GK (ISP1)

⚡ 20.8 MW
GPSC 99%



Siam Solar Energy 1
Company Limited
(SSE1)

⚡ 80 MW
TSR 100%



Combined Heat
and Power Producing
Company Limited (CHPP)

⚡ 5 MW
GPSC 100%



HYDRO POWER PLANT

Natee Synergy
Company Limited (NSC)

GPSC 100%



Nam Lik 1 Power
Company Limited
(NL1PC)

⚡ 64.7 MW
GPSC 40%



Xayaburi Power
Company Limited
(XPCL)

⚡ 1,285 MW
NSC 25%



OTHER BUSINESSES



24 Technologies, Inc.
(24M)

GPSC 18.6%



GPSC International
Holdings Company (GPSCIH)

GPSC 100%



Business Services
Alliance Company
Limited (BSA)

GPSC 25%



Sport Services
Alliance Company
Limited (SSA)

BSA 100%



General Information of GPSC's Invested Companies

As of December 31, 2016

Company	Type of business
Subsidiaries	
Combined Heat and Power Producing Company Limited 555/2 Energy Complex, Building B, 5 th Floor, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900, Thailand Tel: +66 (0)-2143-9644 Fax: +66 (0)-2143-9645	Generate and supply power and chilled water from combined heat and power with district cooling power plant
Natee Synergy Company Limited 555/2 Energy Complex, Building B, 5 th Floor, Vibhavadi Rangsit Road, Chatuchak, Bangkok 10900, Thailand Tel: +66 (0)-2140-4658 • Indirect Associate Xayaburi Power Company Limited 215 Lanexang Avenue, Ban Siang Yuen, Chantaburi District, Vientiane Capital, Lao PDR Tel: +856 (21) 223215, 252060 Fax: +856 (21) 215500	Investment in businesses related to power generation Generate and supply power from hydro electric power plant
Ichinoseki Solar Power 1 GK Company 6F, Shinjuku Hanazono MJ Building, 5-16-15 Shinjuku-ku, Shinjuku, Tokyo, Japan 160-0022 Tel: +81 (3)- 5362-7035 Fax: +81 (3)-5362-7036	Generate and supply power from solar power plant
IRPC Clean Power Company Limited 299 Moo 5, Sukhumvit Road, Choeng Noen Sub-district, Muang district, Rayong, 21000, Thailand Tel: +66 (0)-3861-333, +66 (0)-3861-3571-80 Fax: +66 (0)-3861-2812-3	Generate and supply power from cogeneration power plant
GPSC International Holdings Limited Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong Tel: + (852) 2980-1888 Fax: + (852) 2861 0285	Investment in businesses related to power generation overseas
Associate	
Bangpa-In Cogeneration Company Limited 587 Viriyathavorn Building, Sutthisan Road, Din Daeng, Bangkok, Thailand 10400 Tel: +66 (0)-2691-9720 Fax: +66 (0)-2691-9723	Generate and supply power and steam from cogeneration power plant

	Registered capital	Type of share	Paid-up capital	Share value	GPSC's equity (%)
	500,000,000 THB	Common share	361,220,000 THB	THB 10 / share	100%
	6,715,250,000 THB	Common share	4,828,812,500 THB	THB 10 / share	100%
	26,861,000,000 THB	Common share	16,504,664,000 THB	THB 10 / share	25% (through NSC)
	10,000 Yen	Common share	10,000 Yen	-	99%
	3,362,300,000 THB	Common share	2,966,000,000 THB	THB 10 / share	51%
	50,000 USD	Common share	5,000 USD	-	100%
	2,705,000,000 THB	Common share	1,707,050,000 THB	THB 10 / share	25%



Company	Type of business
Joint Ventures	
Nava Nakorn Electricity Generating Company Limited 111 Moo 20, Phahonyothin Road, Khlong 1, Khlong Luang District, Pathum Thani 12130, Thailand Tel: +66 (0)-2978-5283, +66 (0)-2978-5291	Generate and supply power and steam from cogeneration power plant
Nam Lik 1 Power Company Limited 402B of 4th Floor, Vieng Vang Tower, Boulchan Road, Unit 15, Dongpalan Thong Village, Sistanak, Vientiane Capital, Lao PDR 100, 23 Singha Road, Ban Nongbone, Saysettha District, Vientiane Capital, Lao PDR	Generate and supply power from hydroelectric power plant
Thai Solar Renewable Company Limited 3199 Maleenont Tower, 16th Floor, Rama 4 Road, Khlong Tan Sub-District, Khlong Toei District, Bangkok 10110, Thailand Tel: +66 (0)-2-661-2701	Investment in businesses related to power generation
<ul style="list-style-type: none"> Indirect joint ventures 	
Siam Solar Energy 1 Company Limited 3199 Maleenont Tower, 16th Floor, Rama 4 Road, Khlong Tan Sub-District, Khlong Toei District, Bangkok 10110, Thailand Tel: +66 (0)-2-661-2701	Generate and supply power from solar power plant
Long-term Investment	
Business Services Alliance Company Limited 555 PTT Office, Phra Khanong Oil Depot, Art-Narong Road, Khlong Toei, Bangkok 10260, Thailand Tel: +66 (0)-2239-7328 Fax: +66 (0)-2239-7326	Supply manpower for PTT Group
<ul style="list-style-type: none"> Indirect long-term investment 	
Sport Services Alliance Company Limited 199/7 Moo 1, Tambon Choeng Noen, Muang District, Rayong 21000, Thailand Tel: +66 (0)-3894-8138 Fax: +66 (0)-3894-8139	Manage football club for PTT Group
24M Technologies, Inc. 130 Brookline Street, Cambridge, MA 02139, U.S.A Tel.: (001) 617-553-1012	R&D of lithium-ion batteries for power storage to support the industrial sector and stabilize power distribution and connection systems
Ratchaburi Power Company Limited 1828 Sukhumvit Road, Bangchak Sub-District, Phra Khanong District, Bangkok 10260, Thailand Tel: +66 (0)-2311-5111-9 Fax: +66 (0)-2332-3882	Generate and supply power from combined-cycle power plant

	Registered capital	Type of share	Paid-up capital	Share value	GPSC's equity (%)
	1,525,000,000 THB	Common share	1,525,000,000 THB	THB 10 / share	30%
	37,200,000 USD	Common share	23,400,000 USD	USD 10 / share	40%
	583,330,000 THB	Common share	583,330,000 THB	THB 10 / share	40%
	1,800,000,000 THB	Common share	1,800,000,000 THB	THB 100 / share	40% (through TSR)
	2,000,000 THB	Preferred share	2,000,000 THB	THB 10 / share	25%
	5,000,000 THB	Common share	5,000,000 THB	THB 10 / share	25% (through BSA)
	38,203.38 USD	Preferred share	32,486.99 USD	USD 0.001 / share	18.6%
	7,325,000,000 THB	Common share	7,325,000,000 THB	THB 100 / share	15%



Milestones of 2016

January

GPSC entered into a sales agreement of power and utilities with Vencorex (Thailand) Company Limited which located in Hemaraj Industrial Estate. The 15-year contract involves 2.7 megawatts of power, 3 tons/hour of steam, 3 tons/hour of spare steam, and 1 cu.m./hour of industrial water.

May

GPSC bought preferred shares (Group C) in 24M Technologies, Inc. (24M), whom seeking funds to support continuous R&D of lithium-ion batteries until commercialization. The batteries being developed are intended for power storage in the industrial sector and for stabilizing distribution and connection systems.



2016

April

Combined Heat and Power Producing Company Limited, a wholly-owned subsidiary of GPSC, granted support for a project to generate power from an onshore solar farm for an agricultural cooperative. Located on a plot of land belonging to the Chanthaburi's Shrimp Farmers Cooperative Limited with an installed capacity of 5 megawatts, the project was selected by the Energy Regulatory Commission (ERC) on April 21, 2016. Power purchase was made under the feed-in-tariff (FiT) scheme at 5.66 THB/unit.

June

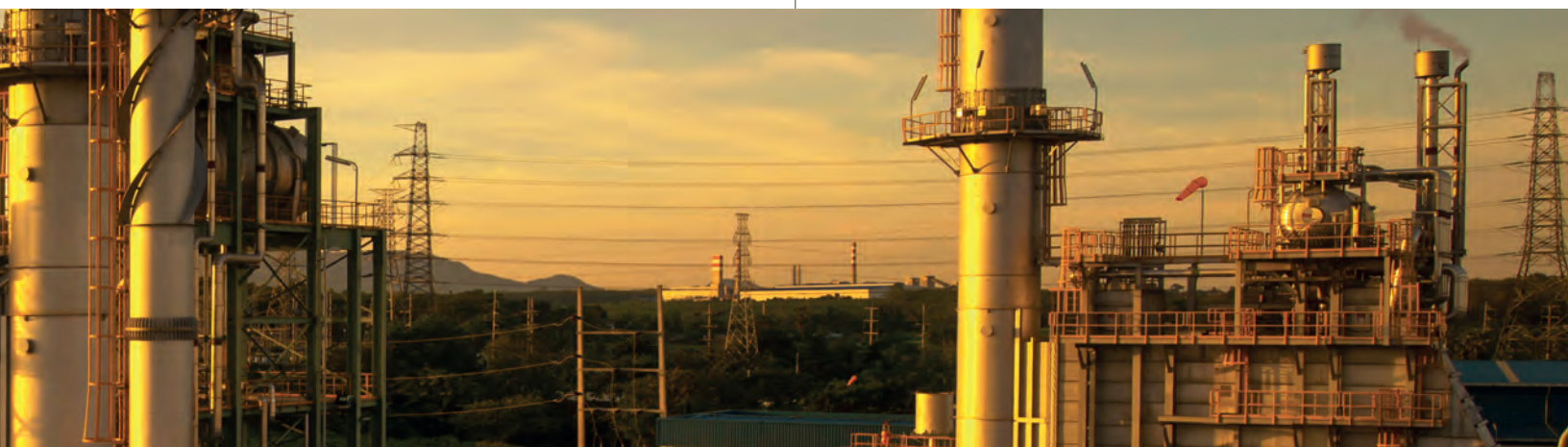
Nava Nakorn Electricity Generating Company Limited, in which GPSC holds a 30% share, started up its power generation on June 3, 2016. Categorized as a SPP firm, the company supplied power to Electricity Generating Authority of Thailand with a capacity of 125 megawatts and 30 tons/hour of steam.

July

- Combined Heat and Power Producing Company Limited, a wholly-owned subsidiary of GPSC, signed a memorandum of understanding with PTT (Cambodia) Company Limited (PTTCL), which runs the retail oil business in Cambodia, on a study to develop a solar rooftop project at gas stations to save energy for PTTCL. The joint study aims to make use of renewable and environment-friendly energy at PTT stations.

November

GPSC, the National Science and Technology Development Agency (NSTDA) – by the National Metal and Materials Technology Center (MTEC), and 24M Technologies, Inc., inked a memorandum of understanding on R&D of lithium-ion batteries with higher storage capacity, which is part of GPSC's power and utility business development.



- GPSC was included in the SET 50 Index with effect from July 1, 2016, onward, an upgrade in rating from SET 100 which lasted between January 1 to June 30, 2016. As one of SET 50, GPSC will have higher stock liquidity, which will result in higher investors' confidence. GPSC shares will be more attractive among foreign investors and institutional investors.

August

Ichinoseki Solar Power 1 GK withdrew the first portion of bank loan in Japan. The project, with land development partly completed, was to be handed over to the main engineering procurement construction (EPC) contractor.

December

- GPSC established GPSC International Holdings Limited, a Hong Kong subsidiary, with a registered capital of USD 50,000 to support future overseas investment.
- GPSC signed a contract with Rayong Provincial Administrative Organization to run an integrated waste management project to produce refuse-derived fuel (RDF) in Rayong province. The contract demonstrated a joint effort in developing a waste-to-energy plant to produce clean energy while solving the problem of soaring waste in the province.
- The project to generate power from an onshore solar farm on the land belonging to Chanthaburi's Shrimp Farmers Cooperative Limited, run by Combined Heat and Power Producing Company Limited, started up its commercial operation with power distribution to Provincial Electricity Authority's grid on December 30, 2016, as planned.



POWER INDUSTRY OVERVIEW AND COMPETITION

Thailand Power Industry

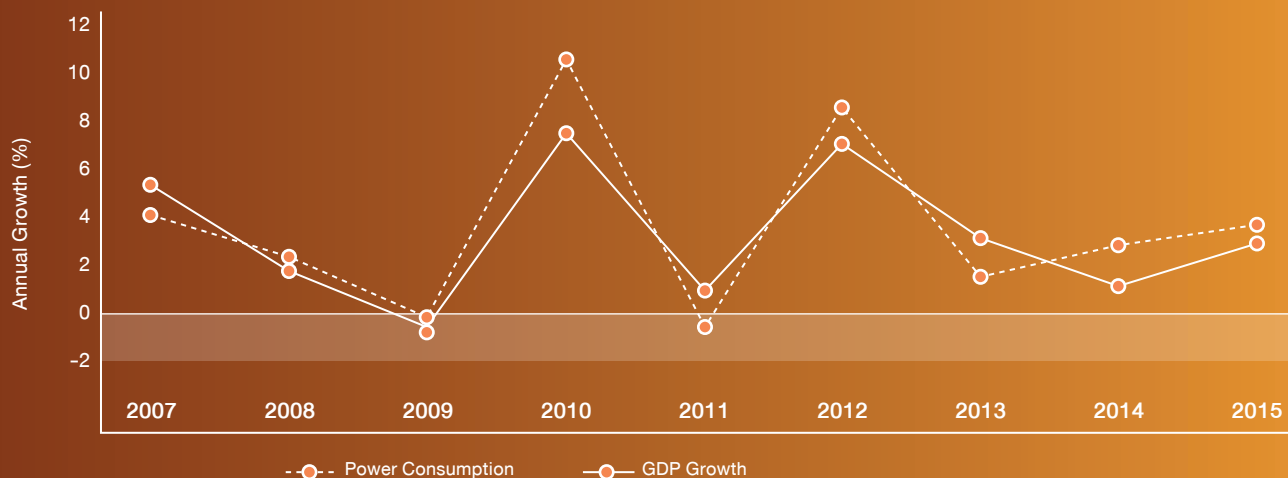
1. Trends for domestic power demand

Based on past power consumption statistics, power demand in Thailand is found to increase by 4% per year on average, in line with the country's economic growth (Diagram 1) which slowed down during

2008-2009 and later picked up slightly. In 2015, final energy consumption increased to be 174,834 gigawatt-hour, or by 3.7% from that of 2014.

Diagram 1

Power Consumption vs. Gross Domestic Product (GDP) Growth (2007-2015)



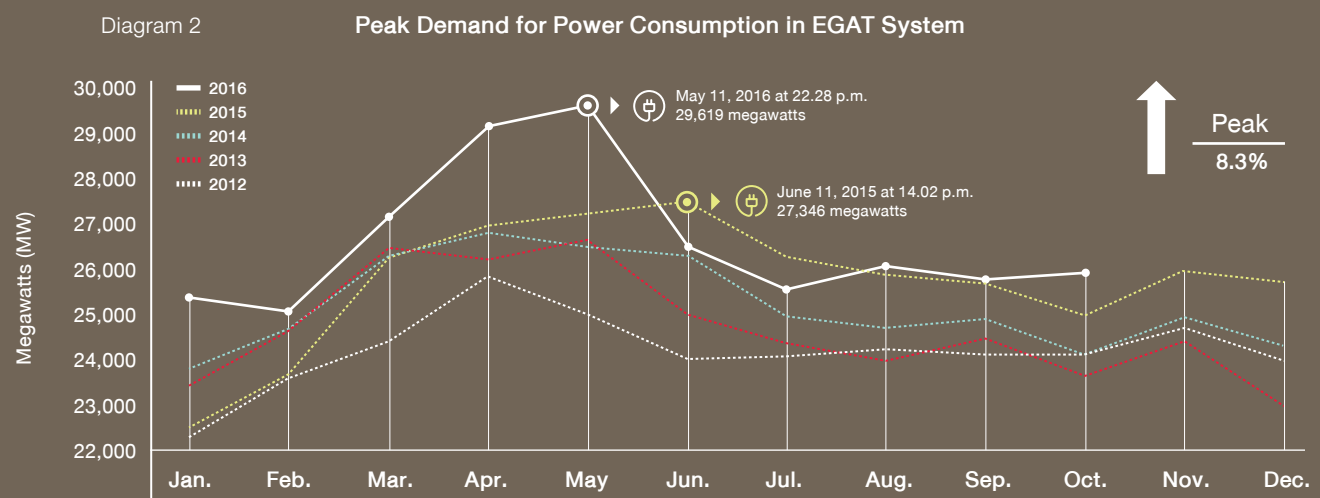
Source : Energy Policy and Planning Office (EPPO), Ministry of Energy; and Office of the National Economic and Social Development Board (NESDB)



2. Peak demand for power consumption

Peak demand for power consumption is found to continuously increase, as can be seen rising from 27,346 megawatts in 2015 to 29,619 megawatts on

May 11, 2016. The higher power consumption was caused by higher temperatures. (Diagram 2)



Source : Energy Policy and Planning Office (EPPO), Ministry of Energy



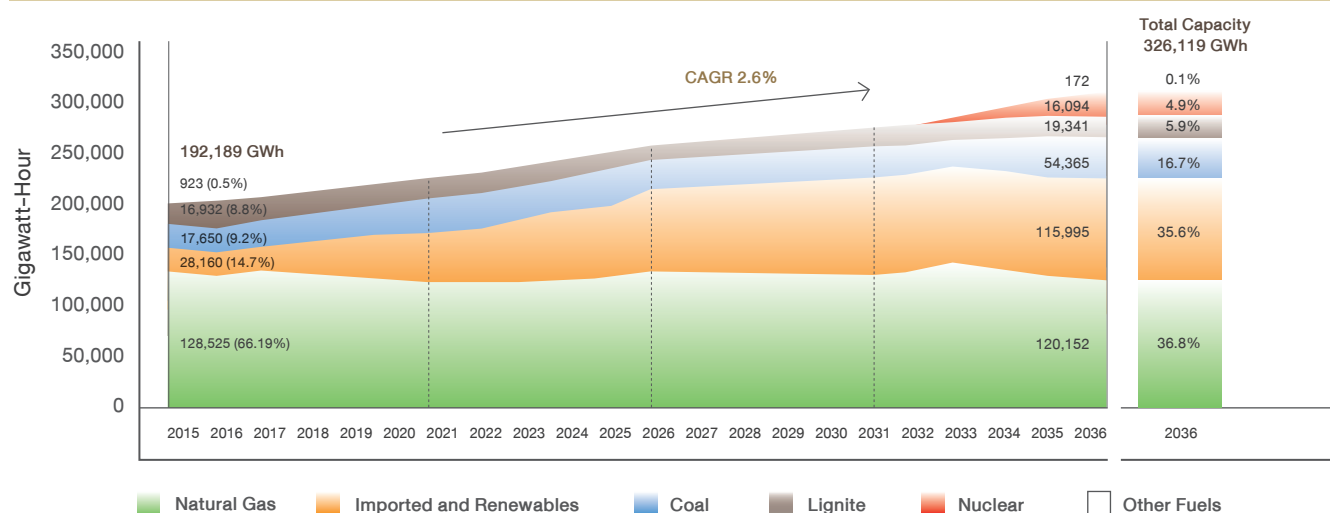
3. Projection of Thailand Power Demand

Projection of Thailand's power demand for 2015-2036, which reflects GDP growth, is based on Thailand Power Development Plan (PDP 2015), Energy Efficiency Plan (EEP 2015), and Alternative Energy Development Plan 2015-2036 (AEDP 2015). The country's total power

generation of 197,891 gigawatt-hour in 2016 will climb to 326,119 gigawatt-hour in 2036, equivalent to average compound annual growth rate (CAGR) of 2.6% per year. (Diagram 3)

Diagram 3

Projected Electricity Generating by Source of Fuel (GWh)



Source : Thailand Power Development Plan 2015-2036 (PDP 2015)

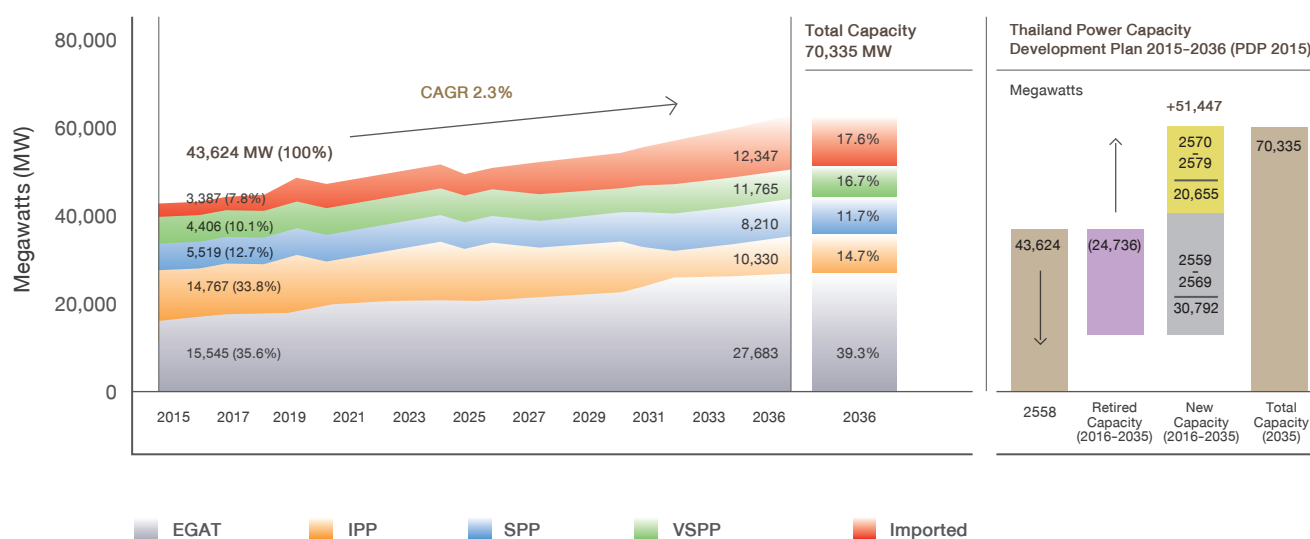
4. Projection of New Power Capacity

Fuel diversification has been included in PDP 2015 so that the country may depend less on natural gas, the main fuel for power generation. From as high as 65% current dependence on the gas, PDP 2015 recommends more power generation fuelled by coal, nuclear power, renewable energy, as well as more power imports. However, development of coal-fired power plants in Thailand were strongly opposed by some NGOs (non-governmental organizations) and local communities, very similar to the strong opposition to nuclear power plant plans, which have never been socially accepted.

Plans for a nuclear power plant may have to be put off further. As a result, the new capacity of 51,447 MW to be added to the grid during 2015-2036 will come from replacement of expiring plants belonging to EGAT, power purchase from independent power producers (IPPs) for which an announcement on the required volumes has already been made, power purchase from domestic renewables, and power purchase from abroad, as detailed below.

Diagram 4

Projected Power Plant Capacity by Producer Type



Source : Thailand Power Development Plan 2015-2036 (PDP 2015)

4.1 Power purchase from independent power producers (IPPs)

Power purchase from IPPs in Thailand has been made in three rounds of bidding. The first round took place in 1994, the second in 2007, and the latest round was in 2012-2013.

As of December 31, 2015, IPPs with connection to the national grid had a combined capacity of 14,948 megawatts. Under PDP 2015, no new invitation to bid is planned due to the country's sluggish economic growth and low electricity demand. Details of IPP bidding are shown below.

Summary of IPP bidding to date (1994-2015)			
IPP bidding round	Commercial operation date (COD)	Actual purchase capacity (megawatts)	Successful bidders
1 st round (1994)	2000-2008	6,677.5	7
2 nd round (2007)	2012-forecast year (2017)	4,400	4
3 rd round (2012)	Forecast year (2021-2026)	5,000	2

Source: Power Purchase Agreement Department, Electricity Generating Authority of Thailand (EGAT)



4.2 Power purchase from small power producers (SPPs)

EGAT and the EPPO started power purchase from SPPs in 1992. SPPs are allowed to sell a certain volume of electricity they produce to EGAT and the rest, together with steam, to users in an industrial estate or for own use, depending on the type of contract.

As of December 31, 2015, SPPs had a combined capacity of 8,051 megawatts, of which 5,144 megawatts was sold to EGAT. As Thailand's demand for electricity is low while reserve capacity is high, no further power purchase from SPPs is planned, as detailed below.

Installed capacity and generating capacity under SPP contracts (grouped by fuel)		
Fuel	Nameplate capacity (megawatts)	Generating capacity under SPP contract with EGAT (megawatts)
Biomass	866	600
Fuel oil	10	5
Coal	851	423
Hydro	23	12
Natural gas	5,518	3,491
Others	21	14
Solar	455	346
Refuse	80	73
Wind	207	180
Total	8,051	5,144

Source: Office of the Energy Regulatory Commission (ERC), as of January, 2016

Additionally, some initial SPP contracts made with EGAT during 1990-1999 are reaching their expiration. Despite expiration of power purchase agreements (PPAs) and termination of SPPs, some plants are still of good use for the country's economy and their engineering functionalities are still in good conditions, while industrial customers are still in need of steam produced by them.

National Energy Policy Council (NEPC,) on May 30, 2016, therefore, announced a policy concerning renewal of PPAs for SPPs with expiring contracts as detailed below.

Group 1: Cogeneration SPPs with contracts expiring during 2017-2018 (renewal)

Contract period	3 years
Purchase volume	Up to 60 megawatts and no more than the sales volumes of the existing contracts
Purchase price – based on gas price at THB 263 / MMBTU	THB 2.3753 / kilowatt-hour
• Heat rate	8,282 BTU / kilowatt-hour
• Operation and Maintenance (O&M)	THB 0.1871 / kilowatt-hour
• Power Development Fund	THB 0.0100 / kilowatt-hour

Group 2: Cogeneration SPPs with contracts expiring during 2019-2025 (new power plants)

Contract period	25 years
Purchase volume	Up to 30 megawatts and no more than 30% of the net generation of power and steam, and no more than the sales volumes of the existing contracts
Purchase rate	THB 2.8186 / kilowatt-hour
• Heat rate	7,409 BTU / kilowatt-hour
• Capacity Payment (CP ₁)	THB 0.5000 / kilowatt-hour
• Capacity Payment (CP ₂)	THB 0.3100 / kilowatt-hour
• Energy Payment (EP ₁) based on gas price at THB 263 / MMBTU	THB 1.9486 / kilowatt-hour
• Energy Payment (EP ₂)	THB 0.0500/ kilowatt-hour
• Power Development Fund	THB 0.0100/ kilowatt-hour
Cogeneration SPPs with the right to build a new power plant	Allowed to build a new power plant on the existing site or a site next to an industrial estate or industrial park
Areas for sale of surplus electricity under the contract with EGAT	Allowed to sell electricity to industrial customers in an industrial estate or industrial park only

Remarks: The above CP₁ is based on the exchange rate of THB 34/USD. Estimates are made on the assumption that the plant runs at 80% of its operating capacity. Contribution to the Power Development Fund is for gas-fired plants. The rate for coal-fired plants is THB 0.0200 / kilowatt-hour

Source: Resolution of the National Energy Policy Council (NEPC) No.2/2016 (No.7) on May 30, 2016



4.3 Power purchase from renewable energy plants

According to AEDP 2015, which is included in PDP 2015, power generation from renewables is targeted to increase by 19,634 megawatts, or 20% of the total installed capacity by 2036. To promote power generation from renewables, the government has

offered high purchase rates, which, coupled with lower development costs, resulted in significant increases of power generation from renewables in Thailand. In 2016, the government sector made continuous power purchase from renewable-energy plants, as detailed below.

Power generation capacity by renewable energy and targets set by AEDP 2015

Renewables	2016		2036 target	
	Installed capacity (megawatts)	%	Installed capacity (megawatts)	%
1. Solar	2,146	24	6,000	31
2. Biomass	2,812	32	5,570	28
3. Hydro	3,088	35	3,282	17
4. Wind	306	3	3,002	15
5. Energy crops	-	0	680	3
6. Biogas	412	5%	600	3
7. Refuse	145	2	500	3
Total	8,909	100	19,634	100

Source: Department of Alternative Energy Development and Efficiency (DEDE), as of October 2016

Power purchase from renewable energy projects in 2016

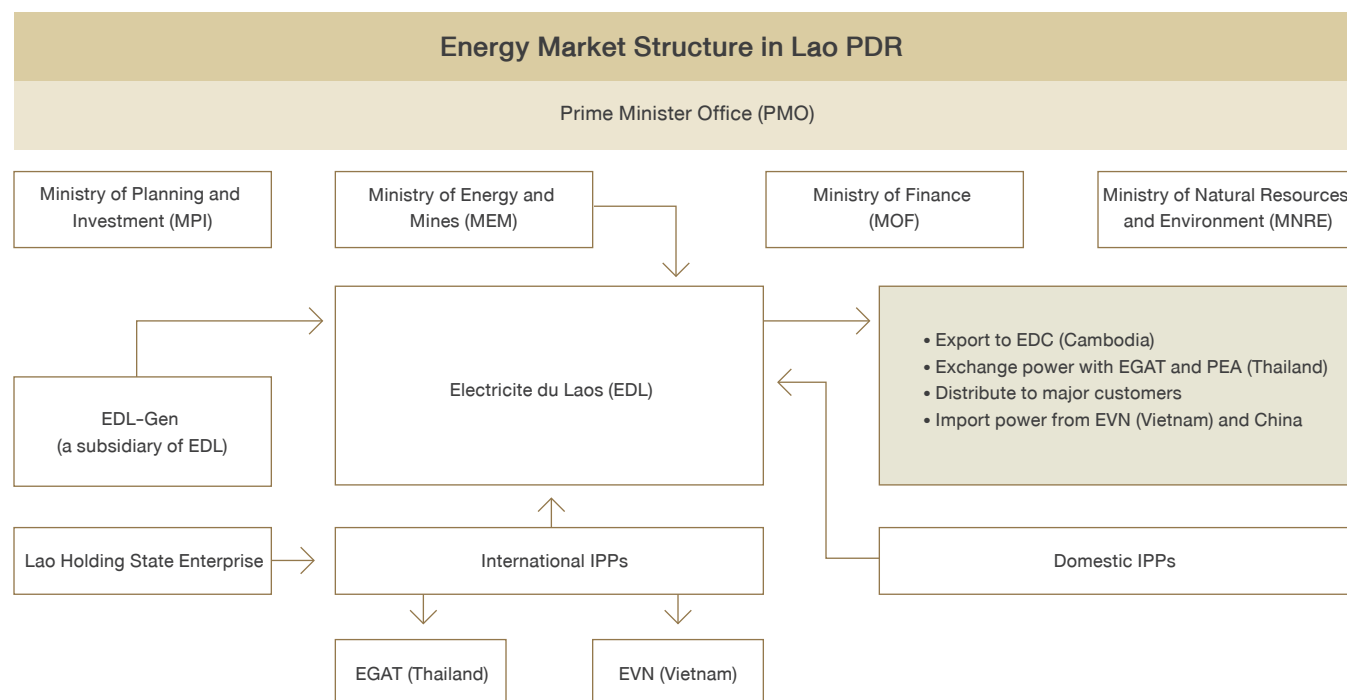
- **April 2016:** Power purchase from solar farms belonging to government agencies and agricultural cooperatives, phase 1, totalling 281 megawatts, at Baht 5.66 per kilowatt-hour using the lot-drawing method
- **August 2016:** Power purchase from biomass plants in the three southern provinces, namely Pattani, Yala, and Narathiwat; and from biomass plants in four districts of Songkhla province, namely Chana, Thepha, Saba Yoi, and Na Thawi, totalling 36 megawatts using the competitive-bidding method and the feed-in-tariff (FiT) rate of Baht 3 per kilowatt-hour.
- **October 2016:** Power purchase from industrial waste totalling 42 megawatts, at Baht 6.80 per kilowatt-hour.
- **December 2016:** Power purchase from community refuse projects, totalling 80 megawatts, at Baht 5.08 per kilowatt-hour.

The price offered for electricity from renewable-energy projects, when compared with other types of fuel, is relatively high, while the development cost of a renewable-energy plant has become lower. Therefore, to reduce future financial burdens of the public sector, the government is considering reducing the purchase rate from renewable-energy plants or change the FiT pricing method to competitive bidding.

International Power Industry

1. Lao People's Democratic Republic (Lao PDR)

The hydropower plant business has strong investment potential in Lao PDR since the country has abundant, cheap hydropower resources from both the Mekong River and its branches. Laos has leveraged this strength to generate electricity for sale to its neighbouring countries to make money to support national development. More importantly, Laos aims to become the Battery of Asia by 2020. The major customer of Laos' electricity is Thailand's EGAT. Details of power purchase from Laos are shown in the diagram below.



Sources : Ministry of Energy and Mines (MEM) and Electricite du Laos (EDL)

The principal power agency in Lao PDR is Electricite du Laos (EDL), which owns and operates power plants, and transmission and distribution systems. In 2010, EDL established a subsidiary called EDL-Generation Public Company (EDL-Gen) to operate most of EDL's power plants and hold shares in a number of IPPs. The Lao PDR government has a clear approach to encourage

the private sector to take part in the power affairs by developing IPPs. Most IPPs are established under the Built-Own-Operate and Transfer (BOOT) contract, of which the ownership of generation and distribution systems is transferred to the government when the contract expires.

Lao PDR's power capacity, by producer and purchaser (2015)				
Producers (megawatts)		Purchasers (megawatts)		
		EDL	Thailand	Vietnam
EDL	240.5	240.5	-	-
EDL-Gen	381	381	-	-
IPP	5,164.8	634.8	4,280	250
SPP	19.7	19.7	-	-
Total (megawatts)	5,806	1,276	4,280	250

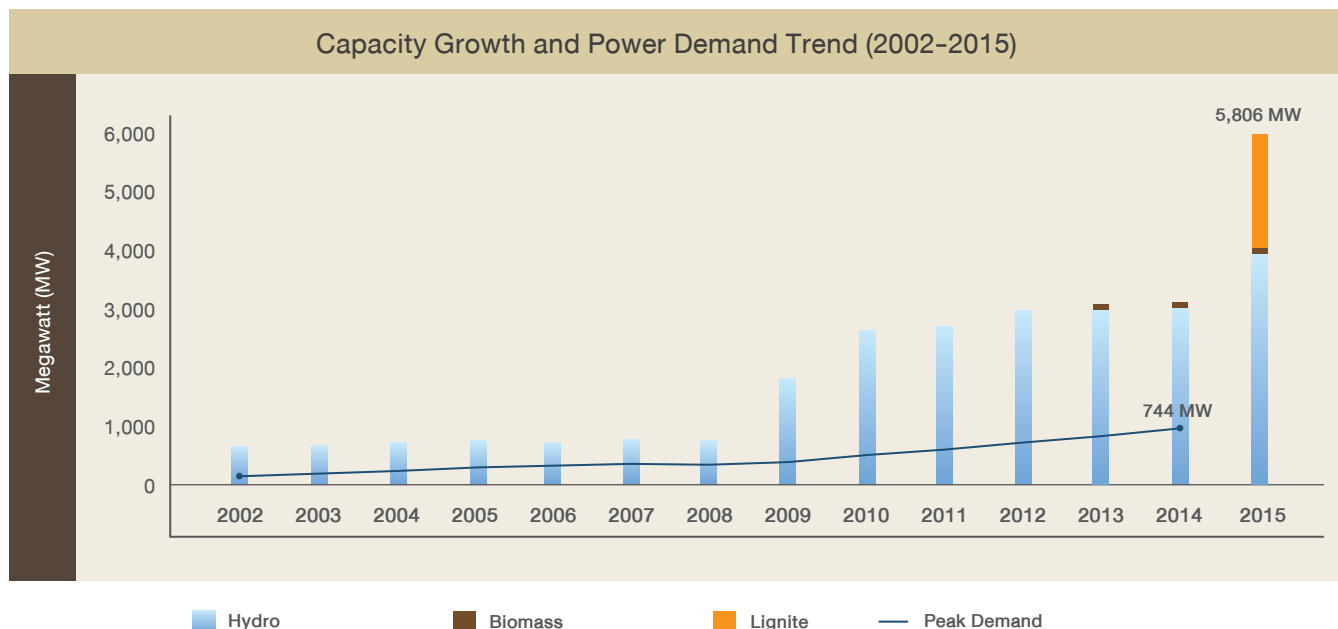
Sources : Ministry of Energy and Mines (MEM) and Electricite du Laos (EDL)



From the table above, EDL purchased only 1,276 megawatts, or 22% of the total capacity. The remaining capacity came from IPPs which will be exported to

Thailand and Vietnam under impending contracts totalling 4,530 megawatts.

Capacity growth and power demand trend in Lao PDR

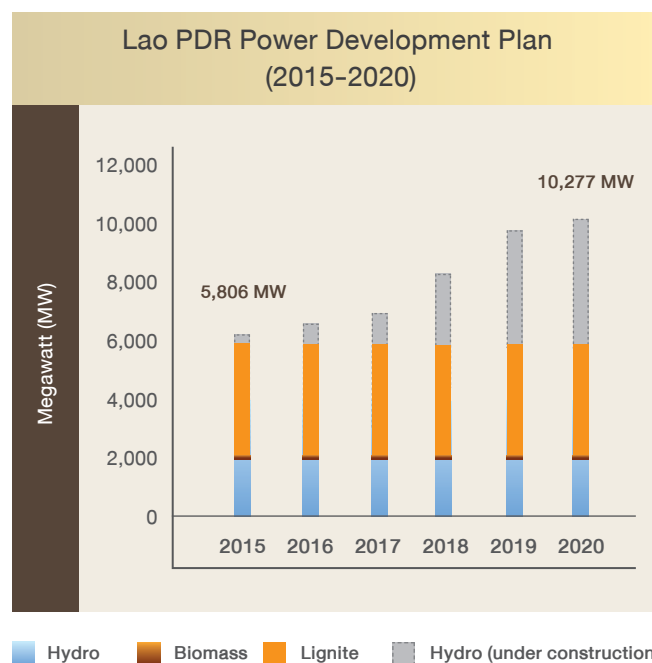


Source : Ministry of Energy and Mines (MNRE) and Electricite du Laos

During year 2014-2015, Lao PDR has a doubled power generation capacity to 5,806 megawatts following the construction of the 1,878- megawatts Hongsa Lignite Plant (an IPP). The peak demand in Lao PDR then rose from 152 megawatts in 2002 to 744 megawatts in 2014 with a compound annual growth rate (CAGR) of 13%, reflecting capacity increase primarily for export.

Under the Power Development Plan of EDL from 2015 to 2020, a new hydropower plant is now under construction, and will add 4,471 megawatts to the total capacity. Transmission of electricity from the new plant to the grid is planned to start in 2020.

Additionally, on March 23, 2016, the governments of Thailand and Lao PDR signed a memorandum of understanding (MOU) on the cooperation for power development in Lao PDR to increase bilateral cooperation in the power generation sector from 7,000 megawatts to 9,000 megawatts. It is, thus, very likely that Thailand will purchase more electricity from Lao PDR.

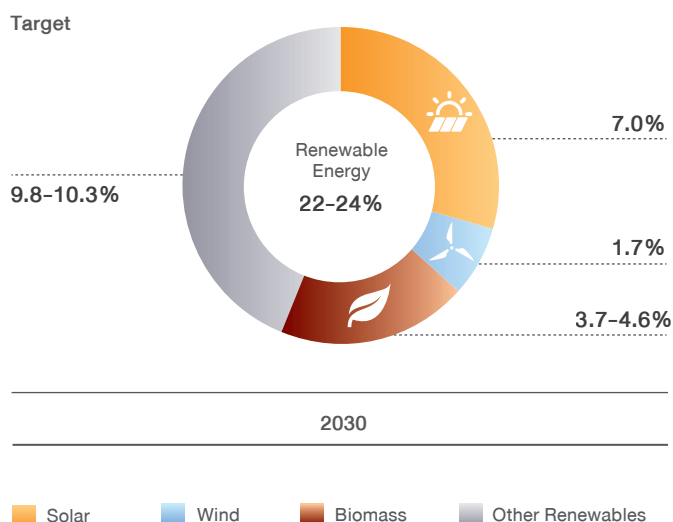


Source : Ministry of Energy and Mines (MNRE) and Electricite du Laos

2. Japan

The Japanese government has issued measures for the development of major domestic power sources, which involve promotion of renewable energy. The Ministry of Economy, Trade and Industry (METI) has set out an initial goal to increase power generation from renewables to 22%- 24% of the total capacity by 2030. FiT will be applied to power purchase.

Portion of Power Generation from Renewable Energy by Fuel Type



Source : METI, Japan

Solar power industry outlook in Japan

Following the announcement on power purchase using FiT in 2012, power generation from solar energy increase continuously. In 2016, a substantial volume of power produced from solar farms was put on sale. Considering the significant lower cost for construction of a solar farm, the purchase price was announced with new price from Yen 40 to Yen 24 per kilowatt-hour to ensure stability of power network. This new price caused in slower growth of solar power plant, compared to the past.

Application period	Feed-in Tariff (FiT) (Yen per kilowatt-hour)
July 1, 2012 – March 31, 2013	40
April 1, 2013 – March 31, 2014	36
April 1, 2014 – March 31, 2015	32
April 1, 2015 – June 30, 2015	29
July 1, 2015 – March 31, 2016	27
April 1, 2016 – March 31, 2017	24

Source : METI, Japan

Competition

For GPSC's core business, it has not encountered fierce competition as its position of PTT Group power flagship as well as its long-term sales agreements with customers. For another competitive advantage, GPSC's cogeneration system with distribution networks that connected to customers' site requires lower costs compared with customer's investing in their own production.

However, in business expansion, GPSC finds tough competition in submitting a tender or applying for a license for power supply when a new domestic power plant project is to be launched. The government's continuous invitation for power purchase from renewables under PDP 2015 and lower investment costs in a renewable-energy power plant have enticed more competitors.

GPSC is still confident that its performance in the power supply business, its expertise and experience in power generation from various fuels, as well as its financial strength and ability to source funds, will together maintain its competitiveness over competitors.



NATURE OF BUSINESS

Global Power Synergy Public Company Limited (GPSC) was formed on January 10, 2013, as a result of the amalgamation of PTT Group's power generation and distribution companies, namely PTT Utility Company Limited and Independent Power (Thailand) Company Limited to serve as the power flagship of PTT Group. Listed on the Stock Exchange of Thailand on May 18, 2015, it became known by the stock name of GPSC.

Business Advantages

1. Core company driving PTT Group's power businesses

Under PTT Group's vision to be a leading Thai premier multinational energy company, the group drives a variety of business strategies, of which the power business is a core business valued by the group apart from the oil, natural gas, and petrochemical businesses. Therefore, as the group's power flagship, GPSC focuses on business development for continued growth and sustainability in parallel with business ventures into foreign markets.

2. Strategic advantages due to locations, customer groups, and a variety of fuels together with a balanced operating status of invested power plants

Today, GPSC's power plants continue to grow in locations, customer groups, and fuel types, as described below.

As of December 31, 2016, GPSC commanded equity capacities in the commercial power plants below:

Product	Location	Status	Equity Capacity
Power	Thailand	Commercial	1,381 megawatts
		Under construction	173 megawatts
	Overseas	Commercial	-
		Under construction	368 megawatts
Steam	Thailand	Commercial	1,441 tons/hour
		Under construction	141 tons/hour
Chilled Water	Thailand	Commercial	12,000 refrigeration tons
Industrial Water	Thailand	Commercial	2,080 cu.m./hour

- **Location**

GPSC's power plants and invested companies are scattered in many provinces of Thailand, with some located beyond the Thai border, mitigating the risk of over-reliance on any given area's or country's power demand.

- **Customer group**

GPSC and its invested companies sell power to industrial customers and public agencies, including Electricity Generating Authority of Thailand (EGAT), Provincial Electricity Authority (PEA), and Metropolitan Electricity Authority (MEA). In addition, it sells power generation byproducts to industrial customers in nearby areas, preventing it from a customer monopoly.

- **Fuel types**

GPSC and its invested companies plants consist of plants fueled by fossil fuels and renewables. In other words, GPSC's business pattern is diversified, and over-reliance on any type of fuel is averted.

Besides, by looking at the operating status of invested plants, one readily notices that GPSC commands a number of operating commercial power plants that already generate immediate revenue, whereas the others under construction are going to add future revenue.

3. Business growth opportunities

Apart from GPSC's core business of power generation and utility, GPSC's policy is to relentlessly seek new business opportunities to grow further from power generation and distribution, including the power storage system and battery business. GPSC invested in 24M Technologies, Inc. (24M), an R&D company that has investigated lithium-ion battery production for application as a backup power storage system for industries and enhancement of the security of power distribution and power grid systems. Should 24M's R&D pay off and commercial production go ahead, GPSC would gain access to advanced battery technology at a lower cost than batteries currently on sale in the market. GPSC values the application of such technology to downstream businesses, supplementing value to its current businesses.



GPSC's Businesses

GPSC's power business consists of commercial businesses wholly owned by GPSC, and those invested companies in which GPSC invested in business partners (both commercial and under-construction ones), as well as emerging businesses resulting from its pursuit of investment opportunities for growth. To this end, GPSC has set strategies for efficient business and management under the "Maximize / Manage / Move" scope.

1. "Maximize" : Core Business Management

- **Sriracha Power Plant**, an independent power producer (IPP) scheme, is located at Thung Sukhla sub-district, Sriracha district, Chonburi province. With a total capacity of 700 megawatts, the plant distributes its entire generated power to EGAT. Power generation for distribution is under EGAT's terms and operating directives.
- **Rayong Central Utility Plants** engage in power generation and production of steam and industrial water for PTT Group and industrial customers. Surplus power is distributed to EGAT, load-balancing between power generation and steam production. Should industrial customers need more steam, the plants then generate more power, which is then distributed to EGAT under non-firm contracts. Distribution of partial power to EGAT not only enhances its own business flexibility, but also adds to industrial customers' stability and supports their future business growth. Today, GPSC has three utility plants in Rayong:

Central Utility Plant 1 (CUP-1)

Located in Hemaraj Eastern Seaboard Industrial Estate (Map Ta Phut), Rayong province, this plant has a 226-megawatt capacity, 890-ton/hour steam capacity, and 720-cu.m./hour industrial water capacity. The commodities are sold primarily to industrial customers, with the surplus power sold to EGAT. Commercial operation began in 2006.

Central Utility Plant 2 (CUP-2)

Located near Rayong Industrial Land (RIL) Industrial Estate, Rayong province, this plant has a 113-megawatt capacity, 170-ton/hour steam capacity, and 510-cu.m./hour industrial water capacity. The commodities are sold primarily to industrial customers, with the surplus power sold to EGAT. Commercial operation began in 2008.

Central Utility Plant 3 (CUP-3)

Located in Hemaraj Eastern Seaboard Industrial Estate (Map Ta Phut), Rayong province, this plant has a 280-ton/hour steam capacity and 770-cu.m./hour industrial water capacity. Commercial operation began in 2009.

CUP-1 and CUP-3 were designed for a power and steam distribution tie-up for greater generation efficiency of power and steam and for the ability to strike a balance and mutual backup. Note that between the two, CUP-1 is a cogeneration power plant with a higher efficiency for power generation and steam production, enabling part of the power and steam produced there to be delivered to CUP-3 for its industrial customers.

2. "Manage" : Management of Invested Companies

- **Ratchaburi Power Company Limited (RPCL)**
An independent power producer (IPP) located at Damnoen Saduak district, Ratchaburi province, RPCL has two 700-megawatt units for a total of 1,400-megawatt capacity. All its generated power is sold to EGAT under a 25-year power purchase agreement (PPA) from the first dates of grid entry: March 1, 2008, for Unit 1 and June 1, 2008, for Unit 2. Distribution is under EGAT's terms and directives.
- **IRPC Clean Power Company Limited (IRPC-CP)**
A small power producer (SPP) located in the IRPC Industrial Zone, Rayong province. IRPC-CP commands a net unit capacity of about 120 megawatts of two units, totaling 240 megawatts. Its net steam capacity is 180 tons/hour (on-peak)

and 300 tons/hour (off-peak) Under a firm SPP power purchase agreement (PPA), IRPC-CP has two agreements of 90 megawatts each (totaling 180 megawatts) with EGAT under 25-year agreements. The surplus power and steam go to industrial customers in IRPC Group.

IRPC-CP (Phase 1) has about 45 megawatts in capacity and a total of 170 tons/hour in steam capacity. It also sells power and steam to the extension of IRPC's Upstream Project for Hygiene and Value-Added Products Project (UHV). Commercial operation began in November, 2015.

IRPC-CP (Phase 2) is under construction for supply of surplus power and steam to EGAT and industrial customers of IRPC Group up to capacity of the power and steam purchase agreement. Commercial operation date is by 2017.

- **Nava Nakorn Electricity Generating Company Limited (NNEG)**

A small power producer (SPP), located in Nava Nakorn Industrial Zone, Pathum Thani province, commands about 125 megawatts in capacity along with 30 tons/hour in steam capacity. It sells 90 megawatts under a firm SPP power purchase agreement (PPA) to EGAT. The surplus power and steam go to industries located in the zone, with commercial operation beginning in June, 2016.

- **Bangpa-In Cogeneration Company Limited (BIC)**

A small power producer (SPP), located in the Bang Pa-in Industrial Estate, Bang Pa-in district, Phra Nakhon Si Ayutthaya province, BIC commands a 117-megawatt capacity and 20 tons/hour steam capacity, with a firm SPP power purchase agreement (PPA) of 90 megawatts to be sold to EGAT under a 25-year agreement. Commercial production of BIC phase 1 began in 2013.

BIC's phase 2 is an approximately 117-megawatt natural gas-fired cogeneration plant with about 20 tons/hour in steam capacity. It lies in the same area as BIC phase 1. Its power distribution comes under a firm SPP power purchase agreement of

90 megawatts to be sold to EGAT under a 25-year agreement. The scheduled commercial operation date is by 2017.

The surplus power and steam generated from BIC 1 and 2 go to industrial customers in the Bangpa-in Industrial Estate.

- **Central Utility Plant 4 (CUP-4) Phase 1**

Located in PTT Group's Eco-Industrial Zone in the Asia Industrial Estate, Rayong province, CUP-4 commands 45 megawatts in capacity along with 70 tons/hour in steam capacity. This investment under a capacity growth plan aligns with GPSC's strategies for accommodating industrial growth in Asia Industrial Estate and neighboring estates now and in the future. It also represents investment to enhance the stability of production systems and distribution network systems among GPSC's utility plants.

- **Combined Heat and Power Producing Company Limited (CHPP)**

This is a very small power producer (VSPP) located at the Government Complex on Chaeng Watthana Road in Bangkok, with about 5 megawatts in capacity and 12,000 refrigeration tons in chilled water capacity. CHPP engaged in a non-firm power purchase agreement (PPA) agreement with MEA for supplying chilled energy for the complex's air-conditioning system.

CHPP is also a project supporter of an onshore solar farm for selected agricultural cooperatives for power generation and distribution under the announcement of the Energy Regulation Commission (ERC) for onshore solar farms for government agencies and agricultural cooperatives of 2015, dated September 17, 2015. The project lies on a 75-rai area of members of the Chanthaburi's Shrimp Farmers Cooperative Limited at Na Yai Am district, Chanthaburi province. Commanding 5 megawatts in capacity, the project successfully distributed power into PEA's grid from December 30, 2016 onward for a 25-year agreement.



- **Thai Solar Renewable Company Limited (TSR)**
Engaging in investment in a solar power plant, TSR invested in Siam Solar Energy 1 Company Limited (SSE1), a very small power producer (VSPP) deploying solar power generation with ground-installed photovoltaic (PV) or solar cells, with an installed capacity of about 8 megawatts for each of its ten projects. The 80-megawatt plant distributes all its generated power into PEA's grids.
- **Ichinoseki Solar Power 1 GK (ISP1)**
Locating on an area of about 556 rai in Iwate, Japan, ISP1 is a solar farm operator for distribution to a Japanese public utility company. ISP1 has a capacity of 20.8 megawatts and a 20-year power purchase agreement (PPA) with Tohoku Electric Power with a FiT purchase rate of 42 yen/kilowatt-hour (VAT included). Today, ISP1 is under construction, due for commercial operation in the fourth quarter of 2017.
- **Natee Synergy Company Limited (NSC)**
NSC invests in a hydro power plant under Xayaburi Power Company Limited, a company registered in Lao People's democratic Republic (Lao PDR) to develop the Xayaburi Hydropower Project. Xayaburi is a run-of-river plant some 100 kilometers south of Luang Prabang, with 1,285 megawatts in capacity under a 31-year concession, starting from the commercial operation date set in 2019.
- **Nam Lik 1 Power Company Limited (NL1PC)**
Registered in Lao PDR, the plant lies 90 kilometers north of Vientiane. NL1PC seeks to develop the Nam Lik 1 Power Plant Project, a run-of-river plant with 64.7 megawatts in capacity under a 30-year concession.
- **Business Services Alliance Company Limited (BSA)**
Formed as a joint venture among PTT Group companies, BSA manages the outsourcing of personnel for PTT Group. It also invests wholly in Sport Services Alliance Company Limited (SSA), which manages the soccer business for PTT Group.

- **GPSC International Holdings Limited (GPSCIH)**
Locating in Hong Kong, the company's objective is to support future overseas investment.

3. "Move" : Development of New Projects

- **Projects under development**
 - **Energy storage system and battery business**
This investment strives to apply the stationary battery system to generation processes in cases of disrupted power supply and energy storage for joint application with hybrid power plants. GPSC is keen on investigating the prospects of founding a domestic battery plant for commercial production and sale.
 - **RDF project**
Under a collaboration with the Rayong Provincial Administrative Organization (PAO) and Rayong Provincial Administration, GPSC strives to dispose of household garbage under Rayong's integrated garbage management project, where at least 500 tons/day is collected by the PAO for feeding into the project. GPSC then sorts the garbage with advanced technology without impacting communities and the environment, turning problematic materials into useful ones. RDF (refuse-derived fuel) is the project's main product.
- **Future projects**
 - **RDF Power Plant Project**
Thanks to the purchase rules for power derived from community garbage, GPSC qualified for an opportunity to invest in the RDF Power Plant Project, which represents an extension of the RDF project. To elaborate, the derived RDF fuel turns into fuel for the RDF power plant project, which aligns with the provincial development plan under Rayong's integrated garbage management project—whose ultimate product is electricity. For GPSC, besides engaging in the staple power business, it benefits from project fuel security because it is the project operator. In short, the RDF power plant project adds to GPSC's economic return, apart from

contributing to Rayong's social wellbeing, notably through the income from distributing 8 megawatts to PEA through a 20-year power purchase agreement (PPA).

- **Pursuit of domestic investment opportunities,** including development of projects on power plants and public utilities in parallel with the growth of PTT Group, cogeneration projects, and projects on renewable-energy power generation under the public sector's projects.
- **Pursuit of investment opportunities in target countries,** including that of solar power plants in Japan, together with project development of major gas-fired power plants in Myanmar, IPP coal-fired power plants in Indonesia, and hydro power plants in Lao PDR.
- **Project on eastern region water management**
Recognizing the value of efficient water management for security and sustainability of public utilities for itself and the industrial sector of the eastern region, GPSC investigated the feasibility of a project on eastern region water management together with a knowledgeable, skillful, and experienced partner to jointly develop wastewater treatment systems that benefit both the industrial sector and social responsibility to society and the environment. If found economically feasible, the project would serve as a prototype for GPSC's water management and boost investment opportunities in water management projects in other areas.



Equity Capacities

As of December 31, 2016, GPSC and its invested companies command the following power generation and other utility capacities, grouped by fuel (commercial ones and those under construction).

Power generator group / power plant	GPSC equity (%)	Equity capacity				Commercial operation date (COD)
		Power (megawatts)	Steam (tons/hour)	Chilled water (refrigeration tons)	Industrial water (cu.m./hour)	
1. Combined cycle power plant / Cogeneration power plant						
1.1 Global Power Synergy Public Company Limited (GPSC)						
• Sriracha Power Plant	100	700	-	-	80	2000
• Central Utility Plant 1	100	226	890	-	720	2006
• Central Utility Plant 2	100	113	170	-	510	2008
• Central Utility Plant 3	100	-	280	-	770	2009
• Central Utility Plant 4 (phase 1)	100	45	70	-	-	2018
1.2 Ratchaburi Power Company Limited (RPCL)	15	210	-	-	-	2008
1.3 IRPC Clean Power Company Limited (IRPC-CP)	51	122	92-153	-	-	Due for construction completion by 2017
1.4 Nava Nakorn Elecricity Generating Company Limited (NNEG)	30	38	9	-	-	2016
1.5 Bangpa-In Cogeneration Company Limited (BIC)						
• Phase 1	25	29	5	-	-	2013
• Phase 2	25	29	5	-	-	Due for construction completion by 2017
1.6 Combined Heat and Power Producing Company Limited (CHPP)	100	5	-	12,000	-	2009
Total		1,517	1,582	12,000	2,080	

Power generator group / power plant	GPSC equity (%)	Equity capacity				Commercial operation date (COD)
		Power (megawatts)	Steam (tons/hour)	Chilled water (refrigeration tons)	Industrial water (cu.m./hour)	
2. Renewable power plant						
2.1 Siam Solar Energy 1 Company Limited (SSE1)	40	32	-	-	-	2013
2.2 Ichinoseki Solar Power 1 GK (ISP1)	99	20.8	-	-	-	Due for construction completion by 2017
2.3 Combined Heat and Power Producing Company Limited (CHPP)	100	5	-	-	-	2016
Total		57.8				
3. Hydro power plant						
3.1 Xayaburi Power Company Limited (XPCL)	25	321	-	-	-	Due for construction completion by 2019
3.2 Nam Lik 1 Power Company Limited (NL1PC)	40	26	-	-	-	Due for construction completion by 2019
Total		347				
Grand total		1,922	1,582	12,000	2,080	



Distribution and Target Customer Groups

Distribution

After generated, GPSC's products namely power and steam require immediate transmission. Therefore, distribution and delivery systems are critical and require highly stable readiness. Recognizing this, GPSC designed separate transmission systems for individual customers, which guarantees consumption control and safety for individual customers. As a rule, power is transmitted from the generator with the same voltage standard as that used by PEA and MEA with transformers located at substations. Power then travels through transmission lines and sales meters before entering the grids of EGAT, PEA, MEA, and industrial customers.

The locations of the company's power plants are crucial for product delivery, since they must also lie in industrial areas where demand exists for steam, chilled water, and industrial water for processes. Demand must also exist near power plants through product transmission systems designed for additional insulation to cut energy losses to the external surroundings.

Target customer groups

Two groups, classified by product application, are as follows:

1. Distributed to EGAT

Under Thailand's power structure, EGAT is responsible for generation, sourcing, and transmission of power to PEA and MEA, both of which sell it to the industrial sector and the public. All three agencies must supply enough electricity for the national demand. Since EGAT's power generation does not suffice, it needs to purchase it from private producers through three main types of agreement:

- Independent Power Producer (IPP)
- Small Power Producer (SPP)
- Very Small Power Producer (VSPP)

GPSC and its invested companies distribute power to EGAT, PEA, and MEA through the three types of agreement. In its distribution to EGAT, GPSC still

commands reserve power under agreements on reserve power, which enhances power plants' security.

- **Product pricing:** Rates of power purchase follow the power tariff structure, grouped by power producer type.

1) Independent Power Producer (IPP)

As a rule, IPP agreements break the main pricing structure down into two parts:

First, availability payment (AP) is the compensation paid by EGAT to power plants each month for maintaining their power distribution availability regardless of the volume actually purchased by EGAT. AP is made up of:

- APR1 is the compensation paid by EGAT for plant construction, which includes loan repayment and GPSC's returns (also called "capacity cost")
- APR2 is the compensation paid by EGAT for fixed expenses in operating and maintenance (also called "fixed O&M").

Second, energy payment (EP), to be decided by IPPs in view of variable production costs.

2) Small Power Producer (SPP)

SPPs' pricing varies with fuel types and agreement types.

2.1) Firm agreement pricing

Firm agreements are power purchase agreements (PPA) with specified volumes of power to be distributed to EGAT through the agreed period, normally five years or more. Such pricing consists of capacity payment (CP), a function of the long-run avoided capacity cost; Energy Payment (EP), a function of the long-run avoided energy cost; and fuel-saving payment, activated when SPPs consume less energy than EGAT's stated standard value. EGAT normally purchases the amounts stated in the agreement, with a fine levied if SPPs cannot produce the agreed volume.

2.2) Non-firm agreement pricing

Non-firm agreements are power purchase agreements (PPA) whose validity is up to five years. Such agreements do not qualify for capacity payment (CP), and only Energy Payment (EP) is valid, to be determined from the energy cost for power generation, operating cost, and short-run avoided energy cost—which vary from season to season. The EP portion of non-firm prices is multiplied by a K factor, announced by EGAT. In short, non-firm prices are always lower than firm ones. As for power purchase from renewable-energy power plants, an adder (a premium-like component) applies; otherwise, the purchase is in the form of FiT, in line with PEA's or MEA's announcement.

3) Very Small Power Producer (VSPP)

By its definition, VSPPs supply up to 10 megawatts to PEA or MEA under each agreement. The applied pricing is the charge under the wholesale power price structure at the voltage where VSPPs connects with the power system plus the charge under the average wholesale Ft formula. To this end, if the power is derived from renewable energy, an adder applies; otherwise, the purchase is in the form of FiT, in line with PEA's or MEA's announcement.

2. Direct sale to industrial customers

Apart from sale to EGAT, as a public utility (power, steam, chilled water, and industrial water) producer, GPSC sells to industrial customers. GPSC therefore values security and continuity of distribution together with comparable pricing with other producers in the market. Most of GPSC's industrial customers are of the petrochemical group. GPSC also distributes nitrogen to PTT Group companies to complete its circuit of service.

• Product pricing

1) Industrial customers' power purchase rates

Most industrial customers are plants. GPSC engages in long-term sales agreements with each of them, based on the prices charged to PEA and subject to changes in Ft according to fuel cost.

2) Steam and industrial-water pricing

Steam prices and industrial-water prices are of the cost-plus type: a function of generation fuels, other cost components, and a certain profit margin. Price formula setters apply variations in costs to adjust prices to reflect actual production costs, which normally include investment, variable costs, and operation and maintenance for investment in distribution systems for dedicated customers. As for energy losses, separate calculation applies because of distinct differences in the volumes to be delivered and customers' locations, which account for the capital needed for system construction.

General pricing terms

For product pricing, the Board of Directors normally defines criteria and rules for product sales price standards for fairness and transparency in sales to connected customers and others, both of which must be at arm's length.



QUALITY, SECURITY, SAFETY, OCCUPATIONAL HEALTH, AND ENVIRONMENT MANAGEMENT

Global Power Synergy Public Company Limited (GPSC) and its invested companies recognize the importance of Quality, Security, Safety, Occupational Health, and Environment (QSHE) Management as one of the key components in achieving sustainable business excellence, enabling continual accountability, and delivering sustainable values to stakeholders. It is an integral part of GPSC to enhance the organizational potential and enable operational excellence for it to become a leader in managing innovation in power and utilities provision in PTT Group.



Quality, Security, Safety, Occupational Health, and Environment Policy

Quality, Security, Safety, Occupational Health, and Environment (QSHE) is a key component in GPSC's overall business. GPSC is committed to continually improving the effectiveness of implementation to achieve operational excellence by adhering to good corporate governance practices in pursuit of stakeholders' acceptance and sustainability in power generation and utilities businesses.

To ensure its personnel's awareness and strict risk management for uniform delivery of products and services to stakeholders, GPSC Group's QSHE culture is in alignment with the following values.

1. Commit to conducting the business in compliance with QSHE rules, regulations, GPSC requirements, and industrial standards as a fundamental basis
2. Generate and supply products to customers with quality and quantity in accordance with agreements
3. Continually improve the implementation of the QSHE management system. Integrate the system and promote engagement to apply appropriate tools in alignment with the standards of PTT Group's management system
4. Control, prevent, and mitigate environmental impacts by adhering to the Eco-Efficiency philosophy. Sustain the biodiversity and ecosystem by preventing pollution at polluted sources. Improve energy efficiency and mitigate climate change with "low carbon footprint society" as a goal
5. Implement standards and precautionary measures in alignment with Universal Declaration of Human Rights to prevent losses to properties and personnel injuries from accidents, emergencies, and crises. Promote safe and healthy workplaces and prevent security threat
6. Forge and sustain a safety culture and Process Safety Management practice



7. Systematically control and improve QSHE implementation by focusing on QSHE in all steps of work, ranging from design, construction, installation, testing, production, maintenance and logistics, the storage of raw materials, chemicals and products
8. Research, develop, as well as generate power and steam from alternative or renewable energy sources (green product) which are more environment-friendly
9. Provide sufficient time, people, budget, and training to implement plans and activities
10. Communicate the implementation of QSHE plans and its effectiveness to internal and external stakeholders as well as engage in dialogues and expectations to review and improve the plans

These values are to be applied to all working groups across GPSC's supply chain. Management at all levels lead by example and are accountable for the performance in alignment with the organizational intent. All employees are to acknowledge, understand, and follow this policy in every step of work from planning, designing, implementation, to closure.

Quality Management

GPSC has implemented international standards including the ISO 9001 Quality Management System, Total Productive Maintenance (TPM), and Operational Excellence Management System (OEMS) to continually improve the efficiency of production processes, services, quality of products, and work processes to meet the satisfaction of customers, business partners, and stakeholders.

Security, Safety, and Occupational Health Management

GPSC focuses on forging the recognition and promotion of a safety culture among employees, contractors, and related personnel. Under a safety culture of "we SAFE" (Work safely, Care for Others, Think before Act, and Stop if Unsafe) in conjunction with the implementation of the TIS/OSHAS 18001 : Occupational Health and Safety Management System as well as the implementation of Process Safety Management and Contractor Safety Management forges. GPSC aims to sustain incident-free, injury-free workplaces.

As a result of its continual focus and active implementation, GPSC has achieved zero Medical Treatment and Loss Time Incident Free case after 4.6 million man hours (employees and contractors).

Total Recordable Injury Rate (TRIR)
(number of cases/200,000 man-hours)



During 2013-2016

Environmental Management

GPSC is committed to compliance with applicable environmental laws and regulations. In addition, it ensures that all preventive and mitigation measures stipulated under the Environmental Impact Assessment (EIA) are followed. It has implemented the ISO 14001 (Environmental Management System) to continually improve its environmental performance which consists of air and water pollution control at polluted sources; waste management using the 3Rs principle (Reduce, Reuse, and Recycle); 100% zero-waste landfill disposal; reduction of its carbon footprint by energy conservation, greenhouse gas emission management, and maximization of the effectiveness of resource consumption; and minimize environmental, social and health impacts on stakeholders.

To systematically measure the effectiveness of environmental protection, GPSC has adopted the Eco-Efficiency philosophy and index, including Water Use, Energy Use, Wastewater Generation, Global Warming Contribution, and Ozone Depletion. The overall objectives are to maximize the effectiveness of resource

consumption and reduce environmental impacts of activities and production processes.

Moreover, GPSC continually provides its employees with related training courses such as environmental laws and regulations, the ISO 14001, OHSAS 18001, Pollution Management Program, Environmental Pollution Prevention Program, etc.

In addition, GPSC conducts business in alignment with international guidelines and standards and Dow Jones Sustainability Indices (DISI).

- Continually implement and improve safety, occupational health, and the environment
- Support research and innovation for the development of safe products and maximize the effectiveness of resource utilization
- Support the improvement of society and communities wherever GPSC works
- Effectively and openly engage and communicate to stakeholders
- Encourage customers and business partners to adopt and implement GPSC's social responsibility principles

Safety Culture

GPSC conducted an SSHE Culture Survey to assess the maturity of its safety culture in both GPSC employees and contractors. Data were analyzed and findings were used for continual improvement with the ultimate goal of becoming an injury-free and a healthy workplace.

Community Engagement

GPSC conducted community engagement sessions to promote mutual understanding and trust among GPSC and the surrounding communities to discuss and share ideas about

- Organizational Coordination
- Economic development
- Health, hygiene, and wellbeing
- Education and knowledge management
- Environment
- Religion, society, and culture
- Enhancement of potential and relationship

Social

GPSC values the wellbeing of communities where it works. It is committed to sustaining community ways of life and culture by using the following frameworks:

- Integrate corporate social responsibility (CSR) in day-to-day business decision processes
- Conduct its business with ethics in consideration of good corporate governance practices
- Promote employees' and stakeholder's basic human rights, as well as respect their cultures and local values



RISK FACTORS

Recognizing that managing risks efficiently can prevent losses to the corporation, Global Power Synergy Public Company Limited (GPSC) highly values of the Risk Management which ensures stakeholders of its sound business.

In 2016, GPSC focused on exercising risk management across the company and drove regular assessment and analysis of risks at both the corporate level and the functional level, as well as for consideration of investment projects so as to align with long-term corporate business plans under acceptable risk appetite levels. In addition, GPSC exercised watertight supervision and monitoring of risks at all levels. Corporate risks or key risks for investment projects undergo detailed deliberation by top management, the Risk Management Committee,

and the Board of Directors to identify suitable and prompt mitigation approaches. This year's key risks for GPSC were as follows:

Organization Capabilities Risk

Since GPSC engages in several types of power plants and is expanding business worldwide, it needs experienced, specialized personnel as well as efficient and sufficient support from the back office in order to achieve its goals. Efficient management of personnel is therefore vital to long-term corporate caliber.

This year GPSC took extra steps in resolving the process of human resource management to be more efficient and clear, consisting of organization restructuring for segregation of duties and responsibilities for greater clarity and flexibility so as to align with its strategic of business, namely Maximize, Manage, and Move. It also reviewed processes of recruitment, retention, and capacity building to promptly fit business needs by initiating programs to groom executives for future positions (Leadership



Development Program), first for high-potential employees to boost their morale and job enthusiasm, which in turn brings engagement and confidence in career progress with the corporation.

Climate Change Risk

GPSC invests in some renewable-energy power plants, including solar farms and hydropower, which may bear the brunt of climate change each year. A case in point is solar intensity, which can change from year to year, shortening or lengthening periods for power generation. Another is the variation in the water volumes needed for power generation due to seasonal variation in rainfall, which affects the projected amount of power generated by power plants. These can affect GPSC's power generation income.

As a result, in investing in or developing such power plants, GPSC investigates statistics and trends before making a decision, for instance, the past average intensity of sunlight in invested areas to project future

values or the statistics on past volumes of river water where investment will be taking place together with continuously and closely monitor water level to promptly accommodate the water shortage. Finally, GPSC has plans to diversify its investment or its project locations to ease such risks.

Risk of Reliance on Fuel Supply

Most of GPSC's domestic power plants use natural gas as the main fuel. In the past, natural gas pipe line distribution and supply system are highly reliable since there are many sources of supply from domestic or import which is either came directly from the production site or imported in the form of liquefied natural gas (LNG). However, with the majority of power plants being gas-fired, GPSC runs the risk of having no fuel for partial or all power generation or steam production should problems arise with the gas delivery system. Therefore, to lower this risk of over-reliance on natural gas for its processes, GPSC plans to join investments or develop additional alternative-energy power plants



or operate power plants fueled by other raw materials, domestically or internationally. This would lower the proportion of gas-fired power generation in the future.

Price Risk

Each month, the price of gas used to fuel power generation and steam production changes. Part of the cost of natural gas is passed on to customers under a price formula agreed with GPSC's customers, whereas Ft, which is the reference price for GPSC power tariffs, is adjusted by the Energy Regulatory Commission (ERC) every four months. Risk then arises because the power tariffs of a given period do not align with each month's gas price movement, which could lower GPSC's profit margin during periods of quick gas price hikes.

At any rate, this year marked steady falls in the gas prices, resulting from the rock-bottom world oil price in late 2015, which gradually affect the prices of fuel supply tied to the retroactive oil price. In short, GPSC benefited from "out of alignment" price adjustment during a low price-cycle. But on the whole, GPSC has passed on fuel-cost effects to its power tariffs and steam prices, so GPSC actually bears no brunt of gas price fluctuation.

Customers Dependency Risk

This year, about 60% of GPSC's revenue came from industrial customers, most of whom belonged to the PTT Group petrochemical fold and located in the same vicinity. Therefore, should requirements change for operating in industrial estates, or accidents, natural disasters, failures, or disruptions hit public utility systems in industrial estates, impacts on customers and GPSC could be felt. In addition, since most of these customers engage in petrochemical businesses, subject to business cyclicity and tending to undergo maintenance turnarounds at about the same time, power demand could drop to the point where it is necessary to stop the generators. Therefore, GPSC must closely coordinate plans for processing and maintenance with its customers in order to estimate power generation for maximum profit and put the Minimum Take or Pay condition in the purchase Agreements for mitigating risk.

While GPSC already has long-term purchase agreements with these customers, upon their expiry, unless GPSC can keep these customers or replace them with new ones, the demand for power would diminish, in turn affecting GPSC's performance outcomes.

Still, since most of these customers undeniably belonged to PTT Group, which has healthy relationship with GPSC, it is most likely that they will renew their agreements. What is more, changes in suppliers of power or steam incur prohibitive equipment installation costs, so it may not be worth the new investment unless it is imperative.

Power Plant Efficiency and Reliability Risk

For Sriracha Power Plant, a sole generator and distributor of power to EGAT, GPSC was informed by EGAT about a period of no dispatch between December 2015 to December 2019 under the Power Generation Plan for 2015-2019. The bottom line is, however, that GPSC is exposed to the risk of maintaining power available to EGAT at all times so as to receive the availability payment from EGAT under the purchasing terms mutually agreed.

Power plant efficiency is vital to GPSC because the moment it drops, the generation costs rises. GPSC therefore tries to regularly improve this efficiency to ensure that it can generate power in a secure, efficient way by applying the likes of ISO 9001, ISO 14001, and OHSAS/TIS 18001 in parallel with development of TPM (Total Productive Maintenance) and application of PTT Group's OEMS (Operational Excellence Management System) to all its operation.

Security, Safety, Occupational Health, and Environment Risk

Power generation processes are subject to risks concerning safety, occupational health, and the environment due to inadequate generation efficiency, machinery, and management measures. These could harm lives and properties of employees or neighboring communities, and GPSC could face environmental litigation. Therefore, GPSC has constantly recognized and valued business conduct with responsibility to safety, society, and the environment. Proactive measures to

prevent harmful risks from machinery, operating sites, or work procedures consist of the following:

- Define indicators of efficiency concerning quality, security, occupational health, and the environment, with periodic monitoring and reporting to the management and the Board
- Organize training on plan formulation with primary regard for quality, security, occupational health, and the environment. Regularly audit work to ensure effective accommodation of such plans to work efficiency and work surroundings
- Survey and analyze unsafe work practices and survey risky points for security and safety, define hazardous areas, and audit the work environment, including work procedures that could affect the health of employees and related parties to serve as data for design and formulation of preventive or problem-solving measures in proper and suitable ways
- Constantly develop work processes with a focus on preventing and remedying environmental impacts, design processes, and choose equipment with due regard for QSHE and eco-efficiency standards
- Develop work safety manuals to promote knowledge and proper understanding of quality, security, occupational health, and the environment for employees, business partners, and all stakeholders.

Thanks to its strong and continuing work, GPSC experienced no QSHE lost-time incidents and still maintain ISO 9001-2008, ISO 14001-2004, OHSAS 18001-2007, and TIS 18001-2011. These systems represent soundly integrated operation; GPSC also continued to win R-100 IMS and other acclaim and certification from government agencies, covering environmental monitoring and measurement (EIA Monitoring Award), plant waste management, environmental governance project, utilization of process waste, and zero-accident projects.

Investment Risk

GPSC plans to grow its investment in power generation both domestically and abroad, running the risk of such investment projects failing to achieve goals. Still, the company has measures to select projects and partners prudently, and to conduct sensitivity analyses to line up risk prevention approaches ahead of time. Besides, GPSC plans to develop investment and business development processes for higher efficiency.

Should GPSC join others in investment, it pays extra care in partner selection, basing decisions on reputation, expertise, experience, skills, security, and financial standing, as well as track records to ensure good, long-term partnership.

Today, GPSC invests in 24M Technologies, Inc. (24M) a company engaging primarily in R&D of lithium-ion batteries for power storage in the industrial sector that has successfully lowered raw-material consumption and production time. This has in turn lowered lithium-ion production costs as well as the probability of electric short-circuiting, providing for safer electrical systems.

Such battery development is still under testing for high-volume manufacturing, with the risk of failure, which in turn could stop commercialization of lithium-ion batteries. Also, production outcomes may not be satisfactory or errors could arise during production, resulting in higher equity needed, which could eventually harm GPSC's financial standing and performance. Still, 24M has completed its lab-scale product tests as well as its pilot plant tests with satisfactory results, so GPSC is fairly confident of 24M's likely success in commercial-scale production.

Project Execution Risk

Since some of its power plants are under construction, for which project risks exist for failure to go ahead as planned due to construction and equipment installation delays on the part of construction contractors; cost-overruns; engineering problems; conflicts with neighboring communities; natural disasters; or other limitations that could cause GPSC to miss its planned revenue and returns on investment.



Today, GPSC has a total of six projects under construction as follows :

- (1) IRPC-CP Phase 2, a cogeneration power plant fueled by natural gas, located in the IRPC Industrial Zone, Rayong province, under the management of IRPC Clean Power Company Limited (IRPC-CP)
- (2) BIC phase 2, a cogeneration power plant fueled by natural gas, located in the Bangpa-In Industrial Zone, under the management of Bangpa-In Cogeneration Company Limited (BIC)
- (3) Central Utility Plant 4, a cogeneration power plant fueled by natural gas, located in PTT WEcoZI area in Asia Industrial Estate (AIE) under GPSC's management
- (4) ISP1, a solar farm located in Iwate in the north of Honshu Island, Japan, under the management of Icinoseki Solar Power 1 GK (ISP1)
- (5) XPCL, a hydro power plant, under the management of Xayaburi Power Limited (XPCL)
- (6) NL1PC, a hydro power plant, under the management of Nam Lik 1 Power Company Limited

At any rate, GPSC values the selection of construction contractors that are credible and skillful. It carefully engages in turnkey contracts, puts in place technical and management advisory teams in controlling and auditing work, and puts in place regular and continuing project monitoring at the levels of the Risk Management Committee, the Audit Committee, and relevant management to ensure timely completion of the construction within budget and with expected quality.

Interest Rate Risk

Typical of power business investment, which calls for massive capital, the bulk of investment comes from financial institution loans to operators under long loan periods and floating interest rates, exposing GPSC to fluctuation of interest rates, much like other industrial operators. For GPSC, part of this floating interest rate is based on THBFIX rates, with part of the loans bearing

reference interest rates tied to six-month fixed-deposit rates of the lending financial institutions, which do not vary very much. Therefore, if interest rates fluctuate more in the future, GPSC could lower such risks by engaging in interest-rate swap from floating to fixed rate.

Foreign Exchange Rate Risk

While it is true that GPSC's current revenue from the domestic sale and distribution of power is all in the THB currency, GPSC still monitors the movement and factors affecting currency exchange rates as options for suitable capital funding. In the meantime, it strives for financial security by using additional hedging instruments to lower forex volatility risks facing the purchase of plant machinery for international projects, for which part of the operating cost is in foreign currencies.

When these projects under construction are completed, GPSC will generate additional foreign-currency income, which enables it to manage forex in addition to its current amount.

The Risk of Loan Repayment

Future company expansion calls for massive investment, with most of the capital are coming from loans. GPSC therefore has an obligation to pay interests and principals to financial institutions by specific dates while honoring terms of the loan agreements. Should performance outcomes not be satisfactory or if GPSC cannot honor such terms, it runs the risk of delinquency or being demanded to repay the entire loans.

Nevertheless, so far GPSC has commanded long-term financial planning and constant monitoring to ensure enough cash to efficiently grow its investment and repayment of both interests and principals while honoring financial terms of loan agreements.

The Risk of Securing Investment Capital

As of December 31, 2016, part of GPSC's power plants were still under construction, so GPSC was still obliged to inject about THB 8,471 million in capital. Should the prepared capital not be enough due to delays in construction and installation of machinery and equipment on the part of construction contractors, engineering or technical problems, or other conditions causing cost



overruns to complete the project, GPSC still considered it is under its own financial management capability. To this end, it commanded cash and cash equivalents, current investment, and bank deposits with limitations for withdrawals, totaling THB 7,813 million plus THB 13,774 million in unused long-term loans from financial institutions. Apparently, the risk of securing capital to fulfill GPSC's obligations is insignificant, as it still commands enough reserve cash for potentially additional obligations so as to complete construction.

In addition, GPSC earned credibility ranking from leading international rating house. Standard & Poor's Global Rating (S&P) rated it at BBB- (national) and Fitch Ratings Thailand ("Fitch") at A+ (tha), regarded as investment grade, illustrating robust financial standing. As a result, GPSC has another channel for mobilizing capital through issuance of private debt instruments to lower the risk of reliance on commercial banks.



INTERNAL CONTROL AND RISK MANAGEMENT

Constantly recognizing the value of internal control and risk management, Global Power Synergy Public Company Limited (GPSC) rolled out its written Risk Management Policy and appointed a Risk Management and Internal Control Committee to manage the overall corporate risks under the international standards of The Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and the ISO31000:2009 management standard.

GPSC's Enterprise Risk Management consists of :

- 1. Corporate Level:** Potentially impacting or compromising fulfillment of corporate objectives, these consist of strategic, business, operational, and financial risks.
- 2. Functional Level:** These risks could impact or compromise unit operation, resulting in not achieving objectives under responsibilities. The majority of these are business, operational, and financial risks.

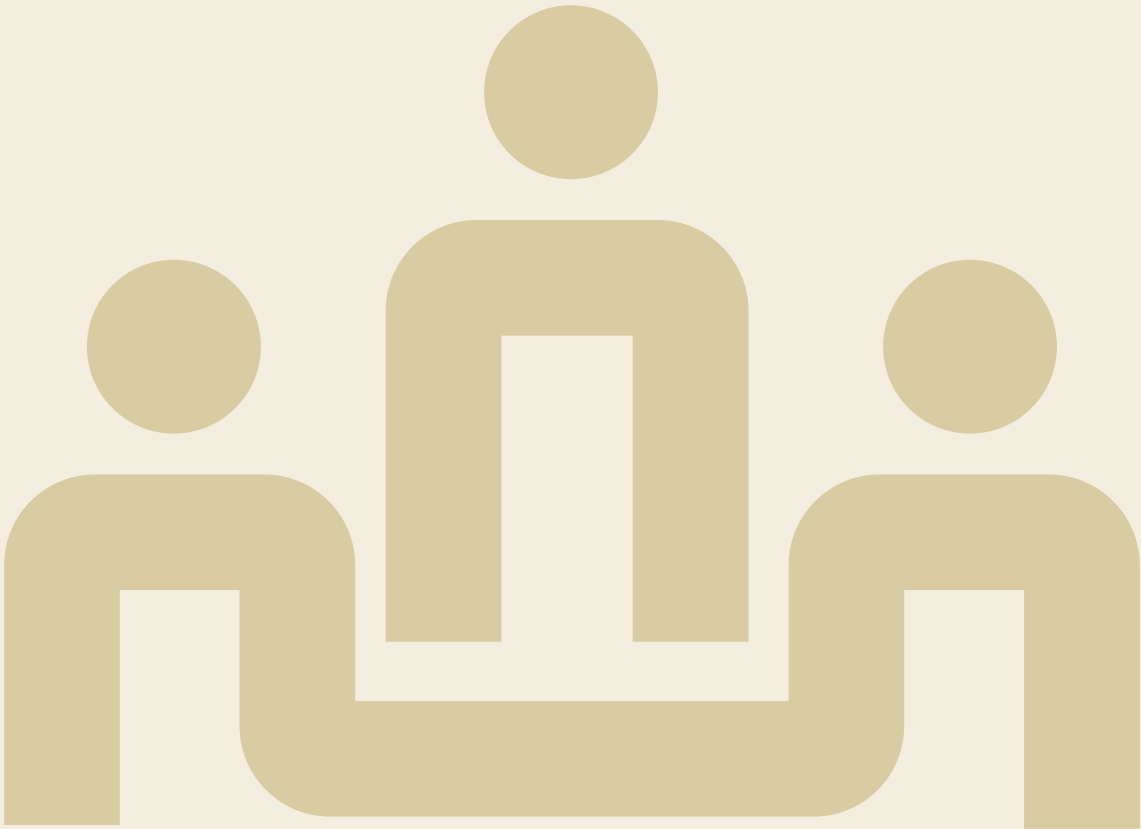
As for internal control at GPSC, the Risk Management and Internal Control Division was assigned to assess each division's internal control activities through self-assessment questionnaire which was answered by executives from department heads against the five key components:

- 1) Control Environment
- 2) Risk Assessment
- 3) Control Activities
- 4) Information and Communication
- 5) Monitoring Activities

In view of the information above, one is assured that GPSC values a good internal control system as an effective tool to fulfill corporate goals, illustrating sound corporate management practices.

The Board of Directors and the Audit Committee annually acknowledge the findings of assessment review of the internal control system and its adequacy, whether from the Office of Internal Audit's review report on the effectiveness of internal control that is sent to the Audit Committee and the Board of Directors, or from assessment findings and interviews of the management on their compliance with the processes and recommendations for greater efficiency of internal controls. These also concern the five components of internal control: control environment, risk assessment, control activities, information and communication, and monitoring activities.

In 2016, the Board of Directors and the Audit Committee agreed that GPSC commanded a sound internal control system that had not only proved adequate and suitable for its businesses, but also enabled the company to achieve its objectives.





GENERAL INFORMATION

Company Name	: Global Power Synergy Public Company Limited
Initial	: GPSC
Establishment Date	: January 10, 2013
Registered as Public Company Limited	: November 27, 2014
First Day Trade on the SET	: May 18, 2015
Company Registration Number	: 0107557000411
Registered Capital	: 14,983,008,000 THB as of December 31, 2016 Comprising 1,498,300,800 fully paid-up with a par value of THB 10 per share
Business Operation	: GPSC operates as an electricity, steam, and utilities producer and distributor. In addition, the company invests in other companies that generate and distribute electricity, steam, and utilities including related business in Thailand and overseas.
Type of Business	: Energy and Utility
Industry Group	: Resources
Number of Employees	: 258 persons as of December 31, 2016
Website	: www.gpscgroup.com



Contact Information

Investor Relations

Telephone: +66 (0)-2140-4628, +66 (0)-2140-4691,
+66 (0)-2140-4712 Fax: +66 (0)-2140-4601
Email: ir@gpscgroup.com

Office of Chief Executive Officer and Company Secretary

Telephone: +66 (0)-2140-4600 Fax: +66 (0)-2140-4601
Email: company-secretary@gpscgroup.com

Head Office

555/2 Energy Complex Building B, 5th Floor, Vibhavadi
Rangsit Road, Chatuchak, Chatuchak, Bangkok 10900, Thailand
Telephone: +66 (0)-2140-4600 Fax: +66 (0)-2140-4601

Branches

- **Location of Branch 1 Central Utility Plant 1 : CUP-1**
24 Pakornsongkroraj Road, Huaypong, Muang,
Rayong 21150, Thailand
Telephone: +66 (0)-3897-4333 Fax: +66-(0)-3897-4500
- **Location of Branch 2 Central Utility Plant 2 : CUP-2**
92/9 Highway 3191 Road, Map Ta Phut, Muang,
Rayong 21150, Thailand
Telephone: +66 (0)-3897-4333 Fax: +66-(0)-3897-4500
- **Location of Branch 3 Central Utility Plant 3 : CUP-3**
5/11 Pakornsongkroraj Road, Huaypong, Muang,
Rayong 21150, Thailand
Telephone: +66 (0)-3897-4333 Fax: +66-(0)-3897-4500

• Location of Branch 4 Sriracha Power Plant

42/3 Moo 1, Tungsukla, Sriracha, Chonburi 20230, Thailand
Telephone: +66 (0)-3840-7407 Fax: +66 (0)-3840-7400

Reference Firms

Securities Registrar

Thailand Securities Depository Company Limited (TSD)

The Stock Exchange of Thailand Building
93 Tower B, Ratchadapisek Road, Dindang, Dindang,
Bangkok 10400, Thailand
Telephone: +66 (0)-2009-9999 Fax: +66 (0)-2009-9991

Audit Firm

KPMG Phoomchai Audit Company Limited

195 Empire Tower Building 1, 50th- 51st Floor,
South Sathorn Road, Yannawa, Sathorn, Bangkok 10120,
Thailand
Telephone: +66 (0)-2677-2000 Fax: +66 (0)-2677-2222

Legal Consultant

Weerawong, Chinnavat & Peangpanor Company Limited

540 Mercury Tower, 22th Floor Ploenchit Road, Lumpini,
Pathumwan, Bangkok 10330, Thailand
Telephone: +66 (0)-2264-8000 Fax: +66 (0)-2657-2222



SECURITIES AND SHAREHOLDERS INFORMATION

Registered Capital and Paid-Up Capital

Global Power Synergy Public Company Limited (GPSC) is a company listed in the Stock Exchange of Thailand, with the total registered capital of THB 14,983,008,000 as of December 31, 2016, fully paid-up and divided into total of 1,498,300,800 ordinary shares with the par value of THB 10 per share.

Top 10 major shareholders as of the share registration closing date on September 2, 2016

No.	Major shareholders	Number of shares	Shareholding percentage
1.	PTT Global Chemical Public Company Limited	340,565,223	22.73
2.	PTT Public Company Limited	338,266,861	22.58
3.	Thaioil Power Company Limited	311,425,457	20.79
4.	Thai Oil Public Company Limited	133,468,059	8.91
5.	Bualuang Long-Term Equity Fund	21,467,700	1.43
6.	Thai NVDR Company Limited	15,823,937	1.06
7.	Mr. Pawat Cheungsapaisarn	12,500,000	0.83
8.	Social Security Office	12,214,300	0.82
9.	Bualuang Long-Term Equity Fund 75/25	11,086,300	0.74
10.	Mr. Sompob Tingthanathikul	8,000,000	0.53



Limitations of Transferring of Shares

There is no limitation, except cases of transferring of shares to foreign investors that causes such foreign investors to own more than 49 percent of total shares of GPSC.

Dividend Payment Policy

1. GPSC's dividend payment policy

GPSC has policy to pay dividend at the minimum of 30% of net profit according to a financial statement after deductions of tax, capital reserves as specified in applicable laws, and the commitment as in terms of credit facility agreement. Payment of dividend is subject to the investment plans, necessity of investment, and other future plans. The Board of Directors may consider paying the annual dividend with approval from the Annual General Meeting of Shareholders, except interim dividend payment which the Board of Directors has the authority to make the approval before reporting the interim dividend to shareholders at the next shareholders' meeting.

Dividend payment record (THB / Share) since listed in the Stock Exchange of Thailand

Year	Dividend Payment (THB / Share)			Dividend Payout Ratio (%)
	1 st half	2 nd half	Full Year	
2015	0.35	0.60	0.95	75
2016 *	0.45	0.70	1.15	64

* The Board of Directors at the Meeting no.2/2017 dated February 9, 2017 has passed a resolution to propose that the 2017 Annual General Meeting of Shareholders approve a dividend payment from the operating results of GPSC and its subsidiaries for year 2016 at Baht 1.15 per share, or 64% of the net profit of consolidated financial statements 2016. The interim dividend was paid from the first half operating results of 2016 (from January to June, 2016) on September 14, 2016 at the rate of Baht 0.45 per share, and consequently, the remaining amount shall be declared as dividend payment for the second half operating results for 2016 (July to December, 2016) at the rate of Baht 0.70 per share. However, the rights to receive dividend payment is subject to the approval of the 2017 Annual General Meeting of Shareholders.

2. Subsidiaries' dividend payment policy

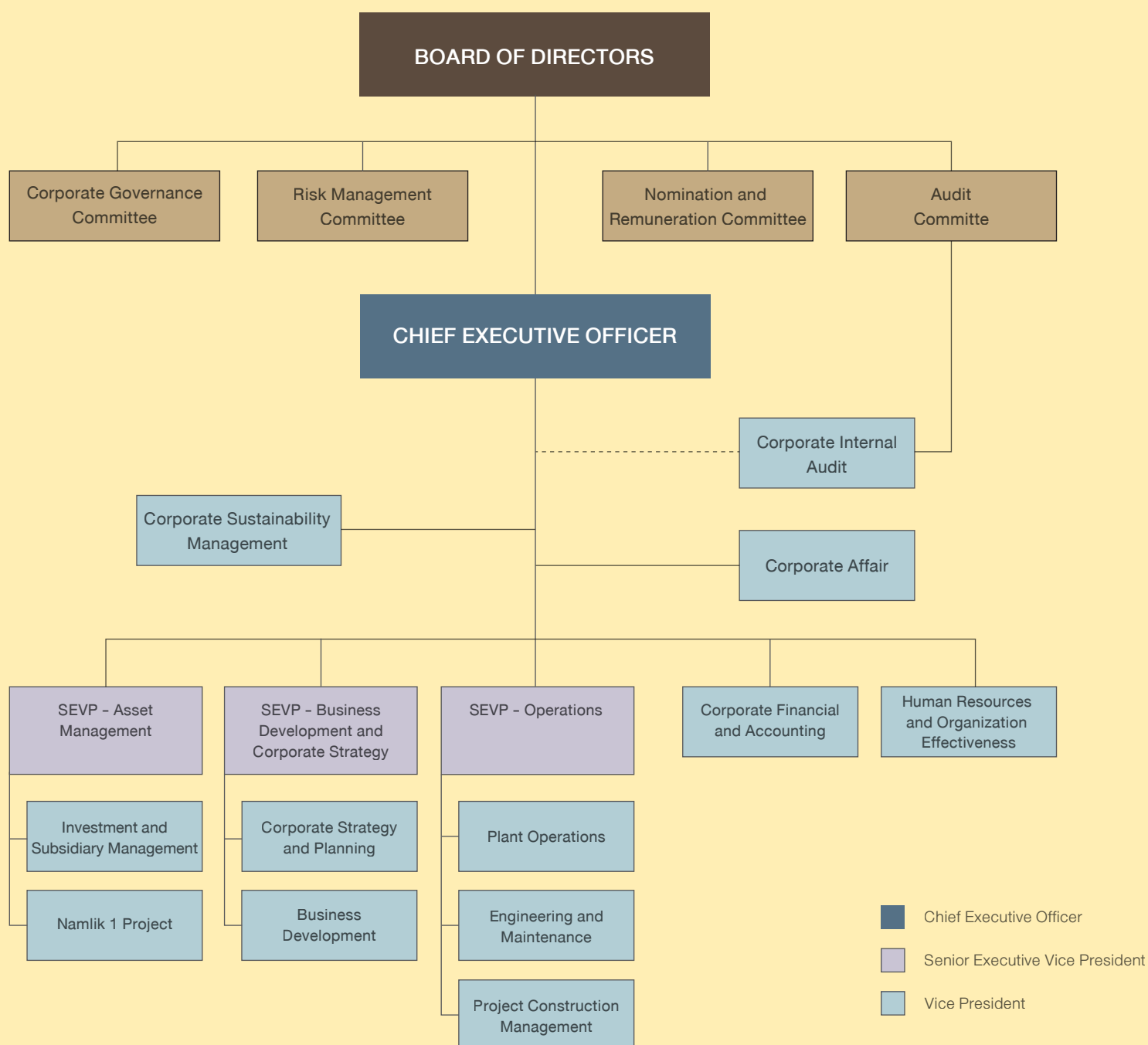
For GPSC's subsidiaries, the Board of Directors considers paying the annual dividend with approval from the Annual General Meeting of Shareholders each year. The dividend payment of subsidiaries is based on the investment plans and other requirements such as the adequacy of cash flow of each subsidiary after deducting reserve funds in accordance with the laws.



MANAGEMENT STRUCTURE

Organization Structure

The organization structure of Global Power Synergy Public Company Limited, department level and above as of December 31, 2016 is as follows.



Management Structure

As of December 31, 2016, the management structure of Global Power Synergy Public Company Limited (GPSC) comprises the Board of Directors; four Sub-Committees, namely the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance Committee, and the Risk Management Committee; and the Executive Team, with the Chief Executive Officer as GPSC's highest-ranking executive.

Board of Directors

As of December 31, 2016, GPSC's Board of Directors consists of 12 directors, composed of :

- 11 non-executive directors, five of whom are independent directors
 - 1 executive director, namely the Chief Executive Officer
- The composition above is in line with GPSC's Articles of Association, which prescribe that the Board of Directors must comprise at least five but not exceeding 12 directors, no less than half of whom must reside in Thailand.

Directors

As of December 31, 2016, the Board of Directors comprises 12 directors as follows.

Name - Surname	Position	Date Appointed
1. Mr. Surong Bulakul	Director / Chairman	April 4, 2016 (re-elected)
2. Mr. Norkun Sitthiphong	Independent Director / Chairman of the Audit Committee	November 27, 2014
3. Mr. Chulasingh Vasantasingh	Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee	November 27, 2014
4. Ms. Panada Kanokwat	Independent Director / Member of the Audit Committee	April 2, 2015 (re-elected)
5. Mr. Payungsak Chartsutipol	Independent Director / Member of the Nomination and Remuneration Committee	April 2, 2015 (re-elected)
	Chairman of the Risk Management Committee	June 17, 2015
	Chairman of the Corporate Governance Committee ⁽¹⁾	February 11, 2016
6. Maj. Gen. Chaowalek Chayansupap	Independent Director / Member of the Audit Committee / Member of the Corporate Governance Committee	April 4, 2016 (re-elected)
7. Mr. Chavalit Punthong	Director	April 4, 2016 (re-elected)
	Member of the Risk Management Committee ⁽²⁾	October 20, 2016
8. Mr. Supattanapong Punmeechaow	Director	November 27, 2014
	Member of the Risk Management Committee	June 17, 2015
9. Mr. Atikom Terbsiri	Director	November 27, 2014
	Member of the Risk Management Committee	June 17, 2015
10. Mr. Somchai Wongwattanasan	Director	April 2, 2015 (re-elected)
	Member of the Corporate Governance Committee	June 17, 2015
11. Mr. Patiparn Sukorndhaman	Director/ Member of the Nomination and Remuneration Committee	April 4, 2016 (re-elected)
12. Mr. Toemchai Bunnag	Director / Secretary to the Board / Member of the Risk Management Committee / Chief Executive Officer	November 1, 2015

Remarks

⁽¹⁾ Mr. Payungsak Chartsutipol has been a member of the Corporate Governance Committee since June 17, 2015 and was appointed the Chairman of the Corporate Governance Committee in the 2/2016 Board of Directors' meeting on February 11, 2016, effective since February 11, 2016.

⁽²⁾ Mr. Chavalit Punthong was appointed a member of the Risk Management Committee in the 10/2016 Board of Directors' meeting on October 20, 2016, effective since October 20, 2016.



Authorized Directors

The directors authorized to act on behalf of GPSC as stated in GPSC affidavit are Mr. Toemchai Bunnag, Chief Executive Officer (with his signature and the corporate seal affixed) or Mr. Surong Bulakul, or Mr. Supattanapong Punmeechaow, or Mr. Atikom Terbsiri, or Mr. Somchai Wongwattanasan, or Mr. Patiparn Sukorndhaman, or Mr. Chavalit Punthong (with signatures of any two and the corporate seal affixed).

Roles and Responsibilities of the Board of Directors

The roles and responsibilities of the Board of Directors are to oversee GPSC's operation to ensure compliance with laws, regulations, resolutions of shareholders' meetings, and GPSC articles of association as well as strict adherence to corporate governance principles and the code of conduct for directors of listed companies to protect GPSC's and its shareholders' interest. The roles and responsibilities of the Board of Directors can be summarized as follows.

1. To devote themselves to the determination of GPSC's vision, mission, directions, and strategies by expressing their opinion fully and seeking relevant information useful for the prescription of GPSC's directions
2. To review and approve GPSC's key strategies, policies, objectives, action plans, and financial goals as well as regularly oversee and monitor the executives so that such plans are carried out in accordance with the prescribed directions and strategies and to ensure effective and efficient implementation of GPSC's vision, directions, and strategies
3. To define corporate governance policies and a code of conduct comprising appropriate guidelines and best practices for directors, executives, and employees to foster a sense of professional responsibility and understanding, which are to be complied with strictly in conjunction with the rules and regulations of GPSC to ensure equity to all stakeholders
4. To approve expenditures for investments, loaning or application for credits from financial institutions, lending, and being a guarantor as part of GPSC's regular operations without budget limits in accordance with the rules and regulations of GPSC and pertinent regulations and laws stipulated by the Stock Exchange Market of Thailand and the Securities and Exchange Commission
5. To consider potential risk factors, formulate comprehensive risk management guidelines, ensure that the executives operate with efficient risk management systems and processes in place, and predict possible risks that may arise from new business opportunities
6. To ensure sufficient and effective internal auditing as well as regular assessment of the suitability of GPSC's internal control systems
7. Monitor and remedy issues related to potential conflicts of interest and related transactions, prioritizing major transactions that will result in maximum benefits for shareholders and stakeholders
8. To consider and approve the appointment of qualified candidates with no prohibited characteristics under the Public Limited Companies Act B.E. 2535 (A.D. 1992) (including additional amendments) and the Securities and Exchange Act B.E. 2535 (A.D. 1992) (including additional amendments), as well as laws, notifications, regulations, and/or other relevant rules as new directors upon vacancies of directorships, either as a result of an expiration of term of office or for other reasons, and upon the rise of such necessity, as well as determine remuneration to propose at shareholders' meetings for approval
9. To determine and amend the list of authorized directors
10. To appoint the Audit Committee or any other Sub-committees as well as define their roles and responsibilities to assist and support the Board of Directors in their operations
11. To implement an appropriate and transparent talent acquisition and selection system to fulfill key management positions
12. To appoint GPSC's executives with qualifications as defined by the Securities and Exchange Commission or the Capital Market Advisory Board, appoint Company Secretary secretary, as well as determine the remuneration of the executives and Company Secretary
13. To put in place a remuneration determination system or mechanism for GPSC's top executives to ensure appropriateness and consistency with GPSC's performance to create short-term and long-term motivation

14. To conduct regular self-performance appraisals and the Chief Executive Officer's performance appraisals on a regular basis
15. To ensure reliable accounting systems, financial statements, and audit systems as well as an efficient and effective internal auditing system
16. To oversee the completion of GPSC's financial statements at the end of each accounting year and sign to approve such statements, to be proposed for approval at annual general meetings of shareholders
17. To consider and approve the selection and appointment of auditors as well as determine the appropriateness of the remuneration submitted by the Audit Committee before proposing it for approval at annual general meetings of shareholders
18. To attach significance to social and environmental responsibilities in GPSC's business operation for a better and sustainable quality of life in society
19. To assess GPSC's performance under its corporate governance policies and code of conduct at least once a year
20. To provide each shareholder group with appropriate communication channels and oversee that information disclosure is complete, clear, transparent, reliable, and of highest standards
21. To encourage GPSC's directors and executives to attend courses and seminars hosted by the Thai Institute of Directors (IOD), especially those relevant to their roles and responsibilities
22. To convene internal meetings between non-executive directors and independent directors as called for by necessity or when deemed appropriate to discuss various management issues of current interest without the presence of the management and submit the summary of such meetings to the Chief Executive Officer

The Board of Directors may authorize and/or designate individuals to perform specific tasks on its behalf. The appointment of attorneys or sub-attorneys shall conform to the scope defined in the letter of authorization and/or in compliance with the rules, regulations, or orders prescribed by the Board of Directors and/or GPSC. The authorization of the roles and responsibilities of the Board of Directors shall not be in such a manner

that enables the Board of Directors or the appointed attorneys, through the attorneys or sub-attorneys, to approve transactions that may benefit themselves or others who may have conflict of interest (as defined in the notifications of the Securities and Exchange Commission or the Capital Market Supervisory Board) in any manner or create conflicts of interest with GPSC or GPSC's subsidiaries, except transactions that are in accordance with the policies and criteria approved by shareholders' meetings or approved by the Board of Directors.

In addition, the operations of the Board of Directors that require approval from shareholders' meetings are as follows.

- Cases in which GPSC or GPSC's subsidiaries, as defined by the laws on securities and exchange, enter into a related transaction, or acquire, or sell major assets of GPSC in accordance with the classification of the laws on securities and exchange, in which GPSC shall comply with the prescribed criteria and processes
- Selling or transferring GPSC's business, either in its entirety or partially, to another party
- The drawing up, amendment, or revocation of contracts related to a full or partial lease of GPSC's business, the appointment of a proxy to act on behalf of GPSC, or the merging of the business with another party with the aim to share profits
- Amendment of the memorandum of association or the articles of association
- Increasing or decreasing GPSC's authorized capital
- Company dissolution or merge with another company
- Debenture issuance

Roles and Responsibilities of the Chairman

1. To supervise and monitor the performance of the Board of Directors to ensure efficiency in fulfilling the objectives and main goals of GPSC and compliance with laws, corporate governance principles, and the roles and responsibilities of the Board of the Directors of GPSC
2. To determine the agenda of the Board of Directors' meetings, taking into account recommendations of the Chief Executive Officer, and ensure that vital agenda items are included



3. To convene the Board of Directors' meetings and deliver meeting notices to the directors in no less than seven days prior to the meetings so as to allow sufficient time for directors to consider information necessary for decision-making (The board meetings can be convened either by the Chairman of the Board of Directors or any individual assigned by the Chairman)
4. To preside over the Board of Directors' meetings, ensure efficiency of the meetings and sufficient allocated time for the presentations and discussion required for all agenda items, encourage careful consideration and free expression of opinions, guide the meetings towards resolutions, and conclude the meetings
5. To preside over annual general meetings of shareholders to keep them in line with laws, regulations of GPSC, and the prescribed agenda and allocate sufficient time for presentations and shareholders' inquiries
6. To oversee and encourage directors to adhere to corporate governance principles and contribute to an organizational culture characterized by ethical principles and corporate governance
7. Foster a cordial relationship between the Board of Directors and the management team

Independent Directors

Currently, GPSC has a total of five independent directors, in line with the criteria of the Securities and Exchange Commission, which stipulate that at least one third of the Board of Directors of a listed company must be composed of independent directors and that the Board of Directors must contain no fewer than three independent directors. GPSC has adopted the Capital Market Supervisory Board's definition of independent directors, with more stringent restrictions on the shareholding proportion, in which GPSC's independent directors may "hold shares not exceeding 0.5 percent of the total number of shares with voting rights of GPSC, its parent company, subsidiary, affiliate, major shareholder or controlling person, including shares held by related persons of such an independent director." (The Capital Market Supervisory Board has prescribed this number at one percent.) GPSC specifies the term of services for independent directors to be no more than 9 years.

Appointment and Retirement of Directors Nomination of directors

The Board of Directors has appointed the Nomination and Remuneration Committee to select and nominate qualified candidates for directorship. In this process, the Nomination and Remuneration Committee will take into consideration recommendations from major shareholders and free float as well as director's pools derived from reliable organizations, which provide a list of qualified persons in different fields, before reviewing the qualifications of the candidates in the following aspects:

- Being qualified and having none of the prohibited characteristics under the Public Company Limited Act, B.E. 2535 and do not have characteristics indicating a lack of appropriateness in respect of trustworthiness in managing business whose shares are held by public shareholders as specified in the notification of the SEC
- Not over 70 years of age
- Knowledgeable, capable and possess a variety of skills and working experiences that are in line with GPSC's strategy and "GPSC's Director Skill Matrix"
- Being capable of devoting sufficient time for GPSC, being in good health, being capable of regularly attending the Board of Directors meetings, being an active participant in meetings, being straight-forward, and/or being a businessman with good reputation, good record of work performance and good ethics, as well as being accepted by society
- Capable of providing leadership and able to efficiently and effectively monitor the business conduct of the Company's executives
- Not serving as a director of more than 5 listed companies in the SET

The selection process shall be free from discrimination on grounds of gender, race, religion, or other considerations.

The nomination of candidates to replace directors retiring by rotation at annual general meetings of shareholders shall be published on GPSC's website to invite advance nomination of qualified candidates from shareholders, after which the Board of Directors will consider their qualifications and propose qualified candidates at annual general meetings of shareholders in accordance with GPSC's criteria.

Appointment of directors

1) Appointment of directors to replace directors retiring by rotation

The Nomination and Remuneration Committee shall select and nominate qualified candidates as defined by GPSC's nomination criteria to recommend to the Board of Directors for approval and to be subsequently proposed at annual general meetings of shareholders for approval by a simple majority vote of the total votes of shareholders attending the meeting and casting votes. The voting procedure is as follows:

- A shareholder shall have one vote for each share one holds or represents.
- Shareholders shall vote for each individual candidate nominated for directorship.
- The candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the remaining appointment shall be made by the chairman of the meeting, who shall have a casting vote.

2) Appointment of directors to fill vacancies incurred by reasons other than expiration of term of office

The Nomination and Remuneration Committee shall select and nominate qualified candidates as defined by GPSC's nomination criteria to recommend to the Board of Directors, after which the candidates shall be appointed as directors to fill vacancies with no less than three-quarters (3/4) of the total votes of the remaining directors. The appointed directors shall be in office for as long as the remaining term of office of their predecessors.

Retirement of directors

- 1) At each annual general meeting of shareholders, one third (1/3) of the total number of the directors must retire from office by rotation. If the number is not a multiple of three, the number nearest to one third (1/3) of the total number of the directors must retire from office by rotation. The directors retiring from office in the first and second years after the registration of GPSC shall be selected by means of lot drawing. In subsequent years, the director who has held office the longest shall retire. A retiring director is eligible for re-election.
- 2) Apart from retirement upon expiration of the term of office, a director shall cease to hold office if he or she dies, resigns, possesses a prohibited characteristic under the law governing public limited companies and the law governing securities and exchange, is removed by a resolution of the shareholders' meeting, or is removed by a court order.
- 3) Any director who wishes to resign from GPSC shall submit a resignation letter to GPSC. The resignation shall be effective from the time the resignation letter reaches GPSC. A director who resigns may inform the registrar of his or her resignation.
- 4) A shareholders' meeting may pass a resolution to remove any director from office prior to the expiration of the term of office, by a vote of no less than three-quarters (3/4) of the number of shareholders attending the meeting and eligible to vote, and the shares held by the voting shareholders shall, in aggregate, be no less than one-half of the number of shares held by the shareholders attending the meeting and eligible to vote.



Sub-Committees

The Audit Committee

As of December 31, 2016, the Audit Committee comprises four members as follows.

No.	Name - Surname	Position
1.	Mr. Norkun Sitthiphong	Chairman (independent)
2.	Mr. Chulasingh Vasantasingh	Member (independent)
3.	Ms. Panada Kanokwat	Member (independent)
4.	Maj. Gen. Chaowalek Chayansupap	Member (independent)

Ms. Panada Kanokwat has adequate expertise and experience to review creditability of the financial reports. Mr. Kraisorn Puavilai, Vice President, Corporate Internal Audit (Acting) is serving as the Secretary to the Audit Committee.

Composition of the Audit Committee

The Audit Committee shall be composed of one Chairman and no fewer than two but no more than four members. Each member of the committee must be an independent director and possess qualifications related to independence as stipulated in notifications of Securities and Exchange Commission (SEC) regarding qualifications and scope of responsibilities of an audit committee. In addition, at least one member of the committee must possess expertise and experience in finance and accountancy so as to be able to review the reliability of financial statements.

Roles and responsibilities of the Audit Committee

1. To formulate any regulations to ensure compliance with the Audit Committee Charter and to review their appropriateness on a regular basis
2. Financial reports and audit
 - 2.1 To review GPSC's procedure and financial statements to ensure their accuracy, reliability, completeness, and adherence to accounting standards as well as other relevant laws and standards
 - 2.2 To consider, select, nominate an auditor for GPSC, as well as suggest remuneration for the auditor so as to obtain an independent auditor; and to attend meetings with GPSC's auditor without the management present at least once a year.
 - 2.3 To promote independence and offer opinion about the suitability of the auditor
3. Internal control
 - 3.1 To conduct reviews to ensure that GPSC's internal audit, internal control systems, and risk management systems are in accordance with a suitable and efficient internal control framework and to oversee that the internal audit unit operates in accordance with suitable internal audit standards
 - 3.2 To offer recommendations to the management regarding the improvement of work processes or systems to reduce potential risks, achieve efficiency, and obtain accurate and useful financial statements
 - 3.3 To offer recommendations on corporate governance policy formulation as well as monitor, assess, and compile reports on compliance with corporate governance guidelines
 - 3.4 To review operations and processes related to GPSC's corporate governance to ensure compliance with policies, laws, regulations, requirements, and procedures as well as orders relevant to GPSC's operation
 - 3.5 To oversee that the management put in place and supervise a complaint handling process
4. Internal audit
 - 4.1 To review to ensure that GPSC has a suitable and efficient internal audit system, oversee that the internal audit unit operates in adherence

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- to internal audit standards, as well as review the sufficiency of human resources and the independence of the internal audit unit
- 4.2 To define the internal audit scope, review and approve annual internal audit plans and alterations, as well as review audit results of internal auditors
 - 4.3 To assess the performance of the head of the internal audit unit
 - 4.4 To review and approve the appointment, transfer, and removal of the head of the internal audit unit
 - 4.5 To review and approve the internal audit charter
 - 4.6 To ensure uniform understanding among the Audit Committee, the Management, the internal audit unit, and the auditor as well as review the auditing scope of GPSC's auditor to ensure consistency and mutual contribution
5. Compliance with relevant laws and regulations
 - 5.1 To review GPSC's compliance with the laws on securities and exchange, regulations of the Stock Exchange of Thailand (SET), and other laws related to the business of GPSC
 - 5.2 To review connected transactions and any transactions that may result in possible conflicts of interest or corruption and affect the operation of the business so as to ensure that they are in compliance with regulations of the Stock Exchange of Thailand (SET) and that they are reasonable and conducted in the best interest of GPSC.
 - 5.3 To review the Audit Committee Charter and submit it to the Board of Directors of GPSC for approval at least once a year.
 - 5.4 To conduct a performance appraisal of its own operation and report the results, including the issues and obstacles that have prevented goal achievement, to the Board of Directors of GPSC on a yearly basis
 6. Reports
 - 6.1 To compile reports of the Audit Committee, to be published in GPSC's annual report and signed by the Chairman of the Audit Committee. The reports comprise the following as their minimum requirements:
 - Opinion on the accuracy, completeness, and reliability of GPSC's financial statements
 - Opinion on the adequacy of GPSC's internal control systems
 - Opinion on the compliance with the laws on securities and exchange, regulations of the Stock Exchange of Thailand (SET), or other laws related to the business of GPSC
 - Opinion on the suitability of the auditor
 - Opinion on transactions that may result in possible conflicts of interest
 - The number of meetings of the Audit Committee and the attendance of each member of the committee
 - General opinions and observations that the Audit Committee may have concerning their operations under the Audit Committee's Charter
 - Other transactions that the Audit Committee, within the scope of the roles and responsibilities authorized by GPSC's Board of Directors, has deemed that shareholders and general investors should be informed
 7. Others
 - 7.1 In case that any internal audit operation or other operation of the Audit Committee requires expertise in specific fields, the Audit Committee may propose to the Board of Directors to consider inviting or hiring necessary experts, where any fee incurred is paid for by GPSC. However, such hiring must comply with GPSC's rules and regulations. In addition, a working committee can also be appointed to support the operation of the Audit Committee.
 - 7.2 Should the Audit Committee be notified through internal audit reports of any violation of laws, rules, regulations, protocols, announcements and orders related to GPSC's operation, such a case must be reported to high-level executives, who will order responsible units to make reparation to restore compliance to policies, rules, regulations, protocols, laws, and orders related to GPSC's business operations.
- Should the Audit Committee be notified through internal audit reports of any suspected case of misconducts or transactions that may cause



serious damage to GPSC's operation, conflict of interest, corruption, other abnormalities, or flaws in GPSC's internal audit systems, such a case must be reported to high-level executives immediately in order for the issue to be remedied promptly. If GPSC's Board of Directors or the management fails to set in motion any reparation in due course, one of the directors

of the Audit Committee may file a report to the Securities and Exchange Commission (SEC) or the Stock Exchange of Thailand (SET).

7.3 Other obligations assigned by GPSC's Board of Directors or shareholders with the Audit Committee's approval or other operations required by the law.

The Nomination and Remuneration Committee

As of December 31, 2016, the Nomination and Remuneration Committee comprises three members as follows.

No.	Name - Surname	Position
1.	Mr. Chulasingh Vasantasingh	Chairman (independent)
2.	Mr. Payungsak Chartsutipol	Member (independent)
3.	Mr. Patiparn Sukorndhaman	Member

Mr. Klahan Tochamnanvit, Vice President, Corporate Affair, is serving as the Secretary to the Nomination and Remuneration Committee.

Composition of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall be composed of at least three members, one of whom shall be an independent director. The term of each member is equal to his or her directorship term, and a vacating member is eligible for re-election.

Roles and responsibilities of the Nomination and Remuneration Committee

1. To select qualified candidates to be nominated as GPSC's directors and Chief Executive Officer as well as ensure that the selection criteria and processes are principled and transparent before proposing to the Board of Directors and/or shareholders' meetings for approval
2. To review remuneration policies and criteria for GPSC's directors and the Chief Executive Officer to ensure fairness and reasonableness for subsequent proposal to the Board of Directors and/or shareholders' meetings for approval
3. To review and nominate qualified directors as sub-committee directors before proposing to the Board of Directors for appointment as deemed necessary
4. To provide recommendations on the remuneration structure and composition for GPSC's directors to the Board of Directors
5. To assess the performance of the Chief Executive Officer in order to provide recommendations to the Board of Directors of GPSC regarding the appropriate remuneration
6. To review the succession plan for the Chief Executive Officer and the list of candidates qualified for the succession consideration
7. To report the performance of the Nomination and Remuneration Committee to the Board of Directors and compile reports of the Nomination and Remuneration Committee to be disclosed in GPSC's annual reports
8. To fulfill any other obligations assigned by the Board of Directors

The Corporate Governance Committee

As of December 31, 2016, the Corporate Governance Committee comprises three members as follows.

No.	Name - Surname	Position
1.	Mr. Payungsak Chartsutipol	Chairman (independent)
2.	Maj. Gen. Chaowalek Chayansupap	Member (independent)
3.	Mr. Somchai Wongwattanasan	Member

Mr. Klahan Tochamnanvit, Vice President, Corporate Affair, is serving as the Secretary to the Corporate Governance Committee.

Composition of the Corporate Governance Committee

The Corporate Governance Committee shall be composed of at least three members, at least half of whom shall be independent directors. The term of each member is equal to his or her directorship term, and a vacating member is eligible for re-election.

Roles and responsibilities of the Corporate Governance Committee

- To determine and propose policies regarding GPSC's code of conduct and business ethics in accordance with good corporate governance principles to propose to the Board of Directors for approval and implementation as part of GPSC's standard practices
- To formulate policies, promote internal assessment of corporate governance standards, and apply for assessment by recognized external organizations on a regular basis
- To offer recommendations on good corporate governance to the Board of Directors
- To oversee the operation of the directors and the management to ensure adherence to good corporate governance principles stipulated by regulators such as the Stock Exchange of Thailand (SET), the Securities and Exchange Commission (SEC), and other relevant organizations
- To review GPSC's corporate governance guidelines in comparison to universal practice on a regular basis and propose to the Board of the Director
- To formulate corporate governance policies for corporate governance working teams
- To formulate policies and guidelines regarding sustainability management and corporate social responsibility
- To monitor sustainability management operations and report results to the Board of Directors
- To establish guidelines for GPSC's anti-corruption operations
- To promote the organizational culture of good corporate governance among the executives and employees at all levels to create practical results in both GPSC and its subsidiaries
- To provide consultancy to the corporate governance working team when participating corporate governance rankings by external parties at least once every three years
- To review and offer recommendations on the assessment form and the results of the performance assessment of GPSC's directors for subsequent proposal to the Board of Directors
- To report the results of corporate governance assessment to the Board of Directors. Should a factor or situation that may significantly affect GPSC arise, the Corporate Governance Committee must report it to the Board of Directors for acknowledgment and consideration immediately
- To fulfill other obligations assigned by the Board of Directors



The Risk Management Committee

As of December 31, 2016, the Risk Management Committee comprises five members as follows.

No.	Name - Surname	Position
1.	Mr. Payungsak Chartsutipol	Chairman (independent)
2.	Mr. Chavalit Punthong	Member
3.	Mr. Supattanapong Punmeechaow	Member
4.	Mr. Atikom Terbsiri	Member
5.	Mr. Toemchai Bunnag	Member

Mr. Kowit Chuengsatiansup, Senior Executive Vice President, Asset Management, is serving as the Secretary to the Risk Management Committee.

Composition of the Risk Management Committee

The Risk Management Committee shall be composed of at least three members, comprising both executive directors and independent directors. The term of each member is 3 years, and a vacating member is eligible for re-election.

Roles and Responsibilities of the Risk Management Committee

1. To determine and review risk management policies and frameworks relevant to the business of GPSC
2. To oversee and support risk management operations to ensure correspondence with GPSC's strategies and business goals as well as shifting situations
3. To provide recommendations for, monitor, and assess the Risk Management and Internal Control Committee (RMCC) (management level) for further implementation
4. To report results of risk management, offer opinions on potential risks, and offer recommendations on risk control and mitigation plans as well as the development of GPSC's risk management system to RMCC on a regular basis to ensure efficiency
5. To ensure that GPSC has risk management plans, systems, or procedures to minimize potential impact on the business of GPSC, as well as monitor and assess the implementation of the risk management framework across the organization to ensure that adequate risk management has been put in place
6. To support and develop risk management and related instruments at all levels across the organization as well as promote risk management as part of the organizational culture

7. To report risk management results to the Board of Directors. Should a factor or situation that may significantly affect GPSC arise, the Risk Management Committee must report it to the Board of Directors for acknowledgment and consideration immediately.
8. To convene at least one Risk Management Committee meeting per quarter
9. To fulfill any other obligations assigned by the Board of Directors

Meetings of the Board of Directors

The Board of Directors designates dates of meetings in advance each year to enable the directors to allocate their time for the meetings. Directors who have unexpected engagement and are unable to attend a meeting must submit a written leave of absence letter to the Chairman. Meeting documents will be submitted to directors at least seven days prior to each meeting, except in case of emergency, to allow sufficient time for directors to study them in advance.

Furthermore, the Board of Directors also convened a Non-Executive Directors meeting in July on the topic "Recommendations on GPSC's management and promotion of the operation of the Board of Directors," after which the summary of the meeting was reported to the Chief Executive Officer and the Management Committee for their consideration and implementation. In addition, an Independent Directors Meeting was convened in November, in which independent directors discussed issues of interest and offered recommendations to the Board of Directors and the management for their consideration and further implementation.

Meeting attendance of GPSC directors in 2016

Name - Surname	Position	Board of Directors	Board of Directors (special agenda)	Audit Committee (AC)	Nomination and Remuneration Committee (NRC)	Corporate Governance Committee (CGC)	Risk Management Committee (RMC)	Non-Executive Director	Independent Director	AGM
		12 meetings	2 meetings							
1. Mr. Surong Bulakul	Director / Chairman	12/12	2/2	18 meetings	5 meetings	6 meetings	7 meetings	1 meeting	1 meeting	1 meeting
2. Mr. Norkun Sittiphong	Independent Director / Chairman of the AC	12/12	2/2	18/18				1/1	1/1	1/1
3. Mr. Chulasingh Vasantasingh	Independent Director / Member of the AC / Chairman of the NRC	10/12	2/2	18/18	4/5			1/1	0/1	1/1
4. Ms. Panada Kanokwat	Independent Director / Member of the AC	12/12	2/2	18/18				1/1	1/1	1/1
5. Mr. Payungsak Chartsutipol	Independent Director / Member of the NRC / Chairman of the CGC / Chairman of the RMC /	12/12	2/2		5/5	5/6	7/7	1/1	1/1	1/1
6. Maj. Gen. Chaowalek Chayansupap ⁽¹⁾	Independent Director / Member of the AC / Member of the CGC	11/11	2/2	15/16		6/6		1/1	1/1	1/1
7. Mr. Chavalit Punthong ⁽²⁾	Director / Member of the RMC	12/12	2/2				1/1	1/1		1/1
8. Mr. Supattanapong Punmeechaow	Director / Member of the RMC	11/12	1/2				7/7	1/1		1/1
9. Mr. Atikom Terbsiri	Director / Member of the RMC	11/12	1/2				7/7	1/1		1/1
10. Mr. Somchai Wongwattanasan	Director / Member of the CGC	11/12	2/2			6/6		0/1		1/1
11. Mr. Patiparn Sukornthaman	Director / Member of the NRC	10/12	2/2		4/5			1/1		1/1
12. Mr. Toemchai Bunnag	Director / Secretary to the Board / Member of the RMC / Chief Executive Officer	12/12	2/2				7/7			1/1

Remarks

⁽¹⁾ Maj. Gen. Chaowalek Chayansupap was appointed a Member of the AC / Member of the CGC in the 2/2016 Board of Directors' meeting on February 11, 2016, effective since February 11, 2016.

⁽²⁾ Mr. Chavalit Punthong was appointed a member of the RMC in the 10/2016 Board of Directors' meeting on October 20, 2016, effective since October 20, 2016.



Director Remuneration

In 2016, the Board of Directors, by the recommendation of the Nomination and Remuneration Committee, has considered the remuneration of the Board of Directors and the Sub-Committees, by taking into account various relating factors e.g. the company's operating results, dividend payout to shareholders, the Board of Director's performance, responsibilities of the Board of Directors and the Sub-Committees, and comparison with other listed companies within the same industry and having similar size. The matter was proposed to the 2016 AGM which the 2016 AGM resolved to approve the remuneration of the Board of Directors and the Sub-Committees as follows:

1. Retainer fee for directors

(Same rate as 2015)

- Chairman 37,500 THB/month
- Directors 30,000 THB/month

2. Meeting allowance for Sub- Committee members

(Same rate as 2015)

comprising Audit Committee, Nomination and Remuneration Committee, Corporate Governance Committee, Risk Management Committee and others (if any) (only the directors who attend the meeting)

- Chairman 22,500 THB/meeting
- Members 18,000 THB/meeting

The remuneration for the Chairman of the Board and Sub-Committees are 25 percent higher than directors and Sub-Committee members.

3. Annual bonus

The 2016 resolved to approve a criterion for directors' annual bonus that the Board of Directors shall receive the annual bonus if the Company has paid the dividend to the shareholders. The bonus will be at the rate which reflects and is consistent with the performance or net profit of the Company at the rate of 0.6 percent of the net profit of such year based on the consolidated financial statements of the Company, but not exceeding THB 15 million. The bonus portion is calculated based on the term of each director. The Chairman of the Board shall receive an amount which is 25 percent higher than other directors.

Therefore, the 2016 AGM resolved to annual bonus for the directors, including those who completed their terms and/or retired during 2015, at the rate of 0.6 percent of the 2015 net profit but not exceeding THB 15 million. The bonus portion is calculated based on the term of each director. The Chairman of the Board shall receive an amount which is 25 percent higher than other directors.

4. Other remuneration -None-

Remuneration of GPSC directors in 2016

Name - Surname	Position	Board of Directors	Audit Committee (AC)	Nomination and Remuneration Committee (NRC)	Corporate Governance Committee (CGC)	Risk Management Committee (RMC)	Annual Bonus for 2015 performance ⁽⁴⁾	Total
1. Mr. Surong Bulakul	Director / Chairman	450,000		Meeting allowance	Meeting allowance		1,166,928	1,616,928
2. Mr. Norkun Sitthiphong	Independent Director / Chairman of the AC	360,000	337,500				933,542	1,631,042
3. Mr. Chulasingh Vasantasingh	Independent Director / Member of the AC / Chairman of the NRC	360,000	270,000	90,000			933,542	1,653,542
4. Ms. Panada Kanokwat	Independent Director / Member of the AC	360,000	270,000				933,542	1,563,542
5. Mr. Payungsak Chartsutipol ⁽¹⁾	Independent Director / Member of the NRC / Chairman of the CGC / Chairman of the RMC /	360,000		90,000	135,000	135,000	933,542	1,653,542
6. Maj. Gen. Chaowalek Chayansupap ⁽²⁾	Independent Director / Member of the AC / Member of the CGC	342,000	216,000		108,000			666,000
7. Mr. Chavalit Punthong ⁽³⁾	Director / Member of the RMC	360,000				18,000	79,287	457,287
8. Mr. Supattanapong Punmeechaow	Director / Member of the RMC	360,000			18,000	108,000	933,542	1,419,542
9. Mr. Atikom Terbsiri	Director / Member of the RMC	360,000			36,000	108,000	933,542	1,437,542
10. Mr. Somchai Wongwattanasan	Director / Member of the CGC	360,000			108,000		933,542	1,401,542
11. Mr. Patiparn Sukornthaman	Director / Member of the NRC	360,000		72,000			861,928	1,293,928
12. Mr. Toemchai Bunnag	Director / Secretary to the Board / Member of the RMC / Chief Executive Officer	360,000			18,000	108,000	156,017	642,017
Director resigned in 2016								
1. ACM Suttipong Inseeeyong	Independent Director / Member of the AC / Chairman of the CGC (resigned on January 15, 2016)	14,000	18,000				933,542	965,542
Director resigned in 2015 (receive annual bonus from 2015 performance)								
1. Mr. Rakop Srisuppaat	Independent Director (resigned on May 15, 2015)						342,725	342,725
2. Mr. Noppadol Pinsupa	Director (resigned on October 15, 2015)						698,238	698,238
Total		4,406,000	1,111,500	252,000	423,000	477,000	10,773,459	17,442,959

Remarks

⁽¹⁾ Mr. Payungsak Chartsutipol was appointed the Chairman of the CGC in the 2/2016 Board of Directors' meeting on February 11, 2016, effective since February 11, 2016.

⁽²⁾ Maj. Gen. Chaowalek Chayansupap was appointed a Member of the AC / Member of the CGC in the 2/2016 Board of Directors' meeting on February 11, 2016, effective since February 11, 2016.

⁽³⁾ Mr. Chavalit Punthong was appointed a member of the RMC in the 10/2016 Board of Directors' meeting on October 20, 2016, effective since October 20, 2016.

⁽⁴⁾ The 2015 annual bonus was approved in the 2016 Annual General Meeting of Shareholders, dated April 4, 2016 which was paid to the directors on April 28, 2016.



The Executive Team Executives

As of December 31, 2016, GPSC has a total of 15 executives, as defined by the Securities and Exchange Commission, as follows.

1. Mr. Toemchai Bunnag
Chief Executive Officer
2. Mr. Kowit Chuengsatiansup
Senior Executive Vice President, Asset Management
3. Mr. Smornchai Khoonrak
Senior Executive Vice President, Operations
4. Mr. Somkiat Masunthasuwun
Senior Executive Vice President,
Business Development and Corporate Strategy
5. Mrs. Wanida Boonpiraks
Chief Financial Officer
6. Mr. Klahan Tochamnanvit
Vice President, Corporate Affair
7. Mr. Payont Ampornareekul
Vice President, Corporate Sustainability Management
8. Mrs. Sasitorn Stithit
Vice President, Human Resources and Organization Effectiveness
9. Mr. Kraisor Puavilai
Vice President, Corporate Internal Audit (Acting)
10. Mr. Yongyuth Kleebbua
Vice President, Plant Operations
11. Mr. Ongkarn Srivichit
Vice President, Investment
and Subsidiary Management
12. Mr. Jaruwat Singsomdee
Vice President, Business Development (Acting)
13. Mr. Somsak Lertcharoensersmsuk
Vice President, Engineering and Maintenance (Acting)
14. Mr. Saochai Sookkasem
Vice President,
Project Construction Management (Acting)
15. Mr. Pipatpong Chandee
Vice President, Namlik 1 Project (Acting)

Scope of authority of the Chief Executive Officer

The Chief Executive Officer has the authority and duties to manage business operations as assigned by the Board and to manage plans or budgets approved by the Board of Directors with stringency, honesty, and circumspection, while protecting the interest of GPSC

and shareholders. The scope of authority of the Chief Executive Officer entails the following matters:

1. To manage GPSC's daily operations
2. To manage GPSC's plans and budgets approved by the Board of Directors
3. To prepare reports, plans, and financial statements and present them to the Board of Directors on a quarterly basis
4. To formulate GPSC's trade policies as well as enter into or terminate any contract related to the purchase and sale of raw materials and products on GPSC's behalf at present and in the future (within the period of not exceeding three years since the day the Chief Executive Officer is appointed and if the contract value does not exceed THB 100 million)
5. To enter into or terminate any contract or obligations other than specified in Item 4., with the contract value not exceeding THB 300 million
6. To employ, appoint, remove, transfer, promote, demote, decrease salary or payment, impose disciplinary sanctions on, or terminate employment of employees on behalf of GPSC; to appoint executives; as well as to delegate authority and responsibilities to suitable personnel

In addition, the Board of Directors has granted a power of attorney to the Chief Executive Officer, the scope of which is defined as follows.

- 1) The authority to manage GPSC's business operations in accordance with objectives, rules, policies, regulations, orders, and resolutions reached at the Board of Director's meetings and/or shareholders' meetings
- 2) The authority to command, contact, order, and proceed as well as execute juristic acts, sign contracts, agreements, orders, announcements, and any other documents that are deemed necessary and appropriate in order to fulfil the assigned responsibilities
- 3) The authority to authorize and/or assign other individuals to act on his or her behalf to perform certain specific tasks. The appointment of a lawful attorney or assigning individuals must be conducted within the scope of authority indicated in that specific letter of authorization and/or in accordance with relevant rules, regulations, or orders issued by the Board of Director and/or GPSC.

However, the aforementioned scope of the Chief Executive Officer's authority shall not apply if the Chief Executive Officer is a stakeholder or has any conflict of interest with GPSC.

Nomination and Appointment of the Chief Executive Officer

For the nomination and appointment of the Chief Executive Officer in case of vacancy, the Nomination and Remuneration shall select candidates with suitable qualifications, namely expertise, work experience beneficial to GPSC, and leadership, to propose to the Board of Directors for approval and appointment.

The Management Committee

GPSC Management Committee (GPSCMC) has been appointed to perform managerial duties and convene meetings on issues relevant to its duties at least twice a month. GPSC Management Committee comprising a total of ten members, composed of executives and a secretary, as follows.

1. Chief Executive Officer	Chairman
2. Senior Executive Vice President, Asset Management	Member
3. Senior Executive Vice President, Operations	Member
4. Senior Executive Vice President, Business Development and Corporate Strategy	Member
5. Chief Financial Officer	Member
6. Vice President, Corporate Affair	Member
7. Vice President, Corporate Sustainability Management	Member
8. Vice President, Human Resources and Organization Effectiveness	Member
9. Vice President, Corporate Internal Audit	Member
10. Office of the Chief Executive Officer and Company Secretary Manager	Secretary

Roles and responsibilities of the Management Committee

GPSC Management Committee has the duties to offer consultancy and recommendations to the Chief Executive Officer in making significant decisions related to GPSC's strategies, directions, long-term plans, performance,

investment plans, budgets, and resources allocation to GPSC and its subsidiaries. The committee is also entrusted with the duty to create uniform operation systems among the companies in which GPSC is a shareholder, which entails offering consultancy and recommendations as well as support operations in the following matters.

1. Defining the vision and missions of GPSC Group
2. Defining the strategic directions and goals of the business of GPSC Group as well as the overall performance of the business groups and GPSC Group
3. Reviewing GPSC Group's capital allocation structure
4. Reviewing GPSC Group's Portfolio Management
5. Reviewing and monitoring overseas business expansion of GPSC Group
6. Making policies and decisions regarding human resources management and ensuring the readiness and a systematic and efficient development of GPSC's executives above Level 10 to accommodate future missions of GPSC Group (Leadership Affiliation & Alignment Program)
7. Reviewing and offering recommendations on standards/mechanisms of the human resources system management, the data system management, and the organization structure of GPSC and GPSC Group to achieve sustainable organizational excellence
8. Reviewing and formulating policies and principles in accordance with PPT Way of Conduct as well as promoting practical results as outlined
9. Prioritizing human and financial resources allocation to GPSC and companies in which GPSC is a shareholder
10. Seeking resolutions to significant conflicts
11. Monitoring the progress and performance of GPSC Group in comparison to the PA & KPIs
12. Reviewing the risk management of GPSC Group
13. Reviewing the meeting agenda before presenting it to the Board of Directors
14. Prioritizing decisions of the Board of Directors for operational efficiency
15. Appointing working committees and/or working team to support the operation of GPSC Management Committee
16. Fulfilling other obligations assigned by the Chief Executive Officer



Head of the Internal Audit Department

The 7/2014 Meeting of the Board of Directors, convened on November 5, 2014, resolved to appoint Mr. Kraisorn Puavilai as the Head of the Internal Audit Department, whose roles and responsibilities are as follows.

1. To support the Audit Committee in scheduling meetings, preparing meeting agenda, delivering meeting documents, and taking minutes
2. To liaise with relevant departments to track the progress of significant operations that are to be reported at the meeting of the Audit Committee
3. To report the operating results of the Audit Committee to the meetings of the Board of Directors
4. To fulfill other obligations in accordance with Item 6.3 on Secretary to the Audit Committee in the SET's Best Practice Guidelines for Audit Committee of (Bor.Jor./Ror.25-00).

The profile of Mr. Kraisorn Puavilai can be found under the topic Executive Team on page 103-104.

Company Secretary

The 7/2014 Meeting of the Board of Directors, convened on November 5, 2014, resolved to appoint Mr. Viravong Chongkasemwong as Company Secretary, whose roles and responsibilities are as follows.

1. To prepare and maintain GPSC's documents, namely a registrar of directors, notices and minutes of the Board of Directors' meetings, notices and minutes of shareholders' meetings, and annual reports
2. To maintain reports on interest submitted by directors or executives
3. To arrange the Board of Directors' meetings and shareholder's meetings
4. To provide recommendations on relevant laws and regulations to the Board of Directors and executives
5. To organize trainings and orientations as well as provide current and new directors with information necessary to the fulfillment of their roles and responsibilities
6. To oversee and ensure complete compliance with laws, regulations, rules, and resolutions of the Board of the Directors' meeting and shareholders' meetings, as well as good corporate governance policies and code of business ethics
7. To carry out other operations in accordance with stipulations of the Capital Market Supervisory Board

Mr. Viravong Chongkasemwong, Company Secretary, has completed various trainings related to his duty as Company Secretary as follows.

- Training Record with Thai Institute of Directors (IOD)
 - Company Secretary Program (CSP 41/2011)
 - Effective Minute Taking (EMT 20/2011)
 - Board Reporting Program (BRP 6/2011)
 - Anti-Corruption: The Practical Guide (ACPG 28/2016)
- Training Record with Thai Listed Companies Association
 - Advances for Corporate Secretaries (Batch 30)
 - Fundamentals for Corporate Secretaries (Batch 12)

Executive Remuneration

The remuneration of executive officers of all levels is considered in accordance with Key Performance Indicators (KPIs), jointly defined by the Board of Directors, the Chief Executive Officer, and top executives, comprising Stakeholder Perspective, Internal Process Perspective, and Learning & Growth Perspective. Each executive is assigned specific KPIs that corresponded with their roles and responsibilities. Each year, the Board of Directors considers a salary adjustment for the Chief Executive Officer, and the Chief Executive Officer considers salary adjustments for top executives based on their performance. All such salary adjustments shall be conducted in accordance with the criteria prescribed by GPSC.

Details of executive remuneration

1. Monetary remuneration for the executives who are not directors is as follows.

	2016
Number of persons	5
Remuneration (THB)	12,328,460.00

2. Other monetary remuneration such as provident funds and others is as follows.

	2016
Number of persons	5
Remuneration (THB)	2,185,361.00

Details of directorship of GPSC's directors and executive officers in other companies in which GPSC is a shareholder as of December 31, 2016

★ Chairman 👤 Director ⌄ Highest-ranking executive ⌄ Executive

Name - Surname	Company	Subsidiary						Joint Venture				Associate		Long-Term Investment Capital			
		Combined Heat and Power Producing Co., Ltd.	CHPP	Natee Synergy Co., Ltd.	XPCOL	ISP1	IRPC-Clean Power Co., Ltd.	GPSC International Holdings Limited	Thai Solar Renewable Co., Ltd.	SSE1	NL1PC	NNEG	BIC	RPOL	BSA	SSA	24M Technologies, Inc.
1. Mr. Surong Bulakul	Global Power Synergy Plc.	★	GPSC														👤
2. Mr. Norkun Sitthiphong		👤			👤												
3. Mr. Chulasingh Vasantasingh		👤															
4. Ms. Panada Kanokwat		👤															
5. Mr. Payungsak Chartsutipol		👤															
6. Maj.Gen. Chaowalek Chayansupap		👤															
7. Mr. Chavalit Punthong		👤															
8. Mr. Supattanapong Punmeechaow		👤															
9. Mr. Atikom Terbsiri		👤															
10. Mr. Somchai Wongwattanasan		👤															
11. Mr. Patiparn Sukornthaman		👤															
12. Mr. Toemchai Bunnag		👤	⌄		👤			👤				👤		👤			
13. Mr. Kowit Chuengsatiansup		⌄	⌄	👤		⌄	★				👤	👤					
14. Mr. Smornchai Khoonrak		⌄	⌄	★									👤				
15. Mr. Somkiat Masunthasuwan		⌄	⌄						★	★							
16. Mrs. Wanida Boonpiraks		⌄	⌄				👤				👤						
17. Mr. Klahan Tochananvit		⌄	⌄	👤													
18. Mr. Payont Ampornareekul		⌄	⌄	👤													
19. Mrs. Sasitorn Stithit		⌄	⌄														
20. Mr. Kraisorn Puavilai		⌄	⌄														
21. Mr. Yongyuth Kleebua		⌄	⌄						👤								
22. Mr. Ongkarn Srivichit		⌄	⌄														
23. Mr. Jaruwat Singsoomdee		⌄	⌄														
24. Mr. Somsak Lertcharoensemsuk		⌄	⌄														
25. Mr. Saochai Sookkasem		⌄	⌄														
26. Mr. Pipatpong Chandee		⌄	⌄								👤						



BOARD OF DIRECTORS

As of December 31, 2016



Mr. Surong Bulakul
Director / Chairman of the Board
(Non-Executive Director)



Mr. Norkun Sitthiphong
Independent Director /
Chairman of the Audit Committee
(Non-Executive Director)



Mr. Chulasingh Vasantasingh
Independent Director / Member of
the Audit Committee / Chairman of
Nomination and Remuneration Committee
(Non-Executive Director)



Mr. Chavalit Punthong
Director / Member of the Risk Management
Committee
(Non-Executive Director)



Mr. Supattanapong Punmeechaow
Director / Member of the Risk Management
Committee
(Non-Executive Director)



Mr. Atikom Terbsiri
Director / Member of the Risk Management
Committee
(Non-Executive Director)



Ms. Panada Kanokwat
Independent Director /
Member of the Audit Committee
(Non-Executive Director)



Mr. Payungsak Chartsutipol
Independent Director / Member of the
Nomination and Remuneration Committee /
Chairman of the Corporate Governance
Committee/ Chairman of the Risk Management
Committee (Non-Executive Director)



Maj. Gen. Chaowalek Chayansupap
Independent Director / Member of the Audit
Committee / Member of the Corporate
Governance Committee
(Non-Executive Director)



Mr. Somchai Wongwattanasan
Director / Member of the Corporate
Governance Committee
(Non-Executive Director)



Mr. Patiparn Sukorndhaman
Director / Member of the Nomination
and Remuneration Committee
(Non-Executive Director)



Mr. Toemchai Bunnag
Director / Secretary to the Board /
Member of the Risk Management
Committee / Chief Executive Officer
(Executive Director)



Mr. Surong Bulakul

Director / Chairman of the Board
(Non-Executive Director)

Age : 61

Date Appointed :

- April 4, 2016 (2nd Term)
- November 27, 2014 (1st Term)

Education :

- Master of Business Administration, Cornell University, New York, U.S.A.
- Master of Engineering in Operations Research, Cornell University, New York, U.S.A.
- Bachelor of Science in Industrial Engineering and Operations Research, Syracuse University, New York, U.S.A.

Training Record with Thai Institute of Directors (IOD)

- Director Certification Program (DCP 121/2009)

Other Training Record :

- Program for Management Development, Harvard University, Boston, U.S.A.
- Politics and Governance in Democratic Systems for Executives (Batch 8), King Prajadhipok's Institute
- The Joint State-Private Sector Course (Batch 4919), National Defence College
- Capital Market Academy Leader Program (Batch 10), Capital Market Academy
- Senior Executives on Justice Administration (Batch 15), National Justice Academy
- Thai Intelligent Investors Program (Batch 1), Thai Investors Academy
- Top Executives in the Energy Education Program (Batch 2), Thailand Energy Academy
- Leadership Development Program (LDP) (Batch 2), Thai Listed Companies Association

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand

1 Organization :

- Advisor, PTT Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

7 Organizations :

- Chairman, Sakari Resources Ltd. (Singapore)
- Chairman, Tiger Energy Trading Pte. Ltd. (Singapore)
- Director, Provincial Electricity Authority
- Director, 24M Technologies, Inc. (U.S.A.)
- Chairman, Thai Listed Companies Association
- Vice Chairman, Thai Chamber of Commerce
- Committee Member, Federation of Thai Capital Market Organizations

Working Experience (5-Year Past Experience)

2014 - 2016	:	Committee Member, Federation of Thai Industries
2014 - 2015	:	Chief Operating Officer Infrastructure, PTT Public Company Limited
2013 - 2015	:	Director / Member of the Nomination and Remuneration Committee, IRPC Public Company Limited
2013 - 2014	:	Director, Sakari Resources Limited (Singapore)
2012 - 2014	:	Chief Financial Officer, PTT Public Company Limited
2009 - 2012	:	Chief Executive Officer, Thai Oil Public Company Limited

Shareholding in GPSC (including spouse and minor)

Self	:	73,000 shares (0.004872%)
Spouse	:	36,800 shares (0.002456%)
Total	:	109,800 shares (0.007328%)

Qualified According to Related Laws and Does Not Have Prohibited Qualifications :

- Qualified

Family Relation with other Directors, Executives, Major Shareholders of GPSC and its Subsidiaries :

- None

Mr. Norkun Sitthiphong
Independent Director / Chairman of
the Audit Committee (Non-Executive Director)

Age : 63

Date Appointed

- November 27, 2014 (1st Term)

Education :

- Ph.D. (Mechanical Engineering), Oregon State University, U.S.A.
- M.S. (Mechanical Engineering), Oregon State University, U.S.A.
- Bachelor of Engineering (Mechanical Engineering), Chulalongkorn University

Training Record with Thai Institute of Directors (IOD)

- Role of the Chairman Program (RCP 21/2009)

Other Training Record :

- The National Defence Course (Batch 47), National Defence College
- Capital Market Academy Leader Program (Batch 4), Capital Market Academy
- Top Executives in Energy Education Program (Batch 2), Thailand Energy Academy
- Senior Executives on Justice Administration (Batch 16), National Justice Academy

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand :

- None

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

2 Organizations :

- Chairman, Thailand National Committee of CIGRE
- Director, Xayaburi Power Company Limited

Working Experience (5-Year Past Experience)

2012 - 2014	:	Chairman, Thai Oil Public Company Limited
2011 - 2014	:	Chairman / Chairman of the Independent Directors Committee, PTT Exploration and Production Public Company Limited
2011 - 2013	:	Chairman, PTT Public Company Limited
2010 - 2013	:	Permanent Secretary, Ministry of Energy

Shareholding in GPSC (including spouse and minor)

Self : 73,000 shares (0.004872%)

Qualified According to Related Laws and Does Not Have

Prohibited Qualifications :

- Qualified

Family Relation with other Directors, Executives, Major

Shareholders of GPSC and its Subsidiaries :

- None

Mr. Chulasingh Vasantasingh

Independent Director / Member of the Audit Committee /
Chairman of the Nomination and Remuneration
Committee (Non-Executive Director)

Age : 66

Date Appointed :

- November 27, 2014 (1st Term)

Education :

- Harvard Business School Certificate, Harvard University, U.S.A
- Honorary Doctorate Degree in Laws, Yonok University
- Honorary Doctorate Degree in Laws, Chulalongkorn University
- Honorary Doctorate Degree in Laws, Ramkhamhaeng University
- Master of Comparative Law (MCL), University of Illinois, U.S.A.
- Barrister at Law, The Institution of Legal Education
- Bachelor of Laws (LLB.) (Hons.), Chulalongkorn University

Training Record with Thai Institute of Directors (IOD)

- Director Certification Program (DCP 35/2003)
- Financial Institutions Governance Program (FGP 4/2012)
- DCP Refresher Course (1/2008)
- Audit Committee Program (ACP 17/2007)
- Understanding the Fundamental of Financial Statements (UFS 1/2006)
- Finance for Non- Finance Director (FND 7/2003)

Other Training Record :

- National Defence Course (Batch 388), National Defence College



- Politics and Governance in Democratic Systems for Executives (Batch 8), King Prajadhipok's Institute
- Capital Market Academy Leader Program (Batch 5), Capital Market Academy
- Top Executives in Energy Education Program (Batch 1), Thailand Energy Academy
- Top Executive Program in Commerce and Trade (TEPCoT) (Batch 5), Commerce Academy, University of the Thai Chamber of Commerce
- Executive Program, Poompalungpandin Program (Batch 1), Chulalongkorn University

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand

4 Organizations :

- Chairman, Aqua Corporation Public Company Limited
- Director / Chairman of the Audit Committee, Quality Houses Public Company Limited
- Director / Chairman of the Audit Committee, Thanachart Insurance Public Company Limited
- Director, TPI Polene Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

3 Organizations :

- Advisor, Chulalongkorn University Alumni Association, under the Patronage of His Majesty the King
- Member of the Council of State
- Director of Property Management, Chulalongkorn University

Working Experience (5-Year Past Experience)

- 2013- Jan, 2016 : Independent Director / Chairman of the Audit Committee, Thai Oil Public Company Limited
- 2011 - 2015 : Chairman, Chulalongkorn University Alumni Association, under the Patronage of His Majesty the King
- 2010 - 2014 : Independent Director / Chairman of the Audit Committee, Krung Thai Bank Public Company Limited
- 2010 - 2013 : Independent Director / Chairman of the Audit Committee, Thai Airways Public Company Limited

2010 - 2013 : Independent Director / Chairman of the Audit Committee, PTT Public Company Limited

2009 - 2013 : Attorney General, Office of the Attorney General

Shareholding in GPSC (including spouse and minor)

Self : 48,667 shares (0.003248 %)

Qualified According to Related Laws and Does Not Have Prohibited Qualifications :

- Qualified

Family Relation with other Directors, Executives,

Major Shareholders of GPSC and its Subsidiaries :

- None

Ms. Panada Kanokwat

Independent Director / Member of the Audit Committee (Non-Executive Director)

Age : 67

Date Appointed :

- April 2, 2015 (2nd Term)
- November 27, 2014 (1st Term)

Education :

- Master of Business Administration (Finance & Banking), North Texas State University, U.S.A.
- Bachelor of Accounting, Thammasat University

Training Record with Thai Institute of Directors (IOD)

- Director Certification Program (DCP 113/2009)
- Director Accreditation Program (DAP 75/2008)
- Director Certification Program Update (DCPU 2/2014)
- Anti-Corruption Focus Group (C-FG 4/2013)
- Anti-Corruption for Executive Program (ACEP 8/2013)
- Financial Institutions Governance Program (FGP 2/2011)

Other Training Record :

- Capital Market Academy Leader Program (Batch 2), Capital Market Academy
- Building, Leading & Sustaining the Innovation Organization, Sloan School of Management, Massachusetts Institute of Technology (MIT), U.S.A.
- Executive Program in International Management, Stanford-National University of Singapore, Singapore

Current Position in Other Organizations**Listed Company-The Stock Exchange of Thailand****2 Organizations :**

- Independent Director / Member of the Audit Committee, PTT Exploration and Production Public Company Limited
- Independent Director / Member of the Corporate Governance Committee, TISCO Financial Group Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)**2 Organizations :**

- Independent Director / Member of the Audit Committee, Asia Biomass Company Limited
- Member of Risk Management Sub - Committee, Government Pension Fund

Working Experience (5-Year Past Experience)

2013 - 2014	:	Member of the Audit Committee, TISCO Financial Group Public Company Limited
2013 - 2014	:	Member of the Audit Committee, TISCO Bank Group Public Company Limited
2011 - 2013	:	Chairman of the Audit Committee, TISCO Financial Group Public Company Limited
2011 - 2013	:	Chairman of the Audit Committee, TISCO Bank Public Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 73,000 shares (0.004872%)

Qualified According to Related Laws and Does Not Have Prohibited Qualifications :

- Qualified

Family Relation with other Directors, Executives, Major Shareholders of GPSC and its Subsidiaries :

- None

Mr. Payungsak Chartsutipol

Independent Director / Member of the Nomination and Remuneration Committee Chairman of the Corporate Governance Committee / Chairman of the Risk Management Committee (Non-Executive Director)

Age : 64

Date Appointed :

- April 2, 2015 (2nd Term)
- November 27, 2014 (1st Term)

Education :

- Honorary Doctorate Degree in Engineering, Suranaree University of Technology
- Honorary Doctorate Degree in Philosophy, Organization Development Administration, Chaopraya University
- Certificate of Management Development Program, North Western University, U.S.A.
- Bachelor of Engineering (Electrical Engineering), Chulalongkorn University

Training Record with Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP SCC/2004)
- Risk Management Program for Corporate Leaders (RCL 3/2016)

Other Training Record :

- Top Executives in the Energy Education Program (Batch 1), Thailand Energy Academy
- Executive Program, Poompalungpandin Program (Batch 1), Chulalongkorn University
- Administrative Justice for Executives (Batch 2), Administrative Court
- Capital Market Academy Leader Program (Batch 11), Capital Market Academy
- Top Executive Program in Commerce and Trade (TEPCoT) (Batch 2), Commerce Academy, University of the Thai Chamber of Commerce

Current Position in Other Organizations**Listed Company-The Stock Exchange of Thailand :**

- None

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)**3 Organizations :**

- Chairman, Siam City Leasing and Factoring Public Company Limited
- Director, Linde (Thailand) Public Company Limited
- Director, Siam United Steel (1995) Company Limited

Working Experience (5-Year Past Experience)

2012 - 2014	:	Director, Office of Insurance Commission
2012 - 2013	:	Director / Chairman of the Corporate Governance and Social Responsibility Committee, Krungthai Bank Public Company Limited



2011 - 2015	: Chairman / Qualified Member, Board of National Catastrophe Insurance Fund Committee
2011 - 2014	: Chairman, Board of Executive Directors, Krungthai Bank Public Company Limited
2010 - 2014	: Chairman, The Federation of Thai Industries
2010 - 2014	: Member of the Council Office, Suranaree University of Technology
2010 - 2014	: Director, Board of Investment
2010 - 2011	: Director, Samaggi Insurance Public Company Limited
2007 - 2014	: Director, Board of Trustees, Sirindhorn International Institute of Technology Thammasat University

Shareholding in GPSC (including spouse and minor)

Self : 73,000 shares (0.004872%)

Qualified According to Related Laws and Does Not Have Prohibited Qualifications :

- Qualified

Family Relation with other Directors, Executives,

Major Shareholders of GPSC and its Subsidiaries :

- None

Maj. Gen. Chaowalek Chayansupap

Independent Director / Member of the Audit Committee / Member of the Corporate Governance Committee (Non-Executive Director)

Age : 60

Date Appointed :

- April 4, 2016 (2nd Term)
- January 20, 2016 (1st Term)

Education :

- Bachelor of Science, Chulachomklao Royal Military Academy

Training Record with Thai Institute of Directors (IOD)

- Director Certification (DCP 217/2016)
- Advanced Audit Committee Program (AACP 24/2016)

Other Training Record :

- Officer Basic Course, Infantry School, Infantry Center

- Officer Advance Course, Infantry School, Infantry Center
- Logistics Management Course, The Royal Thai Army Logistics School
- Command and General Staff Course, Command and General Staff College
- Officer Comptroller General Course (Manager Level), Army School, Military Finance Department

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand :

- None

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand :

- None

Working Experience (5-Year Past Experience)

2013 - 2016	: Army Expertise, Royal Thai Army
2012	: Deputy Infantry Center Commandant, Royal Thai Army
2008	: Director of Doctrine Department, Infantry Center, Royal Thai Army

Shareholding in GPSC (including spouse and minor) :

- None

Qualified According to Related Laws and Does Not Have Prohibited Qualifications :

- Qualified

Family Relation with other Directors, Executives, Major

Shareholders of GPSC and its Subsidiaries :

- None

Mr. Chavalit Punthong

Director / Member of the Risk Management Committee (Non-Executive Director)

Age : 60

Date Appointed :

- April 4, 2016 (2nd Term)
- December 1, 2015 (1st Term)

Education :

- Master of Business Administration, Central Missouri State University, U.S.A.
- Bachelor of Engineering (Mechanical Engineering), Kasetsart University

Training Record with Thai Institute of Directors (IOD)

- Director Certification Program (DCP 177/2013)

Other Training Record :

- Senior Executive Program (SEP), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- GE: PTT Executive Leadership Program, GE, U.S.A.
- Nida-Wharton Executive Leaders Program, The Wharton School, University of Pennsylvania U.S.A.
- Capital Market Academy Leader Program (Batch 18), Capital Market Academy

Current Position in Other Organizations**Listed Company-The Stock Exchange of Thailand****2 Organizations :**

- Chief Operation Officer Infrastructure, PTT Public Company Limited
- Director / Member of the Nomination and Remuneration Committee, IRPC Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand :

- None

Working Experience (5-Year Past Experience)

2013 - 2015	:	Chairman, Thai Petroleum Pipeline Company Limited
2013 - 2015	:	Senior Executive Vice President, Oil Business Unit, PTT Public Company Limited
2012 - 2015	:	Chairman, PTT Retail Business Company Limited
2012 - 2015	:	Chairman, PTT Retail Management Company Limited
2011 - 2013	:	Executive Vice President, Retail Marketing, PTT Public Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 30,000 shares (0.002002%)

Qualified According to Related Laws and Does Not Have Prohibited Qualifications :

- Qualified

Family Relation with other Directors, Executives, Major Shareholders of GPSC and its Subsidiaries :

- None

Mr. Supattanapong Punmeechaow

Director / Member of the Risk Management Committee (Non-Executive Director)

Age : 57

Date Appointed :

- November 27, 2014 (1st Term)

Education :

- Master of Business Administration, Chulalongkorn University
- Bachelor of Engineering (Chemical Engineering), Chulalongkorn University

Training Record with Thai Institute of Directors (IOD)

- Directors Certification Program (DCP 131/2010)
- Role of Chairman Program (RCP 30/2013)

Other Training Record :

- Advance Management Program, INSEAD University, France
- National Defence Course (Batch 50) / The Joint State-Private Sector Course (Batch 20), National Defence College
- Oxford Energy Seminar 2013, United Kingdom
- Top Executives in the Energy Education Program (Batch 4), Thailand Energy Academy
- Corporate Governance Program for Directors and Senior Executives of State Enterprises and Public Organizations (Batch 12), 2014, King Prajadhipok's Institute-State Enterprise Policy Office and Office of the Public Sector Development Commission
- Rule of Law for Democracy Course (Batch 3), The Constitutional Court of the Kingdom of Thailand
- Capital Market Academy Leader Program (Batch 23), Capital Market Academy

Current Position in Other Organizations**Listed Company-The Stock Exchange of Thailand****3 Organizations :**

- President & Chief Executive Officer / Director and Secretary to the Board of Directors / Member of the Risk Management Committee, PTT Global Chemical Public Company Limited
- Senior Executive Vice President, PTT Public Company Limited
- Vice Chairman, Vinythai Public Company Limited



Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

3 Organizations :

- Chairman, Global Green Chemicals Public Company Limited
- Director, PTT Chemical International Private Limited
- Director, PTT Chemical International (Asia - Pacific ROH) Limited

Working Experience (5-Year Past Experience)

- 2015 - Jan, 2016 : Chairman, Thai Fatty Alcohols Company Limited
- 2014 - 2015 : Chairman, Sport Services Alliance Company Limited
- 2014 : Director, Islamic Bank of Thailand
- 2013 - 2014 : Director / Director of the Nomination and Remuneration Committee, Bangchak Petroleum Public Company Limited
- 2011 - 2014 : Director, Sakari Resources Ltd. (Singapore)

Shareholding in GPSC (including spouse and minor)

Self : 73,000 shares (0.004872%)

Qualified According to Related Laws and Does Not Have Prohibited Qualifications :

- Qualified

Family Relation with other Directors, Executives, Major Shareholders of GPSC and its Subsidiaries :

- None

Mr. Atikom Terbsiri

Director / Member of the Risk Management Committee (Non-Executive Director)

Age : 54

Date Appointed :

- November 27, 2014 (1st Term)

Education :

- Master of Business Administration (Finance & International Business) (High Distinction), Armstrong University, U.S.A.
- Bachelor of Business Administration, Assumption University

Training Record with Thai Institute of Directors (IOD)

- Director Certification Program (DCP 125/2009)
- Risk Management Program for Corporate Leaders (RCL 4/2016)
- Collective Action Against Corruption Conference (C-Conference 1/2014)
- Collective Action Against Corruption Conference (C-Conference 1/2013)
- National Director Conference (NDC 1/2013)

Other Training Record :

- Top Executives in the Energy Education Program (Batch 6), Thailand Energy Academy
- The Joint State-Private Sector Course (Batch 5), National Defence College
- Capital Market Academy Leader Program (Batch 17), Capital Market Academy
- Advanced Security Management Program (ASMP) (Batch 1), The National Defence College Association of Thailand
- Executive Education Program, Harvard Business School, Harvard University, U.S.A.

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand

2 Organizations :

- Chief Executive Officer and President / Director and Secretary to the Board/ Member of the Risk Management Committee, Thai Oil Public Company Limited
- Senior Executive Vice President, PTT Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

18 Organizations :

- Chairman, Thai Lube Base Public Company Limited
- Chairman, Thail Marine Company Limited
- Chairman, TOP Solvent Company Limited
- Chairman, Thail Solvent Company Limited
- Chairman, Thail Power Company Limited
- Chairman, TOP SPP Company Limited
- Chairman, LABIX Company Limited
- Chairman, Thai Paraxylene Company Limited
- Member of Trustee (as Company representative), Petroleum Institute of Thailand
- Director, Policy Planning on Materials Technology Development, National Science Technology and Innovation Policy Office

- Director, Thai Industries Estate Foundation
- Director, Power of Innovation Foundation
- Director, Power of Learning Foundation
- Member of Expert Council, Vidyasirimedhi Institute of Science and Technology
- Executive Director, Thailand Energy Academy
- Executive Director, Thailand Swimming Association
- Director, The Federation of Thai Industries

Working Experience (5-Year Past Experience)

2014 - 2015	:	Chairman, Thaioil Ethanol Company Limited
2014 - 2015	:	Chairman, Thaioil Energy Services Company Limited
2014	:	Director, PTT Asahi Chemical Company Limited
2013 - 2014	:	Senior Executive Vice President, Petrochemicals & Refining Business Unit, PTT Public Company Limited
2013 - 2014	:	Director, PTT Global Chemical Public Company Limited
2013 - 2014	:	Director, Star Petroleum Refining Public Company Limited
2011 - 2013	:	President, IRPC Public Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 73,000 shares (0.004872%)

Qualified According to Related Laws and Does Not Have Prohibited Qualifications :

- Qualified

Family Relation with other Directors, Executives, Major Shareholders of GPSC and its Subsidiaries :

- None

Mr. Somchai Wongwattanasan

Director / Member of the Corporate Governance Committee (Non-Executive Director)

Age : 60

Date Appointed :

- April 2, 2015 (2nd Term)
- November 27, 2014 (1st Term)

Education :

- Master of Engineering (Electrical Engineering),
Chulalongkorn University

- Bachelor of Engineering (Electrical Engineering),
King Mongkut's University of Technology Thonburi

Training Record with Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP 114/2015)
- Understanding the Fundamental of Financial Statement (UFS 2/2006)
- Finance for Non-Finance Director (FND 31/2006)
- Company Secretary Program (CSP 10/2005)

Other Training Record :

- The Joint State-Private Sector Course (Batch 49),
National Defence College
- Senior Executives on Justice Administration
(Batch 17), National Justice Academy
- Capital Market Academy Leader Program (Batch 13),
Capital Market Academy
- Executive Relation Development Program (Batch 4),
Directorate of Civil Affairs

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand

1 Organization :

- Executive Vice President - Strategy, Thai Oil Public
Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand :

- None

Working Experience (5-Year Past Experience)

2015 - June, 2016:	Director, Thai Petroleum Pipeline Company Limited
2011 - Dec, 2016 :	Director, Thaioil Power Company Limited
2008 - Dec, 2016 :	Director, Sak Chaisidhi Company Limited
2007 - Dec, 2016 :	Director, Thaioil Energy Services Company Limited
2008 - 2012	: Assistant Managing Director - Corporate Affairs, Thai Oil Public Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 73,000 shares (0.004872%)

Qualified According to Related Laws and Does Not Have Prohibited Qualifications :

- Qualified

Family Relation with other Directors, Executives, Major Shareholders of GPSC and its Subsidiaries :

- None



Mr. Patiparn Sukorndhaman

Director / Member of the Nomination and Remuneration Committee (Non-Executive Director)

Age : 55

Date Appointed :

- April 4, 2016 (2nd Term)
- January 29, 2015 (1st Term)

Education :

- Master of Finance, The American University, U.S.A.
- Bachelor of Political Science (Public Administration - Public Finance) (Second Class Honors), Chulalongkorn University

Training Record with Thai Institute of Directors (IOD)

- Director Certification Program (DCP 73/2006)

Other Training Record :

- Breakthrough Program for Senior Executives, IMD Executive Development Services, Switzerland
- Leadership Development Program III (LDP III), PTT Leadership and Learning Institute
- GE: PTT EXECUTIVE PROGRAM, GE, U.S.A.
- Public Administration and Law for Executives (Batch 8), King Prajadhipok's Institute
- The Executive Program for Senior Management (Ex - PSM) 2009 (Batch 5), Fiscal Policy Research Institute Foundation
- Financial Executives - State Enterprises (Batch 3), Securities Analyst Association
- Top Executive in the Energy Education Program (Batch 7), Thailand Energy Academy

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand

1 Organization

- Chief Operation Officer Downstream Petrochemical Business, PTT Global Chemical Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

6 Organizations :

- Director / Member of Nomination and Remuneration Committee, Global Green Chemicals Public Company Limited
- Chairman, TOC Glycol Company Limited

- Chairman, Solution Creation Company Limited
- Chairman, Thai Styrenics Company Limited
- Director, PTT Polymer Marketing Company Limited
- Director, PTT Phenol Company Limited

Working Experience (5-Year Past Experience)

- | | | |
|-------------|---|--|
| 2012 - 2015 | : | Director, PTT Chemical International Private Limited |
| 2012 - 2015 | : | Director, PTT Chemical International (Asia Pacific ROH) Limited |
| 2009 - 2015 | : | Director, Thai Fatty Alcohol Company Limited |
| 2011 - 2015 | : | Executive Vice President, Finance and Accounting, PTT Global Chemical Public Company Limited |
| 2011 - 2015 | : | Director, PTT ICT Solutions Company Limited |
| 2011 - 2014 | : | Director, Bio Creation Company Limited |

Shareholding in GPSC (including spouse and minor)

Self : 73,000 shares (0.004872%)

Qualified According to Related Laws and Does Not Have Prohibited Qualifications :

- Qualified

Family Relation with other Directors, Executives, Major Shareholders of GPSC and its Subsidiaries :

- None

Mr. Toemchai Bunnag

Director / Secretary to the Board /
Member of the Risk Management Committee /
Chief Executive Officer (Executive Director)

Age : 58

Date Appointed :

- November 1, 2015 (1st Term)

Education :

- Ph.D. (Management Sciences) Illinois Institute of Technology, Chicago Illinois, USA
- MSc. (Operations Research) Illinois Institute of Technology, Chicago Illinois, USA
- Bachelor of Science (Chemical Engineering), Chulalongkorn University

Training Record with Thai Institute of Directors (IOD)

- Director Certification Program (DCP 143/2011)
- Risk Management Program for Corporate Leaders (RCL 3/2016)

Other Training Record :

- Public Administration and Conflict Management, King Prajadhipok's Institute
- GE: Executive Program 2005
- GE: PTT Executive Program 2008
- Safety Officer - Management Level, NPC Safety and Environmental Services
- Leadership Development Program (LDP) (Batch 4), Thai Listed Companies Association

Current Position in Other Organizations**Listed Company-The Stock Exchange of Thailand****1 Organization :**

- Executive Vice President, PTT Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)**4 Organizations :**

- Director, Xayaburi Power Company Limited
- Director, Nava Nakorn Electricity Generating Company Limited
- Director, Ratchaburi Power Company Limited
- Director, GPSC International Holdings Limited

Working Experience (5-Year Past Experience)

2012 - 2015	:	Director, PTT Natural Gas Distribution Company Limited / Director, Amata Natural Gas Distribution Company Limited
2012 - 2015	:	Managing Director, PTT Natural Gas Distribution Company Limited / Managing Director, Amata Natural Gas Distribution Company Limited
2011 - 2014	:	Director, Independent Power Thailand Company Limited
2011 - 2012	:	Executive Vice President, Natural Gas Vehicle, Gas Business Unit, PTT Public Company Limited
2009 - 2012	:	Director, PTT Utility Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 25,000 shares (0.001669 %)

Qualified According to Related Laws and Does Not Have Prohibited Qualifications :

- Qualified

Family Relation with other Directors, Executives, Major Shareholders of GPSC and its Subsidiaries :

- None



MANAGEMENT TEAM

As of December 31, 2016



Mr. Toemchai Bunnag
Chief Executive Officer



Mr. Kowit Chuengsatiansup
Senior Executive Vice President,
Asset Management



Mr. Smornchai Khoonrak
Senior Executive Vice President,
Operations



Mr. Somkiat Masunthasuwun
Senior Executive Vice President,
Business Development and
Corporate Strategy



Mrs. Sasitorn Stithit
Vice President, Human
Resources and Organization
Effectiveness



Mr. Kraisorn Puavilai
Vice President, Corporate
Internal Audit (Acting)



Mr. Yongyuth Kleebbua
Vice President, Plant Operations



Mr. Ongkarn Srivichit
Vice President, Investment and
Subsidiary Management



Mrs. Wanida Boonpiraks
Chief Financial Officer



Mr. Klahan Tochananvit
Vice President, Corporate Affair



Mr. Payont Ampornareekul
Vice President, Corporate Sustainability
Management



Mr. Jaruwat Singsomdee
Vice President, Business
Development (Acting)



Mr. Somsak Lertcharoensermuk
Vice President, Engineering and
Maintenance (Acting)



Mr. Saochai Sookkasem
Vice President, Project
Construction Management
(Acting)



Mr. Pipatpong Chandee
Vice President, Namlik 1 Project
(Acting)



Mr. Kowit Chuengsatiansup

Senior Executive Vice President, Asset Management

Age : 59

Date Appointed :

- November 1, 2016

Education :

- Master of Business Administration, Chulalongkorn University
- Bachelor of Engineering (Electrical Engineering), Chulalongkorn University

Training Record :

- Director Certification Program (DCP 181/2013), Thai Institute of Directors (IOD)
- Financial Statements for Director (FSD 21/2013), Thai Institute of Directors (IOD)
- Manager Development Program (TOC-MDP), SRI Consultant Company Limited
- Senior Executive Program (SEP), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Leadership Development Program (LDP), PTT Global Chemical Public Company Limited
- Executive Energy Program (EEP), The Federation of Thai Industries

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand

1 Organization :

- Vice President, PTT Global Chemical Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

6 Organizations :

- Chairman, IRPC Clean Power Company Limited
- Director, Nava Nakorn Electricity Generating Company Limited
- Director, Nam Lik 1 Power Company Limited
- Director, Natee Synergy Company Limited
- General Manager, Combined Heat and Power Producing Company Limited
- Executive Manager, Ichinoseki Solar Power 1 GK

Working Experience (5-Year Past Experience)

- 2014 - Oct 31, 2016 : Vice President, Corporate Planning
- 2014 - Dec, 2015 : Vice President, OEMS and Sustainability Management (Acting)
- 2013 - 2014 : Managing Director, Nam Lik 1 Power Company Limited
- 2013 - 2014 : Project Management Manager, Global Power Synergy Public Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 58,000 shares (0.003871%)

Family Relation with Directors, other Executives, Major

Shareholders of GPSC and its Subsidiaries :

- None

Mr. Smornchai Khoonrak

Senior Executive Vice President, Operations

Age : 55

Date Appointed :

- November 1, 2016

Education :

- Master of Business Administration, Khonkaen University
- Bachelor of Engineering, Khonkaen University

Training Record :

- Director Certification Program (DCP 205/2015), Thai Institute of Directors (IOD)
- Natural Gas Engineering, Brussels, Belgium
- PTT Group Leader Development Program
- PTT- Harvard Business School (Batch 2), Shanghai, China

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand

1 Organization :

- Vice President / Executive Vice President (Acting), PTT Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

2 Organizations :

- Chairman, Combined Heat and Power Producing Company Limited
- Director, Bangpa-In Cogeneration Company Limited

Working Experience (5-Year Past Experience)

- 2015 - Oct 31, 2016 : Chief Asset Management Officer
- 2013 - 2015 : Vice President, Engineering and Maintenance Department, Natural Gas Pipeline Transmission, Gas Business Unit, PTT Public Company Limited
- 2009 - 2013 : Vice President, Offshore Operation and Maintenance Department, Natural Gas Pipeline Transmission, Gas Business Unit, PTT Public Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 63,000 shares (0.004205%)

Family Relation with Directors, other Executives, Major**Shareholders of GPSC and its Subsidiaries :**

- None

Mr. Somkiat Masunthasuwun

Senior Executive Vice President, Business Development and Corporate Strategy

Age : 48

Date Appointed :

- November 1, 2016

Education :

- Master of Management, Sasin Graduate Institute of Business Administration of Chulalongkorn University
- M.S.E. (Science in Engineering), Mechanical Engineering, University of Michigan, U.S.A.
- M.S.E. (Science in Engineering), Industrial & Operations Research, University of Michigan, U.S.A.
- Bachelor of Engineering (Mechanical Engineering), Chulalongkorn University

Training Record :

- Director Certification Program (DCP 176/2013), Thai Institute of Directors (IOD)
- Leadership Development Program Level III, PLLI, PTT
- Columbia Senior Executive Program (CSEP), Columbia University
- PTT Leadership Development Program by Center for Creative Leadership (CCL), Singapore

Current Position in Other Organizations**Listed Company-The Stock Exchange of Thailand****1 Organization :**

- Executive Vice President, PTT Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)**3 Organizations :**

- Chairman, Thai Solar Renewable Company Limited
- Chairman, Siam Solar Energy 1 Company Limited
- Director, PTT Natural Gas Distribution Company Limited

Working Experience (5-Year Past Experience)

- 2014 - 2016 : Executive Vice President, Natural Gas for Vehicle, PTT Public Company Limited
- 2013 - 2014 : Executive Vice President, Natural Gas Supply and Marketing, PTT Public Company Limited
- 2013 : Vice President / Executive Vice President (Acting), PTT Public Company Limited

Shareholding in GPSC (including spouse and minor) :

- None

Family Relation with Directors, other Executives, Major**Shareholders of GPSC and its Subsidiaries :**

- None

Mrs. Wanida Boonpiraks

Chief Financial Officer

Age : 50

Date Appointed :

- November 1, 2016

Education :

- Master of Business Administration (Finance), University of St. Thomas, U.S.A.
- Bachelor of Accounting, Chulalongkorn University

Training Record :

- Director Certification Program (DCP 195/2014), Thai Institute of Directors (IOD)
- TLCA Executive Development Program (EDP) (Batch 9), Thai Listed Companies Association



- CFO Certification Program (Batch 19), Federation of Accounting Professions under the Royal Patronage of His Majesty the King
- Leadership Development Program II (LDP II), PTT Leadership and Learning Institute

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand

1 Organization :

- Vice President, PTT Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

2 Organizations :

- Director, IRPC Clean Power Company Limited
- Director, Nam Lik 1 Power Company Limited

Working Experience (5-Year Past Experience)

Oct, 2014 - Oct 31, 2016	: Chief Financial Officer
2015 - March, 2016	: Director, Xayaburi Power Company Limited
2013 - 2015	: Director, PTT Regional Treasury Center Pte. (Singapore)
2012 - 2014	: Vice President, Treasury Department, PTT Public Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 58,000 shares (0.003871%)

Family Relation with Directors, other Executives, Major

Shareholders of GPSC and its Subsidiaries :

- None

Mr. Klahan Tochamnanvit

Vice President, Corporate Affair

Age : 59

Date Appointed :

- November 1, 2016

Education :

- Master of Science, Personnel Administration, University of Oregon, U.S.A.
- Master of Business Administration, Marketing, Ramkhamhaeng University
- Bachelor of Arts, Public Administration, Thammasat University

Training Record :

- Director Certification Program (DCP 195/2014), Thai Institute of Directors (IOD)
- Role of the Chairman Program (RCP 35/2014), Thai Institute of Directors (IOD)
- Royal Thai Army War College (Batch 57)

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand

1 Organization :

- Vice President, Thai Oil Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

1 Organization :

- Director, Combined Heat and Power Producing Company Limited

Working Experience (5-Year Past Experience)

July, 2016 - Oct 31, 2016	: Vice President, Management
2013 - June, 2016	: Vice President, Organizational Excellence

Shareholding in GPSC (including spouse and minor)

Self : 58,000 shares (0.003871%)

Family Relation with Directors, other Executives, Major

Shareholders of GPSC and its Subsidiaries :

- None

Mr. Payont Ampornareekul

Vice President, Corporate Sustainability Management

Age : 58

Date Appointed :

- November 1, 2016

Education :

- Diploma Engineering (Power Distribution System), The Technical University of Norway, Norway
- Bachelor of Engineering, Chulalongkorn University

Training Record :

- Director Certification Program (DCP 181/2013), Thai Institute of Directors (IOD)
- Financial Statements for Directors (FSD 21/2013), Thai Institute of Directors (IOD)
- Manager Development Program (TOC-MDP), SRI Consultant Company Limited

- Senior Executive Program (SEP), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Leadership Development Program (LDP2), PTT Global Chemical Public Company Limited

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand

1 Organization :

- Vice President, PTT Global Chemical Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

1 Organization

- Director, Natee Synergy Company Limited

Working Experience (5-Year Past Experience)

Jan, 2016 -	:	Vice President, Sustainability and OEMS
Oct 31, 2016	:	Management
2015	:	Managing Director, Nam Lik 1 Power Company Limited
Oct, 2014 -	:	Vice President, Special Assignment and
Dec, 2015	:	Lao PDR Representative
2013 - 2014	:	Vice President, Engineering & Technical
2005 - 2013	:	Vice President, Engineering & Maintenance, PTT Utility Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 58,000 shares (0.003871%)

Family Relation with Directors, other Executives, Major Shareholders of GPSC and its Subsidiaries :

- None

Mrs. Sasitorn Stithit

Vice President, Human Resources and Organization Effectiveness

Age : 47

Date Appointed :

- November 1, 2016

Education :

- Master of Business Administration (Finance), Kasetsart University
- Bachelor of Business Administration, Chulalongkorn University

Training Record :

- Leadership Development Program I
- MDPII : Business Management / People Management

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand

1 Organization :

- Vice President, PTT Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand) :

- None

Working Experience (5-Year Past Experience)

July, 2016 -	:	Vice President, Organizational
Oct 31, 2016	:	Excellence
June 1, 2015	:	Team Leader, Leadership & Talent Management Department PTT Public Company Limited
June 1, 2011	:	Team Leader, Human Resources Strategy & Policy Department, PTT Public Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 10,000 shares (0.000667%)

Family Relation with Directors, other Executives, Major Shareholders of GPSC and its Subsidiaries :

- None

Mr. Kraisorn Puavilai

Vice President, Corporate Internal Audit (Acting)

Age : 54

Date Appointed :

- November 1, 2016

Education :

- M.B.A in Management Information System (MIS), Oklahoma City University, U.S.A.
- Bachelor's Degree in Accounting, Ramkhamhaeng University

Training Record :

- Management Development Program 2 : People Management
- Leadership Development Program (LDP)
- Detecting & Preventing Corporate Fraud
- Internal Audit Program: Prepared Course for Certified Internal Auditor
- Internal Control COSO 2013



- Integrated Risk Management & COSO-ERM Framework
- Internal Control & Risk Management - COSO

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand

1 Organization :

- Manager, PTT Public Company Limited
- Committee Member, PTT Group Internal Audit Management, PTT Public Company Limited

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand) :

- None

Working Experience (5-Year Past Experience)

Nov, 2016 - present : Subsidiary Internal Audit Division
Manager (Acting)

2014 - present : Office of Internal Audit Division
Manager

2008 - 2014 : Office of Internal Audit Manager, PTT
Utility Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 46,000 shares (0.003070%)

Family Relation with Directors, other Executives, Major

Shareholders of GPSC and its Subsidiaries :

- None

Mr. Yongyuth Kleebbua

Vice President, Plant Operations

Age : 60

Date Appointed :

- November 1, 2016

Education :

- Bachelor of Engineering (Mechanical Engineering), Mahanakorn University of Technology

Training Record :

- Director Certification Program (DCP 211/2015)
- Environmental Manager Program, Thailand Environment Institute
- Manufacturing Executive Program, Technology Promotion Association (Thailand-Japan)

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand :

- None

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

2 Organizations :

- Director, Thai Solar Renewable Company Limited
- Director, Siam Solar Energy 1 Company Limited

Working Experience (5-Year Past Experience)

2014 - Oct 31, 2016 : Vice President, Sriracha Power Plant

2013 - 2014 : Vice President, Sriracha Facilities
Management

2009 - 2013 : Engineering and Maintenance
Manager, Thai Lube Base Public
Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 58,000 shares (0.003871%)

Family Relation with Directors, other Executives, Major

Shareholders of GPSC and its Subsidiaries :

- None

Mr. Ongkarn Srivichit

Vice President, Investment and Subsidiary Management

Age : 53

Date Appointed :

- November 1, 2016

Education :

- Master of Science (Electrical Engineering), University of Missouri, U.S.A.
- Bachelor of Engineering (Electrical Engineering), King Mongkut's Institute of Technology Ladkrabang

Training Record :

- Director Certificate Program (DCP 224/2016), Thai Institute of Directors (IOD)

Current Position in Other Organizations

Listed Company-The Stock Exchange of Thailand :

- None

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand)

1 Organization :

- Deputy Managing Director Construction, Xayaburi Power Company Limited

Working Experience (5-Year Past Experience)

Jan, 2016 - : Managing Director, Nam Lik 1 Power
Nov 30, 2016 Company Limited

2015 - : Director, Nam Lik 1 Power Company
Nov 30, 2016 Limited

Jan, 2016 - : Vice President, Special Projects /
Oct 31, 2016 Vice President, Special Assignments
and Lao PDR Representative

2014 - Dec 2015 : Vice President, Special Project

2013 - 2014 : Vice President, Special Project

2013 : Vice President, Business Development,
PTT International Company Limited

2011 - 2013 : Project Manager, PTT International
Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 50,000 shares (0.003337%)

**Family Relation with Directors, other Executives, Major
Shareholders of GPSC and its Subsidiaries :**

- None

Mr. Jaruwat Singsomdee

Vice President, Business Development (Acting)

Age : 53

Date Appointed :

- November 1, 2016

Education :

- Master of Business Administration, Ramkhamhaeng University
- Bachelor of Science (Chemistry), Ramkhamhaeng University

Training Record :

- Renewable Energy Management, ARAVA, Israel
- Process License Development, Tokyo Eng., Japan

Current Position in Other Organizations**Listed Company-The Stock Exchange of Thailand :**

- None

**Other Organizations / Companies (Not Listed in the Stock
Exchange of Thailand :**

- None

Working Experience (5-Year Past Experience)

Nov, 2016 - present : Potential Business Development
Division Manager (Acting)

2014 - present : Biomass Business
Development Division Manager

2013 - 2014 : Division Manager of Strategic
Corporate Planning, IRPC Public
Company Limited

2010 - 2013 : Division Manager of Energy
and Alternative Energy Business
Development, IRPC Public
Company Limited

Shareholding in GPSC (including spouse and minor) :

- None

**Family Relation with Directors, other Executives, Major
Shareholders of GPSC and its Subsidiaries :**

- None

Mr. Somsak Lertcharoensermasuk

Vice President, Engineering and Maintenance (Acting)

Age : 53

Date Appointed :

- November 1, 2016

Education :

- Master of Business Administration for Executives (M.B.A.), Burapha University
- Bachelor's Degree in IND Tech (Electrical Engineering), Mahanakorn University of Technology

Training Record :

- Practical Project Management, PPA Training Center
- Strategic Thinking and Business Plan, Thammasat University

Current Position in Other Organizations**Listed Company-The Stock Exchange of Thailand :**

- None

**Other Organizations / Companies (Not Listed in the Stock
Exchange of Thailand :**

- None

**Working Experience (5-Year Past Experience)**

Nov, 2016 - present : Engineering Division Manager (Acting)

2013 : Deputy Managing Director, Environment & Social Management / Deputy Managing Director, Engineering and Construction, Nam Lik 1 Power Company Limited

2010 : Engineering and Construction Division Manager

2007 : Project Director Cup 1 Phase 6 and Cup 3, PTT Utility Company Limited

Shareholding in GPSC (including spouse and minor)

Self : 49,000 shares (0.003270%)

Family Relation with Directors, other Executives, Major**Shareholders of GPSC and its Subsidiaries :**

- None

Mr. Saochai Sookkasem

Vice President, Project Construction Management (Acting)

Age : 53

Date Appointed :

- November 1, 2016

Education :

- Master of Business Administration, Asian University of Science and Technology
- Bachelor of Engineering (Electrical Engineering), Chulalongkorn University

Training Record :

- The Manager (Batch 120), Management and Psychology Institute
- Power Generation from Biomass and Bio Energy, IEEE Thailand Section
- Mega-Construction Project Strategies, OMEGAWORLDCLASS Research Institute
- Legal & Financial Due Diligence Strategies, Ideal Forum
- Team and Work Effectiveness Development Program (Batch 5), Personnel Management Association of Thailand
- Professional Project Management, Faculty of Engineering, Chulalongkorn University

- Financial Management for Executives (Batch 23), Faculty of Economics, Chulalongkorn University
- Risk Management for Executives (Batch 10), Faculty of Economics, Chulalongkorn University
- Development Strategic Planning Program (Batch 2), Thammasat University
- Strategic Management and KPI, HR Center

Current Position in Other Organizations**Listed Company-The Stock Exchange of Thailand :**

- None

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand :

- None

Working Experience (5-Year Past Experience)

Nov, 2016 - present : Project Construction Division Manager (Acting)

Nov, 2016 - present : Project Engineering Division Manager (Acting)

2013 : Engineering and Construction Division Manager

2009 : Project Modification Division Manager

Shareholding in GPSC (including spouse and minor)

Self : 46,000 shares (0.003070%)

Family Relation with Directors, other Executives, Major**Shareholders of GPSC and its Subsidiaries :**

- None

Mr. Pipatpong Chandee

Vice President, Namlik 1 Project (Acting)

Age : 58

Date Appointed :

- December 1, 2016

Education :

- Master of Engineering (Mechanical Engineering), Kasetsart University
- Bachelor of Science, Faculty of Political Science Ramkhamhaeng University
- Bachelor of Engineering (Mechanical Engineering), Rachapark College

Training Record :

- Team and Work Effectiveness Development Program (Batch 5)
- Change Agent for Global Victory Module 2 (Batch 2)
- Senior Agent for Energy Management

Current Position in Other Organizations**Listed Company-The Stock Exchange of Thailand :**

- None

Other Organizations / Companies (Not Listed in the Stock Exchange of Thailand**1 Organization :**

- Managing Director, Nam Lik 1 Power Company Limited

Working Experience (5-Year Past Experience)

Dec, 2016 - present : Managing Director, Nam Lik 1
Power Company

Jan, 2016 - : Divison Manager, Special
Nov, 2016 Assignment and Lao PDR
Representative

2009 - 2016 : Engineering and Technical Division
Manager

Shareholding in GPSC (including spouse and minor)

Self : 19,999 shares (0.001335%)

Family Relation with Directors, other Executives, Major**Shareholders of GPSC and its Subsidiaries :**

- None



CORPORATE GOVERNANCE

Global Power Synergy Public Company Limited (GPSC) has operated in strict adherence to principles of good corporate governance and its code of business conduct to ensure that in its advancement towards success and business growth, its business is still characterized by good governance, transparency, and responsibility towards each stakeholder group.

Good Corporate Governance and Code of Business Conduct Policy

Good Corporate Governance Policy

The Board of Directors has prescribed the good corporate governance policy to guide GPSC's personnel at all levels in their operation as follows.

1. The Board of Directors, executives, and employees shall commit themselves to adhering to the following six principles of good corporate governance.
 - **Accountability:** Responsibility towards one's decisions and actions and the ability to provide explanations for such decisions
 - **Responsibility:** Responsibility towards fulfilling one's duties with competency and efficiency
 - **Equitable Treatment of Stakeholders:** Treating stakeholders equally with fairness and reasons
 - **Transparency:** Openness and accountability in business operations and information disclosure
 - **Vision to Create Long Term Value:** Vision for the creation of long-term added value for GPSC

- **Ethics:** Integrity and ethical principles in business operations and a management structure that promotes fairness in the relations among the Board of Directors, executives, and shareholders.
2. The Board of Directors shall fulfill its duties with dedication, responsibility, and independence and shall clearly separate the roles and responsibilities between the Chairman of the Board and the Chief Executive Officer.
 3. The Board of Director shall play a significant role in determining GPSC's vision, strategies, policies, and key plans while taking into consideration risk factors and preparing appropriate management of such risks and ensure the reliability of the accounting system, financial statements, and the auditing.
 4. The Board of Directors shall serve as a role model of integrity and adherence to GPSC's good corporate governance policy as well as oversee the management of conflicts of interest and connected transactions.
 5. The Board of Directors may appoint specific committees as deemed appropriate to review significant matters
 6. The Board of Directors shall perform self-assessment on an annual basis to serve as a framework for examining the performance of the Board of the Directors.
 7. The Board of Directors shall define GPSC's code of business conduct to be adopted as guidelines by the Board of Directors, executives, and employees at all levels in tandem with GPSC's rules and regulations.
 8. The Board of Directors shall oversee sufficient, reliable, and timely disclosure of information on financial and non-financial matters so as to ensure equal access to GPSC's information among shareholders and stakeholders as well as put in place public relations and investor relations divisions to be responsible for information disclosure for investors and the general public.
 9. The Board of Directors shall oversee an appropriate, transparent, and fair talent acquisition and selection system to recruit personnel for executive positions at all levels.
 10. The Board of Directors shall implement an effective anti-corruption system to ensure that the management gives precedence to anti-corruption and adhere to anti-corruption measures.

11. Shareholders shall receive equitable treatment, enjoy the right to access GPSC's information, and have appropriate channels for communication with GPSC.

In addition to the aforementioned policy, the Board of Directors has also defined five categories of good corporate governance principles, modeled after The Stock Exchange of Thailand (SET) Principle of Good Corporate Governance for Listed Companies 2012, comprising rights of shareholders, equitable treatment of shareholders, role of stakeholders, disclosure and transparency, and responsibilities of the Board of Directors.

Code of Business Conduct

The Board of Directors has formulated GPSC's code of business conduct, describing standards of behavior and conduct that GPSC's personnel at all levels should adopt in carrying out business operations and performing their duties. GPSC's code of business conduct comprises 14 categories as follows.

1. Compliance with laws and human rights
2. Political support
3. Stakeholding and conflict of interest
4. Confidentiality and use of inside information
5. Treatment of customers and consumers
6. Business competition
7. Procurement and treatment of business partners
8. Communities and social responsibility
9. Treatment of employees
10. Treatment of creditors
11. Internal control and internal audit
12. Receiving and offering of gifts
13. Safety, health, and environment
14. Intellectual properties and use of ICT

The details of the principles of good corporate governance and GPSC's code of business conduct are available in the Corporate Governance and Code of Conduct Manual. The revised second edition was issued in January 2016, the content of which has been conveyed to GPSC's personnel and suppliers. The Manual has also been published on GPSC's website, accessible to stakeholders and the general public.



Good Corporate Governance in Action

1. Rights of Shareholders and Equitable Treatment of Shareholders

GPSC has treated every shareholder with respect and equity. The summary of its operations in 2016 is provided below.

The 2016 Annual General Meeting of Shareholders

The 2016 Annual General Meeting of Shareholders (the 2016 AGM) was the first shareholders' meeting after GPSC was listed on the Stock Exchange of Thailand on May 18, 2015. The 2016 AGM was held on April 4, 2016 at Vibhavadee Ballroom, Centara Grand at Central Plaza Ladphrao, for the convenience of attendance and voting of the shareholders.

Pre-meeting

- GPSC shareholder(s), which can be either one shareholder or combined shareholders, holding not less than one percent of the total voting rights of GPSC, were allowed to propose agenda items and nomination director candidates from October 16, 2015 to January 15, 2016 (at least three months prior to the date of the AGM). The selection criteria and processes were published on GPSC's website.
- The resolutions of the Board of the Directors on the date and the agenda items of the AGM as well as the record date to determine the shareholders entitled to attend and vote in the 2016 AGM and receive the dividend and the share registration closing date were published through the SET's Digital Disclosure System as soon as the resolutions were reached on February 11, 2016.
- The invitation notice, both in Thai and English, meeting documents, and proxy forms were made available on GPSC's website on March 3, 2016 (30 days prior to the AGM) and delivered to shareholders via post on March 14, 2016 (21 days prior to the AGM) to allow sufficient time for shareholders to study the information for the AGM. Foreign shareholders were given the English version of the documents.
- Shareholders unable to attend the meeting were allowed to appoint a proxy or grant proxy to independent directors to attend the meeting and vote in their lieu. Proxy Form. (in which shareholders could cast their

votes) is encouraged and was enclosed with the invitation notice sent via post to every shareholder.

- Shareholders were invited to submit inquiries about AGM attendance and the agenda prior to the meeting. The channels for inquiries were disclosed in the invitation notice.
- For institutional investors, GPSC contacted their representatives to provide information for institutional investors on the preparation of accurate and complete documents prior to the meeting.

Meeting

- The AGM was held at at Vibhavadee Ballroom, Centara Grand at Central Plaza Ladphrao, which was accessible via various public transport and spacious enough to accommodate all attending shareholders.
- Sufficient staffers were stationed at the venue to welcome and assist shareholders with the registration and document examination. In addition, revenue stamps were prepared to ensure convenience for proxies during the document examination process.
- An IT System (Shareholder Meeting System) was employed for registration, vote counting, and result displaying processes. The technology expedited the meeting as well as ensured accuracy.
- The rules and regulations of the meeting as well as the voting procedure were announced prior to the meeting commenced.
- Voting tickets were employed for every agenda item. for director election, the shareholders were eligible to vote each director individually.
- Independent legal counselors and shareholders representatives were invited to witness the vote counting. After the meeting was concluded, no dispute over the vote counting was lodged.
- The Chairman of the meeting encouraged and invited inquiries and free expression of opinions of shareholders as well as oversaw that all inquiries were addressed.
- The meeting was conducted in accordance with the agenda detailed in the invitation notice, and no agenda item was added.

Post-meeting

- The resolutions of the AGM were published through the SET's Digital Disclosure System, along with the results and the numbers of votes (approval, disapproval, and abstention) for each resolution.
- The minutes, which identified the list of directors and top executives attending the meeting, the information presented by the directors, inquiries and answers, and the voting result of the shareholders for each resolution, were submitted to SET and published on GPSC's website within 14 days from the date of the AGM.

Protection against abuse of inside information

In GPSC's operation, directors, executives and employees might be required to learn or consider information that may impact securities prices. As such, GPSC has developed a policy on the protection against abuse of inside information, which has been disseminated among GPSC's directors, executives, and employees. The policy and measures against abuse of inside information are as follows.

Policy on the protection against abuse of inside information

- 1) GPSC's directors and executives have been informed of their duty to submit reports of change in securities holding of themselves, their spouses, and their minor children to the Securities and Exchange Commission (SEC), a duty of directors and executives as stipulated by the Securities and Exchange Act B.E. 2535 (1992) (including its amendment).
- 2) GPSC's directors and executive must report changes in their holding of GPSC's securities in the Board of Directors' meetings.
- 3) GPSC's directors and executives, including executive officers in accounting or finance at or above the vice president level and employees involved in operations that give them knowledge of inside information material to changes in securities prices, must suspend their purchase and selling of GPSC's securities until the public disclosure of GPSC's financial statements or positions. These individuals will be informed of their suspension in written forms at least 30 days prior to the public disclosure and should wait at least 24 hours after the disclosure before making any trade.

They are also prohibited from divulging such material information to another party.

- 4) GPSC's directors, executives, and employees are prohibited from employing inside information that may affect changes in GPSC's securities prices which has not been publicly disclosed but is accessible to them by virtue of their offices or positions to, whether directly or indirectly, purchase or sell, offer to purchase or sell, or invite any other person to purchase, sell or offer to purchase or sell GPSC's stocks or securities (if any) in such a way as to damage GPSC, whether or not such an act is done for their own or another person's benefit, or to disclose such information so that they will receive consideration from the person who engages in the aforesaid acts.
- 5) GPSC's directors, executives, and employees, both current and former, are prohibited from disclosing GPSC's inside information and secrets as well as confidentiality of GPSC's suppliers accessible to them by virtue of their duties to an external person even if such disclosure may not damage GPSC and its suppliers.
- 6) GPSC's directors, executives, and employees, both current and former, are obligated to protect GPSC's confidentiality and/or inside information as well as the duty to use GPSC's inside information solely for its business operations. In addition, GPSC's directors, executives, and employees are prohibited from exploiting GPSC's confidentiality and/or inside information to benefit any other companies in which they are shareholders, directors, executives, and employees.
- 7) Disciplinary actions shall be enforced for any violation of the use of inside information for personal interest, ranging from warning notifications, payment cuts, temporary suspension without pay, or termination of employment. The severity of the disciplinary action is based the intention behind and the gravity of the violation.

Protection against abuse of inside information in action

- 1) New directors and executives of GPSC was informed and made aware of their duty to report changes in securities holding of themselves, their spouses, and their minor children within three days after such changes. In addition, current directors and executives



will also be reminded regularly via notices and emails to submit reports in changes in securities holding (if applicable).

- 2) GPSC's directors, executives, and relevant employees will be notified in written forms of the black-out period designated by GPSC prior to a public disclosure of information material to changes in securities prices.
- 3) The securities holding GPSC's directors and executives will be disclosed in annual reports and GPSC's website. In addition, the Board of Directors will also track changes in securities holding of GPSC's directors and executives on a monthly basis through reports in the Board of Directors' meetings. The both direct and indirect securities holdings of GPSC's directors and executives as well as any changes during the year are detailed on page 123.

Conflicts of interest by director and executives

- GPSC has stipulated that its directors and executives shall declare any vested interest of their own and their related persons so that the Board of Directors may consider transactions potentially involving conflicts of interest and make decisions in the interest of GPSC. Any directors and executives with conflicts of interest in such transactions of GPSC shall take no part in any decision-making for those transactions.
- In 2016, the Board of Directors approved the implementation of the Report of Interest for directors, executives, and related persons (revised version) and the criteria of interest reporting as follows.

- 1) First report GPSC's directors and executives must prepare and submit reports of interest of their own and their related persons to GPSC Secretary within 30 days of taking office.
- 2) Report in changes of interest GPSC's directors and executives must prepare and submit reports of changes in interest of their own and their related persons, if applicable, to the Company Secretary within seven days after the last of the first, second, and third quarters of each year, whereby the Company Secretary will send a letter inquiring of any changes in interest to GPSC's directors and executives prior the last day of each quarter.

- 3) Annual report of interest GPSC's directors and executives must prepare and submit new reports of changes in interest of their own and their related persons to the Company Secretary within January of each year, whereby the Company Secretary will send a letter inquiring of any changes in interest to GPSC's directors and executives within the first week of January.

Upon receiving reports of interest from GPSC's directors and executives, the Company Secretary must proceed as follows.

- 1) Submit reports of interest of directors and/or executives to the Chief Executive Officer and the Chairman of the Audit Committee within seven after receipt of such reports.
 - 2) Maintain reports of interest from GPSC's directors and executives
 - 3) Disclose details of the interest of GPSC's directors and executives relevant to securities holding in annual reports (Form 56-2) and in the annual disclosure form (Form 56-1).
- In 2016, GPSC's Board of Directors approved "Guidelines for GPSC's directors for consideration of agenda in which directors may have conflicts of interest" to establish a clear practice for GPSC's directors in order to create transparency and put in place a preventive mechanism against conflicts of interest as well as to prevent cases of personal discretion and discrimination upon the rise of a conflict between personal interest or the interest of another person with the best interest of GPSC which may damage GPSC. GPSC also compiled "Directors' manual for cases of vested interest and conflicts of interest," detailing relevant laws, criteria for the consideration of vested interest or conflicts of interest, guidelines for GPSC's directors, and an information checklist.

GPSC Shareholders' Site Visit



To foster and promote good relations with its shareholders, GPSC hosted GPSC Shareholders' Site Visit of 2016 on November 22, 2016, in which 97 shareholders, selected from 530 applicants by lot drawing, paid a visit to GPSC's Central Utility Plant 1 in Rayong to observe its operation and listen to a presentation by executives to learn of GPSC's business developments and projects. In addition, to commemorate His Majesty King Bhumibol Adulyadej, GPSC also organized a scholarship granting ceremony to students from Rayong Technical College, in which six scholarships of 20,000 baht, worth 120,000 baht in total, were given to first-year vocational students in three different programs, namely the auto mechanic, electronic technician, and electrician programs, two for each program. The ceremony was held at HRH Princess Sirindhorn Herb Garden.

2. Roles of Stakeholders

GPSC has attached utmost significance to the roles of stakeholders, from shareholders, investors, associated government agencies and other relevant agencies, employees, business partners, suppliers, contractors, customers, as well as society and communities. To

this end, GPSC has defined its policy on the roles of stakeholders in its good corporate governance manual and code of business conduct and published its operations relevant to its stakeholders in GPSC's 2016 Sustainability Report.





Anti-corruption

• Anti-corruption policy

In 2015, GPSC's Board of Directors approved anti-corruption policy as part of GPSC's code of business conduct. The details of the policy are as follows.

Anti-corruption policy of Global Power Synergy Public Company Limited

GPSC operates its business in strict adherence to honest, transparency, fairness, and good corporate governance principles. As such, GPSC has formulated anti-corruption policy for GPSC personnel to adopt as their guidelines in their operations.

Definition

"Corruption" is defined as any act of

1. Offering / providing / promising to offer
2. Accepting / requesting for

a bribery of money, assets, or other inappropriate benefits, either directly or indirectly, given to governmental or private officers or responsible individuals so that such individuals perform or refrain from performing their duty so as to deliver or preserve the business or other undue business interest, except when such an act is in compliance with laws, rules, regulations, local customs and traditions, and business customs.

"GPSC's personnel" is defined as the directors, executives, and employees at every level of GPSC.

Policy

1. GPSC's personnel must exercise caution in accepting or giving gifts, assets, or other benefits. All gifts and meals must accepted or offered for business purposes only, must be in the appropriate price range, and must not significantly influence any decision-making.
2. Internal control and risk assessment systems must be regularly maintained to remain effectiveness and suitability to prevent corruption. Risks of corruption incurred from operations must be reviewed and assessed at least once per year.

3. Transparent and accurate financial reporting mechanisms of international accounting standards must be put in place.
4. GPSC's human resources management must reflect its commitment to anti-corruption measures.
5. GPSC must provide communication channels for its personnel to lodge reports, suggestions, and complaints about corruption as well as implement whistle-blower protection measures.
6. GPSC must comply with relevant anti-corruption laws of every country where it operates its business.
7. Any direct or indirect violation of or non-compliance with this policy will be subject to disciplinary actions specified in GPSC's regulations or punishment in accordance with the law.

Anti-corruption in action in 2016

- In 2016, GPSC declared itself a member of the Collective Action Coalition against Corruption (CAC) to contribute to the elimination of corruption from the private sector.
- In 2016, GPSC enacted its Guidelines for Receiving and Offering Gifts, Hospitality, or Other Benefits Under GPSC Anti-Corruption Policy, in accordance with the guidelines of the PTT Group, encompassing offering of gifts, souvenirs, and other benefits, hospitality, organization of CSR activities with government agencies or government officials, acceptance of gifts, souvenirs, or other benefits, acceptance of invitation to a meeting, training, a seminar, or a visit to a business operation at the expense of a business partner, offering of support for travel expenses or other expenses to government officials, as well as donation and contribution to government agencies, government officials, and charities.
- GPSC formulated its guidelines for monitoring and assessing compliance with its anti-corruption policy, based on the presence/absence of complaints or disputes arising from violation of the code of business conduct and GPSC's anti-corruption policy.

Whistle-blowing

Every stakeholder may report cases of corruption, violation of laws, non-compliance with the code of conduct, damage from human rights violations, and others.

Whistle-Blowing Channels

- Contact Persons : Chairman / Chairman of the Audit Committee / Chairman of the Corporate Governance Committee / Chief Executive Officer / Vice President, Corporate Affairs / Company Secretary
- Address:
Global Power Synergy Public Company Limited
555/2 Energy Complex Building B, 5th Floor,
Vibhavadi – Rangsit Road, Chatuchak Sub-District, Chatuchak District, Bangkok, 10900
- Telephone Number : 66 (0)2-140-4600
- Website : <http://www.gpscgroup.com/th/cg/whistle-blowing>

In lodging complaints, the informant may choose to reveal personal information to GPSC of his or her own accord. GPSC has implemented whistle-blower protection policy, whereby the informant's identity will be kept confidential and the informant will be protected against abuse during and after relevant investigation. For complaints lodged by employees, GPSC has put in place a management procedure for complaints related to violations, detailed under the complaint lodging and consideration section in GPSC's regulations.

3. Disclosure and Transparency

Information disclosure of GPSC

GPSC disclosed its material information, comprising its financial and non-financial reports as required by SEC and SET, as well as other associated information such as the activities of the Board of Directors and the Sub-committees, policies on corporate governance and corporate social responsibility, and compliance with such policies. The Board of Directors placed emphasis on the accuracy and completeness of the financial statements, and the disclosed information were verified by independent auditors to ensure the statements were accurate, not misleading, and sufficient for investor

decisions. In addition, GPSC also issued a Management Discussion and Analysis (MD&A) alongside the quarterly financial statements so that investors are better informed and understood changes in GPSC's financial statements and performance in each quarter more thoroughly in comparison to having the financial statements alone.

Investor relations

The company has attached utmost significance to disclosure of material information to investors as it recognizes that accurate and equal information is vital to investment decisions. As such, Investor Relations Division has been formed to serve as a disclosure center of material information, financial statements, and information disclosed to the SET. To this end, the company's management has pursued strategies that place emphasis on sufficient, accurate, reliable, up-to-date, and fair information disclosure, in accordance with the criteria prescribed by SEC and SET. In addition, the company has organized Investor Relations activities to present the company's performance as well as activities aimed at fostering relations and creating an understanding of the company's operation among institutional and non-institutional investors, both domestic and overseas, to inform investment decisions, which will create an appropriate shareholder structure and ultimately lead to stability and liquidity of the prices of the company's securities.

In the previous year, the Investor Relations Division executed strategies to develop its information disclosure to investors and analysts by means of various documents such as the Management's Discussion and Analysis (MD&A), analyst presentations, and investor notes to ensure sufficient, complete, accurate, and ready-to-use information on the company's performance and financial positions for investors and analysts as well as to reflect accurate the prices of the company's securities. Other information of materiality is published on the company's website at www.gpscgroup.com both in Thai and English. Any investor with inquiries may contact the company via its website or contact Investor Relations Division at Tel. +66 (0) 2140-4628, +66 (0) 2140-4691, +66 (0) 2140-4712, Email: ir@gpscgroup.com.



Summary of investor relation activities in 2016

Activity	Frequency in 2016
Domestic Roadshow	9
Overseas Roadshow	4
Analyst Meeting	4
Company Visit / Conference Call	21
Roadshows with SET / other institutions	4
Institutional Investors Site Visit	1
Shareholders Site Visit	1

Auditor remuneration

For the accounting year ending on December 31, 2016, GPSC and its subsidiaries paid a total of THB 2.53 million in audit fees to its auditor KPMG Phoomchai Audit Company Limited, divided into THB 1.16 million for GPSC's audit fee, THB 1.37 million for audit fees of GPSC's subsidiaries, and a total of THB 0.57 million for non-audit fees.

KPMG Phoomchai Audit Company Limited has been approved by SEC and is considered to operate independently, with no directors or top executives of GPSC having ever held office or partnership in it.

Responsibilities of the Board Good corporate governance and code of business conduct

- The Board of Directors has implemented good corporate governance policy and its code of business conduct. The Board approved the revised second version of the good corporate governance and code of business conduct manuals in January 2016 and assigned the management team to promote compliance through trainings and regular communication as well as assigned the Corporate Governance Committee to monitor the operation.

Specification of policies, directions, business strategies, and key performance indicators

- On February 20, 2016, GPSC's directors and executives attended "Pre-Workshop Board of 2016" to jointly review and specify the policies, directions, and business strategies of GPSC and companies with its investment for 2016.
- In the 2/2016 Board of Directors' Meeting on February 11, 2016, the Board of Directors approved GPSC's Key Performance Indicators (KPIs) in accordance with the Balanced Scorecard. The indicators included Financial Perspective, Stakeholder Perspective, Internal Process Perspective, and Learning & Growth Perspective.

- In the 11/2016 Board of Directors' Meeting on November 30, 2016, the Board of Directors approved the amendment of GPSC's vision, mission, and goals to better reflect GPSC's current business and to serve as GPSC's growth objectives. The details are under Policy and Business Overview on page 20-21.

Orientation of new directors

GPSC organized an orientation for new directors prior to their first Board of Directors' Meeting so as to inform them of GPSC's business policies and relevant information

such as the nature of the business, business strategies, organizational structure, shareholding structure, operating results, good corporate governance, and the code of business conduct, as well as laws and regulations beneficial to their role as GPSC's directors.

Director development

It is GPSC's policy to encourage its directors to continuously develop themselves to enhance their efficiency in fulfilling their duties. The trainings attended by GPSC's directors were as follows.

Directors' Training Record with Thai Institute of Directors (IOD)

	Name - Surname	DCP	DAP	ACP	RCP	FND	UFS	FGP	Others
1.	Mr. Surong Bulakul	121/2009							
2.	Mr. Norkun Sitthiphong				21/2009				
3.	Mr. Chulasingh Vasantasingh	35/2003		17/2007		7/2003	1/2006	4/2012	RE DCP 1/2008
4.	Ms. Panada Kanokwat	113/2009	75/2008					2/2011	DCPU 2/2014
5.	Mr. Payungsak Chartsutipol		SCC/2004						RCL 3/2016*
6.	Maj.Gen. Chaowalek Chayansupap	217/2016*							
7.	Mr. Chavalit Punthong	177/2013							
8.	Mr. Supattanapong Punmeechaow	131/2010			30/2013				
9.	Mr. Atikom Terbsiri	125/2009							RCL 4/2016*
10.	Mr. Somchai Wongwattanasan		114/2015			31/2006	2/2006		CSP 10/2005
11.	Mr. Patiparn Sukorndhaman	73/2006							
12.	Mr. Toemchai Bunnag	143/2011							RCL 3/2016*

* Training in 2016

DCP : Director Certification Program
 DAP : Director Accreditation Program
 ACP : Audit Committee Program
 RCP : Role of the Chairman Program
 FND : Finance for Non- Finance Director Program
 UFS : Understanding the Fundamental of Financial Statement
 FGP : Financial Institutions Governance Program

RE DCP : DCP Refresher Course
 DCPU : Director Certification Program Update
 AECF : Anti-Corruption for Executive Program
 C-FG : Anti - Corruption Focus Group
 RCL : Risk Management Program for Corporate Leaders
 CSP : Company Secretary Program



Directors with additional training record in 2016

Name - Surname	Training / Seminar
Mr. Surong Bulakul Director / Chairman	<ul style="list-style-type: none"> • Anti-Corruption Leadership Role of the Board (IOD) and Directors' Role in Driving Organization (SEC)
Mr. Norkun Sitthiphong Independent Director	<ul style="list-style-type: none"> • 2016 Annual Corporate Directors Survey (PWC) • Audit Committee Forum (KPMG)
Mr. Chulasingh Vasantasingh Independent Director	<ul style="list-style-type: none"> • Audit Committee Forum (KPMG)
Ms. Panada Kanokwat Independent Director	<ul style="list-style-type: none"> • Anti-Corruption Leadership Role of the Board (IOD) and Directors' Role in Driving Organization (SEC) • 2016 Annual Corporate Directors Survey (PWC) • Audit Committee Forum (KPMG)
Mr. Payungsak Chartsutipol Independent Director	<ul style="list-style-type: none"> • Risk Management Program for Corporate Leaders (RCL 3/2016) (IOD) • Anti-Corruption Leadership Role of the Board (IOD) and Directors' Role in Driving Organization (SEC) • 2016 Annual Corporate Directors Survey (PWC)
Maj. Gen. Chaowalek Chayansupap Independent Director	<ul style="list-style-type: none"> • Director Certification (DCP 217/2016) (IOD) • Advanced Audit Committee Program (AACP 24/2016) • Anti-Corruption Leadership Role of the Board (IOD) and Directors' Role in Driving Organization (SEC) • 2016 Annual Corporate Directors Survey (PWC) • Audit Committee Forum (KPMG)
Mr. Chavalit Punthong Director	<ul style="list-style-type: none"> • Anti-Corruption Leadership Role of the Board (IOD) and Directors' Role in Driving Organization (SEC)
Mr. Supattanapong Punmeechaow Director	<ul style="list-style-type: none"> • Capital Market Academy Leader Program (Batch 23), Capital Market Academy
Mr. Atikom Terbsiri Director	<ul style="list-style-type: none"> • Risk Management Program for Corporate Leaders (RCL 4/2016) • Anti-Corruption Leadership Role of the Board (IOD) and Directors' Role in Driving Organization (SEC)
Mr. Somchai Wongwattanasan Director	<ul style="list-style-type: none"> • Anti-Corruption Leadership Role of the Board (IOD) and Directors' Role in Driving Organization (SEC)
Mr. Patiparn Sukorndhaman Director	<ul style="list-style-type: none"> • Top Executives in the Energy Education Program (Batch 7), Thailand Energy Academy
Mr. Toemchai Bunnag Director / Chief Executive Officer	<ul style="list-style-type: none"> • Risk Management Program for Corporate Leaders (RCL 3/2016) (IOD) • Leadership Development Program (LDP) (Batch 4), Thai Listed Companies Association • Anti-Corruption Leadership Role of the Board (IOD) and Directors' Role in Driving Organization (SEC)

Self-assessment of the Board of Directors and the Sub-Committees of 2016

Assessment process and criteria

In 2016, the Board of Directors approved assessment criteria reviewed by the Corporate Governance Committee and the improvement of the performance assessment forms for the directors and sub-committees for 2016 to correspond with the three forms issued by the SET, composed of :

1. The Board of Directors assessment form
2. Individual director assessment forms (self-assessment and assessment of other directors)
3. Sub-committee assessment forms
 - 3.1 Sub-committee assessment forms (the entire committee) for the four sub-committees
 - 3.2 Sub-committee assessment forms (individual member) for the Audit Committee

Assessment scales: The percentages represent the assessment results as follows.

Over	85%	=	Excellent
Over	75%	=	Very Good
Over	65%	=	Good
Over	50%	=	Satisfactory
Under	50%	=	Poor

The Office of the CEO and Company Secretary distributed these assessment forms to the directors to complete and return to the company to analyze the results. Subsequently, the assessment results were reported to the Board of Directors' Meetings to inform future improvements.

Assessment result

1. The Board of Directors assessment

comprises 5 topics which are 1) Composition and qualification of the Board 2) Policy of the Board 3) Roles, duties, and responsibilities of the Board 4) Meeting of the Board 5) Self - development of the board

- Assessment result : "Excellent" (92.13%)

2. Individual director assessment forms (self-assessment and assessment of other directors)

comprises 6 topics which are 1) Accountability 2) Responsibility 3) Equitable treatment of stakeholders 4) Transparency 5) Vision to create long- term value 6) Ethics

- Assessment result (self-assessment)
: "Excellent" (96.04%)
- Assessment result (assessment of other directors)
: "Excellent" (96.92%)

3. Sub-committee assessment

3.1 Sub-committee assessment forms (the entire committee) for the four sub-committees comprises 3 topics which are 1) Composition and qualification of the committee 2) Meeting of the committee 3) Roles, duties, and responsibilities of the committee

- Assessment result (Audit Committee)
: "Excellent" (99.53%)
- Assessment result (Nomination and Remuneration Committee) : "Excellent" (98.89%)
- Assessment result (Corporate Governance Committee) : "Excellent" (99.51%)
- Assessment result (Risk Management Committee) : "Excellent" (91.23%)

3.2 Sub-committee assessment forms (individual member) for the Audit Committee comprises 6 topics which are 1) Business knowledge 2) Expertise 3) Roles, duties, and responsibilities 4) Independence and fairness 5) Understanding of duties and accountability 6) Commitment to the roles

- Assessment result (Risk Management Committee) : "Excellent" (97.35%)



Assessment of the Chief Executive Officer

In 2016, the Board of Directors arranged the performance assessment of the Chief Executive Officer, taking into consideration two main factors as part of the criteria, namely the performance in relation to the Key Performance Indicators (KPIs) and the management ability and leadership. Informed by a careful review by the Nomination and Remuneration Committee, the Board of Directors conducted a performance assessment and determined the remuneration of the Chief Executive Officer using the aforementioned criteria in tandem with the self-assessment of the Chief Executive Officer,

Succession planning

GPSC has devised a succession planning system for key positions, in which a list of individuals with potential for executive positions is compiled before they are assessed for their capacity as executives by the Assessment Center on various aspects including leadership competency, organizational knowledge, experience, and personal attributes. Subsequently, the assessment results are utilized to create Individual Development Plans (IDPs) so as to prepare these individuals for succession either by taking office left vacant by retirement or filling new positions created with future expansion of the business.

Policy on holding directorship in other companies by the Chief Executive Officer

The Board of Directors has determined that the Chief Executive Officer may hold directorship in other companies in which GPSC is a shareholder in order to ensure the uniformity and efficiency of their operations. For listed companies, the Chief Executive Officer may hold directorship in no more than five companies listed on SET, in accordance with GPSC's good corporate governance guidelines.

As for other companies, organizations, or juristic persons, in 2016, the Board of Directors approved in principle that GPSC's directors, Chief Executive Officer, and other personnel may take office in another company, organization, or juristic person so that GPSC would have a systematic review procedure.

Guidelines for office holding in other companies, organizations, and juristic persons

- 1) In case the highest-ranking executive of GPSC is appointed by a royal command or appointed by the Cabinet by legal authority to any office beyond his or her roles and responsibilities in GPSC, the Chief Executive Officer shall inform the Board of Directors on which he or she serves of such an appointment, either by a royal command or by the Cabinet.
- 2) In case the highest-ranking executive of GPSC is appointed by a governmental agency, a state enterprise, an independent organization, or a governmental educational institution as a director, subcommittee member, working team member, expert, advisor or to any office beyond his or her roles and responsibilities in GPSC, the Chief Executive Officer shall inform the Board of Directors to obtain acknowledgment and opinions prior to the appointment.
- 3) In case the highest-ranking executive of GPSC is taking office as a director, subcommittee member, working team member, expert, advisor or taking any office in a company or any other juristic person not defined in Item 2 and beyond his or her roles and responsibilities in GPSC, the Chief Executive Officer shall obtain the opinion of the Board of Directors on which he or she serves prior to accepting such an office.
- 4) For executives and employees who are not the highest-ranking executive of GPSC, in case specified in Items 1), 2), or 3), that individual shall inform the meeting of the Management Committee (MC) to obtain acknowledgment and approval on a case-by-case basis prior to accepting such an office.

Activities and campaign



GPSC and other listed companies in PTT Group organized PTT Group CG Day on October 18, 2016 under the theme “See Through the Future” to show the Group’s commitment to transparency in business conduct as well as intolerance to corruption of all forms. The commitment will contribute to the Group’s sustainable growth and strong business culture as well as its networks and society as a whole.

Compliance Management

• Compliance Committee

To ensure efficiency and compliance with relevant laws and requirements of the government of GPSC’s operations, the Compliance Committee was appointed on December 15, 2015. The committee is composed of personnel from various departments whose responsibilities regularly involve compliance with laws and regulations. The duties of the Compliance Committee include checking laws and regulations of the government relevant to GPSC, compiling a list of such laws and regulation, examining the current compliance status, and designating an agency responsible for devising and executing plans, convening

meetings to track the operation regularly, and reporting results to GPSC’s Compliance Committee, as well as designating the time frame for its operations.

Governance of the Invested Companies

GPSC has set a policy on close governance of its invested companies (subsidiaries, associates, and related companies) to constantly safeguard its own interests of investment capital and add value as well as confidence for its stakeholders, as detailed below.

1. Nomination of subsidiaries’ and associates’ directors and management
GPSC has set “Criteria for invested companies’ director nomination” as a rule for nominating qualified representatives from GPSC to hold directorship or management position in its invested companies. The number of directors is essentially to be proportional to GPSC’s equity or as mutually agreed. The company has no policy of closely controlling its associates.



The duties as GPSC's representatives consist of governance of subsidiaries, associates, and related companies so that they may command an approach or management practices, together with practical guidelines, that strictly agree and comply with GPSC's own policy framework and business directions, including the corporate governance policy, legal policy, finance and accounting policy, quality-safety-occupational health-environmental policy, personnel management policy, and related key policies.

2. Structuring the management of subsidiaries and associates

GPSC structures the management of subsidiaries and associates to take responsibility for steering their management and for the performances of subsidiaries, associates, and related companies under the following scope:

- Monitor and guide the businesses of subsidiaries, associates, and related companies under applicable agreements and regulations
- Constantly track various aspects of subsidiaries', associates', and related companies' performance and mentor them to ensure that their businesses are in line with goals and that potential obstacles can be promptly and suitably overcome

- Review, monitor, and mentor subsidiaries, associates, and related companies so that they may institute efficient and effective internal control systems and business protocols
- Review, monitor, and organize reviews and amendment of key policies and work plans for the businesses of subsidiaries, associates, and related companies so that these policies and plans may always be up to date and suitable for business circumstances.

3. GPSC defines plans and ensures that subsidiaries, associates, and related companies disclose information about their performance outcomes and financial standings together with factual, complete, and credible information to regulators, related government agencies, outside investors, and the public
4. If subsidiaries, associates, and related companies need to engage in connected transactions or those potentially causing conflicts of interest, GPSC must ensure that they do so with transparency and fairness. GPSC will comply strictly with applicable regulators' criteria on connected transaction engagement, and acquisition and disposal of assets.
5. GPSC will take necessary steps and monitor subsidiaries', associates', and related companies' systematic disclosure of information and internal control systems that are adequate and suitable for their businesses.

**Directors and Executives' Shareholding in GPSC in 2016
(including spouses and minors)**

Name - Surname		Number of Shares		Increase / (Decrease) during 2016	Remark
		December 31, 2015	December 31, 2015		
Directors					
1.	Mr. Surong Bulakul	73,000	73,000	-	-
	by spouse	36,800	36,800	-	-
2.	Mr. Norkun Sitthiphong	73,000	73,000	-	-
3.	Mr. Chulasingh Vasantasingh	73,000	48,667	(24,333)	-
4.	Ms. Panada Kanokwat	73,000	73,000	-	-
5.	Mr. Payungsak Chartsutipol	73,000	73,000	-	-
6.	Maj. Gen. Chaowalek Chayansupap	N/A	-	-	Appointed on January 20, 2016
7.	Mr. Chavalit Punthong	30,000	30,000	-	-
8.	Mr. Supattanapong Punmeechaow	73,000	73,000	-	-
9.	Mr. Atikom Terbsiri	73,000	73,000	-	-
10.	Mr. Somchai Wongwattanasan	73,000	73,000	-	-
11.	Mr. Patiparn Sukorndhaman	73,000	73,000	-	-
12.	Mr.Toemchai Bunnag	25,000	25,000	-	-
Executives (SEC's definition)					
13.	Mr. Kowit Chuengsatiansup	58,000	58,000	-	-
14.	Mr. Smornchai Khoonrak	63,000	63,000	-	-
15.	Mr. Somkiat Masunthasuwun	N/A	-	-	Appointed on November 1, 2016
16.	Mrs. Wanida Boonpiraks	58,000	58,000	-	-
17.	Mr. Klahan Tochananvit	58,000	58,000	-	-
18.	Mr. Payont Ampornareekul	58,000	58,000	-	-
19.	Mrs. Sasitorn Stithit	N/A	10,000	-	Appointed on July 1, 2016
20.	Mr. Kraisorn Puavilai	N/A	46,000	-	Appointed on November 1, 2016
21.	Mr. Yongyuth Kleebbua	58,000	58,000	-	-
22.	Mr. Ongkarn Srivichit	50,000	50,000	-	-
23.	Mr. Jaruwat Singsomdee	N/A	-	-	Appointed on November 1, 2016
24.	Mr. Somsak Lertcharoensersuk	N/A	49,000	-	Appointed on November 1, 2016
25.	Mr. Saochai Sookkasem	N/A	46,000	-	Appointed on November 1, 2016
26.	Mr. Pipatpong Chandee	N/A	19,999	-	Appointed on December 1, 2016

Remark : N/A means no information as the director/ executive was appointed during 2016

: Mr. Surong Bulakul is the only director who have indirect shareholding through spouse. / Others do not have indirect shareholding.



SUSTAINABILITY MANAGEMENT

1. General Policy

1.1 Sustainability Management Policy

Global Power Synergy Public Company Limited (GPSC) strives and persists to be the main power and utility company of PTT Group. GPSC has a policy to sustain the operations and business performance by enhancing trust of stakeholders, adhering to the best business practices, holding transparency in performing business, continuously developing various business domains and being responsible for society and environment. To ensure conformance to framework of the sustainability management policy of the PTT Group and international standards, GPSC declares the sustainability management framework as follows:

1. To perform business, GPSC realizes its responsibility on economic, social and environment including concerned stakeholders for sustainable growth of the business. The approaches to achieve this responsibility are through clear role of leadership, good corporate governance and systematic risk management
2. To promote practices and business performance by complying with Civil Rights Code and protecting labor rights of employees and business partners on fair basis
3. To strive to reduce impact resulting from business operation on social, environment, occupational health, and safety
4. To perform business on transparency and fair basis and to be audited on each and every step
5. To respect the rights of stakeholders and also to perform sustainability management social and community development
6. To manage value chain of supply in line with related law requirements and standard of human and labor rights including data and information management and effective compiling and storing of the said data and information



7. To strive to comply with standard of products responsibility not only abiding by legal requirements but also extending to be responsive to social, economic, and environment including stakeholder requirements
8. To reveal business outcome in relation to company intention, management approaches including outcome of business on economic, social, and environment which are genuine, interconnected, transparent and in line with approaches of report on sustainability management of Global Reporting Initiatives (GRI)¹
9. To realize on value of communication with stakeholders as a prime principle of sustainability management and also to improve design and management of social, economic, and environment aspect to gain recognition from stakeholders

10. To perform interconnecting sustainability management by integrating policies to support sustainability of the company

1.2 Social and Environmental Responsibility

GPSC is determined to operate a responsible business, including social and environmental sustainability, to both its internal and external stakeholders such as employees, shareholders, customers, business partners, public agencies, and society. As a business, GPSC seeks to work alongside the community and society while encouraging appropriate participatory processes with stakeholders. GPSC has set the following social and environmental responsibility policies:

¹ Global Report Initiatives (GRI) is a standardized reporting framework for industrial business on the effectiveness of its sustainable environmental management in environmental, social, and economic dimensions for public disclosure. GRI guidelines is widely used and is formally supported by the United Nations.



1. Conduct business with transparency, fairness, and accountability, emphasizing business growth while working to improve the living standards of employees, society, and the environment. Look after the interests of stakeholders as specified in the vision and mission
2. Recognize the need to optimize natural resources while minimizing impacts on communities and the environment
3. Conduct social and environmental responsibility activities with all stakeholders to jointly forge social and environmental sustainability
4. Promote and provide opportunities for stakeholders to participate in social and environmental activities or projects appropriate to GPSC's caliber and resources in order to efficiently achieve targets and objectives
5. Publicize and communicate social or environmental projects with communities, society, and stakeholders

2. Sustainability Management and Stakeholders

GPSC recognizes the importance of conducting businesses under moral principles along with sustainability management with all stakeholders' benefits in mind. Its sustainability management for stakeholders comprises:

2.1 Employees

Recognizing that employees form the backbone of GPSC's economic, social, and environmental success and sustainability, GPSC provides continual personnel development programs for all employees in sections and departments without discrimination. It procures innovative technology to support their work and ensures a safe work environment with suitable business compensation. Furthermore, GPSC encourages employee participation in various CSR activities as part of capacity building and creating self-esteem. As such, several CSR and environmental activities that reflect GPSC's CSR principles are organized for employees to join in under a sustainable and good governance framework, aiming to forge employees into good citizens. These activities also promote stakeholders' participation in various activities, including environmental protection.

2.2 Shareholders

With shareholders foremost in mind, GPSC has translated company ethics into clear policies that will promote business growth and ensure sustainable returns from good business performance. It also respects shareholders' rights to receive necessary, accurate, and timely disclosure of information on GPSC's performance and all supporting data.

2.3 Customers

As a producer and distributor of electricity, steam, and industrial water, the company works to fulfill customers' requirements in volume and specified time on the principle of integrity, trust, and mutual assistance. GPSC focuses on delivering goods and services with fair pricing based on good relations.

2.4 Business partners

GPSC sees business partners as business associates in sustainable development and sets clear policies in dealing fairly and equally with them under mutually beneficial terms. Furthermore, GPSC emphasizes good practices in business competition and do not resort to unlawful measures to gain advantage over competitors.

2.5 Related Government agencies

GPSC works closely with both domestic and international government agencies in countries where it invests to avoid making inappropriate transactions that may impact operations. Thus, any coordination, contact, and exchanged information with these government agencies strictly follow transparency, suitability, and legally appropriate principles so that good, long-term relations with these agencies may be nurtured.

2.6 Communities, Society, and Environment

GPSC follows a strict social responsibility policy to ensure that communities and industrial entities mutually benefit, thereby creating sustainable value. Four social and environmental dimensions are specified:

- 1) **Education:** GPSC supports sustainable education by providing continuing scholarships, organizing supporting activities, and helping develop local schools.

- 2) **Improvement of people's quality of life :** GPSC's policy is to create jobs for communities such as activities for the senior's club, capacity-building activities for village health volunteers, mobile clinics, and youth development activities including promotion of sports.
- 3) **Joint activities with civil society organizations, public benefit events, and social engagement :** GPSC organizes opportunities for neighboring communities to contact it through meetings, discussions, and town hall meetings to receive feedback from them and concerned agencies, including an open house for communities to gain confidence in GPSC's operation.
- 4) **Environment :** As part of its social and environmental responsibility for nearby communities and surrounding areas, GPSC recognizes that the amount of waste in Rayong province, at present 900-1,000 tons per day and continue increasing, is a big problem. Thus, GPSC has joined hands with the public and community sectors to solve waste management problems through an in-depth study. This resulted in a complete solution in the form of a "waste-to-energy plant", where 6-9 megawatts in capacity is expected to be produced each day while reducing around 500 tons of waste in the area. Particles and gas from burning waste will be treated according to international standards to prevent negative effects on neighboring communities. The waste-to-energy plant is expected to be a pilot for other provinces as a public-private cooperation program that creates shared value.

GPSC also worked on a project to reduce the emission of pollution into the environment, constantly developing effective plant technology while regularly monitoring the environmental quality of processes. A weather monitoring station was erected in communities and protection strips of trees were planted around the plant to filter any pollution.





3. Notable Projects and Activities of 2016

3.1 Education

- The 21st Century School Project



GPSC, in conjunction with PTT Group in Rayong province, initiated the 21st Century School Project to help schools in the area advance their learning processes in helping develop learners' IQs and EQs until they possess appropriate knowledge, skills, and characteristics. At the same time, the program will equip instructors with necessary skills in imparting knowledge and skills, and instill good characteristics in students under educational standards. The project aims to create networking and establishing a community of learners between model schools and other schools in the area.

The two schools in the program, Wat Noen Kraprok School and Wat Ta Kuan School in Rayong province signed memorandum of agreements to become the 21st Century School of PTT Group, which has always prioritized educational promotion and youth development in the area. Such cooperation will bring about advancement in schools, personnel, and students and equip them with the potential to keep up with social and global changes.

- Continuing scholarship: Creating educational opportunities project



GPSC, in cooperation with PTT Group, Rayong province, grants continuing scholarships in a project to provide scholastic opportunities and support youths who lack funds for education and ensure that students can dedicate themselves more to study rather than worrying about how they are going to fund their schooling. The objective is also to reward students with good behavior who volunteer to assist schools and society. Target groups are junior high school and senior high school students of six schools in Rayong province: Map Ta Phut Phanphitthayakhan School, Rayong Witthayakhom Nikhom Utsahakam School, Ban Chang Kanchanakulwitthaya School, Wat Huai Pong School, Tessaban Map Ta Phut School, and Map Kha School.

Students eligible for the scholarships must be from low-income families, with moderate study results, good behavior, and must volunteer to assist schools and society. They will receive continuing scholarships from junior high school (grade 7-9) and senior high school (grade 10-12), with an average accumulated grade of 2.5 maintained throughout each scholarship year.

- Vocational scholarship – Rayong province project



GPSC works hard to initiate projects and activities to create shared values for all sectors. These projects can help develop the quality of life and respond to state policy requirements to fill the skilled-labor gap. The company, therefore, provide six continuing scholarships to students studying at Rayong Technical College to become power electricians, mechanics, and electronics technicians. It is hoped that this will provide work opportunities for youths from areas near GPSC as well as allowing project graduates to improve their quality of life as well, becoming a sustainable force for developing the country. They can also choose to apply and work for GPSC, adding to another dimension of shared value.

- V-Youth Camp project



GPSC, in cooperation with PTT Group of Rayong province, also initiated a project for youth volunteers in communities to instill awareness and public spirit in youths. For communities to become sustainable and successful, cooperation throughout them is required. Workers must also have a public mind, with an intention to create true benefit in the community. These characteristics must be instilled in youths.

Youths as a future force for communities thus form another group that should not be ignored and, as “young volunteers,” they should be trained to be public-conscious and inspired to bring development to their hometowns. Qualities such as teamwork, leadership, perseverance, and unity should be instilled to enable them to act as a medium between youths, communities, and industry in sustainable development. Target groups are students from senior high schools selected from three schools: 20 from Rayong Witthayakhom Nikhom Utsahakam School, 20 from Map Ta Phut Phanphitthayakhan School, and 20 from Ban Chang Kanchanakulwitthaya School.



3.2 Improvement of the quality of life projects

- Map Ta Phut hospital fund project



Map Ta Phut Hospital is a 30-bed community hospital situated within Map Ta Phut Industrial Estate. It looks after 38 communities in the municipality with a population of 132,752, of which 54,712 (41.21%) are registered Thais, with a passive population of 78,040 (58.79%). To elaborate, only 39.28% of the population in its responsible area has access to treatment under the government's total health insurance program, which resulted in the income of the hospital being much lower than it should be compared to the size of population under care.

GPSC, in conjunction with PTT Group in Rayong province, provided support to the hospital by procuring medical equipment and supplies so that the hospital might provide standardized and adequate service to all population in the area. GPSC foresees the importance of expanding the hospital so that it may increase its potential to 200 beds and have an adequate number of personnel and capable medical staff to provide service. The project will take five years from 2014 to 2018. This year, 39 pieces of equipment were purchased, including ultrasound machines, bronchoscopes for the upper respiratory tract with a video system, bronchoscopy surgery apparatus, vital sign monitors for surgery patients, and infant incubators incorporating X-ray trays or slots.

- The seniors club project



Elderly persons are precious resources, often once a leading light or a respected community member. However, due to the current social situation where the community becomes more competitive as an industrialized society, many of these elderly persons are no longer cared for by their children and grandchildren or community members, affecting them mentally and physically.

GPSC thus set a target so that Map Ta Phut Municipality might organize a senior club project and social activities might be organized for them, which are beneficial to them and communities while fostering good relations between the company and communities.

This year the Senior Club was in its eighth consecutive year under the cooperation of GPSC and the Health Promotion Section of the Sanitation and Environment Office, Map Ta Phut Municipality. The club organizes activities in the Map Ta Phut Senior Club, such as locating guest speakers and liaising with concerned agencies to co-design activities to help the elderly look after themselves, physically and mentally, and live with honor and pride within society. The Senior Club with assistance from all sectors can become strong in promoting the senior's health and encourage them to be more active in society.

3.3 Engagement activities with the people's sector projects

- Community Dialogue project



GPSC has continually organized its community dialogue project through field visits to the neighboring communities in Map Ta Phut Municipality, Map Kha Patthana Municipality, and Ban Chang Municipality. The discussions promoted understanding of various company operations and maintains good relations under the “Khang Ba Khang Lai” (working side by side) project. This year, GPSC targeted six communities about three kilometers surrounding its power plant or its three utility centers: Map Ta Phut Municipality – Huai Pong Nai 1 community and Map Kha-Map Nai community; Map Kha Patthana Municipality – Map Kha Nuea community, Map Kha Tai community, and Sai-9-Nong Kuang community, and Muang Ban Chang Municipality – Sup Somboon community.

In the discussions, GPSC presented an overview of operations, especially in safety, occupational health, and environment that the communities were interested in. It also provided information under the topic of “electricity and daily life”, for example, electrical safety and inspection, choice of electrical appliances, and ways to economize power charges, as well as a question-and-answer session.

3.4 Environmental projects

- Release of aquaculture in honor of His Late Majesty the King project



As part of GPSC's commitment to social responsibility and the environment, GPSC and PTT Group in Rayong province closely followed EIA preventive measures by organizing a release of aquaculture in honor of His Late Majesty the King. The activity also contributed to a balance of the marine ecology in order that coastal fishermen might earn a living and to strengthen communities in areas occupied by small fishing groups in Map Ta Phut Municipality, Ban Chang, and nearby coastal areas.



REVENUE STRUCTURE

Product / Service	Operated by	% of interest	For the years ended 31 December					
			2014		2015		2016	
			Revenue (THB MM)	%	Revenue (THB MM)	%	Revenue (THB MM)	%
Revenue from Sales of Goods and Rendering of Services								
Power	GPSC-Rayong	-	7,653	32%	6,841	30%	6,875	32%
	GPSC-Sriracha	-	8,175	34%	8,308	36%	4,506	21%
	IRPC-CP	51%	-	0%	145	1%	983	5%
	Total		15,828	66%	15,294	66%	12,364	58%
Steam	GPSC-Rayong	-	6,644	28%	5,882	26%	6,142	29%
	IRPC-CP	51%	-	0%	119	1%	1,072	5%
	Total		6,644	28%	6,001	26%	7,214	34%
Industrial Water	GPSC-Rayong	-	232	1%	233	1%	246	1%
	GPSC-Sriracha	-	48	0%	38	0%	17	0%
	CHPP	100%	173	1%	192	1%	195	1%
	Total		453	2%	463	2%	458	2%
Total Revenue from Sales of Goods and Rendering of Services			22,925	96%	21,758	95%	20,036	93%
Revenue from Finance Lease								
Finance Lease	GPSC-Sriracha	-	730	3%	686	3%	638	3%
Total Revenue from Finance Lease			730	3%	686	3%	638	3%
Other Revenue								
Nitrogen	GPSC	-	101	0%	99	0%	97	0%
Dividend	GPSC	-	-	0%	288	1%	420	2%
Others	GPSC	-	135	1%	190	1%	244	1%
Total Other Revenue			236	1%	577	2%	761	3%
Total Revenue			23,891	100%	23,021	100%	21,435	100%





CONNECTED TRANSACTIONS

GPSC AND SUBSIDIARIES' CONNECTED TRANSACTIONS WITH POTENTIAL PARTIES OF CONFLICT

For the 2016 accounting period, GPSC and subsidiaries engaged companies within the group through having common shareholders or directors. Accounting items among related businesses shown in the notes to the financial statements were set in line with market prices or conformed to mutually agreed terms and criterias where no market prices were available. Key items are as follows.

1. Normal business items: These were items in which GPSC and subsidiaries conducted normal business transactions that were essential to their business operations. Therefore, they will still continue to engage in such items in the future. Below are key normal business items.

1.1 Purchase of fuels and chemicals for raw materials (feedstock). These transactions followed general commercial terms where potential parties of conflict could engage with others or where GPSC and subsidiaries did not suffer losses, or both. These items consisted of :

- Purchase of natural gas from PTT, the sole supplier of natural gas to industrial operators in Thailand.
- Purchase of diesel from TOP, whose refinery lies near GPSC's Sriracha Power Plant; diesel served as a backup fuel.

1.2 Sale of power, steam, industrial water, and nitrogen to GPSC's customers. In these cases, GPSC adopted the same guidelines for setting

prices and commercial terms for product sale to customers that were and were not parties of conflict.

2. Normal business support items: These are items where GPSC and subsidiaries engaged in support of GPSC's normal businesses where potential parties of conflict could engage with others or commercial terms where GPSC and subsidiaries did not suffer losses, or both. GPSC expects these transactions to continue in the future. Key items consisted of :

2.1 Items concerning transportation of raw materials for the processing and sale of products, including leasing of raw-water pipes for use in Sriracha Power Plant's power generation and renting of pipe-racks of Rayong Central Utility Plant.

2.2 Items concerning employee expenses, including those for shareholder-seconded employees supporting GPSC's businesses and income derived from seconding GPSC employees to its invested companies in support of their businesses.

2.3 Items concerning plant insurance and business interruption insurance on the part of GPSC and subsidiaries with a potential party of conflict that was an insurance company with a common major shareholder as GPSC. Such insurance was in the form of group insurance, which benefited GPSC.

2.4 Items concerning assorted service purchases, which tend to occur periodically, including :

- Staff sourcing service with potential parties of conflict with expertise and experience in outsourcing personnel to perform GPSC's work at service fees governed by mutually agreed terms.
- Machinery maintenance and repair service with potential parties of conflict with such skills and located near Rayong Central Utility Plant.
- ICT services and applicable expenses, including capital expenditure for the development of new programs.

- Pipe-laying structural maintenance service with a potential party of conflict that was the sole such service provider in the industrial estate where GPSC's pipe-laying structure was located.

2.5 Items concerning office space and plants, consisting of :

- Office renting at the Energy Complex (EnCo), where leases conformed to contractual rates comparable with those of other tenants. In addition, GPSC benefited from convenient coordination and contacts with most customers and business partners located in EnCo.
- Land renting for Sriracha Power Plant operation with TOP, the former shareholder. Such rental eased and benefited GPSC's business.
- Office space renting and expenses for managing and maintaining space for IRPC-CP operations with IRPC, a shareholder in IRPC-CP. Such renting and service benefited GPSC's business through the convenience provided.

Details of the GPSC and subsidiaries' connected transactions with potential parties of conflict for the year ended December 31, 2016 are as follow ;



1.1 GPSC and subsidiaries' connected transactions with potential parties of conflict

1.1.1 PTT Public Company Limited ("PTT")

Engaged in petroleum and natural gas businesses, PTT represents a potential party of conflict because it is a major shareholder of GPSC with 22.58% of the paid-up registered capital and is also the major shareholders of PTTGC and TOP, both major shareholders of GPSC. In addition, Mr. Chavalit Punthong, PTT's management team member, serves as a GPSC director.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Purchase of natural gas - Expenses - Payable	12,493.64 932.11	13,817.98 1,051.89	16,630.06 1,733.50	17,001.81 1,857.47	GPSC and subsidiaries purchased natural gas, the main raw material for power generation and distribution/sale. This was a normal transaction for GPSC, with arm's length commercial terms. PTT is the sole domestic supplier of natural gas to domestic industrial operators under prices and terms of gas sales agreements.
Pipe-rack rental - Expenses - Receivable	1.10 0.57	1.10 0.57	1.07 0.55	1.07 0.55	Through an agreement with PTT, GPSC requested rental of pipe-racks for raw material/product pipes in Map Ta Phut under mutually agreed rent and commercial terms between the two. Since GPSC paid six months' rent in advance, this was treated as an advance expense item and recorded as accounts receivable.
Gas pipeline access - Advance Payment for Gas pipeline access fee - Payable	- - -	563.02 -	- -	563.02 178.25	IRPC-CP requested access to PTT's gas pipeline near the IRPC-CP Power Plant to take delivery of gas for its processes, with the access fees under the commercial rates and terms of an agreement between IRPC-CP and PTT. The access fee to the gas distribution system will be amortized with production commencement in 2017.
PTT secondment - Expenses - Payable	42.96 14.28	42.96 14.28	36.27 33.31	36.27 33.31	As GPSC's major shareholder, PTT seconded its employees to GPSC in support of GPSC's businesses and advanced payment for salaries, bonuses, and welfare for them. PTT then billed GPSC for such expenses under commercial prices and terms.
PTT secondment air tickets - Expenses	1.39	1.39	1.21	1.21	GPSC was eligible for air ticket reservation for traveling in GPSC's businesses through PTT's own booking channel, for which PTT paid in advance and then billed GPSC under commercial prices and terms

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Use of PTT's Service Center					PTT set up a Service Center within its headquarter and EnCo, including a medical care center and a fitness center, to serve PTT Group employees and personnel, which included GPSC's. The fees were set by PTT, which collected them from PTT Group companies at uniform rates under commercial prices and terms.
- Expenses	0.49	0.76	0.45	0.57	
- Receivable	0.03	0.03	0.04	0.04	
- Payable	0.07	0.08	0.09	0.09	
Purchase of lubricant oil					GPSC purchased machinery lubes from PTT for steam turbine maintenance under a long-term major overhaul plan, which required lube replacement for each major overhaul. The lubes were of the same types used today and their costs were comparable to those purchased from other sellers, in line with commercial terms.
- Expenses	1.11	1.11	3.87	3.87	
- Payable	-	-	0.08	0.08	
Gas pipeline system inspection					Since natural gas pipelines represented a key instrument for gas supply for power generation, they needed testing under the NACE SP0169 standards to ensure preparedness for safe use. Processing the skills for such inspection, PTT also distributed such piped gas and was ready to conduct inspection as planned by GPSC under the commercial prices and terms stated in the inspection agreement between GPSC and PTT.
- Expenses	0.30	0.30	0.16	0.16	
- Payable	0.24	0.24	-	-	
ERP implementation planning					These expenses were for ERP (Enterprise Resource Planning) system developed for supporting GPSC's business process structure's matching speed at most competitive prices. Entering such agreement supported GPSC's regular businesses under the service fees and commercial terms mutually agreed between GPSC and PTT.
- Expenses	-	-	0.52	0.52	
- Payable	-	-	0.55	0.55	
Other income from the award received from PTT					This cash award to GPSC personnel was presented by PTT for winning the PTT Group Operational Excellence contest
- Revenue	0.01	0.01	0.06	0.06	



Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Other income from the compensation for land and buildings received from PTT - Revenue	0.61	0.61	-	-	This represented compensation for properties in the natural gas transmission network zone received from PTT under the Energy Regulatory Commission (ERC)'s announced network zones of the first onshore natural gas trunk line (amended and new zones). PTT's survey had found that part of GPSC's land in Rayong was part of this zone, for which the assessment of property compensation was made under ERC's criterion.
Exhibition fee - Expenses	0.05	0.05	-	-	This was for GPSC's contribution at the National Safety Week 2016 at Bangkok International Trade & Exhibition Centre (Bang Na). GPSC and PTT Group participated in a related exhibition at the event to advertise the group's efficient work safety management system, which benefited employers, employees, and the public, and publicize a good corporate image while forging confidence in corporate safety management systems among the public and stakeholders.

1.1.2 PTT Global Chemical Public Company Limited ("PTTGC")

Engaged in integrated petrochemical and refining businesses, PTTGC represents a potential party of conflict because it is a major shareholder of GPSC with 22.73% of the paid-up registered capital and also has PTT as its major shareholder. In addition, Mr. Supattanapong Punmeechaow, PTTGC director and management team member, and Mr. Patiparn Sukorndhaman, PTTGC management team member serves as GPSC directors.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of power, steam, and industrial water - Revenue - Receivable	3,986.41 353.82	3,986.41 353.82	4,147.60 406.09	4,147.60 406.09	The income derived from selling power, steam, and industrial water under each agreement between GPSC and PTTGC was regular businesses with arm's-length terms and conditions. GPSC set prices and commercial terms for each product sold to PTTGC under the same guidelines as for other customers, both related and unrelated to GPSC.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
PTTGC secondment - Expenses - Payable	13.15 4.84	13.15 4.84	10.49 4.53	10.49 4.53	As GPSC's major shareholder, PTTGC seconded its employees to GPSC in support of GPSC's businesses and advanced payment for salaries, bonuses, and welfare. PTTGC then billed GPSC for such expenses under commercial terms.
Repurchase of condensate containing excessive water, returned by the customers, under an MOU - Expenses - Payable	4.61 0.84	4.61 0.84	8.92 0.98	8.92 0.98	Under the steam agreement, PTTGC was required to return condensate of the contractual volume. If failed, additional expenses would be levied for the unreturned portion. Nevertheless, since GPSC needed more condensate than the contractual volume, it requested to buy such condensate from PTTGC over and above the contractual volume. An MOU was therefore arranged for condensate purchase from the ethane cracker, containing rates of expenses in line with those specified under the MOU between GPSC and PTTGC, which followed commercial terms.
Advance Received from power sale under the minimum take-or-pay terms - Payable - Receivable	- -	- -	84.66 90.58	84.66 90.58	Under the Minimum Take-or-Pay power sales agreement, advance received represented the difference between the value of minimum contractual power purchase that PTTGC agreed to buy from GPSC and the actual value of power received by PTTGC. GPSC calculated the discrepancy yearly. GPSC acknowledged advance received and recorded it as account payable because, under the Minimum Take-or-Pay terms, if PTTGC buys contractual power in the next period, GPSC will return such advance payment in the next period commensurate with the excess volume consumed. The Minimum Take-or-Pay terms represented arm's-length commercial terms. GPSC agreed such terms in product sales/purchase terms with other customers, both related and unrelated to GPSC.



1.1.3 Thai Oil Public Company Limited (“TOP”)

Engaged in the oil refining business primarily to process and sell petroleum products, TOP represents a potential party of conflict because it is a major shareholder of GPSC with 8.91% of its paid-up registered capital and also has PTT as its major shareholder. In addition, Mr. Atikom Terbsiri, a TOP director and management team member, and Mr. Somchai Wongwattanasan, TOP management team member serve as GPSC directors.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of raw water - Revenue - Receivable	16.37 -	16.37 -	3.88 1.79	3.88 1.79	Income generated from raw-water sale followed the agreement between GPSC and TOP on the fee for using raw-water pipes, which was a normal GPSC business item with terms for price and terms conforming to the rates set in an agreement between both companies, as GPSC took raw water from East Water (EW) through the same meter as TOP. Therefore, GPSC levied such water fee for TOP's consumption.
Purchase of diesel - Expenses - Payable	14.87 0.96	14.87 0.96	18.41 4.36	18.41 4.36	Purchase of high-speed diesel followed the Diesel Fuel Sales and Back-up Fuel Stock Agreement between GPSC and TOP for use as fuel reserve at the Sriracha Power Plant in case of natural gas delivery interruption or other diesel requirements. Prices and terms followed the agreement between both companies. Finally, engagement in such agreement followed the normal course of business.
Land rental - Expenses - Receivable - Deposit	6.40 4.44 2.83	6.40 4.44 2.83	6.40 4.44 2.83	6.40 4.44 2.83	Sriracha Power Plant lies on state property over which TOP earned possession and usage rights under a rental agreement between TOP and the Ministry of Finance. TOP later subleased such land to GPSC under an agreement, with the concurrence of the ministry. This subleasing is an essential and normal business transaction, with rates conforming to the rates set under an arm's-length agreement between GPSC and TOP, paid by GPSC 12 months in advance. As such, it was recorded as advance expenses and a receivable item.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Raw-water pipe rental - Expenses - Receivable	3.55 1.55	3.55 1.55	3.67 2.00	3.67 2.00	GPSC rented TOP's raw-water pipes at the Sriracha Power Plant, which were linked to EW's raw-water pipes, to buy water from EW. The rent followed that set under a rental agreement between GPSC and TOP. GPSC paid such rental 12 months in advance, and it was recorded as advance expenses and a receivable item. The rent followed normal commercial terms and was set under an agreement between both companies.
Office rental and water & power bills - Expenses - Payable - Deposit	2.45 0.18 0.11	2.45 0.18 0.11	2.87 0.21 0.11	2.87 0.21 0.11	GPSC rented office space from TOP for administration of matters concerning Sriracha Power Plant, located on TOP's land. Such rental represented an essential and normal business transaction, with rates following commercial terms and the agreement between both companies.
Use of miscellaneous TOP services - Expenses	0.35	0.35	0.35	0.35	Since Sriracha Power Plant lies on TOP's plant compound, GPSC made use of plant inspection, emergency medical care, health center, and firefighting services originally catering to TOP for convenience of access and service speed. For these, GPSC followed the commercial rates set in a service agreement between both companies.
Community relations activities - Expenses - Payable	0.33 0.13	0.33 0.13	0.43 0.11	0.43 0.11	TOP advanced payment for community relations activities, to be reimbursed by GPSC in line with commercial terms
TOP secondment - Expenses - Payable	16.05 5.26	16.05 5.26	15.23 5.09	15.23 5.09	As GPSC's major shareholder, TOP seconded employees to GPSC in support of GPSC's businesses, for whom TOP advanced payment for salaries, bonuses, and welfare. These items were recouped by TOP at rates mutually agreed between both companies and in line with commercial terms.



1.1.4 Thailoil Power Company Limited (“TP”)

Engaged in power generation for sale to EGAT, with the balance of electricity generated and steam sold to TOP and subsidiaries, TP is a potential party of conflict because it is a major shareholder of GPSC with 20.79% of the paid-up registered capital and also has PTT and TOP as major shareholders. In addition, Mr. Atikom Terbsiri and Mr. Somchai Wongwattanasan serve as their common Board of directors.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of industrial water					Income generated from selling industrial water under a product supply and purchase agreement between GPSC and TP was considered part of GPSC's normal business transaction under general commercial terms. GPSC set arm's-length prices and commercial terms for product sale to TP for those related and unrelated to GPSC.
- Revenue	1.04	1.04	33.25	33.25	
- Receivable	-	-	2.53	2.53	
Purchase of backup power					Expenses for backup power followed an agreement between GPSC and TP for Sriracha Power Plant, located near TP's power plant, for use in case of Sriracha Power Plant's interruption. Engagement in such agreement represented support to GPSC's normal business, with rates and terms mutually agreed and in line with commercial terms.
- Expenses	0.87	0.87	0.10	0.10	
- Payable	0.31	0.31	0.06	0.06	
GPSC secondment					Since TP was developing its business for maximum efficiency to accommodate growth, it requested GPSC's secondment to serve at TP, to which GPSC approved. The salaries, bonuses, and welfare for these secondees were advanced by GPSC, to be reimbursed by TP under a management fee agreement between the two.
- Revenue	2.72	2.72	-	-	
- Receivable	2.91	2.91	-	-	

1.1.5 PTT Energy Resources Company Limited (“PTTER”)

Engaged in managing PTT's overseas energy businesses, PTTER is a potential party of conflict because both companies share a common major shareholder, namely PTT, which wholly owns PTTER.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Tax advisory - Expenses	-	-	0.34	0.34	These expenses were for the advice and preparation of details for tax payment in Thailand and Lao PDR for seconded employees at the NL1PC Project in that country. GPSC operated the NL1PC Project in lieu of PTTER. Before project transfer, PTTER had hired a consulting company which GPSC continued to use this service from the same company after the project transfer as to reach a suitable conclusion on this matter, the rates for which followed commercial terms.
Office space rental - Expenses - Payable	4.01 -	4.01 -	2.33 0.50	2.33 0.50	GPSC rented office space at EnCo Building B on 5th floor rental and service agreement with PTTER resulting from GPSC's greater headcount, making its 14th floor office inadequate for its workforce. Besides, most of GPSC's customers and business partners had head offices located at EnCo, making it convenient to coordinate with them. Such rental followed normal business practices, with rates conforming to rates set under a rental and service agreement between GPSC and PTTER. GPSC paid monthly rentals on the 30th of each month, in line with commercial terms. GPSC rents the space up until September 18, 2016.
Property sale - Revenue - Expenses - Payable - Asset cost	0.94 0.02 0.04 21.91	0.94 0.02 0.04 21.91	- - - -	- - - -	Since GPSC was expanding its business, it needed more manpower, whereas its current office space could not accommodate the new manpower plan, so a suitable venue was secured. The office move was made on September 19, 2016, through an exchange with more-spacious PTTER. Properties were also sold between the two at prices assessed by independent valuers. More details are shown in the annual disclose form (Form 56-1).

1.1.6 IRPC Public Company Limited ("IRPC")

Engaged in integrated petrochemical businesses, IRPC is a potential party of conflict because both companies shared a major shareholder, namely PTT, which holds 38.51% of IRPC's paid-up registered capital. Besides, GPSC and IRPC had a common Board of director member, namely Mr. Chavalit Punthong.



Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of power and steam					Revenue generated from the sale of power and steam followed the agreement between IRPC-CP and IRPC. IRPC-CP set prices and commercial terms with structural formulas in line with contractual sales prices that were comparable with those for other industrial customers.
- Revenue	-	2,055.21	-	263.64	
- Receivable	-	390.11	-	201.04	
IRPC secondment					As GPSC's business partner, IRPC secondment skilled employees to GPSC in support of GPSC's waste-to-energy plant project as requested, for whom IRPC advanced payment for salaries, bonuses, and welfare. These items were recouped by IRPC. Today these employees are hired by GPSC under commercial terms.
- Expenses	-	-	0.23	0.23	
Meeting rooms					These were for meeting room services for the Analyst Meeting as GPSC's meeting room cannot accommodate the attendants. IRPC's meeting rooms were located in the same building as GPSC. Such rent was comparable to those for other nearby tenants and in line with commercial terms.
- Expenses	0.01	0.01	0.02	0.02	
- Payable	0.02	0.02	-	-	
Power plant construction consultation					These were for administrative fees for the power plant construction project under the project management hiring agreement that IRPC-CP had engaged with IRPC before the partial sale of shares to GPSC. Service fees were based on the work hours for project management.
- Expenses	-	29.00	-	10.00	
- Payable	-	7.49	-	8.03	
Power plant development					These were for power plant development occurring during project development that IRPC had advanced before IRPC-CP was set up. IRPC levied such payment from IRPC-CP.
- Expenses	-	-	-	7.19	
Property management and maintenance					These were for monthly management and maintenance of properties under a land purchase agreement between IRPC-CP and IRPC. Such expenses were estimated from the central property management and maintenance fees, IRPC-CP Power Plant property maintenance fees, and security fees. Such computation was based on the project acreage size at Baht 1,200 per rai, the identical rate charged by IRPC to other tenants and in line with commercial terms.
- Expenses	-	2.43	-	2.43	

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Purchase of power, steam, industrial water, and wastewater treatment - Expenses - Payable	- -	27.52 11.19	- -	27.74 10.28	Since IRPC-CP's plant lies on the compound of IRPC's plants, the company purchased power, steam, and industrial water, and incurred wastewater treatment charges from IRPC for system testing at arm's-length charges for others in the vicinity in line with commercial terms.
Office space rental, water and electricity bills, and central utilities - Expenses - Payable - Insurance	- - -	1.58 0.22 0.08	- - -	0.71 0.04 0.07	IRPC-CP rents EnCo office space, part of IRPC's space. With most of its business partners having their head offices at EnCo, IRPC-CP conveniently coordinated with business partners and rental followed the rates set under an agreement between IRPC-CP and IRPC, which in turn followed commercial terms.
Advance received for steam sale under Minimum Take-or-Pay terms - Payable - Receivable	- -	161.32 43.11	- -	178.25 190.72	Under the Minimum Take-or-Pay Steam Agreement, advance received represented the difference between the value of minimum contractual steam purchase that IRPC had agreed to buy from IRPC-CP and the actual value of steam received by IRPC. IRPC-CP calculated the discrepancy yearly. It acknowledged advance received and recorded it as account payable because, under the Minimum Take-or-Pay terms, if IRPC buys the contractual volume of steam over the next period, IRPC-CP will return such advance received for the next period commensurate with the excess volume consumed. The Minimum Take-or-Pay terms represented general commercial terms.
Maintenance service fees - Expenses - Payable	- -	19.49 8.97	- -	7.00 1.63	IRPC-CP engaged in a plant maintenance agreement with IRPC, whose personnel were skilled in maintenance, with experience in electric machinery, system measurement tools, and others used by IRPC-CP. This added to IRPC-CP's flexibility. The agreement supported IRPC-CP's normal business at rates in line with commercial terms.



1.1.7 IRPC Clean Power Company Limited (“IRPC-CP”)

Engaged in power business, IRPC-CP represents a potential party of conflict because have a common major shareholders, namely PTT, which holds IRPC-CP through IRPC, IRPC - holds 49.00% of the paid-up registered capital of IRPC-CP.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
GPSC secondment					As IRPC-CP's major shareholder, GPSC secondment employees in support of IRPC-CP's businesses, for whom GPSC advanced payment for salaries, bonuses, and welfare. These items were recouped by GPSC at rates in line with commercial terms.
- Revenue	1.12	-	1.43	-	
- Receivable	3.02	-	1.83	-	

1.1.8 Business Service Alliance Company Limited (“BSA”)

Engaged in integrated outsourcing of personnel, BSA represents a potential party of conflict because of GPSC's 25.00% preferred shares of BSA's paid-up registered capital. Also, both companies have common major shareholders, namely PTT, which owns BSA's common shares accounting for 25.00% of BSA's paid-up registered capital, and PTTGC, which holds 25.00% preferred shares of BSA's paid-up registered capital.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Outsourcing service					GPSC and its subsidiaries hired BSA to provide outsourcing services of desired personnel to fit GPSC's objectives. In return, BSA charged according to the actual number of such personnel. These outsourcing fees were levied under general outsourcing terms.
- Expenses	40.22	41.07	34.19	34.73	
- Payable	7.16	7.50	6.02	6.12	

1.1.9 PTT Phenol Company Limited (“PPCL”)

Engaged in the processing of phenol, acetone, and bisphenol-A, PPCL represents a potential party of conflict because GPSC and PPCL have a common major shareholder, namely PTTGC, which wholly owns PPCL, and the same Board of director, namely Mr. Patiparn Sukondhaman.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of power, steam, industrial water, and nitrogen					Revenue from the sale of these commodities under individual sales agreements between GPSC and PPCL represented normal business transactions for GPSC and was bound by commercial terms. GPSC set arm's-length prices and commercial terms for the sale of each product for customers, both related and unrelated to GPSC.
- Revenue	2,788.690	2,788.690	2,011.830	2,011.830	
- Receivable	273.510	273.510	219.980	219.980	
- Payable	0.002	0.002	-	-	
Advance received for steam sale under Minimum Take-or-Pay terms					Under the Minimum Take-or-Pay steam sales agreement, advance received represented the difference between the value of minimum contractual steam purchase that PPCL agreed to buy from GPSC and the actual value of steam received by PPCL. GPSC calculated the discrepancy yearly. GPSC acknowledged advance received and recorded it as account payable because, under the Minimum Take-or-Pay terms, if PPCL buys contractual steam over in the next period, GPSC will return such advance received in the next period commensurate with the excess volume consumed. GPSC agreed such arm's length terms in product sales/purchase terms with other customers, both related and unrelated to GPSC.
- Receivable	169.31	169.31	-	-	
- Payable	158.24	158.24	-	-	

1.1.10 PTT Maintenance and Engineering Company Limited ("PTTME")

Engaged in maintenance and engineering businesses, PTTME represents a potential party of conflict because both GPSC and PTTME have common major shareholders, namely PTT (with 40.00% of PTTME's paid-up registered capital) and PTTGC (with 60.00% of PTTME's paid-up registered capital).

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Machinery maintenance and repair					GPSC engaged in a plant management and maintenance agreement with PTTME, an expert with experience in electric machinery, system measurement, and instrumental tasks, which shortened the site access time and added flexibility for service to GPSC. This engagement therefore supported GPSC's normal businesses with service fees and commercial terms mutually agreed between the two companies.
- Expenses	41.96	41.96	41.83	41.83	
- Payable	9.94	9.94	9.17	9.17	
- Asset cost	0.45	0.45	0.01	0.01	



Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Revenue from Water Crisis Management Project (installation of automatic control system) - Revenue	-	3.07	-	3.07	GPSC designed and laid water pipes from the Sea Water RO Plant to the PTTGC (PE) Plant and further on to GPSC at the Central Utility Plant 3 in Rayong. The Water Crisis Management Project required an automatic control system to be installed at GPSC to receive treated water, lessening risks to its operation. PTTME was responsible for actual expenses plus a surcharge in line with commercial terms.

1.1.11 NPC Safety and Environmental Service Company Limited (“NPC S&E”)

Engaged in integrated service provision concerning safety, health, and environment, NPC S&E represents a potential party of conflict because GPSC and NPC S&E have a common major shareholder, namely PTTGC, which wholly owns NPC S&E.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Security and firefighting services - Expenses - Payable - Receivable	6.30 - -	6.36 - -	12.60 2.61 0.28	12.60 2.61 0.28	GPSC engaged in a security and firefighting service agreement with NPC S&E, an expert in this area. That company's center monitored intelligence on terrorism and emergency command, enabling it to provide prompt support and prevention in emergencies. Such engagement supported GPSC's normal businesses with service fees under commercial terms mutually agreed between the two companies.

1.1.12 Vinythai Public Company Limited (“VNT”)

Engaged in the production and distribution of PVC powder and caustic soda, VNT represents a potential party of conflict because GPSC and VNT have a common major shareholder, namely PTTGC, which holds 24.98% of VNT's paid-up registered capital, with one common Board of director, namely Mr. Supattanapong Punmeechaow.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Pipe-rack rental - Revenue	0.17	0.17	0.16	0.16	GPSC engaged in a pipe-rack rental agreement with VNT in Map Ta Phut. GPSC had set arm's-length rental rates and commercial terms for customers, both related and unrelated to GPSC.

1.1.13 HMC Polymers Company Limited (“HMC”)

Engaged in the petrochemical and refining businesses, HMC represents a potential party of conflict because GPSC and HMC have PTT as their common major shareholder with 41.44% of HMC's paid-up registered capital.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of power, steam, and industrial water - Revenue - Receivable	1,486.94 131.92	1,486.94 131.92	1,578.53 146.38	1,578.53 146.38	Sale of power, steam, and industrial water under individual sales agreements between GPSC and HMC represented GPSC's normal business transactions with commercial terms. GPSC set arm's-length prices and commercial terms for the sale of individual products to HMC for customers, both related and unrelated to GPSC.
Advance received for power sale under Minimum Take-or-Pay terms - Revenue	-	-	0.47	0.47	<p>Under the Minimum Take-or-Pay power sales agreement, advance received represented the difference between the value of minimum contractual power purchase that HMC had agreed to buy from GPSC and the actual value of power received. GPSC calculated the discrepancy yearly. GPSC acknowledged advance received and recorded it as account payable because, under the Minimum Take-or-Pay terms, if HMC buys contractual power over the next period, GPSC will return such advance received for the next period commensurate with the excess volume consumed. The Minimum Take-or-Pay terms represented arm's-length commercial terms.</p> <p>In 2015, Since HMC was unable, however, to consume power beyond contractual volume by the specified year, GPSC acknowledged such advance received as its revenue this year.</p>



1.1.14 PTT Tank Terminal Company Limited (“PTT Tank”)

Engaged in the port and petrochemical tank farm business, PTT Tank represents a potential party of conflict because both companies have a common major shareholder, namely PTT, which wholly owns PTT Tank.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of nitrogen					Nitrogen sales revenue followed a product sales agreement between GPSC and PTT Tank, which represented GPSC's normal business. GPSC set arm's-length prices and commercial terms for product sale to PTT Tank for customers, both related and unrelated to GPSC.
- Revenue	7.66	7.66	8.96	8.96	
- Receivable	1.27	1.27	1.68	1.68	
Pipe-rack rental					GPSC engaged in a pipe-rack rental agreement with PTT Tank in Map Ta Phut. GPSC had set arm's-length rental rates and commercial terms for customers, both related and unrelated to GPSC.
- Revenue	0.20	0.20	0.37	0.37	

1.1.15 PTT Asahi Chemical Company Limited (“PTTAC”)

Engaged primarily in the petrochemical business, PTTAC represents a potential party of conflict because GPSC and PTTAC have a common major shareholder, namely PTT, which holds 48.50% of PTTAC's paid-up registered capital.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of power, steam, industrial water, and nitrogen					Sale of power, steam, industrial water, and nitrogen followed individual sales agreements between GPSC and PTTAC, which represented GPSC's normal business with commercial terms. GPSC set arm's-length prices and commercial terms for sale of individual products to PTTAC for customers, both related and unrelated to GPSC.
- Revenue	358.50	358.50	386.61	386.61	
- Receivable	63.95	63.95	90.02	90.02	
Pipe-rack rental					GPSC engaged in a pipe-rack rental agreement with PTTAC in Map Ta Phut. GPSC had set arm's-length rental rates and commercial terms for customers, both related and unrelated to GPSC.
- Revenue	0.72	0.72	0.86	0.86	

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Purchase of steam - Expenses - Payable	424.96 38.12	424.96 38.12	459.49 48.33	459.49 48.33	Due to excess steam in PTTAC's processes, GPSC engaged in a steam purchase agreement with PTTAC, regarded as a transaction arising from its normal business, with prices and terms in line with both companies' steam purchase agreement.
Equipment repair for steam pipes - Receivable	3.31	3.31	0.12	0.12	During GPSC's delivery of steam to PTTAC, a leak developed at the connection point due to PTTAC's performance. GPSC therefore coordinated with a third-party contractor to fix this problem at the request of PTTAC. The contractor would bill GPSC, which would then invoice PTTAC for the repair work in line with commercial terms.

1.1.16 PTT Polymer Logistics Company Limited ("PTTPL")

Engaged in integrated logistical service provision to polymer producers in PTT Group, PTTPL represents a potential party of conflict because GPSC and PTTPL have common major shareholders, namely PTT (with 50.00% of PTTPL's paid-up registered capital) and PTTGC (with 49.00% of PTTPL's paid-up registered capital).

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Power sale - Revenue - Receivable	42.64 4.13	42.64 4.13	40.13 3.35	40.13 3.35	Revenue generated by power sale followed a product sales agreement between both companies and represented GPSC's normal business with commercial terms. GPSC set arm's-length prices and commercial terms for product sale to PTTPL for customers, both related and unrelated to GPSC.



Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Advance received for power sale under Minimum Take-or-Pay terms - Revenue	-	-	5.90	5.90	<p>Under the Minimum Take-or-Pay power sales agreement, advance received represented the difference between the value of minimum contractual power purchase that PTTPL agreed to buy from GPSC and the actual value of power it received. GPSC calculated the discrepancy yearly. GPSC acknowledged advance received and recorded it as account payable because, under the Minimum Take-or-Pay terms, if PTTPL buys contractual power over the next period, GPSC will return such advance received for the next period commensurate with the excess volume consumed. The Minimum Take-or-Pay terms represented arm's-length commercial terms, which GPSC agreed with other customers, both related and unrelated to GPSC.</p> <p>In 2015, since PTTPL was unable to consume power beyond the agreement by the specified year, GPSC acknowledged such advance received as its revenue this year.</p>

1.1.17 Energy Complex Company Limited ("EnCo")

Engaged in management of the Energy Complex office buildings on Vibhavadi Rangsit Road, Bangkok, EnCo represents a potential party of conflict because GPSC and EnCo have a common major shareholder, namely PTT, which owns 50.00% of EnCo's paid-up registered capital.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Office space rental and related service fee, including parking fee and power bills - Expenses - Payable - Deposit	13.70 0.21 4.32	13.70 0.21 4.32	10.65 0.29 2.07	10.65 0.29 2.07	GPSC rented EnCo office space by engaging in an office and service rental agreement with EnCo. Since most of its customers and business partners have head offices at EnCo, GPSC conveniently coordinated matters with them. Such office space rental followed the normal course of business, with rents following those set under the rental agreement, which in turn aligned with commercial terms.

1.1.18 PTT ICT Solutions Company Limited (“PTTICT”)

Engaged in ICT services catering primarily to PTT Group companies, PTTICT represents a potential party of conflict because GPSC and PTTICT have common major shareholders, namely PTTGC, PTT, and TOP, holding 40.00%, 20.00%, and 20.00% of PTTICT’s paid-up registered capital respectively.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Fiber optic rental - Revenue - Receivable	0.35 0.10	0.35 0.10	0.17 0.67	0.17 0.67	GPSC engaged in a memorandum for fiber optic renting resulting from both companies’ investment in their fiber optic systems for their own businesses. Since these systems still had surplus capacities, they agreed to expand their individual networks for greater common use. This lowered redundant investment while forging technical cooperation with PTT Group network companies in line with commercial terms.
ICT - Expenses - Payable	32.76 6.64	33.76 7.09	30.05 11.25	31.10 11.55	GPSC and its subsidiaries hired PTTICT for their specialization in ICT services for the likes of server networks, the internet, emails, training, and information centers, together with SAP system maintenance. Such hiring was regarded as normal business-supporting transactions in line with commercial terms.
Capital for development of new programs - Asset cost - Payable	10.67 3.45	16.59 3.45	1.49 0.01	1.49 0.01	GPSC and its subsidiaries acquired systems including SAP ECC 6.0, improved performance systems, improved wireless systems, implemented the intranet. GPSC hired PTTICT, which was skillful and appreciated the work of GPSC and its affiliates. Such hiring followed GPSC’s normal business, with fees and commercial terms as agreed between both companies.
Installation of ICT support system for the 2016 AGM and analyst meetings - Expenses	0.90	0.90	-	-	GPSC hired PTTICT to provide ICT services and install registration services for the 2016 AGM and analyst meetings, with rates and commercial terms as agreed by both companies and in line with general commercial terms.



1.1.19 Dhipaya Insurance Public Company Limited (“TIP”)

Engaged in the casualty insurance business, TIP represents a potential party of conflict because GPSC and TIP have a common major shareholder, namely PTT, which owns 13.33% of TIP’s paid-up registered capital.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Plant insurance and business interruption insurance					<p>The insurance taken out by GPSC and its subsidiaries was in the form of group insurance. PTT had hired TIP, an expert in the insurance business that was skillful in representing agents for large-scale insurance with readiness for qualifications and investment capital, to handle the entire PTT Group. Joining this group insurance scheme gave GPSC greater bargaining power, benefiting it in insurance premiums and other terms in line with commercial terms.</p> <p>Since GPSC paid such insurance premiums yearly in advance, it recorded such payment as advance expenses, booked as receivables.</p>
- Expenses	130.94	150.07	108.25	121.63	
- Receivable	96.00	107.61	98.01	118.98	
- Payable	0.22	0.27	0.24	3.87	

1.1.20 TOC Glycol Company Limited (“TOCGC”)

Engaged primarily in the processing of ethylene oxide products, TOCGC represents a potential party of conflict because GPSC and TOCGC have a common major shareholder, namely PTTGC, which wholly owns TOCGC, and because they have a common Board of director, namely Mr. Patiparn Sukondhaman.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of power, steam, and industrial water					<p>Sale of power, steam, and industrial water followed individual sales agreements between GPSC and TOCGC, which represented GPSC’s normal business in line with commercial terms. GPSC set arm’s-length prices and commercial terms for sale of individual products to TOCGC for customers, both related and unrelated to GPSC.</p>
- Revenue	996.93	996.93	1,014.80	1,014.80	
- Receivable	84.72	84.72	116.39	116.39	

1.1.21 Global Green Chemicals Public Company Limited (“GGC”)

Engaged in the processing of oleochemical products, GGC represents a potential party of conflict because GPSC and GGC have a common major shareholder, namely PTTGC, which wholly owns GGC, and because they have two common Board of directors, namely Mr. Patiparn Sukondhaman and Mr. Supattanapong Punmeechaow.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of power, steam, and industrial water					Sale of power, steam, and industrial water followed individual sales agreements between GPSC and GGC, which represented GPSC's normal business in line with commercial terms. GPSC set arm's-length prices and commercial terms for sale of individual products to GGC for customers, both related and unrelated to GPSC.
- Revenue	373.20	373.20	417.08	417.08	
- Receivable	32.87	32.87	38.15	38.15	

1.1.22 Thai Fatty Alcohols Company Limited (“TFA”)

Engaged in Thailand's only fatty alcohol processing, TFA represents a potential party of conflict because GPSC and TFA have a common major shareholder, namely PTTGC, which wholly owns TFA through GGC.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of power, steam, and industrial water					Sale of these items followed individual sales agreements between GPSC and TFA, which represented GPSC's normal business in line with commercial terms. GPSC set arm's-length prices and commercial terms for sale of individual products to TFA for customers, both related and unrelated to GPSC.
- Revenue	110.18	110.18	136.74	136.74	
- Receivable	8.77	8.77	8.46	8.46	



1.1.23 Solution Creation Company Limited (“Solution Creation”)

Engaged in the business of marketing and trading of health and nutritional products, Solution Creation represents a potential party of conflict because GPSC and Solution Creation have a common major shareholder, namely PTTGC, which wholly owns Solution Creation. Both companies also have a common Board of director member, namely Mr. Patiparn Sukondhaman,

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Utility delivery system construction - Receivable	7.05	7.05	7.05	7.05	<p>This receivable item resulted from Solution Creation's agreement to buy power, steam, and industrial water from GPSC, which then constructed a utility delivery system to that company's plant. The company later, however, canceled its purchase of GPSC products. GPSC therefore billed it for construction charges and recorded these as account receivable in line with commercial terms.</p> <p>These expenses were under negotiation within PTTGC Group, the major shareholder of Solution Creation, to assign a transferee to directly handle such payment.</p>

1.1.24 Thai Ethoxylate Company Limited (“TEX”)

Engaged primarily in the processing of ethylene oxide products, TEX represents a potential party of conflict because GPSC and TEX have a common major shareholder, namely PTTGC, which owns 50% of TEX's paid-up registered capital through GGC.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of power, steam, and industrial water - Revenue - Receivable	27.40 2.63	27.40 2.63	26.37 2.16	26.37 2.16	<p>Sale of power, steam, and industrial water followed individual sales agreements between GPSC and TEX, which represented GPSC's normal business in line with commercial terms. GPSC set arm's-length prices and commercial terms for sale of individual products to TEX for customers, both related and unrelated to GPSC.</p>

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Advance received for power sale under Minimum Take-or-Pay terms - Payable - Revenue	3.84 -	3.84 -	1.99 3.68	1.99 3.68	<p>Under the Minimum Take-or-Pay power sales agreement, advance received represented the difference between the value of minimum contractual power volume that TEX had agreed to buy from GPSC and the actual value of power it received. GPSC calculated the discrepancy yearly. GPSC acknowledged advance received and booked it as account payable because, under the Minimum Take-or-Pay terms, if TEX buys contractual power over the next period, GPSC will return such advance received for the next period commensurate with the excess volume consumed. The terms represented arm's-length commercial terms, which GPSC agreed with other customers, both related and unrelated. In 2015, Since TEX was unable to consume power beyond the agreement by the specified year, GPSC booked such advance received as the revenue this year.</p>
Fines for late payment - Revenue	0.002	0.002	-	-	<p>This revenue resulted from both companies' agreement to buy power, steam, and industrial water, whereby if payment occurs later than a certain period, a fine will arise. GPSC set arm's-length prices and commercial terms for this fine for individual products for TEX for customers, both related and unrelated to GPSC.</p>



1.1.25 Advanced Biochemical (Thailand) Company Limited (“ABT”)

Engaged in the processing and distribution of epichlorohydrin, ABT represents a potential party of conflict because it is a wholly owned subsidiary of VNT, which has the same major shareholder as GPSC, namely PTTGC, which owns 24.98% of VNT’s paid-up registered capital.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Pipe-rack rental - Revenue	0.17	0.17	0.16	0.16	GPSC engaged in a pipe-rack rental agreement with ABT Map Ta Phut. GPSC had set arm’s-length rental rates and commercial terms for customers, both related and unrelated to GPSC.

1.1.26 Eastern Fluid Transport Company Limited (“EFT”)

Engaged in services concerning petrochemical product pipeline transport systems, EFT represents a potential party of conflict because GPSC and EFT have a common major shareholder, namely PTTGC, which directly and indirectly owns 15.00% of EFT’s paid-up registered capital.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Pipe-laying structural maintenance - Expenses	4.22	4.22	3.71	3.71	GPSC hired EFT to maintain its pipe-laying structures under an agreement for pipe-laying structural maintenance and system management. EFT was the sole provider of such service in the industrial estate where this structure was located. Prices and commercial terms for such work followed the service agreement between the two companies.

1.1.27 PTT Energy Solutions Company Limited (“PTTES”)

Engaged in the business of advisory services concerning engineering management, consultation, risk management, PTTES represents a potential party of conflict because GPSC and PTTES have a common Board of director, namely Mr. Somchai Wongwattanasan, and three common major shareholders, namely PTT, PTTGC, and TOP with owns 40%, 20% and 20% of PTTES's paid-up registered capital, respectively.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Consultation					These expenses were for benchmarking consultation under PTT Group's policy to drive affiliates' business outcomes toward the top quartile. PTTES had joined the project from the very beginning, enabling it to master job contents. Besides, this project needed sensitive company information, thus calling for a reliable company.
- Expenses	-	-	11.35	11.35	
- Payable	-	-	3.52	3.52	
					The project called for benchmarking with international power companies, and PTTES was able to connect with international experts for the purpose. In addition, PTTES proceeded with this project for several companies, giving GPSC greater bargaining power for PTTES's lower fees than its previous quotation, in line with commercial terms.

1.1.28 Vencorex Thailand Company Limited (“VCX”)

Engaged in the processing of hexamethylene diisocyanate products, VCX represents a potential party of conflict because GPSC and VCX have a common major shareholder, namely PTTGC, which indirectly owns 85.00% of VCX's paid-up registered capital.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Sale of power, steam, and industrial water					Sale of power, steam, and industrial water under individual product sales agreements between GPSC and VCX represented GPSC's normal business, for which prices and commercial terms for individual product sale to VCX followed a common approach as for other customers, both related and unrelated to GPSC.
- Revenue	24.10	24.10	2.84	0.84	
- Receivable	3.13	3.13	0.11	0.11	



Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Advance received for power and steam sale under Minimum Take-or-Pay terms					Under the Minimum Take-or-Pay power and steam sales agreement, advance received represented the difference between the value of minimum contractual power and steam purchase that VCX agreed to buy from GPSC and the actual value of power and steam received by VCX. GPSC calculated the discrepancy yearly. GPSC acknowledged advance received and recorded it as account payable because, under the Minimum Take-or-Pay terms, if VCX buys contractual power over the next period, GPSC will return such advance received in the next period commensurate with the excess volume consumed. GPSC agreed such arm's length terms in product sales/purchase terms with other customers, both related and unrelated to GPSC.
- Receivable	14.83	14.83	-	-	
- Payable	15.86	15.86	-	-	

1.1.29 PTT International Holdings Limited ("PTTIH")

Engaged in overseas energy businesses through investment holding in other companies, PTTIH represents a potential party of conflict because GPSC and PTTIH have a common major shareholder, namely PTT, which wholly owns PTTIH through PTTER.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Additional expenses for acquiring NL1PC shares					These items were for direct acquisition of additional NL1PC shares resulting from delayed share transfer beyond the agreement in the MOU to PTTIH. To elaborate, the share transfer license issued by Lao PDR Ministry of Plans and Investment on December 5, 2015, was meant for a limited company, whereas GPSC had turned into a public limited company on November 27 that year. As a result, the license was not approved by NL1PC's lending banks and thus invalid for in-time transfer of interests and the shares' principal, personnel expenses, and legal consultants' fees. This portion had to be paid after the share payment under the service rates and commercial terms agreed between PTTIH and GPSC.
- Expenses	-	-	2.74	2.74	

1.1.30 PTT Natural Gas Distribution Company Limited (“PTTNGD”)

Engaged in natural gas distribution pipeline network construction, development, and expansion into industrial plants in industrial estates and areas around Bangkok Metropolis and perimeter, as well as other areas of potential, PTTNGD represents a potential party of conflict because GPSC and PTTNGD have a common major shareholder, namely PTT, which holds 58.00% of PTTNGD’s paid-up registered capital.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
PTTNGD secondment					In support of GPSC’s businesses, PTTNGD secondment employees to GPSC sites, advancing salaries, bonuses, and welfare for them. Then, PTTNGD later collected such payment from GPSC in line with commercial terms. Today, these employees are hired by GPSC.
- Expenses	0.003	0.003	0.14	0.14	
- Payable	-	-	0.09	0.09	

1.1.32 Sak Chaisidhi Company Limited (SAKC)

Engaged in the processing of high-quality industrial hydrocarbon solvents, SAKC represents a potential party of conflict because GPSC and SAKC have a common major shareholder, namely TOP, which holds (through TOP SOLVENT) 80.52% of SAKC’s paid-up registered capital, and one common Board of director, namely Mr. Somchai Wongwattanasan.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Pipe-rack rental					GPSC engaged in a pipe-rack rental agreement with SAKC in Map Ta Phut. GPSC had set arm’s-length rental rates and commercial terms for customers, both related and unrelated to GPSC.
- Revenue	0.23	0.23	0.18	0.18	
- Receivable	-	-	0.18	0.18	

1.1.33 PTT Green Energy (Thailand) Company Limited (“PTTGE”)

Engaged in the provision of general consultancy for related businesses, PTTGE represents a potential party of conflict because GPSC and PTTGE have a common major shareholder, namely PTT, which wholly owns PTTGE.

Transaction description	Connected transaction value for the year ended December 31, 2016 (million Baht)		Connected transaction value for the year ended December 31, 2015 (million Baht)		Justification and sensibility
	Company	Consolidated	Company	Consolidated	
Office space service					GPSC engaged PTTGE to use office space services at EnCo B Building. GPSC set areal service rates in line with those under a service agreement between the two companies in line with commercial terms.
- Revenue	0.06	0.06	-	-	



Approval Measures and Procedures for Connected Transactions

For connected transactions involving GPSC and/or its subsidiaries with potential parties of conflict, vested interests, or potential future conflicts of interest, the Audit Committee provides its views on the justification of transaction engagement and the price sensibility of such transactions to ensure that the terms involved follow the normal course of industries, that third-party price comparison or market price comparison is made, that prices or terms of such transactions at the same level exist for third parties, or that such transaction engagement can apparently contain sensible or fair prices or terms, or all of these. If the Audit Committee cannot scrutinize potential connected transactions, GPSC may arrange for an independent expert or its own external auditor to comment on such transactions in support of decisions by the Board, the Audit Committee, or the shareholders, as appropriate. The essential guidelines for such scrutiny are as follows:

- 1. Product sales prices or service fees:** These must be normal-business transactions or those in support of normal businesses. Prices and commercial terms must be arm's-length ones for all customers, both related and unrelated to GPSC.
- 2. Product purchase prices or service fees:** These must be normal-business transactions or those in support of normal businesses. Prices and commercial terms must be set under compatible criteria to those charged by business partners in question to other customers. Finally, engagement in such transactions must not compromise GPSC's interests.
- 3. Asset sales / purchases transactions:** These could periodically arise as needed and as seen suitable, including acquisition of businesses to grow business under GPSC's investment plans and expansion plans. In engaging in these transactions, the management or independent experts, or both (as seen fit), assess and comment on the sensibility of prices and commercial terms involved.

As for approval of connected transactions, those potential parties of conflict or vested interests have no voting rights on transaction approval so as to ensure that such engagement does not transfer or siphon interests between GPSC or its shareholders. Rather, the transactions must be in all shareholders' best interests. GPSC will disclose connected transactions in the notes to the audited financial statements signed by the external auditor in the annual report and the annual disclose form (Form 56-1) concerning additional information.

GPSC complies with the laws, regulations, and procedures of the Securities and Exchange Commission (SEC), the Capital Market Supervisory Board, and the Stock Exchange of Thailand (SET) on connected transactions, related transactions, and acquisition or disposal of assets under applicable rules for listed companies.

Independent Directors' Views

Independent directors agree with the Board of Director's views.

Policy for Connected Transactions

1. GPSC's directors and management prepare reports on their individual vested interests with related parties and notify the company for use as reference for taking action under applicable requirements for connected transactions
2. Avoid engagement in connected transactions of potential conflicts of interest
3. If a connected transaction proves unavoidable, GPSC must follow the procedures and comply with applicable laws, which include those criteria set by SEC and SET
4. Set arm's-length prices and terms for connected transactions that are fair, sensible, and in the best interests of GPSC and all shareholders. If such prices are unavailable, GPSC must compare prices or service fees with third-party sources under the same or similar terms.

5. Those with vested interests in connected transactions cannot approve or vote on them
6. In scrutinizing connected transactions, GPSC may appoint an independent assessor to evaluate and compare prices for significant ones to ensure that such connected transactions are sensible and in the best interests of GPSC and all shareholders.

Trends for Connected Transactions with Potential Parties of Conflict

For future connected transactions, GPSC must comply with all laws on securities and exchanges, regulations, announcements, directives, or requirements of the Capital Market Supervisory Board, SEC, and SET. Engagement in such transactions must not result in benefit transfers or siphoning of interests between GPSC or its shareholders, or both, but rather in the best interests of GPSC and all shareholders.

For routine transactions likely to regularly occur, GPSC must follow the criteria and approaches of general commercial practices, with price references and terms that are suitable and fair, sensible, and open to audit. Such transaction engagement must follow principles on agreements with general commercial terms approved by the Board of Directors. To this end, the management must prepare a summary of connected transactions for reporting to the Audit Committee each year.

Disclosure of GPSC's connected transactions must comply with all laws and regulations set by SEC and SET together with Federation of Accounting Professions accounting standards related to related parties, both entities or individuals.





MANAGEMENT'S DISCUSSION AND ANALYSIS

Results of operation - Consolidated Financial Statement

THB million

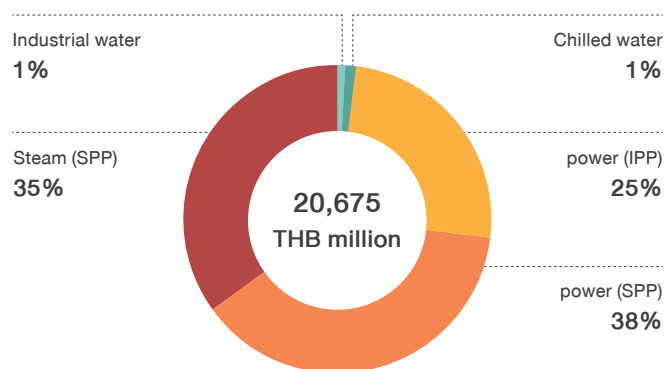
	2015	2016	Change +/-
Revenue from sale and finance lease	22,444	20,675	(8%)
Gross profit	3,361	4,550	35%
EBITDA	2,772	3,809	37%
EBIT	1,689	2,543	51%
Share of profit of associates and joint ventures	339	346	2%
Net profit - owners of the company	1,906	2,700	42%
Gross profit margin* (%)	15%	22%	7%
Net profit margin (%)	8%	14%	6%

* Exclude depreciation and amortization expenses

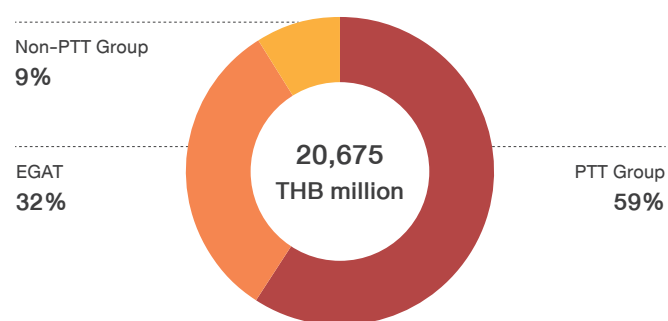
In 2016, Global Power Synergy Public Company Limited (GPSC) had a net profit of THB 2,700 million, increased by THB 794 million or 42% from 2015 mainly due to the increase in power and steam volume of Rayong Central Utility Plant 1-3 with efficient cost management. Furthermore, IRPC-CP phase 1 operated for the first full year and GPSC's share of profit rose from its investment in NNEG, whose COD began in June. Meanwhile, GPSC had the revenue from sales and finance lease THB 20,675 million, which declined by THB 1,769 million

or 8% from previous year due to a drop in revenue of Sriracha Power Plant (IPP) with a lower dispatch instruction by EGAT, whereas GPSC still received Availability Payment due to its available to supply power to EGAT according to the Power Purchase Agreement (PPA) on investment. In short, the lower its revenue and the bigger decline in production costs, the higher the gross profit of 35% from last year. This number illustrated GPSC's generation caliber.

2016 Revenue by product



2016 Revenue by customer



PERFORMANCE SUMMARY BY PLANT IN 2016

Sriracha Power Plant (IPP)

In 2016, revenue from power sale and finance lease totaled THB 5,161 million, decreased by THB 3,871 million or 43% down from last year due to the 45% decline in volume of power submitted to the grid in line with EGAT's dispatch instruction and the 1% lower power's average selling price, which from natural gas cost.

The cost of sales of goods and rendering of services this year totaled THB 4,596 million, dropped by THB 3,756 million or 45% down from last year due to the THB 3,657 million dropped in raw-material costs in line with the 42% lower volume of natural gas for power generation, the 10% lower gas costs, and the THB 117 million or 25% decline in maintenance expenses associated with the reduced hours of operation.

Rayong Central Utility Plant 1-3 (CUP 1-3) : SPP

In 2016, revenue from power and steam sales amounted to THB 13,263 million rose by THB 307 million or 2% up from last year. While the sales prices per unit dropped from gas costs, the year saw a rise in revenue, mainly due to a rise in demand for power or 13% and steam or 20% from industrial customers.

The cost of sales of goods and rendering of services for the year 2016 were THB 9,987 million, declined by THB 442 million or 4% from last year, caused mainly by a 20% drop in the average gas costs per unit. As a result, gas costs dropped by THB 536 million or 6%.



IRPC Clean Power Company Limited (IRPC-CP Phase 1) : SPP

This year's revenue amounted to THB 2,055 million, rose by THB 1,791 million or 678% from last year due to its first full year of operation, in which power generation and steam production soared.

The cost of sales of goods and rendering of services this year consisted of the costs of raw materials, most of which were natural gas costs, maintenance, and other expenses. This year's cost of sales of goods and rendering of services came to THB 1,434 million, increased by THB 1,237 million or 628% from last year. Note that the cost increase proportion was smaller than that of revenue growth, which was primarily due to cost management concerning natural gas.

Combined Heat and Power Producing (CHPP) : VSPP Company Limited

This year's revenue amounted to THB 195 million, increased by THB 3 million or 2% from last year due to the rising sales volume of chilled water by 2,812 thousands refrigeration tons or 11% as a result of the higher number of exhibitions and the warmer weather this year. Meanwhile, the costs of sales and service climbed by THB 2 million or 2% in line with higher sales.

Milestones of 2016 and events materially significant to financial statements

- Business cooperation with PTTGC under the strategy of growth along with PTT Group's business expansion. This year, GPSC saw a rise in the number of customers and signing of more product sales agreements from PTTGC's projects, namely Phenol-2, LLDPE2, and Vencorex, which raised monthly sales volume of power and steam.
- April 21: CHPP (wholly owned by GPSC) was awarded by the Energy Regulatory Commission (ERC) a formal project supporter of the ground-installed solar farm for government agencies and agricultural cooperatives, namely the 5-MW Chanthaburi Shrimp Farmers Cooperatives solar farm project in Chanthaburi, which began commercial operation on December 30 this year.
- June 3: NNEG (an SPP 30% owned by GPSC), with a 125-MW capacity and 30-ton/hour steam capacity, began commercial operation to distribute power into EGAT's grid.
- August 25: ISP1 drawdown JPY 1,835 million, from a bank in Japan for construction and equipment installation. The company's long-term loan ceiling is JPY 7,900 million and a consumption tax facility of JPY 602 million.

Operating Results

Unit : THB million

	2015	2016	Change +/-(-)
Revenue from sale and finance lease	22,444	20,675	(8%)
Cost of sales (exclude depreciation and amortization)	(19,083)	(16,125)	(16%)
Gross profit	3,361	4,550	35%
Selling and administrative expenses	(604)	(753)	25%
Other operating income	15	12	(20%)
EBITDA	2,772	3,809	37%
Depreciation and amortization	(1,083)	(1,266)	17%
EBIT	1,689	2,543	51%
Finance costs	(394)	(418)	6%
Other non-operating income and expenses	469	537	14%
Shares of profit of associates and joint ventures	339	346	2%
Income tax expenses	(90)	(140)	56%
Profit before FX & extraordinary items	2,013	2,868	42%
Net foreign exchange gain (loss)	(46)	4	n/a
Employee Stock Ownership Plan	(78)	-	n/a
Net profit	1,889	2,872	52%
Non-controlling interests	17	(172)	n/a
Net profit-owners of the company	1,906	2,700	42%
Earnings per share (THB/share)	1.40	1.80	29%
Weighted average number of common shares (Million shares)	1,362	1,498	

Comparison of operating results

1. Selling and administrative expenses

In year 2016, selling and administrative expenses were THB 753 million, increased by THB 149 million or 25% from last year mainly due to business expansion.

2. Depreciation

In year 2016, depreciation climbed by THB 183 million or 17% mainly due to the Operation of IRPC-CP Phase 1 in November 2015.

3. Finance costs

In year 2016, this item amounted to THB 418 million, rose by THB 24 million or 6% from last year mainly from to the recognition of interest expenses after IRPC-CP Phase 1 started commercial operation in November 2015.



4. Other non-operating income and expenses

In year 2016, this item amounted to THB 537 million increased by THB 68 million or 14% from last year, mainly due to dividends received from RPCL. Dividends of 2015 amounted to THB 288 million; those of 2016, total of THB 420 million.

5. Shares of profit of associates and joint ventures

Unit : THB million

Company	Equity	2015	2016	Change +/-
Independent Power Producer (IPP)				
• Xayaburi Power Company Limited (XPCL)	25%	(35)	(43)	23%
Small Power Producer (SPP)				
• Bangpa-in Cogeneration Company Limited (BIC)	25%	55	49	(11%)
• Nava Nakorn Electricity Generating Company Limited (NNEG)	30%	(6)	44	n/a
• Nam Lik 1 Power Company Limited (NL1PC)	40%	24	13	(46%)
Total		73	106	45%
Very Small Power Producer (VSPP)				
• Thai Solar Renewable Company Limited (TSR)	40%	301	283	(6%)
Total shares of profit of associates and joint ventures		339	346	2%

This year, GPSC recognized THB 346 million in its shares of profit of associates and joint ventures, increased by THB 7 million or 2% from last year, accounted by:

- XPCL, mainly due to a change in administrative expenses from prior periods.
- BIC, mainly due to gas cost reduction together with power sales volume reduction, the latter caused by steam turbine maintenance, which accounted for a drop in revenue.
- NNEG, where a bigger shares of profit accompanied its COD on June 3.

- NL1PC, due to the revision of revenue recognition according to TFRIC 12.
- TSR, where the shares of profit fell slightly due to sunlight intensity change during the period.

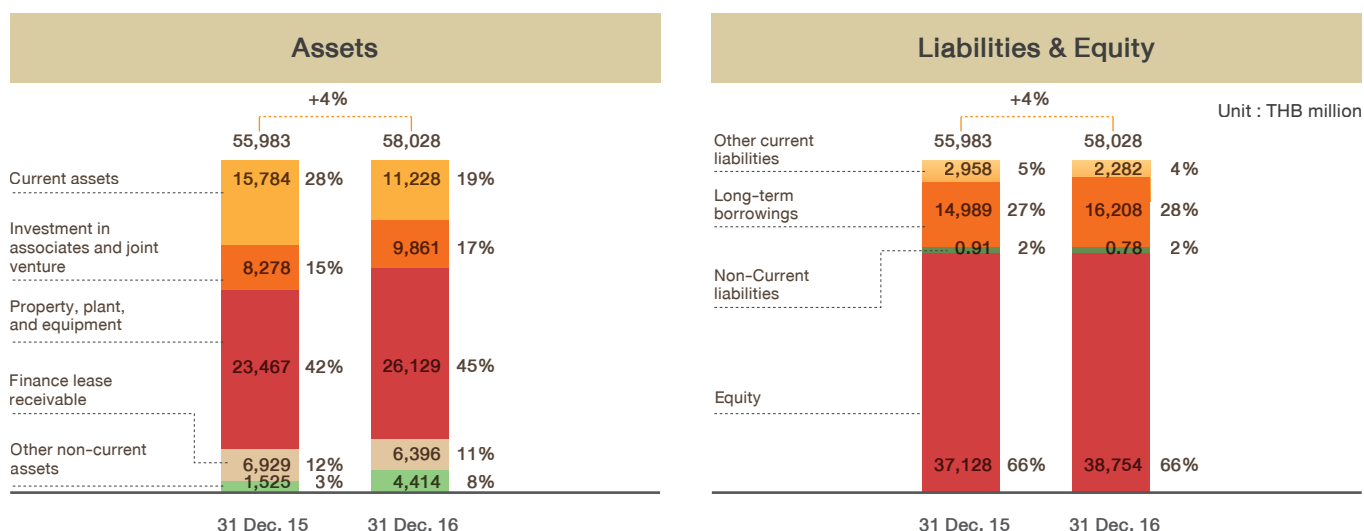
6. Net foreign exchange gain (loss)

This year GPSC posted foreign exchange gain of THB 4 million (against a THB 46 million loss last year), since last year IRPC-CP hedged in US dollar and Swedish Krona for construction payment.

7. Income tax expenses

This year, income tax expenses rose by THB 50 million or 56% from last year, mainly caused by the respective expiries of BOI tax privileges.

STATEMENT OF FINANCIAL POSITION



Assets

At the year-end, GPSC and its subsidiaries posted THB 58,028 million in total assets increased THB 2,045 million or 4% up from year 2015, mainly due to a rise in fixed assets at newly constructed power plants this year, detailed below.

- **Current assets** decreased by THB 4,555 million or 29%, mainly due to
 - Cash and cash equivalents by THB 3,608 million or 32%, mainly due to payment for recapitalization of associates, joint ventures, and other long-term investment of THB 1,583 million together with THB 2,463 billion in shareholders' loan to XPCL
 - Account receivable decreased by THB 669 million or 23% mainly due to a drop in EGAT receivable balance in line with lower dispatch volume to EGAT.
- **Investments in associates and joint ventures** increased by Baht 1,347 million or 24% detailed in the table below.

Investments (Unit : THB million)	Invested in 2016	Share of profit (loss)	Decrease from dividend received	Translation adjustment of currency	Increase / (Decrease)
Investment in associates					
- Bangpa-in Cogeneration Company Limited (BIC)	-	49	(41)	-	8
- Xayaburi Power Company Limited (XPCL)	1,083	(44)	-	-	1,039
Total investments in associates	1,083	5	(41)	-	1,047
Investments in joint ventures					
- Thai Solar Renewable Company Limited (TSR)	-	283	(291)	-	(8)
- Nava Nakorn Electricity Generating Company Limited (NNEG)	157	44	-	-	201
- Nam Lik 1 Power Company Limited (NL1PC)	81	14	-	12	107
Total investments in joint ventures	238	341	(291)	12	300
Total	1,321	346	(332)	12	1,347



- **Other long-term investments** climbed by THB 236 million or 9% as a result of 24M's recapitalization during the second quarter this year
- **Property, plant, and equipment – net** rose by THB 2,661 million or 11%, mainly due to a rise in the asset under construction of IRPC-CP Phase 2 and ISP1
- **Finance lease receivable – net** dropped by THB 533 million or 8% due to a reduction in receivable under EGAT's finance lease from the revenue recognition of TFRIC4
- **Other non-current assets** increased by THB 2,889 million or 189%, mainly due to a THB 2,463 million increase in shareholders' loan to XPCL in condition of the sponsor support under credit facility agreement.

Liabilities

At the year-end, GPSC and its subsidiaries posted THB 19,274 million in total liabilities, increased by THB 419 million or 2% from the same time last year mainly due to

- **Long-term loan from financial institutions** increased by THB 1,219 million or 8% due to the additional drawdowns to be used in constructing the power plants, IRPC-CP and ISP1, following the long-term construction plans.
- **Account payable** fell by THB 820 million or 42% with the drop in payable balance from natural

gas consumption resulted from the usage volume in December 2016 was lower than in December 2015, together with the lower of natural gas price comparing to December 2015

- **Construction payable** rose by THB 231 million or 301% from the construction at IRPC-CP Phase 2 and ISP1
- **Other non-current liabilities** fell by THB 108 million or 30% mainly due to payment according to construction liabilities of CHPP in the third quarter.

Equity

As at the year-end, the equity of GPSC and its subsidiaries amounted to THB 38,754 million, increased by THB 1,626 million or 4% up from the same time last year, as a result of a rise in unappropriated retained earnings of THB 2,572 billion, The appropriated retained earnings of THB 127 million was deducted by THB 1,573 million dividend payment during the year and a THB 483 million rise in the equity of non-controlling interests which resulted from the higher profits made by GPSC and its subsidiaries this year. Finally, GPSC posted a profit from the discrepancy resulting from financial statement conversion, which totaled THB 18 million, recognized in the statement of comprehensive income as of the year-end.

14.3 Statement of cash flow

For the year 2016, GPSC and its subsidiaries had net decrease of THB 3,608 million in cash and cash equivalents from last year, mainly due to investing activities.

At the beginning of the period, cash and cash equivalents totaled THB 11,421 million resulted in the cash and cash equivalents at the end of the period of THB 7,813 million, detailed by activity in the table below.

	Unit : THB million
Net cash provided by operating activities	4,130
Net cash used in investing activities	(7,355)
Net cash used in financing activities	(383)
Net decrease in cash and cash equivalents	(3,608)
Cash and cash equivalents at the beginning of the period*	11,421
Cash and cash equivalents at the end of the period*	7,813

* Include restricted cash and short-term investments

- **Cash flow from operating activities**

This year GPSC and its subsidiaries accrued THB 4,130 million in cash flow from operating activities, of which THB 4,222 million was obtained from operating during the period and THB 92 million was in the form of income tax payment.

- **Cash flow from investing activities**

This year GPSC and its subsidiaries spent THB 7,355 million net on investing activities due to their payment of THB 3,778 billion in construction payable during the period, THB 1,321 million in investments in additional capital paid-up in the associates and the joint ventures, THB 236 million in the payment of the additional capital paid-up in 24M, and THB 2,463 million in sponsor

support to XPCL. At the same time, GPSC received THB 420 million in dividends from RPCL and THB 280 million from other affiliates.

- **Cash flow from financing activities**

This year GPSC and its subsidiaries spent THB 383 million net on financing activities. This sum came from repaying long-term loans to financial institutions amounting to THB 1,601 million and interest payment for such loans amounting to Baht 339 million together with Baht 1,573 million of dividend payment during the year. At the same time, there was cash received from IRPC-CP and ISP1 drawdown of long-term loans amounting to THB 2,905 million.



Key financial ratios

Financial ratios and earning per share	Unit	2015	2016
Profitability ratios			
Gross profit margin	%	14.97	22.01
Net profit margin	%	8.21	13.40
Leverage ratios			
Interest coverage	times	4.29	6.09
Net debt to EBITDA	times	1.29	2.20
Earnings per share			
Earnings per share	THB/share	1.40	1.80

Financial ratios	Unit	December 31, 2015	December 31, 2016
Liquidity ratios			
Current ratio	times	3.58	2.78
Quick ratio	times	3.13	2.39
Book value per share (BVPS)	THB/share	24.03	24.79
Leverage ratio			
Debt to equity	times	0.51	0.50

Ratio	Formula
Gross profit margin	$\frac{\text{Gross profit}}{\text{Revenue from sales of goods and rendering of services} + \text{Revenue from finance lease}}$
Net profit margin	$\frac{\text{Net profit}}{\text{Total Revenue}}$
Interest coverage ratio	$\frac{\text{Earnings before interest and tax expenses}}{\text{Interest expense}}$
Net debt to equity ratio	$\frac{\text{Interest bearing debts} - (\text{Cash and cash equivalents} + \text{Restricted cash} + \text{Current investments})}{\text{Total shareholder's equity}}$
Debt to equity ratio	$\frac{\text{Total liabilities}}{\text{Total shareholder's equity}}$
Current ratio	$\frac{\text{Total current assets}}{\text{Total current liabilities}}$
Quick ratio	$\frac{\text{Cash and cash equivalents} + \text{Restricted cash} + \text{Current investments} + \text{Trade account receivables}}{\text{Total current liabilities}}$
Debt service coverage ratio (DCSR)	$\frac{\text{EBITDA for DSCR for the last 12 months}}{\text{Principal and interest to be paid in the next 12 months}}$
Earnings per share (EPS)	$\frac{\text{Net profit for the company}}{\text{Weighted average number of shares of the company}}$

Ratio	Formula
Net return on equity (ROE)	$\frac{\text{Net profit for the company}}{\text{Average shareholder's equity}}$
Net return on assets (ROA)	$\frac{\text{Net profit for the last 12 months}}{\text{Average assets}}$
Book value per share (BVPS)	$\frac{\text{Shareholder's equity of the company}}{\text{Weighted average number of common shares of the company}}$

5. Accounting standard adoption affecting recognition of revenue

Although this year there was no formal change concerning new accounting standard adoption, interpretation of TFRIC4 on assessing whether a given agreement includes a lease agreement has been in use since 2015, detailed below.

In assessing whether a given agreement includes a lease agreement, one must review the contents of the agreement, specifically whether compliance with it relies on the use of specific assets and whether it grants the right to use such assets. If the assessment indeed shows the agreement consists of a lease agreement, it is classified as a financial lease or an operating lease under Accounting Standard No. 17 (Leases, leases with risk transfer and all or virtually all benefits due to the owner transferred to the lessee), which is regarded as a financial lease. Otherwise, the agreement is an operating lease.

Classification of lease agreements is materially significant to disclosure of transactions. For a financial lease agreement, the lessor does not recognize asset items under the agreement, but rather recognizes debtors under such agreement in the statement of financial position. For an operating lease agreement, the lessor does recognize assets under such agreement in the statement of financial position as well as recognizing lease income with the straight-line method for the entire lease period.

Therefore, the following power plants have been interpreted as having a lease agreement as a component:

Power plant / project	Lease agreement type
Sriracha	Financial
Xayaburi Hydropower	Operating

Interpretation of financial report standard by TRFIC 12 on concession agreements

The terms of this financial report standard apply when a given power purchase agreement represents a public-service concession between the public sector and the private sector, in which the concession granter is entitled to control, including oversight of power tariffs, they also apply when there is power plant transfer to the concessionaire.

Such concessions are broken down into:

- 1. Financial assets:** A guarantee of power distribution income is provided by the concession granter, with income recognition in the form of true interest-receivables income. Such income is calculated from the value of financial receivables as if the plant construction expenses were loans granted to the concessionaire, similar to a lease agreement under TFRIC 4. The difference is that power purchase agreements under TFRIC 12 are treated as if the power plant belonged to the concession granter from day one of construction. Therefore, the interest receivables are recognized from the beginning of plant construction.
- 2. Intangible assets:** This means no guarantee of income. Account entries then resemble operating agreements, in which the power tariff income depends on the volume sold during a given period, which does not affect recognition of income from power distribution, but recognition will be in the form of agreed sales under the agreement pertaining to a given period of actual distribution. To this end, the asset value is treated as an intangible asset.

The power plant meeting the TFRIC 12 terms is NL1PC, which is treated as financial assets.



BOARD OF DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

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

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



(Mr. Surong Bulakul)
Chairman



(Mr. Toemchai Bunnag)
Chief Executive Officer



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Global Power Synergy Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Global Power Synergy Public Company Limited and its subsidiaries (the "Group") and of Global Power Synergy Public Company (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2016, the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2016 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 under the Royal Patronage of His Majesty the King that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

INDEPENDENT AUDITOR'S REPORT

Recoverability of investment in 24M Technologies, Inc.

Refer to Note 8 to the consolidated and separate financial statements

The key audit matters	How the matter was addressed in the audit
<p>At 31 December 2016, the Group has investment of Baht 715.6 million representing 19% share in the capital of 24M Technology, Inc. in the form of an unquoted equity instrument which is carried at cost.</p> <p>The recoverability of the investment in 24M Technologies, Inc. is an area of focus and key audit matter because the Company is still in the development stage and therefore not yet profitable. The Group need to estimate the recoverable amount which is based on the fair value of the investment using the cash flow projection and discounted at the appropriated discounted rate and relevant risks. The assumption used in the estimate the recoverable amount requires the significant judgement.</p>	<p>My audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> evaluating the Group's process for identifying indicators of impairment; evaluating the appropriateness of the recoverable amount and the key assumptions, including sales volume and prices, operating costs and long-term growth rates, which included comparing these inputs with externally derived data as well as my knowledge of the client and the industry; consulting KPMG valuation specialists to assist in evaluating the appropriateness of the discount rates applied comparing with market average; and evaluating the adequacy of financial statement disclosures in Note 8.

Impairment on assets not used in operation

Refer to Note 18 to the consolidated and separate financial statements

The key audit matters	How the matter was addressed in the audit
<p>The Group holds power generating machines and certain group of assets which are not used in operation due to the fact that the projects has been suspended for certain periods and no progress.</p> <p>The assets not used in operations totalling net balances of Baht 61.0 million in the consolidated financial statements. There is a risk of recoverability of the assets which requires significant judgement of key assumptions and estimates of future sales prices.</p> <p>I focused on the estimate of recoverable amount that is based on the higher of the value in use or the fair value less cost to sell.</p>	<p>My audit procedures in this area included, among others:</p> <ul style="list-style-type: none"> evaluating the appropriateness of estimated fair value of the underlying asset which evaluated by independent appraiser engaged by the Group; challenging the fair value of underlying asset estimated by the independent appraiser using market approach for selling consideration purpose; assessing the competency of the independent appraiser engaged by the Group; evaluating the assumptions and input used in the evaluation; and consulting KPMG's external expert evaluating the appraisal report; and evaluating the adequacy of financial statement disclosures in Note 18.



INDEPENDENT AUDITOR'S REPORT

Emphasis of matter

Without qualifying my audit opinion, I draw attention to notes 4 to the consolidated and separate financial statements which describes the finalisation of the valuation of net assets of a foreign entity which the Company acquired on 26 March 2015. The independent appraisal report was completed in March 2016. As a result, the consolidated and separate financial statements as at and for the year ended 31 December 2015 have been restated accordingly.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon.

My opinion on the consolidated and separate financial statements does not cover the other information and I 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report the fact. I have nothing to report in this regard.

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

INDEPENDENT AUDITOR'S REPORT

resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

Waiyawat K.

(Waiyawat Kosamarnchaiyakij)

Certified Public Accountant

Registration No. 6333

KPMG Phoomchai Audit Ltd.

Bangkok

9 February 2017



STATEMENT OF FINANCIAL POSITION

Global Power Synergy Public Company Limited and its Subsidiaries

(in Baht)

		Consolidated financial statements		Separate financial statements	
Assets	Note	31 December 2016	31 December 2015 (Restated)	31 December 2016	31 December 2015 (Restated)
Current assets					
Cash and cash equivalents	6	5,421,670,109	2,864,880,036	4,754,685,349	2,755,743,896
Restricted accounts	7	359,235,832	235,488,378	-	-
Current investments	8	2,032,103,449	8,320,680,351	2,032,103,449	8,320,680,351
Trade accounts receivable	5, 9	2,179,932,758	2,848,517,035	1,758,092,840	2,613,595,411
Current portion of finance lease receivable	10	436,700,770	532,558,480	436,700,770	532,558,480
Other receivables	5, 11	628,124,671	912,098,165	525,026,002	637,169,668
Short-term loans to related party	5	-	-	-	183,429,056
Current portion of long-term loan to related party	5	-	-	73,000,000	40,000,000
Inventories	12	457,758,228	406,296,559	452,173,981	406,296,559
Other current assets		149,497,052	195,732,045	76,816,249	187,577,033
Total current assets		11,665,022,869	16,316,251,049	10,108,598,640	15,677,050,454
Non-current assets					
Investments in subsidiaries	13	-	-	7,626,921,229	5,360,948,529
Investments in associates	15	4,461,336,767	3,413,934,102	673,437,500	673,437,500
Investments in joint ventures	15	2,476,611,172	2,177,009,534	2,496,552,690	2,258,273,690
Other long-term investments	8	2,923,124,630	2,686,877,411	2,923,124,630	2,686,877,411
Long-term loan to related parties	5	2,463,160,000	-	2,666,660,000	150,000,000
Finance lease receivable	10	5,959,376,819	6,396,077,589	5,959,376,819	6,396,077,589
Property, plant and equipment	16	26,128,519,497	23,467,200,363	14,539,102,730	15,424,475,737
Goodwill	4	15,805,968	15,377,548	-	-
Intangible assets	17	526,905,888	497,016,436	77,529,601	64,240,593
Assets not used in operation	18	60,983,204	143,224,059	-	-
Deferred tax assets	19	6,063,197	2,542,340	-	-
Advance payment for right of use of natural gas distribution pipeline	5	563,020,000	563,020,000	-	-
Advance payment for right of use of asset		380,000,000	-	-	-
Other non-current assets	5	398,353,903	304,360,355	247,262,710	226,142,586
Total non-current assets		46,363,261,045	39,666,639,737	37,209,967,909	33,240,473,635
Total assets		58,028,283,914	55,982,890,786	47,318,566,549	48,917,524,089

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

STATEMENT OF FINANCIAL POSITION

Global Power Synergy Public Company Limited and its Subsidiaries

(in Baht)

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December 2016	31 December 2015 (Restated)	31 December 2016	31 December 2015 (Restated)
Current liabilities					
Trade accounts payable	5, 21	1,140,238,110	1,959,807,391	1,003,719,256	1,818,907,992
Other payables	5, 22	748,156,348	785,998,052	616,293,410	734,381,576
Payable for assets under construction	5	307,798,910	76,815,720	64,719,693	39,644,672
Current portion of long-term borrowings from financial institutions	20	1,913,278,023	1,594,819,453	1,594,836,477	1,594,819,453
Other current liabilities		85,784,356	135,242,900	77,988,309	118,652,551
Total current liabilities		4,195,255,747	4,552,683,516	3,357,557,145	4,306,406,244
Non-current liabilities					
Long-term borrowings from financial institutions	20	14,294,808,542	13,393,834,948	5,599,441,786	7,194,278,262
Deferred tax liabilities	19	463,717,174	489,867,012	360,479,716	389,427,802
Employee benefit obligations	23	66,682,106	57,125,799	49,819,108	42,943,314
Other non-current liabilities		253,706,970	361,577,672	-	-
Total non-current liabilities		15,078,914,792	14,302,405,431	6,009,740,610	7,626,649,378
Total liabilities		19,274,170,539	18,855,088,947	9,367,297,755	11,933,055,622
Equity					
Share capital	24				
Authorised share capital		14,983,008,000	14,983,008,000	14,983,008,000	14,983,008,000
Issued and paid-up share capital		14,983,008,000	14,983,008,000	14,983,008,000	14,983,008,000
Premium on ordinary shares	24	9,485,108,656	9,485,108,656	9,485,108,656	9,485,108,656
Surplus on share-based payment transactions	24	78,467,400	78,467,400	78,467,400	78,467,400
Discount on common control transactions	25	(1,196,681,314)	(1,196,681,314)	-	-
Retained earnings					
Appropriated					
Legal reserve	25	566,207,473	439,206,665	566,207,473	439,206,665
Unappropriated		13,185,888,249	12,186,991,192	12,838,477,265	11,998,677,746
Currency translation differences		47,909,989	30,148,782	-	-
Equity attributable to owner of the Company		37,149,908,453	36,006,249,381	37,951,268,794	36,984,468,467
Non-controlling interests	14	1,604,204,922	1,121,552,458	-	-
Total equity		38,754,113,375	37,127,801,839	37,951,268,794	36,984,468,467
Total liabilities and equity		58,028,283,914	55,982,890,786	47,318,566,549	48,917,524,089

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



STATEMENT OF INCOME

Global Power Synergy Public Company Limited and its Subsidiaries

(in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2016	2015	2016	2015
Revenue from sale of goods and rendering of services	5, 32	20,036,605,415	21,758,181,654	17,786,407,520	21,303,265,717
Revenue from finance lease		638,336,064	685,504,013	638,336,064	685,504,013
Cost of sale of goods and rendering of services	5	(17,365,031,144)	(20,177,066,407)	(15,630,998,017)	(19,831,088,749)
Gross profit		3,309,910,335	2,266,619,260	2,793,745,567	2,157,680,981
Revenue from sale of Nitrogen	5	96,175,480	99,583,165	96,175,480	99,583,165
Cost of sale of Nitrogen		(89,966,103)	(93,105,610)	(89,966,103)	(93,105,610)
Net foreign exchange gain (loss)		3,594,377	(45,708,085)	2,233,499	(223,655)
Dividend income	5	420,006,791	288,008,794	752,248,479	606,746,314
Other income	5	243,908,240	189,606,138	260,129,708	221,070,429
Selling expenses	5	(8,449,025)	(7,839,092)	(8,449,025)	(7,839,092)
Administrative expenses	5, 27	(891,653,580)	(662,528,495)	(791,062,624)	(599,504,704)
Share of profit of associates and joint ventures	15	346,206,648	338,572,944	-	-
Profit before finance cost and income tax expense		3,429,733,163	2,373,209,019	3,015,054,981	2,384,407,828
Finance costs	30	(417,524,768)	(394,027,053)	(331,373,917)	(384,577,982)
Profit before income tax expense		3,012,208,395	1,979,181,966	2,683,681,064	1,999,829,846
Income tax expense	31	(140,234,111)	(90,027,863)	(143,664,897)	(92,570,094)
Profit for the year		2,871,974,284	1,889,154,103	2,540,016,167	1,907,259,752
Profit for the year attributable to:					
Owners of the Company		2,699,902,814	1,905,982,167	2,540,016,167	1,907,259,752
Non-controlling interests	14	172,071,470	(16,828,064)	-	-
Profit for the year		2,871,974,284	1,889,154,103	2,540,016,167	1,907,259,752
Basic earnings per share	33	1.80	1.40	1.70	1.40

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

STATEMENT OF COMPREHENSIVE INCOME

Global Power Synergy Public Company Limited and its Subsidiaries

(in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2016	2015	2016	2015
Profit for the year		2,871,974,284	1,889,154,103	2,540,016,167	1,907,259,752
Other comprehensive income (loss)					
<i>Items that will never be reclassified to profit or loss</i>					
Share of profit of associates and joint ventures	15	26,923	-	-	-
Defined benefit plan actuarial losses	19, 23	(816,031)	(11,509,214)	-	(11,509,214)
		(789,108)	(11,509,214)	-	(11,509,214)
<i>Item that are or may be reclassified to profit or loss</i>					
Currency translation differences		17,836,976	30,269,040	-	-
		17,836,976	30,269,040	-	-
Other comprehensive income (loss) for the year, net of income tax		17,047,868	18,759,826	-	(11,509,214)
Total comprehensive income (loss) for the year		2,889,022,152	1,907,913,929	2,540,016,167	1,895,750,538
Total comprehensive income (loss) attributable to:					
Owners of the Company		2,716,874,912	1,924,621,735	2,540,016,167	1,895,750,538
Non-controlling interests	14	172,147,240	(16,707,806)	-	-
Total comprehensive income (loss) for the year		2,889,022,152	1,907,913,929	2,540,016,167	1,895,750,538

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



STATEMENT OF CHANGES IN EQUITY

Global Power Synergy Public Company Limited and its Subsidiaries

Consolidated financial statements											(in Baht)
	Note	Retained earnings					Other components of equity				
		Issued and paid-up share capital	Premium on ordinary shares	Surplus on share-based payment transactions	Discount on common control transactions	Legal reserve	Unappropriated	Currency translation differences	Equity attributable to owners of the Company	Equity attributable to non-controlling interests	Total equity
For the year ended 31 December 2015											
Balance at 1 January 2015		11,237,256,000	3,392,744,015	-	(1,196,681,314)	343,843,677	11,507,861,075	-	25,285,023,453	733,068,333	26,018,091,786
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owner of the Company											
Issue of ordinary shares	24	3,745,752,000	6,092,364,641	-	-	-	-	-	9,838,116,641	-	9,838,116,641
Share-based payment transactions	24	-	-	78,467,400	-	-	-	-	78,467,400	-	78,467,400
Dividend to owners of the Company	37	-	-	-	-	-	(1,119,979,848)	-	(1,119,979,848)	-	(1,119,979,848)
Total contributions by and distributions to owner of the Company											
		3,745,752,000	6,092,364,641	78,467,400	-	-	(1,119,979,848)	-	8,796,604,193	-	8,796,604,193
Changes in ownership interests in subsidiaries											
Acquisition of subsidiaries' non-controlling interests from investment in the subsidiaries - restated	4	-	-	-	-	-	-	-	-	405,191,931	405,191,931
Total changes in ownership interests in subsidiaries											
		-	-	-	-	-	-	-	-	405,191,931	405,191,931
Total transactions with owners, recorded directly in equity											
		3,745,752,000	6,092,364,641	78,467,400	-	-	(1,119,979,848)	-	8,796,604,193	405,191,931	9,201,796,124
Comprehensive income (loss) for the year											
Profit (loss) for the year		-	-	-	-	-	1,905,982,167	-	1,905,982,167	(16,828,064)	1,889,154,103
Other comprehensive income (loss) - restated		-	-	-	-	-	(11,509,214)	30,148,782	18,639,568	120,258	18,759,826
Total comprehensive income (loss) for the year		-	-	-	-	-	1,894,472,953	30,148,782	1,924,621,735	(16,707,806)	1,907,913,929
Transfer to legal reserve	25	-	-	-	-	-	95,362,988	(95,362,988)	-	-	-
Balance at 31 December 2015 - restated		14,983,008,000	9,485,108,656	78,467,400	(1,196,681,314)	439,206,665	12,186,991,192	30,148,782	36,006,249,381	1,121,552,458	37,127,801,839

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

STATEMENT OF CHANGES IN EQUITY

Global Power Synergy Public Company Limited and its Subsidiaries

Consolidated financial statements											(in Baht)
	Note	Retained earnings					Other components of equity				
		Issued and paid-up share capital	Premium on ordinary shares	Surplus on share-based payment transactions	Discount on common control transactions	Legal reserve	Unappropriated	Currency translation differences	Equity attributable to owners of the Company	Equity attributable to non-controlling interests	Total equity
For the year ended 31 December 2016											
Balance at 1 January 2016											
- as reported		14,983,008,000	9,485,108,656	78,467,400	(1,196,681,314)	439,206,665	12,186,991,192	28,776,500	36,004,877,099	1,121,701,296	37,126,578,395
Effect from fair value recognition through business acquisition	4	-	-	-	-	-	-	1,372,282	1,372,282	(148,838)	1,223,444
Balance at 1 January 2016											
- restated		14,983,008,000	9,485,108,656	78,467,400	(1,196,681,314)	439,206,665	12,186,991,192	30,148,782	36,006,249,381	1,121,552,458	37,127,801,839
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owner of the Company											
Dividend to owners of the Company	37	-	-	-	-	-	(1,573,215,840)	-	(1,573,215,840)	-	(1,573,215,840)
Total contributions by and distributions to owner of the Company											
		-	-	-	-	-	(1,573,215,840)	-	(1,573,215,840)	-	(1,573,215,840)
Changes in ownership interests in subsidiaries											
Acquisition of subsidiaries' non-controlling interests from investment in the subsidiaries		-	-	-	-	-	-	-	-	310,505,224	310,505,224
Total changes in ownership interests in subsidiaries											
		-	-	-	-	-	-	-	-	310,505,224	310,505,224
Total transactions with owners, recorded directly in equity											
		-	-	-	-	-	(1,573,215,840)	-	(1,573,215,840)	310,505,224	(1,262,710,616)
Comprehensive income (loss) for the year											
Profit for the year		-	-	-	-	-	2,699,902,814	-	2,699,902,814	172,071,470	2,871,974,284
Other comprehensive income (loss)		-	-	-	-	-	(789,109)	17,761,207	16,972,098	75,770	17,047,868
Total comprehensive income (loss) for the year		-	-	-	-	-	2,699,113,705	17,761,207	2,716,874,912	172,147,240	2,889,022,152
Transfer to legal reserve	25	-	-	-	-	127,000,808	(127,000,808)	-	-	-	-
Balance at 31 December 2016		14,983,008,000	9,485,108,656	78,467,400	(1,196,681,314)	566,207,473	13,185,888,249	47,909,989	37,149,908,453	1,604,204,922	38,754,113,375

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



STATEMENT OF CHANGES IN EQUITY

Global Power Synergy Public Company Limited and its Subsidiaries

	Note	Separate financial statements					(in Baht)
		Issued and paid-up share capital	Premium on ordinary shares	Surplus on share-based payment transactions	Retained earnings	Total equity	
					Legal reserve	Unappropriated	
For the year ended 31 December 2015							
Balance at 1 January 2015		11,237,256,000	3,392,744,015	-	343,843,677	11,318,270,044	26,292,113,736
<i>Transactions with owners, recorded directly in equity</i>							
<i>Contributions by and distributions to owner of the Company</i>							
Issue of ordinary shares	24	3,745,752,000	6,092,364,641	-	-	-	9,838,116,641
Share-based payment transactions	24	-	-	78,467,400	-	-	78,467,400
Dividend to owners of the Company	37	-	-	-	-	(1,119,979,848)	(1,119,979,848)
Total contributions by and distributions to owner of the Company		3,745,752,000	6,092,364,641	78,467,400	-	(1,119,979,848)	8,796,604,193
Total transactions with owners, recorded directly in equity		3,745,752,000	6,092,364,641	78,467,400	-	(1,119,979,848)	8,796,604,193
Comprehensive income (loss) for the year							
Profit for the year		-	-	-	-	1,907,259,752	1,907,259,752
Other comprehensive income (loss)		-	-	-	-	(11,509,214)	(11,509,214)
Total comprehensive income (loss) for the year		-	-	-	-	1,895,750,538	1,895,750,538
Transfer to legal reserve	25	-	-	-	95,362,988	(95,362,988)	-
Balance at 31 December 2015		14,983,008,000	9,485,108,656	78,467,400	439,206,665	11,998,677,746	36,984,468,467

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

STATEMENT OF CHANGES IN EQUITY

Global Power Synergy Public Company Limited and its Subsidiaries

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

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



STATEMENT OF CASH FLOWS

Global Power Synergy Public Company Limited and its Subsidiaries

(in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2016	2015	2016	2015
Cash flows from operating activities					
Profit for the year		2,871,974,284	1,889,154,103	2,540,016,167	1,907,259,752
Adjustments for					
Depreciation and amortisation	29	1,265,758,361	1,082,277,902	1,071,603,309	1,039,232,660
Interest income		(215,444,009)	(150,543,139)	(225,383,845)	(160,704,295)
Dividend income	5	(420,006,791)	(288,008,794)	(752,248,479)	(606,746,314)
Unrealised (gain) loss on foreign exchange		6,903,178	(6,514,720)	5,001,376	(5,265,485)
Reversal of loss on decline in value of inventories	12	(149,767)	(6,433)	(149,767)	(6,433)
Loss on disposal of property, plant and equipment		15,457,862	153	15,434,068	153
Employee benefit obligation	23	9,625,940	15,265,420	7,673,294	2,284,949
Finance costs	30	417,524,768	394,027,053	331,373,917	384,577,982
Impairment losses	18	100,228,903	-	100,228,903	-
Share-based payment		-	78,467,400	-	78,467,400
Income tax expense	31	140,234,111	90,027,863	143,664,897	92,570,094
Share of profit of associates and joint ventures	15	(346,206,648)	(338,572,944)	-	-
		3,845,900,192	2,765,573,864	3,237,213,840	2,731,670,463
Changes in operating assets and liabilities					
Trade accounts receivable		668,584,277	164,973,061	855,502,571	369,965,257
Finance lease receivable		532,558,480	460,331,437	532,558,480	460,331,437
Other receivables		282,290,323	(366,189,142)	118,512,655	(132,239,664)
Inventories		(51,311,902)	(47,260,880)	(45,727,655)	(47,260,880)
Other current assets		(17,660,251)	34,481,922	51,178,761	30,846,688
Other non-current assets		2,544,332	(55,782,531)	(15,735)	(4,256,673)
Trade accounts payable		(819,555,765)	(315,981,791)	(815,188,736)	(456,881,190)
Other payables		(106,534,602)	(94,521,452)	(112,960,355)	(129,921,205)
Other current liabilities		(162,667,442)	(1,491,767)	(61,623,108)	(10,931,403)
Employee benefit paid	23	(885,664)	-	(797,500)	-
Other non-current liabilities		49,025,206	187,724,894	-	-
Cash from operating activities		4,222,287,184	2,731,857,615	3,758,653,218	2,811,322,830
Income tax paid		(92,196,802)	(100,067,037)	(92,072,095)	(100,050,169)
Net cash from operating activities		4,130,090,382	2,631,790,578	3,666,581,123	2,711,272,661

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

STATEMENT OF CASH FLOWS

Global Power Synergy Public Company Limited and its Subsidiaries

(in Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
Note	2016	2015	2016	2015
Cash flows from investing activities				
Interest received	194,014,027	101,215,690	204,906,451	110,660,878
Dividends received	699,748,475	606,746,314	699,748,475	606,746,314
Purchase of intangible assets	(29,772,930)	(15,818,768)	(23,851,430)	(15,818,768)
Purchase of plant and equipment	(3,563,420,902)	(4,415,757,595)	(243,787,969)	(521,577,493)
Advance payment for right of use of natural gas distribution pipeline	-	(563,020,000)	-	-
Borrowing cost related to acquisition of assets	(214,957,214)	(147,918,891)	-	-
Cash outflow for right of use	(395,607,164)	-	-	-
Increase in restricted accounts	(123,747,454)	(53,202,833)	-	-
Cash outflow for investments in subsidiaries	-	(279,390,152)	(2,265,793,692)	(1,450,393,814)
Cash outflow for investments in associates	(1,082,541,000)	(795,937,500)	-	(83,437,500)
Cash outflow for investments in joint ventures	(238,279,000)	(237,273,690)	(238,279,000)	(237,273,690)
Other long-term investments	(236,247,219)	-	(236,247,219)	-
Cash outflow for short-term loans to related parties	5	-	-	(157,226,745)
Cash received from short-term loan to related party	5	-	-	333,686,325
Cash outflow for long-term loan to related parties	5	(2,463,160,000)	-	(2,578,160,000)
Cash received from long-term loan to related party	5	-	-	28,500,000
				60,000,000
Current investments	6,288,576,562	(8,320,678,667)	6,288,576,562	(8,320,678,667)
Currency translation differences	(24,934,466)	11,556,081	-	-
Net cash from (used in) investing activities	(1,190,328,285)	(14,109,480,011)	1,812,071,758	(10,028,232,320)

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



STATEMENT OF CASH FLOWS

Global Power Synergy Public Company Limited and its Subsidiaries

(in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
		2016	2015	2016	2015
Cash flows from financing activities					
Interest paid	30	(338,699,412)	(355,551,895)	(277,829,150)	(347,785,548)
Dividend paid	37	(1,573,215,840)	(1,119,979,848)	(1,573,215,840)	(1,119,979,848)
Proceeds from issue of ordinary shares	24	-	10,035,063,000	-	10,035,063,000
Transaction costs from issue of shares		-	(196,946,359)	-	(196,946,359)
Borrowing fee paid to financial institutions	30	(83,975,173)	(33,743,151)	(27,616,438)	(32,743,151)
Repayment of short-term borrowing from related party		(1,617,862)	-	-	-
Proceeds from short-term borrowing from related party		-	1,617,862	-	-
Proceeds from long-term borrowings from financial institutions		2,905,081,039	3,790,000,000	-	-
Repayment of long-term borrowings from financial institutions		(1,601,050,000)	(1,601,050,000)	(1,601,050,000)	(1,601,050,000)
Proceeds from subsidiaries' shares from non-controller		310,505,224	402,214,809	-	-
Net cash from (used in) financing activities		(382,972,024)	10,921,624,418	(3,479,711,428)	6,736,558,094
Net increase (decrease) in cash and cash equivalents					
		2,556,790,073	(556,065,015)	1,998,941,453	(580,401,565)
Cash and cash equivalents at 1 January		2,864,880,036	3,420,945,051	2,755,743,896	3,336,145,461
Cash and cash equivalents at 31 December		5,421,670,109	2,864,880,036	4,754,685,349	2,755,743,896
Non-cash transactions					
Payable for assets under construction		273,444,895	76,815,720	64,719,693	39,644,672

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

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Note	Contents	Note	Contents
1	General information	21	Other payables
2	Basis of preparation of the financial statements	22	Employee benefit obligations
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12	Inventories	32	Basic earnings per share
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14	Non-controlling interests	34	Commitments with non-related parties
15	Investments in associates and joint ventures Property, plant and equipment	35	Contingent liabilities
16	Intangible assets	36	Dividend
17	Assets not used in operation	37	Events after the reporting period
18	Deferred tax	38	Thai Financial Reporting Standards (TFRS) not yet adopted
19	Interest-bearing liabilities		
20	Trade accounts payable		



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

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 authorized for issue by the Board of Directors on 9 February 2017.

1 General information

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

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

- Head Office : 555/2, Energy Complex, Building B, 5th Floor, Vibhavadi-Rangsit Road, Chatuchak, Bangkok, Thailand.
- Branch 1 : 24, Pakorn Songkro-Rat Road, Tambon Huai Pong, Amphur Mueang Rayong, Rayong, Thailand
- Branch 2 : 92/9, Rayong 3191 Road, Tambon Map Ta Phut, Amphur Mueang Rayong, Rayong, Thailand
- Branch 3 : 5/11, Pakorn Songkro-Rat Road, Tambon Map Ta Phut, Amphur Mueang Rayong, Rayong, Thailand
- Branch 4 : 42/3 Moo 1, Sukhumvit Road, Tambon Tungsukla, Amphur Sriracha, Chonburi, Thailand
- Branch 5 : 98/12, Highway - Rayong No.3191 Road, Tambon Map Ta Phut, Amphur Mueang Rayong, Rayong, Thailand.

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

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

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

The principal businesses of the Company are the production and distribution of electricity, steam and water for industrial purpose. Details of the Company's subsidiaries and joint ventures as at 31 December 2016 and 2015 were as follows:

Name of the entity	Type of business	Country of incorporation	Ownership interest (%)	
			2016	2015
<i>Direct subsidiaries</i>				
Combined Heat and Power Producing Co., Ltd	Production and distribution of electricity and chilled water	Thailand	100	100
Natee Synergy Co.,Ltd	Holding company	Thailand	100	100
IRPC Clean Power Co., Ltd	Production and distribution of electricity, steam and water for industrial purpose	Thailand	51	51
Ichinoseki Solar Power 1 GK	Production and distribution of electricity	Japan	99	99
GPSC International Holdings Limited	Holding company	Hongkong	100	-
<i>Joint ventures</i>				
Thai Solar Renewable Co., Ltd.	Holding company	Thailand	40	40
Nava Nakorn Electricity Generating Co., Ltd.	Production and distribution of electricity	Thailand	30	30
Nam Lik 1 Power Co., Ltd.	Production and distribution of electricity	Lao PDR	40	40
<i>Indirect Joint venture</i>				
Siam Solar Energy 1 Co., Ltd	Production and distribution of electricity	Thailand	40	40

2 Basis of preparation of the financial statements

(a) Statement of compliance

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

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2016. 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.



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2017 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 39.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except as stated in the accounting policies.

(c) Functional and presentation currency

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

(d) Use of judgements and estimates

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

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

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

Note 4	Acquisition of subsidiary
Note 8	Other investments
Note 10	Finance lease receivable
Note 16	Property, plant and equipment
Note 17	Intangible assets
Note 18	Assets not used in operation
Note 19	Deferred tax
Note 23	Employee benefit obligations
Note 34	Financial instruments
Note 36	Contingent liabilities

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.

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

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

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

Significant valuation issues are reported to the Group Audit Committee.

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

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

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

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

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

Note 18	Assets not used in operation
Note 34	Financial instruments

3 Significant accounting policies

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

(a) *Basis of consolidation*

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

Business combinations

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



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

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

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

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

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

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

Acquisitions from entities under common control

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

Subsidiaries

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

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

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.

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

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

Transactions eliminated on consolidation

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

(b) Foreign currencies

Foreign currency transactions

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

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



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

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

Foreign operations

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

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

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

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

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

(c) *Derivative financial instruments*

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

Foreign currency forward contracts

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

Interest rate swap contracts

Interest rate swap contracts protect the Company from risks in fluctuation of interest rates.

The differences under interest rate swaps are recorded as adjustments to the interest expense relating to the financial obligations in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS

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(d) Cash and cash equivalents

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

(e) Trade and other accounts receivables

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.

(f) Finance lease receivable

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

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

(g) Inventories

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

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

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

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

(h) Investments

Investments in associates, subsidiaries and joint ventures

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



NOTES TO THE FINANCIAL STATEMENTS

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Investments in other equity securities

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

(i) Property, plant and equipment

Recognition and measurement

Owned assets

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

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

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

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

Subsequent costs

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

Depreciation

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

NOTES TO THE FINANCIAL STATEMENTS

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

Buildings and building improvements	5 - 30	years
Power plant, machinery and plant equipment	3 - 30	years
Furniture, fixtures and office equipment	3 - 28	years
Vehicles	5 - 10	years

No depreciation is provided on land or assets under construction.

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

(j) *Service concession arrangements*

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

(k) *Intangible assets*

Goodwill

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. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

Other intangible assets

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

Right fees and computer software

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



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Amortisation

Amortisation is calculated over 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 licenses	2 - 10 years
Right to power purchase agreement and right to operate	20 years

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

(l) Deferred charges

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

(m) Impairment

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

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

Calculation of recoverable amount

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

Reversals of impairment

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

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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.

(n) *Interest-bearing liabilities*

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

(o) *Trade and other accounts payable*

Trade and other accounts payable are stated at cost.

(p) *Employee benefits*

Defined contribution plans

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

Defined benefit plans

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

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

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



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

Other long-term employee benefits

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

Termination benefits

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

Short-term employee benefits

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

Share-based payments

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

(q) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal 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.

(r) Revenue

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

Sale of goods

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

NOTES TO THE FINANCIAL STATEMENTS

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Service concession arrangements

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

Dividend income

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

Revenue from finance lease contracts

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

Interest and other income

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

(s) Finance costs

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

(t) Lease payments

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

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

(u) Income tax

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

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



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

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

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

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

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

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

(v) Earnings per share

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

(w) Segment reporting

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

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

4 Acquisitions of subsidiary

On 26 March 2015, the Group obtained control of Ichinoseki Solar Power 1 GK, an electricity generating company incorporated in Japan, by acquired 99% of equity and voting interests in the company. The Company made the payment of US Dollars 8.5 million (equivalent to Baht 278.6 million) on 26 March 2015.

TFRS required Management to make preliminary assessment of the fair values of the assets, liabilities and contingent liabilities specified at the acquisition date. The Group hired an independent appraiser to determine the fair value of assets and liabilities acquired during the measurement period, which must not exceed one year from the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. Finalisation of the valuation of net assets of Ichinoseki Solar Power 1 GK which the Company acquired on 26 March 2015 was completed in March 2016.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date:

(in thousand Baht)

	Fair value as reported	Fair value-restated	Adjustments
Construction in progress	23,642	23,642	-
Intangible assets	278,820	397,692	118,872
Other receivables	21,634	21,634	-
Other current assets	630	630	-
Cash and cash equivalents	42	42	-
Other payables	(99)	(99)	-
Deferred tax liabilities	(56,897)	(91,192)	(34,295)
Other non-current liabilities	-	(84,870)	(84,870)
Net identifiable assets and liabilities	267,772	267,479	(293)
Less: non-controlling interests	(2,976)	(2,814)	162
Net assets acquired	264,796	264,665	(131)
Goodwill	29,939	13,962	(15,977)
Total consideration transferred	294,735	278,627	(16,108)
Acquisition value - account payable	(4,759)	(4,759)	-
Cash acquired	(42)	(42)	-
Contingent consideration	(16,108)	-	16,108
Net cash outflow	(273,826)	(273,826)	-



NOTES TO THE FINANCIAL STATEMENTS

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The consolidated and separate financial statements as at 31 December 2015 included in these financial statements has been related to reflect new information obtained about facts and circumstances that existed as of the acquisition date as follows;

The impact to the statement of financial position as at 31 December 2015

(in thousand Baht)

	Consolidated financial statement	Separate financial statement
Assets		
Decrease in investment in subsidiaries	-	(16,108)
Decrease in goodwill	(14,562)	-
Increase in intangible assets	130,927	-
Increase (decrease) in total assets	116,365	(16,108)
Liabilities		
Decrease in other current liabilities	(16,108)	(16,108)
Increase in deferred tax liabilities	37,772	-
Increase in other non-current liabilities	93,478	-
Increase (decrease) in total liabilities	115,142	(16,108)
Equity		
Increase in currency translation differences	1,372	-
Decrease in non-controlling interests	(149)	-
Increase in total equity	1,223	-
Increase (decrease) in total liabilities and equity	116,365	(16,108)

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Global Power Synergy Public Company Limited and its Subsidiaries

The impact to the statement of comprehensive income for the year ended 31 December 2015

(in thousand Baht)

	Consolidated financial statement
Other comprehensive income (loss)	
Item that is or may be reclassified to profit or loss	
Increase in currency translation differences	1,223
Other comprehensive income (loss) for the period, net of income tax	1,223
Total comprehensive income (loss) for the period	1,223
Total comprehensive income (loss) attributable to:	
Increase in owners of the Company	1,372
Increase in non-controlling interests	(149)
Total comprehensive income (loss) for the period	1,223

The valuation techniques used for measuring the fair value of material assets acquired are as follows.

- Construction in progress is estimated at its carrying value at the acquisition date since it is under construction phase.
- Fair value of intangible assets which consisted of right to operate in Japan is estimated by an independent appraiser using the income approach.



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5 Related parties

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

Relationships with related parties were as follows:

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

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Name of entities	Country of incorporation/ Nationality	Nature of relationships
PTT Polymer Logistic Co., Ltd.	Thailand	Major shareholding by the ultimate parent company and the Company's shareholder
PTT Energy Solutions Co., Ltd.	Thailand	Major shareholding by the ultimate parent company and the Company's shareholder
Business Services Alliance Co., Ltd.	Thailand	Shareholding by the ultimate parent company and the Company's shareholder, 25% preferred shareholding
PTT ICT Solutions Co., Ltd.	Thailand	Major shareholding by the ultimate parent company and shareholding by the Company's shareholder
Thai Fatty Alcohols Co., Ltd.	Thailand	Indirect major shareholding by the Company's shareholder
Global Green Chemicals Plc. (Formerly Thai Oleochemicals Co., Ltd.)	Thailand	Major shareholding by the Company's shareholder and common director
PTT Phenol Co., Ltd.	Thailand	Major shareholding by the Company's shareholder and common director
Dhipaya Insurance Plc.	Thailand	Shareholding by the ultimate parent company
Vinythai Plc.	Thailand	Shareholding by the Company's shareholder and common director
NPC Safety and Environmental Service Co., Ltd.	Thailand	Major shareholding by the Company's shareholder
TOC Glycol Co., Ltd.	Thailand	Major shareholding by the Company's shareholder and common director
Solution Creation Co., Ltd.	Thailand	Major shareholding by the Company's shareholder and common director
Vencorex (Thailand) Co., Ltd.	Thailand	Indirect major shareholding by the Company's shareholder
Advanced Biochemical (Thailand) Co., Ltd.	Thailand	Indirect shareholding by the Company's shareholder
Thai Ethoxylate Co., Ltd.	Thailand	Indirect joint venture of the Company's shareholder
Eastern Fluid Transport Co., Ltd.	Thailand	Shareholding by the Company's shareholder
Ratchaburi Power Co., Ltd.	Thailand	15% shareholding and common director
Sak Chaisidhi Co., Ltd.	Thailand	Indirect major shareholding by the Company's shareholder and common director
PTT Natural Gas Distribution Co.,Ltd.	Thailand	Major shareholding by the ultimate parent company
PTT Green Energy (Thailand) Co., Ltd.	Thailand	Major shareholding by the ultimate parent company
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the Company.



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

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

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

Significant transactions for the year ended 31 December 2016 and 2015 with related parties were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
The ultimate parent company				
Other income	623	61	623	61
Cost of sale of goods	13,820,611	16,806,877	12,496,195	16,633,053
Selling and administrative expenses	45,046	40,696	44,844	40,551
Cost of assets	-	197,958	-	-
Shareholders				
Revenue from sale of goods	4,003,812	4,184,726	4,003,812	4,184,726
Other income	2,724	-	2,724	-
Cost of sale of goods	37,383	49,815	37,383	49,815
Administrative expenses	23,520	17,957	23,520	17,957
Subsidiaries				
Interest income	-	-	15,583	12,628
Other income	-	-	6,770	21,374

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Joint ventures				
Other income	3,080	3,247	3,080	3,247
Dividend income	-	-	291,667	277,900
Associate				
Dividend income	-	-	40,575	40,838
Indirect associate				
Interest income	66,429	-	66,429	-
Other income	7,393	6,910	7,393	6,910
Selling and administrative expenses	-	40	-	40
Other related parties				
Revenue from sale of goods	8,187,671	5,785,661	6,132,464	5,522,318
Revenue from sale of Nitrogen	96,175	99,583	96,175	99,583
Dividend income	420,007	288,009	420,007	288,009
Other income	7,202	20,088	7,202	20,088
Cost of sale of goods	683,566	660,641	625,124	652,177
Selling and administrative expenses	77,444	65,395	74,888	64,725
Cost of assets and intangible assets	79,031	61,540	33,031	2,538
Key management personnel compensation				
Short-term employee benefits	32,576	19,946	30,867	18,285
Share-based payment transactions	-	12,168	-	12,168



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Balances as at 31 December 2016 and 2015 with related parties were as follows:

Trade accounts receivable - related parties

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Shareholders				
PTT Global Chemical Plc.	353,821	406,093	353,821	406,093
Thaioil Power Co.,Ltd	-	2,528	-	2,528
Thai Oil Plc.	-	1,786	-	1,786
Other related parties				
TOC Glycol Co., Ltd.	84,721	116,389	84,721	116,389
Global Green Chemicals Plc. (Formerly Thai Oleochemicals Co., Ltd.)	32,871	38,150	32,871	38,150
PTT Phenol Co., Ltd.	270,914	185,820	270,914	185,820
Thai Ethoxylate Co., Ltd.	2,625	2,160	2,625	2,160
Thai Fatty Alcohols Co., Ltd.	8,766	8,464	8,766	8,464
HMC Polymers Co., Ltd.	131,923	146,377	131,923	146,377
PTT Asahi Chemical Co., Ltd.	20,699	29,110	20,699	29,110
PTT Polymer Logistics Co., Ltd.	4,131	3,352	4,131	3,352
Other related parties				
IRPC Plc.	390,113	201,039	-	-
Vencorex (Thailand) Co., Ltd.	3,129	107	3,129	107
	1,303,713	1,141,375	913,600	940,336
Less allowance for doubtful accounts	-	-	-	-
Net	1,303,713	1,141,375	913,600	940,336
Bad and doubtful debts expense for the year	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Other receivables - related parties

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Ultimate parent company				
PTT Plc.	592	587	592	587
Shareholders				
PTT Global Chemical Plc.	6	90,583	6	90,583
Thai Oil Plc.	5,990	6,444	5,990	6,444
Thaioil Power Co., Ltd.	2,915	-	2,915	-
Subsidiaries				
Combined Heat and Power Producing Co., Ltd.	-	-	10,134	5,915
Natee Synergy Co., Ltd.	-	-	771	770
IRPC Clean Power Co., Ltd.	-	-	3,021	1,827
Ichinoseki Solar Power 1 GK	-	-	618	15,367
GPSC International Holdings Limited	-	-	169	-
Joint ventures				
Nam Lik 1 Power Co., Ltd.	8,348	8,939	8,348	8,939
Nava Nakorn Electricity Generating Co., Ltd.	271	255	271	255
Thai Solar Renewable Co., Ltd.	52,500	-	52,500	-
Indirect associate				
Xayaburi Power Co., Ltd.	616	576	616	576
Other related parties				
Solution Creation Co., Ltd.	7,050	7,050	7,050	7,050
PTT Tank Terminal Co., Ltd.	1,268	1,680	1,268	1,680



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Other related parties				
PTT Phenol Co., Ltd.	171,901	34,162	171,901	34,162
PTT ICT Solutions Co., Ltd.	104	668	104	668
PTT Asahi Chemical Co., Ltd.	46,558	61,030	46,558	61,030
Dhipaya Insurance Plc.	107,614	118,973	96,004	98,005
Siam Solar Energy 1 Co., Ltd	480	457	480	457
IRPC Plc.	43,988	190,724	-	-
Sak Chaisidhi Co., Ltd.	-	182	-	182
NPC Safety and Environmental Service Co., Ltd.	-	280	-	280
Vencorex (Thailand) Co.,LtdV	15,863	-	15,863	-
	466,064	522,590	425,179	334,777
Less allowance for doubtful accounts	-	-	-	-
Net	466,064	522,590	425,179	334,777
Bad and doubtful debts expense for the year	-	-	-	-

Loans to related parties

(in thousand Baht)

	Separate financial statements	
	2016	2015
Short-term loan		
Subsidiaries		
Ichinoseki Solar Power 1 GK	-	183,429
Total	-	183,429

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Long-term loan				
Subsidiaries				
Combined Heat and Power Producing Co., Ltd.				
- Current portion of long-term loan	-	-	73,000	40,000
- Long-term loan	-	-	203,500	150,000
Indirect associate				
Xayaburi Power Co., Ltd.				
- Long-term loan	2,463,160	-	2,463,160	-
Total	2,463,160	-	2,739,660	190,000

Short-term loans agreement

Ichinoseki Solar Power 1 GK

Credit facility of US Dollars 5.0 million according to the loan agreement dated on 25 May 2015, due at such time as further agreed. Each of investors of the subsidiary committed to lend the JPY or US Dollars currency loan in the proportion of their equity holding. The loan bears interest at 1.1% per annum. The purpose of this loan is for payment of construction and for working capital.

Long-term loan agreement

Combined Heat and Power Producing Co., Ltd.

Credit facility of Baht 350.0 million with loan agreement dated on 24 June 2014, due in 9 years with an interest rate at MRL-1.25% per annum, payable in semi-annual installments commencing in December 2014. The purpose of this loan is for repayment of short-term loan and for working capital.

Xayaburi Power Co., Ltd.

Long-term loan of Baht 2,463.2 million with loan agreement dated on 2 August 2016 under condition in the Sponsor Agreement between Xayaburi Power Co.,Ltd and the Company which is one of those sponsors, due in 15 years with an interest rate at MRL+0.25% per annum, payable semi-annual installments commencing in year 2021 from 5.6% to 14.0% per year of total loan as indicated in the agreement. The repayments of loan must comply with terms and condition under their loan agreement with financial institutions then the repayment can be made to the Company. The purpose of this loan is for construction of the project.



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Movements of loans to related parties during the year ended 31 December 2016 and 2015 were as follows:

Short-term loans to related parties

(in thousand Baht)

	Separate financial statements	
	2016	2015
As at 1 January	183,429	-
Increase	157,227	176,460
Decrease	(373,984)	-
Effect of movements in exchange rates	33,328	6,969
As at 31 December	-	183,429

Long-term loan to related party

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
As at 1 January	-	-	190,000	250,000
Increase	2,463,160	-	2,578,160	-
Decrease	-	-	(28,500)	(60,000)
As at 31 December	2,463,160	-	2,739,660	190,000

Advance payment for right of use of natural gas distribution pipeline to related party

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Ultimate parent company				
PTT Plc.	563,020	563,020	-	-
Total	563,020	563,020	-	-

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Other non-current assets - related parties

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Shareholder				
Thai Oil Plc.	2,938	2,938	2,938	2,938
Indirect associate				
Xayaburi Power Co., Ltd.	66,429	-	66,429	-
Other related party				
Energy Complex Co., Ltd.	4,320	2,071	4,320	2,071
Total	73,687	5,009	73,687	5,009

Trade accounts payable - related parties

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Ultimate parent company				
PTT Plc.	1,051,897	1,857,460	932,113	1,733,495
Shareholders				
Thai Oil Plc.	963	4,360	963	4,360
Thaioil Power Co., Ltd	312	56	312	56
PTT Global Chemical Plc.	837	980	837	980
Other related parties				
PTT Asahi Chemical Co., Ltd.	38,118	48,334	38,118	48,334
IRPC Plc.	10,220	10,283	-	-
Total	1,102,347	1,921,473	972,343	1,787,225



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Other accounts payable - related parties

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Ultimate parent company				
PTT Plc.	14,613	34,034	14,597	34,033
Shareholders				
PTT Global Chemical Plc.	4,838	89,185	4,838	89,185
Thai Oil Plc.	5,574	5,413	5,574	5,413
Subsidiary				
GPSC International Holdings Limited	-	-	179	-
Joint venture				
Nam Lik 1 Power Co., Ltd.	2,216	979	2,216	979
Other related parties				
Thai Ethoxylate Co., Ltd.	3,841	1,989	3,841	1,989
PTT ICT Solutions Co., Ltd.	10,541	11,567	10,088	11,263
Business Services Alliance Co., Ltd.	7,501	6,119	7,157	6,021
NPC Safety and Environmental Service Co., Ltd.	-	2,605	-	2,605
PTT Maintenance and Engineering Co., Ltd.	9,937	9,173	9,937	9,173
IRPC Plc.	17,669	72	15	-
Energy Complex Co., Ltd.	206	294	206	294
Vencorex (Thailand) Co., Ltd.	14,825	-	14,825	-
PTT Energy Solutions Co., Ltd.	-	3,520	-	3,520
PTT Natural Gas Distribution Co., Ltd.	-	88	-	88
PTT Energy Resources Co., Ltd.	41	499	41	499
Dhipaya Insurance Plc.	266	237	221	237
PTT Phenol Co., Ltd.	158,237	-	158,237	-
Total	250,305	165,774	231,972	165,299

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Payables for assets under construction - related parties

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Other related parties				
IRPC Plc.	-	9,695	-	-
Dhipaya Insurance Plc.	-	3,626	-	-
Total	-	13,321	-	-

Other non-current liabilities - related party

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Other related party				
IRPC Plc.	161,322	178,246	-	-
Total	161,322	178,246	-	-

Significant agreements with related parties

As at 31 December 2016, the Group has significant agreements with related parties as follows:

Feedstock and Natural Gas Sales Agreements

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

During 2015, a subsidiary paid for the right of use of natural gas distribution pipeline in the amount of Baht 563.0 million according to amendment in agreement from natural gas for cogeneration plant to natural gas for SPP. The payment term is stipulated in agreement.

The right of use of natural gas distribution pipeline shall be amortised from the date of use.



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Electricity and Utilities Purchase and Sale Agreements

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

Lease Agreements

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

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

Cost Reimbursement Agreement

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

Land Lease Agreements

The Company has land lease agreements with a related company to lease/sublease certain parcels of land ending in September 2022 with total rental fee for the year 2016 of Baht 6.4 million (*for the year 2015 of Baht 5.9 million*), and the rate will be adjusted every 5 years.

Office Building Space Rental and Service Agreements

The Company and its subsidiary entered into two agreements of office building space rental and service with a related company for the period of 1 and 3 years. These agreements are renewable.

Service and Supplies Agreement

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

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Management Service Agreements

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

Technical Management and Project Supporting Services Agreement

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

Insurance Agreements

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

Maintenance Agreements

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

6 Cash and cash equivalents

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash on hand	177	78	-	-
Cash at banks - current and saving accounts	1,119,915	1,519,528	1,044,879	1,433,666
Fixed deposits				
(maturity period is less than 3 months from the investment date)	-	3,000	-	-
Promissory notes				
(maturity period is less than 3 months from the investment date)	4,301,578	1,342,274	3,709,806	1,322,078
Total	5,421,670	2,864,880	4,754,685	2,755,744



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

The currency denomination of cash and cash equivalents as at 31 December 2016 and 2015 were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Thai Baht	5,421,618	2,836,605	4,754,633	2,755,725
Japanese Yen	15	28,256	15	-
United States Dollars	37	19	37	19
Total	5,421,670	2,864,880	4,754,685	2,755,744

7 Restricted accounts

As at 31 December 2016, the Group pledged its cash at banks in Baht 175.2 million and JPY 597.8 million or totaling Baht 359.2 million which will be withdrawn when needed as specified the borrowing agreements. (2015: Baht 235.5 million)

The currency denomination of restricted accounts as at 31 December 2016 and 2015 were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Thai Baht	175,158	235,488	-	-
Japanese Yen	184,078	-	-	-
Total	359,236	235,488	-	-

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

8 Other investments

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<i>Current investments</i>				
Cash at banks - fixed deposits	987,667	3,615,590	987,667	3,615,590
Promissory note	1,044,436	4,705,090	1,044,436	4,705,090
	2,032,103	8,320,680	2,032,103	8,320,680
<i>Other long-term investments</i>				
Other non-marketable equity securities	2,923,125	2,686,877	2,923,125	2,686,877
	2,923,125	2,686,877	2,923,125	2,686,877
Total	4,955,228	11,007,557	4,955,228	11,007,557

The currency denomination of other investments as at 31 December 2016 and 2015 were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Thai Baht	4,239,603	10,528,180	4,239,603	10,528,180
United States Dollars	715,625	479,377	715,625	479,377
Total	4,955,228	11,007,557	4,955,228	11,007,557



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Other investments as at 31 December 2016 and 2015 were as follows:

Type of business	Consolidated financial statements / Separate financial statements					
	Ownership interest		Paid-up capital		Cost	
	2016	2015	2016	2015	2016	2015
	(%)				(in thousand Baht)	
Other non-marketable equity securities						
Ordinary shares						
Ratchaburi Power Co., Ltd.	15	15	7,325,000	7,325,000	2,207,000	2,207,000
					2,207,000	2,207,000
					420,000	288,000
					420,000	288,000
Preferred shares						
Business Services Alliance Co., Ltd.	25	25	2,000	2,000	500	7
24M Technologies, Inc.						9
(Paid-up capital in thousand US dollars)	19	17	32	25	715,625	479,377
					-	-
					716,125	479,877
					7	9
					2,923,125	2,686,877
					420,007	288,009

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

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

Management also evaluates the appropriateness of the recoverable amount and the key assumptions, including sales volumes and prices, operating costs and long-term growth rates, which included comparing these inputs with externally derived data.

As of 31 December 2016, 24M Technologies, Inc.'s operation was in line with the agreed milestone and the investee is in the proceed to obtain new substantial funding from new investors at the higher price, then the Group believed that the recoverability of the investment is exceed than its book value.

9 Trade accounts receivable

(in thousand Baht)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Related parties	5	1,303,713	1,141,375	913,600	940,336
Other parties		876,220	1,707,142	844,493	1,673,259
Total		2,179,933	2,848,517	1,758,093	2,613,595
Less allowance for doubtful accounts		-	-	-	-
Net		2,179,933	2,848,517	1,758,093	2,613,595
Bad and doubtful debt for the year		-	-	-	-



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Aging analyses for trade accounts receivable were as follows:

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
Related parties					
Within credit terms		1,303,713	1,141,000	913,600	939,961
Overdue:					
Less than 3 months		-	341	-	341
Over 12 months		-	34	-	34
	5	1,303,713	1,141,375	913,600	940,336
Less allowance for doubtful accounts		-	-	-	-
		1,303,713	1,141,375	913,600	940,336
Other parties					
Within credit terms		795,601	1,625,615	763,874	1,591,732
Overdue:					
Less than 3 months		80,587	81,527	80,587	81,527
6 - 12 months		32	-	32	-
		876,220	1,707,142	844,493	1,673,259
Less allowance for doubtful accounts		-	-	-	-
		876,220	1,707,142	844,493	1,673,259
Net		2,179,933	2,848,517	1,758,093	2,613,595

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

Trade accounts receivable as at 31 December 2016 and 2015 were dominated entirely in Thai Baht.

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

10 Finance lease receivable

Consolidated financial statements / Separate financial statements								(in thousand Baht)
	The periods to maturity within one year		The periods to maturity after one year but within five years		The periods to maturity after five years		Total	
	2016	2015	2016	2015	2016	2015		
Finance lease receivable	1,028,432	1,170,894	4,546,723	4,426,897	3,757,579	4,905,837	10,503,628	
Less unearned interest income	(591,731)	(638,336)	(1,787,513)	(2,031,663)	(557,412)	(904,993)	(3,574,992)	
	436,701	532,558	2,759,210	2,395,234	3,200,167	4,000,844	6,928,636	
Less allowance for doubtful accounts	-	-	-	-	-	-	-	
Net	436,701	532,558	2,759,210	2,395,234	3,200,167	4,000,844	6,928,636	

Finance lease receivable as at 31 December 2016 and 2015 were dominated entirely in Thai Baht.

As at 31 December 2016 and 2015, the Group and the Company has no overdue balance of finance lease receivable.



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

11 Other receivables

(in thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Related parties	5	466,064	522,590	425,179	334,777
Other parties					
Prepaid expenses		101,768	68,096	56,540	43,078
Other receivable		27,170	201,129	26,576	201,129
Refundable value added tax		14,657	59,281	-	-
Accrued interest income		12,588	57,601	12,305	57,530
Others		5,878	3,401	4,426	656
Total		628,125	912,098	525,026	637,170

The currency denomination of other receivables as at 31 December 2016 and 2015 were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Thai Baht	608,900	905,357	525,026	637,170
Japanese Yen	19,225	6,741	-	-
Total	628,125	912,098	525,026	637,170

12 Inventories

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Raw material	7,988	8,541	7,988	8,541
Finished goods	1,380	1,965	1,380	1,965
Factory supplies	448,390	396,061	442,806	396,061
	457,758	406,567	452,174	406,567
Less allowance for decline in value	-	(270)	-	(270)
Net	457,758	406,297	452,174	406,297

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

13 Investments in subsidiaries

(in thousand Baht)

	Note	Separate financial statements	
		2016	2015 (restated)
At 1 January		5,377,056	3,910,555
Effect from fair value recognition through business acquisition	4	(16,108)	-
At 1 January - restated		5,360,948	3,910,555
Increase in share capital		2,265,973	1,171,766
Acquisition	4	-	278,627
At 31 December		7,626,921	5,360,948

During the period year 31 December 2016 there were the following increase in share capital:

Combined Heat and Power Producing Company Limited

During the year ended 31 December 2016, the Company paid for the additional investment amounting to Baht 45.0 million, totalling paid-up share capital amount of Baht 361.2 million.

Natee Synergy Company Limited

During the year ended 31 December 2016, the Company paid for the additional share capital amounting to Baht 1,673.9 million, totalling paid-up share capital amount of Baht 4,828.8 million.

IRPC Clean Power Company Limited

During the year ended 31 December 2016, the Company paid for the additional share capital amounting to Baht 321.3 million, totalling paid-up share capital amount of Baht 2,965.6 million.

Ichinoseki Solar Power 1 GK

During the year ended 31 December 2016, the Company paid for the additional investment amounting to JPY 717.0 million or equivalent to Baht 225.6 million.

GPSC International Holdings Limited

On 9 December 2016, The Company invests 100% shareholding in a new subsidiary name GPSC International Holdings Limited which incorporated in Hongkong. The new subsidiary has the authorised capital of US Dollars 50,000 by issuing 50,000 ordinary shares at par value of US Dollars 1.0 per share and also call for the paid-in capital of US Dollars 5,000 or equivalent to Baht 0.2 million.



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Investments in subsidiaries as at 31 December 2016 and 2015, and dividend income for the year ended 31 December 2016 and 2015 were as follows:

	Separate financial statements									
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
		(%)				(restated)	(in thousand Baht)		(restated)	
Subsidiaries										
Combined Heat and										
Power Producing Co., Ltd.	100	100	361,220	316,220	255,000	210,000	-	-	255,000	210,000
Natee Synergy Co., Ltd.	100	100	4,828,813	3,154,875	5,064,049	3,390,112	-	-	5,064,049	3,390,112
IRPC Clean Power Co., Ltd.	51	51	2,965,575	2,335,575	1,762,443	1,441,143	-	-	1,762,443	1,441,143
Ichinoseki Solar Power 1 GK										
(Paid-up capital in										
thousand JPY)	99	99	10	10	545,250	319,693	-	-	545,250	319,693
GPSC International										
Holdings Limited										
(Paid-up capital in										
thousand US Dollars)	100	-	50	-	179	-	-	-	179	-
Total					7,626,921	5,360,948	-	-	7,626,921	5,360,948

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

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

14 Non-controlling interests

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

(in thousand Baht)

	31 December 2016			
	IRPC Clean Power Co., Ltd.	Other individually immaterial subsidiaries	Intra-group eliminations	Total
Non-controlling interest percentage	49%			
Current assets	671,749			
Non-current assets	11,130,193			
Current liabilities	(325,780)			
Non-current liabilities	(8,211,674)			
Net assets	3,264,488			
Carrying amount of non-controlling interest	1,599,599	2,370	2,236	1,604,205
Revenue	2,055,207			
Profit	352,192			
Other comprehensive income (loss)	-			
Total comprehensive income (loss)	352,192			
Profit (loss) allocated to non-controlling interest	172,574	(503)	-	172,071
Other comprehensive income (loss) allocated to non-controlling interest	-	2	74	76
Cash flows used in operating activities	561,521			
Cash flows used in investing activities	(3,017,785)			
Cash flows from financing activities	2,396,014			
Net decrease in cash and cash equivalents	(60,250)			



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

(in thousand Baht)

	31 December 2015 (restaed)			
	IRPC Clean Power Co., Ltd.	Other individually immaterial subsidiaries	Intra-group eliminations	Total
Non-controlling interest percentage	49%			
Current assets	728,949			
Non-current assets	8,153,218			
Current liabilities	(209,358)			
Non-current liabilities	(6,390,515)			
Net assets	2,282,294			
Carrying amount of non-controlling interest	1,118,324	1,532	1,696	1,121,552
Revenue	263,343			
Loss	(33,763)			
Other comprehensive income (loss)	-			
Total comprehensive income (loss)	(33,763)			
Loss allocated to non-controlling interest	(16,544)	(163)	-	(16,707)
Other comprehensive income (loss) allocated to non-controlling interest	-	127	156	283
Cash flows used in operating activities	(136,876)			
Cash flows used in investing activities	(4,411,541)			
Cash flows from financing activities	4,601,620			
Net increase in cash and cash equivalents	53,203			

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

15 Investments in associates and joint ventures

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Associates				
At 1 January	3,413,934	2,639,061	673,438	590,000
Share of net profit of associates	5,410	19,773	-	-
Share of other comprehensive income (loss)	27	-	-	-
Dividend income	(40,575)	(40,838)	-	-
Increase in share capital	1,082,541	795,938	-	83,438
At 31 December	4,461,337	3,413,934	673,438	673,438
Joint ventures				
At 1 January	2,177,010	2,015,785	2,258,274	2,137,949
Share of net profit of joint ventures	340,797	318,800	-	-
Dividend income	(291,667)	(277,900)	-	-
Increase in share capital	238,279	120,325	238,279	120,325
Currency translation differences	12,192	-	-	-
At 31 December	2,476,611	2,177,010	2,496,553	2,258,274
Total				
At 1 January	5,590,944	4,654,846	2,931,712	2,727,949
Share of net profit of associates and joint ventures	346,207	338,573	-	-
Share of other comprehensive income	27	-	-	-
Dividend income	(332,242)	(318,738)	-	-
Increase in share capital	1,320,820	916,263	238,279	203,763
Currency translation differences	12,192	-	-	-
At 31 December	6,937,948	5,590,944	3,169,991	2,931,712



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

During the year ended 31 December 2016 there were the following increase in share capital:

Xayaburi Power Company Limited

During the year ended 31 December 2016, Natee Synergy Company Limited paid for the share capital in the remaining proportion of investment 46% of par value of Xayaburi Power Company Limited amounting to Baht 1,082.5 million.

Nam Lik 1 Power Company Limited

During the year ended 31 December 2016, the Company paid for the share capital in the remaining proportion of investment 15% of par value of Nam Lik 1 Power Company Limited amounting to US Dollars 2.3 million or Baht 81.4 million.

Navanakorn Electricity Generating Co., Ltd.

During the year ended 31 December 2016, the Company paid for the share capital in the remaining proportion of investment 95% of par value of Nava Nakorn Electricity Generating Company Limited amounting to Baht 156.9 million.

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Investments in associates and joint ventures as at 31 December 2016 and 2015, and dividend income from those investments for the year ended 31 December 2016 and 2015 were as follows:

Consolidated financial statements										
	Ownership interest		Paid-up capital		Cost		Equity		Dividend income	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
(in thousand Baht)										
Joint ventures										
Thai Solar Renewable Co., Ltd.	40	40	583,333	583,333	1,697,000	1,697,000	1,713,577	1,721,804	291,667	277,900
Navanakorn Electricity Generating Co., Ltd.	30	30	1,525,000	1,002,000	480,900	324,000	466,579	265,380	-	-
Nam Lik 1 Power Co., Ltd.										
(Paid-up capital in thousand US Dollars)	40	40	23,400	17,650	318,653	237,274	296,455	189,826	-	-
					2,496,553	2,258,274	2,476,611	2,177,010	291,667	277,900
Associate										
Bangpa-in Cogeneration Co., Ltd.	25	25	1,707,050	1,707,050	673,438	673,438	498,966	490,469	40,575	40,838
					673,438	673,438	498,966	490,469	40,575	40,838
Indirect associate										
Xayaburi Power Co., Ltd	25	25	16,504,664	12,174,500	4,404,428	3,321,887	3,962,371	2,923,465	-	-
					4,404,428	3,321,887	3,962,371	2,923,465	-	-
Total					7,574,419	6,253,599	6,937,948	5,590,944	332,242	318,738



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

	Separate financial statements									
	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	(in thousand Baht)									
Joint ventures										
Thai Solar Renewable Co., Ltd.	40	40	583,333	583,333	1,697,000	1,697,000	-	-	1,697,000	1,697,000
Navanakorn Electricity Generating Co., Ltd.	30	30	1,525,000	1,002,000	480,900	324,000	-	-	480,900	324,000
Nam Lik 1 Power Co., Ltd.										
(Paid-up capital in thousand US dollars)	40	40	23,400	17,650	318,653	237,274	-	-	318,653	237,274
					2,496,553	2,258,274	-	-	2,496,553	2,258,274
Associate										
Bangpa-in Cogeneration Co., Ltd.	25	25	1,707,050	1,707,050	673,438	673,438	-	-	673,438	673,438
					673,438	673,438	-	-	673,438	673,438
Total					3,169,991	2,931,712	-	-	3,169,991	2,931,712
									332,242	318,738

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

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Associates and joint ventures

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

	(in thousand Baht)					
	Bangpa-in		Xayaburi		Thai Solar	
	Cogeneration Co., Ltd.		Power Co., Ltd		Renewable Co., Ltd.	
	2016	2015	2016	2015	2016	2015
Revenue	2,289,135	2,654,772	-	-	1,478,238	1,569,701
Profit(loss) from continuing operations	200,361	218,785	(174,541)	(139,694)	708,704 ^a	751,684 ^a
Other comprehensive income (loss)	108	-	-	-	-	-
Total comprehensive income (loss)	200,469	218,785	(174,541)	(139,694)	708,704	751,684
Total comprehensive income (loss) attributable to the Group	50,117	54,696	(43,635)	(34,924)	283,482	300,674
Current assets	972,109	769,142	434,667	781,900	555,744 ^b	437,234 ^b
Non-current assets	8,484,351	6,185,061	89,411,742	50,339,944	7,405,333	7,914,231
Current liabilities	(470,077)	(428,891)	(2,670,181)	(1,004,167)	(781,797) ^c	(613,745) ^c
Non-current liabilities	(6,997,250)	(4,570,167)	(71,466,101)	(38,563,174)	(2,983,475) ^d	(3,521,224) ^d
Net assets (100%)	1,989,133	1,955,145	15,710,127	11,554,503	4,195,805	4,216,496
Net assets attributable to the group	497,283	488,786	3,927,532	2,888,626	1,678,298	1,686,525
Adjustment	1,683	1,683	34,839	34,839	35,279	35,279
Carrying amount of interest in associate/joint venture	498,966	490,469	3,962,371	2,923,465	1,713,577	1,721,804



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

(in thousand Baht)

	Thai Solar Renewable Co., Ltd.	
	2016	2015
a Includes:		
- depreciation and amortisation	232,998	233,020
- interest expense	177,711	213,295
- income tax expense	2,495	2,585
b Includes cash and cash equivalents	1,314	1,675
c Includes current financial liabilities (excluding trade and other payables and provisions)	537,750	537,750
d Includes non-current financial liabilities (excluding trade and other payables and provisions)	2,934,791	3,472,541

Immaterial joint ventures

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

(in thousand Baht)

	2016	2015
Carrying amount of interests in immaterial associates and joint ventures	763,034	455,206
Group's share of:		
- Profit from continuing operations	57,357	18,126
- Other comprehensive income (loss)	-	-
- Total comprehensive income (loss)	57,357	18,126

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

16 Property, plant and equipment

	(in thousand Baht)					
	Consolidated financial statements					
	Land and improvement	Buildings and building improvements	Power plant, machinery and factory equipment	Furniture, fixtures and equipment	Vehicles	Construction in progress
Cost						Total
At 1 January 2015	1,117,737	909,763	20,101,956	94,622	3,126	4,030,635
Additions	-	8,218	69,962	4,844	-	4,384,801
Transfers	-	30,038	4,069,854	816	-	(4,100,708)
Disposals	-	-	(213)	(2,606)	-	(2,819)
At 31 December 2015 and 1 January 2016	1,117,737	948,019	24,241,559	97,676	3,126	4,314,728
Additions	50,511	16,733	202,813	20,373	-	3,740,797
Transfers	-	2,515	524,283	17,581	-	(652,925)
Disposals	-	(20,230)	(33,173)	(14,571)	-	(1,947)
At 31 December 2016	1,168,248	947,037	24,935,482	121,059	3,126	7,400,653
						34,575,605



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

	Consolidated financial statements						(in thousand Baht)
	Land and improvement	Buildings and building improvements	Power plant, machinery and factory equipment	Furniture, fixtures and equipment	Vehicles	Construction in progress	Total
Depreciation and impairment losses							
At 1 January 2015	-	215,540	5,938,022	53,696	2,839	-	6,210,097
Depreciation charged for the year	-	35,568	1,002,375	10,329	95	-	1,048,367
Disposals	-	-	(213)	(2,606)	-	-	(2,819)
At 31 December 2015 and 1 January 2016	-	251,108	6,940,184	61,419	2,934	-	7,255,645
Depreciation charged for the year	-	36,895	1,183,355	11,045	95	-	1,231,390
Transfers	-	-	(8,318)	-	-	-	(8,318)
Disposals	-	(4,728)	(20,903)	(6,000)	-	-	(31,631)
At 31 December 2016	-	283,275	8,094,318	66,464	3,029	-	8,447,086
Net book value							
At 1 January 2015	1,117,737	694,223	14,163,934	40,926	287	4,030,635	20,047,742
At 31 December 2015 and 1 January 2016	1,117,737	696,911	17,301,375	36,257	192	4,314,728	23,467,200
At 31 December 2016	1,168,248	663,762	16,841,164	54,595	97	7,400,653	26,128,519

(in thousand Baht)

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2016 amounted to Baht 295.9 million (2015: Baht 188.5 million).

Security

At 31 December 2016 the Group's land, construction, and machinery including future capital investment with a net book value of Baht 23,497.3 million was used as collateral to secure long-term loans (2015: Baht 22,110.3 million) (see note 20).

Capitalised borrowing costs of a subsidiaries relating to the acquisition of the land and the construction of the new factories amounted to Baht 221.6 million (2015: Baht 149.7 million), with capitalisation rate of 6 months FDR plus 2.4% and JPY-LIBOR plus 1.5% per annum (2015: 5% and 6 months FDR plus 2.4% per annum).



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

(in thousand Baht)

	Separate financial statements					
	Land and improvement	Buildings and building improvements	Power plant, machinery and factory equipment	Furniture, fixtures and equipment	Vehicles	Construction in progress
Cost						Total
At 1 January 2015	250,197	714,511	19,878,678	93,366	3,126	1,075,225
Additions	-	8,218	69,567	4,450	-	424,411
Transfers	-	20,085	489,618	816	-	(510,519)
Disposals	-	-	(213)	(2,606)	-	-
At 31 December 2015 and 1 January 2016	250,197	742,814	20,437,650	96,026	3,126	22,518,930
Additions	50,511	15,594	40,892	19,950	-	164,723
Transfers	-	2,515	494,792	17,582	-	(623,435)
Disposals	-	(20,230)	(33,173)	(14,457)	-	(1,947)
At 31 December 2016	300,708	740,693	20,940,161	119,101	3,126	22,632,247

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

(in thousand Baht)

	Separate financial statements					
	Land and improvement	Buildings and building improvements	Power plant, machinery and factory equipment	Furniture, fixtures and equipment	Vehicles	Construction in progress
Depreciation						Total
At 1 January 2015	-	175,525	5,859,636	53,028	2,839	-
Depreciation charged for the year	-	28,719	967,316	10,115	95	-
Disposals	-	-	(213)	(2,606)	-	-
At 31 December 2015 and 1 January 2016	-	204,244	6,826,739	60,537	2,934	-
Depreciation charged for the year	-	29,482	998,222	10,775	94	-
Transfers	-	-	(8,318)	-	-	-
Disposals	-	(4,728)	(20,903)	(5,934)	-	-
At 31 December 2016	-	228,998	7,795,740	65,378	3,028	-
Net book value						
At 1 January 2015	250,197	538,986	14,019,042	40,338	287	1,075,225
At 31 December 2015 and 1 January 2016	250,197	538,570	13,610,911	35,489	192	989,117
At 31 December 2016	300,708	511,695	13,144,421	53,723	98	528,458
						14,539,103



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

The gross amount of the Company's fully depreciated plant and equipment that was still in use as at 31 December 2016 amounted to Baht 295.9 million (2015: Baht 188.5 million).

Security

At 31 December 2016 the Company's land, construction, and machinery with a net book value of Baht 13,625.7 million was used as collateral to secure long-term loans (2015: Baht 14,275.6 million) (see note 20).

17 Intangible assets

(in thousand Baht)

Consolidated financial statements (restated)			
	Note	Right to power purchase agreement and right to operate	Software licenses
			Total
Cost			
At 1 January 2015		-	101,577
Acquired through business			
Acquisition - restated	4	397,693	-
Additions		-	2,415
Effect of movements in exchange rates - restated		33,670	-
At 31 December 2015 and 1 January 2016 - restated		431,363	103,992
Additions		-	30,892
Disposal		-	(1,699)
Effect of movements in exchange rates		12,018	-
At 31 December 2016		443,381	133,185
Amortisation			
At 1 January 2015		-	28,279
Amortisation for the year		-	10,060
At 31 December 2015 and 1 January 2016		-	38,339
Amortisation for the year		-	11,901
Disposal		-	(580)
At 31 December 2016		-	49,660
Net book value			
At 1 January 2015		-	73,298
At 31 December 2015 and 1 January 2016 - restated		431,363	65,653
At 31 December 2016		443,381	83,525

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

(in thousand Baht)

	Separate financial statements
	Software licenses
Cost	
At 1 January 2015	97,272
Additions	2,415
At 31 December 2015 and 1 January 2016	99,687
Additions	24,970
Disposal	(1,699)
At 31 December 2016	122,958
Amortisation	
At 1 January 2015	26,309
Amortisation for the year	9,137
At 31 December 2015 and 1 January 2016	35,446
Amortisation for the year	10,562
Disposal	(580)
At 31 December 2016	45,428
Net book value	
At 1 January 2015	70,963
At 31 December 2015 and 1 January 2016	64,241
At 31 December 2016	77,530



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

18 Assets not used in operation

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cost				
At 1 January	369,247	363,868	-	-
Addition	-	5,379	-	-
Transfers	(18,425)	-	108,547	-
At 31 December	350,822	369,247	108,547	-
Depreciation and impairment losses				
At 1 January	226,023	226,023	-	-
Addition	(36,413)	-	8,318	-
Impairment losses	100,229	-	100,229	-
At 31 December	289,839	226,023	108,547	-
Net book value				
At 1 January	143,224	137,845	-	-
At 31 December	60,983	143,224	-	-

As at 31 December 2016, the Group holds power generating machines and certain group of assets which are not used in operation due to the fact that the projects has been suspended for certain periods and no future business plan. In September 2016, the Group has engaged an independent appraiser to determine the fair value of the power generating machine using market approach. The appraisal value was not significant different from the book value, impairment loss was not required. However, the Company record impairment loss of Baht 100.2 million in 2016 for a group of assets that cannot be used as management plan due to the assets are suspended for certain periods and no future business plan. Impairment loss are recorded as expenses in the statement of income.

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Measurement of fair value

Fair value hierarchy

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

The fair value measurement for assets not used in operation of Baht 61.0 million has been categorised as a Level 3 fair value based on the inputs to the valuation technique used by using market approach.

19 Deferred tax

Deferred tax assets and liabilities as at 31 December 2016 and 2015 were as follows:

(in thousand Baht)

	Consolidated financial statements			
	Assets		Liabilities	
	2016	2015	2016	2015 (restated)
Total	924,799	998,842	(1,382,453)	(1,486,167)
Set off of tax	(918,736)	(996,300)	918,736	996,300
Net deferred tax assets (liabilities)	6,063	2,542	(463,717)	(489,867)

(in thousand Baht)

	Separate financial statements			
	Assets		Liabilities	
	2016	2015	2016	2015 (restated)
Total	918,736	996,300	(1,279,216)	(1,385,728)
Set off of tax	(918,736)	(996,300)	918,736	996,300
Net deferred tax liabilities	-	-	(360,480)	(389,428)



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Movements in total deferred tax assets and liabilities during the year ended 31 December 2016 and 2015 were as follows:

(in thousand Baht)

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

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

(in thousand Baht)

Consolidated financial statements						
	At 1 January 2015	(Charged) / Credited to: Profit or loss	Equity	Acquired through business acquisition	Exchange differences	At 31 December 2015 (Restated)
Deferred tax assets						
Other long-term investment	42,000	-	-	-	-	42,000
Property, plant and equipment	1,024,401	(98,990)	-	-	-	925,411
Employee benefit	5,255	2,999	2,877	-	-	11,131
Investment expenses	-	20,300	-	-	-	20,300
Total	1,071,656	(75,691)	2,877	-	-	998,842
Deferred tax liabilities						
Finance lease receivable	(1,477,902)	92,174	-	-	-	(1,385,728)
Intangible assets	-	-	-	(91,192)	(9,247)	(100,439)
Total	(1,477,902)	92,174	-	(91,192)	(9,247)	(1,486,167)
Net	(406,246)	16,483	2,877	(91,192)	(9,247)	(487,325)



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

(in thousand Baht)

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

(in thousand Baht)

	At 1 January 2015	Separate financial statements (Charged) / Credited to:		At 31 December 2015
		Profit or loss	Equity	
Deferred tax assets				
Other long-term investment	42,000	-	-	42,000
Property, plant and equipment	1,024,401	(98,990)	-	925,411
Employee benefit	5,255	457	2,877	8,589
Investment expense	-	20,300	-	20,300
Total	1,071,656	(78,233)	2,877	996,300
Deferred tax liability				
Finance lease receivable	(1,477,902)	92,174	-	(1,385,728)
Total	(1,477,902)	92,174	-	(1,385,728)
Net	(406,246)	13,941	2,877	(389,428)

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

20 Interest-bearing liabilities

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Current				
Current portion of long-term borrowings from financial institutions				
Secured	1,925,096	1,601,050	1,601,050	1,601,050
Less: deferred financing costs	(11,818)	(6,231)	(6,214)	(6,231)
Total current interest-bearing liabilities	1,913,278	1,594,819	1,594,836	1,594,819
Non-current				
Long-term borrowings from financial institutions				
Secured	14,406,480	13,478,686	5,617,636	7,218,686
Less: deferred financing costs	(111,672)	(84,851)	(18,194)	(24,408)
Total non-current interest-bearing liabilities	14,294,808	13,393,835	5,599,442	7,194,278
Total	16,208,086	14,988,654	7,194,278	8,789,097

The periods to maturity of interest-bearing liabilities as at 31 December 2016 and 2015 were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Within one year	1,913,278	1,594,819	1,594,836	1,594,819
After one year but within five years	8,245,072	7,436,972	5,156,891	5,684,172
After five years	6,049,736	5,956,863	442,551	1,510,106
Total	16,208,086	14,988,654	7,194,278	8,789,097



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Secured long-term interest-bearing liabilities as at 31 December 2016 and 2015 were secured on the following assets:

(in thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Restricted accounts	7	359,236	235,488	-	-
Land	16	864,247	864,247	250,197	250,197
Building and power plant - carrying value	16	22,633,009	21,246,025	13,375,564	14,025,385
Total		23,856,492	22,345,760	13,625,761	14,275,582

Details of principal features of the Group's borrowings as at 31 December 2016 and 2015 were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
The Company				
1) Baht 3,500 million Credit Facility Agreement at interest of 6 months FDR plus a margin, payable in semi-annual instalments commencing in February 2009	700,000	1,050,000	700,000	1,050,000
2) Baht 3,600 million Credit Facility Agreement at interest of 6 months FDR plus a margin, payable in semi-annual instalments commencing in December 2011	1,620,000	1,980,000	1,620,000	1,980,000
3) Baht 3,400 million Credit Facility Agreement at interest of 6 months FDR plus a margin, payable in semi-annual instalments commencing in September 2012	1,870,000	2,210,000	1,870,000	2,210,000
4) Baht 5,510 million Credit Facility Agreement at interest of 6 months FDR plus a margin, payable in semi-annual instalments commencing in June 2012	3,028,687	3,579,736	3,028,687	3,579,736

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Subsidiaries				
1) Baht 10,000 million Credit Facility Agreement at interest rate of 6 months FDR plus margin, payable in semi-annual instalments commencing in December 2017.	8,090,000	6,260,000	-	-
2) JPY 8,503 million Credit Facility Agreement at interest rate of JPY-LIBOR plus margin, payable in semi-annual instalments commencing in May 2018.	1,014,390	-	-	-
3) Baht 169 million Credit Facility Agreement at fixed interest rate, payable in semi-annual instalments commencing in June 2017.	8,499	-	-	-
Total	16,331,576	15,079,736	7,218,687	8,819,736
Less: deferred financing costs	(123,490)	(91,082)	(24,409)	(30,639)
Total interest-bearing liabilities	16,208,086	14,988,654	7,194,278	8,789,097

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

As at 31 December 2016, the Group and the Company had unutilised credit facilities totaling Baht 13,774.3 million and Baht 9,300.0 million, respectively (31 December 2015: Baht 14,105.5 million and Baht 9,300.0 million, respectively).

The currency denomination of interest-bearing liabilities as at 31 December 2016 and 2015 were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Thai Baht	15,234,673	14,988,654	7,194,278	8,789,097
Japanese Yen	973,413	-	-	-
Total	16,208,086	14,988,654	7,194,278	8,789,097



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

21 Trade accounts payable

(in thousand Baht)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Related parties	5	1,102,347	1,921,473	972,343	1,787,225
Other parties		37,891	38,334	31,376	31,683
Total		1,140,238	1,959,807	1,003,719	1,818,908

Trade accounts payable of the Group and the Company as at 31 December 2016 and 2015 were denominated entirely in Thai Baht.

22 Other payables

(in thousand Baht)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Related parties	5	250,305	165,774	231,972	165,299
Others					
Other payables		336,932	327,860	259,122	296,282
Accrued operating expenses		91,090	85,340	71,408	67,155
Advance received		30,209	193,247	30,098	193,247
Accrued interest		23,427	12,032	7,670	10,830
Other payable - employees		16,193	1,745	16,023	1,569
		497,851	620,224	384,321	569,083
Total		748,156	785,998	616,293	734,382

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

The currency denominations of other payables as at 31 December 2016 and 2015 were as follows:

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Thai Baht	727,620	734,104	599,057	682,488
Euro	7,251	2,801	7,251	2,801
United States Dollars	6,782	48,840	6,782	48,840
Japanese Yen	5,446	212	2,146	212
Pound sterling	778	-	778	-
New Zealand Dollars	212	41	212	41
Hong kong Dollars	67	-	67	-
Total	748,156	785,998	616,293	734,382

23 Employee benefit obligations

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Statement of financial position obligations for:				
Post-employment benefits	62,658	53,129	46,377	39,293
Other long-term employee benefits	4,024	3,997	3,442	3,650
Total	66,682	57,126	49,819	42,943
Year ended 31 December				
Statement of comprehensive income:				
Recognised in profit or loss:				
Post-employment benefits	8,714	16,368	7,084	3,734
Other long-term employee benefits	912	1,306	589	959
Actuarial gain recognised in the year	-	(2,409)	-	(2,409)
	9,626	15,265	7,673	2,284
Recognised in other comprehensive income:				
Actuarial losses recognised in the year	816	14,387	-	14,387



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Movement in the present value of the defined benefit obligations.

(in thousand Baht)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Defined benefit obligations at 1 January		57,126	27,474	42,943	26,272
Include in profit or loss:	28				
Current service cost		7,637	16,125	6,180	3,597
Interest on obligation		1,989	1,549	1,494	1,096
Actuarial gain		-	(2,409)	-	(2,409)
Benefit paid		(886)	-	(798)	-
		8,740	15,265	6,876	2,284
Included in other comprehensive income					
Actuarial loss		816	14,387	-	14,387
		816	14,387	-	14,387
Defined benefit obligations at 31 December		66,682	57,126	49,819	42,943

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

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Financial assumptions	814	10,006	-	10,006
Experience adjustment	2	4,381	-	4,381
Total	816	14,387	-	14,387

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Actuarial assumptions

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

(%)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Discount rate	2.9 - 3.5	3.5 - 4.4	3.5	3.5
Future salary growth	4.0 - 10.0	4.0 - 10.0	4.0 - 10.0	4.0 - 10.0

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

At 31 December 2016, the weighted-average duration of the defined benefit obligation was 23 years (2015: 23 years).

Sensitivity analysis

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

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Defined benefit obligation 31 December 2016				
Discount rate (1% movement)	(9,674)	11,861	(7,147)	8,842
Future salary growth (1% movement)	11,388	(9,501)	8,519	(7,044)

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



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

24 Share capital

(thousand shares/thousand Baht)

	Par value per share (in baht)	Consolidated financial statements / Separate financial statements			
		2016		2015	
		Number of shares	Amount	Number of shares	Amount
Authorised					
At 1 January					
- Ordinary shares	10	1,498,301	14,983,008	1,498,301	14,983,008
Issue of new shares	10	-	-	-	-
At 31 December					
- Ordinary shares	10	1,498,301	14,983,008	1,498,301	14,983,008
Issued and paid-up					
At 1 January					
- Ordinary shares	10	1,498,301	14,983,008	1,123,726	11,237,256
Issue of new shares	10	-	-	374,575	3,745,752
At 31 December					
- Ordinary shares	10	1,498,301	14,983,008	1,498,301	14,983,008

Initial Public Offering

In May 2015, the Company offered its ordinary shares to the initial public offering by issuing 365.9 million ordinary shares. The new shares were sold at a price of Baht 27 per share (par value at Baht 10 and premium on ordinary share at Baht 17), totalling Baht 9,878.1 million which includes the premium on ordinary share of Baht 6,219.6 million. The Company registered the increase in paid-up share capital with the Ministry of Commerce on 14 May 2015 and the shares of the Company begin trading in the Stock Exchange of Thailand on 18 May 2015. Directly attributable expenses of the initial public offering amounted to Baht 196.9 million were deductible from the premium on share capital received from investors.

Capital from Share-Based Payment

In May 2015, the Company offered an amount not exceeding 9,310,000 ordinary shares to its directors, managements and employees (par value at Baht 10 per share) at exercise price of Baht 18 per share. This offering is to remunerate those directors, managements and employees for their accomplishment of the Company's certain objective.

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Increase in share capital on 27 November 2014 is considered to be share-based payment under TFRS 2, “Share-based Payment”. Therefore, the Company is required to recognise the value of service received at fair value. In this case, the underlying fair value of ordinary share is reasonably determined base on the selling price of ordinary share at the public offering. The Company recorded the difference between exercise price and fair value of share of Baht 9 per share as cost of sale of goods and rendering of services and administrative expenses in total amount of Baht 78 million and recorded surplus on share-based payment transactions in the same amount in financial statement for the year ended 31 December 2015.

Fair value of the share, offering price, and the exercise price at the grant date and total number of shares are as follows;

Grant date	Fair value (Baht)	Exercise price	Number of shares (Thousand shares)
8 May 2015	27	18	8,719

The ordinary shares offered to directors, managements and employees were locked up for two years. After 12 months from the first trading day in the Stock Exchange of Thailand, one-third of the locked up shares can be sold, another one-third of the locked up shares can be sold after 18 months and the remaining locked up shares can be sold after 24 months.

25 Legal reserve and other components of equity

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

Other components of equity

Currency translation differences

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

Discount on common control transactions

Discount on common control transactions arising within equity represents the difference between the book values of certain entities or businesses under common control under their cost as of the date of their acquisition. The reserve is non-distributable and will be retained until the respective business are sold or otherwise disposed of.



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

26 Segment information

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

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

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

(in thousand Baht)

	Segment 1	Segment 2	Segment 3	Elimination	Total
For the year ended 31 December 2016					
Revenue from sale of goods and rendering of services					
- External	4,522,939	15,318,675	194,991	-	20,036,605
Revenue from finance lease	638,336	-	-	-	638,336
Finance costs	(12,343)	(397,445)	(23,328)	15,591	(417,525)
Depreciation and amortisation	(40,506)	(1,203,252)	(22,000)	-	(1,265,758)
Share of net profit (loss) of associates and joint ventures	(43,634)	106,401	283,440	-	346,207
Profit before income tax expense	479,805	2,283,440	248,956	7	3,012,208
Income tax expense	(86,430)	(53,714)	(90)	-	(140,234)
Profit for the year	393,375	2,229,726	248,866	7	2,871,974

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

(in thousand Baht)

	Segment 1	Segment 2	Segment 3	Elimination	Total
For the year ended 31 December 2015					
Revenue from sale of goods and rendering of services					
- External	8,346,821	13,219,788	191,573	-	21,758,182
Revenue from finance lease	685,504	-	-	-	685,504
Finance costs	(12,745)	(381,282)	(12,630)	12,630	(394,027)
Depreciation and amortisation	(42,384)	(1,017,565)	(22,329)	-	(1,082,278)
Share of profit (loss) of associates and joint ventures	(34,924)	72,822	300,675	-	338,573
Profit before income tax expense	673,922	1,285,734	19,787	(261)	1,979,182
Income tax expense	(60,584)	(29,444)	-	-	(90,028)
Profit for the year	613,338	1,256,290	19,787	(261)	1,889,154

(in thousand Baht)

	Segment 1	Segment 2	Segment 3	Elimination	Total
As at 31 December 2016					
Investment in associates and joint ventures	3,962,371	1,262,000	1,713,577	-	6,937,948
Capital expenditure	12,724	3,075,897	877,293	-	3,965,914
Segment assets	13,770,369	49,518,643	2,667,054	(7,927,782)	58,028,284
Segment liabilities	801,407	17,104,288	1,647,236	(278,760)	19,274,171
As at 31 December 2015					
Investment associates and joint ventures	2,923,465	945,675	1,721,804	-	5,590,944
Capital expenditure	15,192	4,783,463	504,035	-	5,302,690
Segment assets	16,511,545	43,764,019	1,398,863	(5,807,901)	55,866,526
Segment liabilities	1,683,812	16,866,144	583,160	(393,169)	18,739,947



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Geographical segments

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

Major customers

The Group has two major customers, the first customer has revenue from sale of goods and rendering of services and revenue from finance lease amounting to Baht 6,030.8 million and Baht 638.3 million, respectively (2015: Baht 9,894.9 million and Baht 685.5 million, respectively). The second customer has revenue from sale of goods and rendering of services amounting to Baht 3,986.4 million (2015: Baht 4,147.6 million). These revenues are from all segments.

27 Administrative expenses

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Outsourcing expenses	354,018	252,955	311,673	230,551
Personnel expenses	209,920	208,378	179,237	190,509
Impairment losses	100,229	-	100,229	-
Office supplies and utilities expenses	37,126	23,369	37,151	22,751
Rental expenses	33,575	26,545	31,344	25,456
Depreciation and amortisation	25,469	22,895	24,591	22,696
System monitoring and maintenance expenses	13,772	20,383	13,767	20,265
Others	117,545	108,003	93,071	87,277
Total	891,654	662,528	791,063	599,505

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

28 Employee benefit expenses

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
Management					
Salaries and wages		7,465	10,507	7,465	10,507
Share-based payment		-	12,168	-	12,168
Contribution to provident fund		535	720	535	720
Others		15	18	15	18
		8,015	23,413	8,015	23,413
Other employees					
Salaries and wages		311,978	268,165	277,087	234,792
Share-based payment		-	66,299	-	66,299
Contribution to provident fund		15,259	13,689	13,567	12,214
Pension costs - defined benefit plans	23	9,626	15,265	7,673	2,284
Others		62,006	61,116	61,960	60,885
		398,869	424,534	360,287	376,474
Total		406,884	447,947	368,302	399,887

Defined benefit plans

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

Defined contribution plans

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



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

29 Expenses by nature

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Raw materials and consumables used	14,698,081	17,668,052	13,249,282	17,411,621
Manufacturing overhead	247,633	223,716	232,076	220,570
Depreciation and amortisation	1,265,758	1,082,278	1,071,603	1,039,233
Personnel expenses and outsourcing	890,618	782,384	789,240	708,978
Repair and maintenance expenses	772,016	820,914	724,062	812,373

30 Finance costs

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Interest expense				
Financial institutions	568,203	491,727	276,606	345,621
Fees				
Finance fees	38,473	44,005	25,680	32,743
Amortisation of deferred financing cost and other finance costs	32,439	7,957	29,088	6,214
Total	639,115	543,689	331,374	384,578
Less: amounts included in the cost of qualifying assets	(221,590)	(149,662)	-	-
Net	417,525	394,027	331,374	384,578

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

31 Income tax expense

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
Current tax expense					
Current year		171,786	106,808	171,697	106,808
Under (over) provided in prior years		917	(297)	917	(297)
		172,703	106,511	172,614	106,511
Deferred tax expense					
Movements in temporary differences	19	(32,469)	(16,483)	(28,949)	(13,941)
Total		140,234	90,028	143,665	92,570

Reconciliation of effective tax rate

	Consolidated financial statements			
	2016		2015	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		3,012,208		1,979,182
Income tax using the Thai corporation tax rate	20.00	602,442	20.00	395,836
Tax effect from				
Income not subject to tax or double deductible expenses	(16.20)	(487,953)	(16.01)	(316,838)
Expenses not deductible for tax purposes	0.43	12,833	0.04	734
Under (over) provided in prior years	0.03	917	(0.02)	(297)
Current year losses for which no deferred tax asset was recognised	0.40	11,995	0.54	10,593
Total	4.66	140,234	4.55	90,028



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

	Separate financial statements			
	2016		2015	
	Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		2,683,681		1,999,830
Income tax using the Thai corporation tax rate	20.00	536,736	20.00	399,966
Tax effect from				
Income not subject to tax or double deductible expenses	(15.16)	(406,821)	(15.39)	(307,834)
Expenses not deductible for tax purposes	0.48	12,833	0.04	735
Under (over) provided in prior years	0.03	917	(0.01)	(297)
Total	5.35	143,665	4.63	92,570

Income tax reduction

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

32 Promotional privileges

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

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

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

NOTES TO THE FINANCIAL STATEMENTS

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

(in thousand Baht)

	Consolidated financial statements					
	2016			2015		
	Promoted businesses	Non-promoted businesses	Total	Promoted businesses	Non-promoted businesses	Total
Local sales	8,606,731	11,429,874	20,036,605	20,813,782	944,400	21,758,182

(in thousand Baht)

	Separate financial statements					
	2016			2015		
	Promoted businesses	Non-promoted businesses	Total	Promoted businesses	Non-promoted businesses	Total
Local sales	6,356,533	11,429,875	17,786,408	20,358,866	944,400	21,303,266

33 Basic earnings per share

The calculations of basic earnings per share for the year ended 31 December 2016 and 2015 were based on the profit for the year attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the year as follows:

(in thousand Baht/thousand shares)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit attributable to ordinary shareholders of the Company	2,699,903	1,905,982	2,540,016	1,907,260
Weighted average number of ordinary shares outstanding during the year	1,498,301	1,361,812	1,498,301	1,361,812
Basic earnings per share (in Baht)	1.80	1.40	1.70	1.40



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

34 Financial instruments

Financial risk management policies

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

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

Capital management

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

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group is primarily exposed to interest rate risk from loan to related parties and loan from financial institutions as at 31 December 2016 and 2015 as disclosed in Note 5 and Note 20, respectively.

Foreign currency risk

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

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

At 31 December 2016 and 2015, the Group were exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

(in thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
United States Dollars					
Cash and cash equivalents	6	37	19	37	19
Other investments	8	715,625	479,377	715,625	479,377
Other payables	22	(6,782)	(48,840)	(6,782)	(48,840)
Euro					
Other payables	22	(7,251)	(2,801)	(7,251)	(2,801)
Japanese Yen					
Cash and cash equivalents	6	15	28,256	15	-
Other receivable	11	19,225	6,741	-	-
Restricted account	7	184,078	-	-	-
Short-term loan to related party	5	-	-	-	183,429
Other payables	22	(5,446)	(212)	(2,146)	(212)
Payable for assets under construction		(67,679)	(20,872)	-	-
Long-term borrowings from financial institution	20	(973,413)	-	-	-
New Zealand Dollars					
Other payables	22	(212)	(41)	(212)	(41)
Pound Sterling					
Other payables	22	(778)	-	(778)	-
Hong Kong Dollars					
Other payables	22	(67)	-	(67)	-
Gross balance sheet exposure		(142,648)	441,627	698,441	610,931
Estimated purchase of asset		(648,644)	(42,454)	-	-
Gross exposure		(791,292)	399,173	698,441	610,931
Currency forwards		(621,362)	(144,326)	-	(177,804)
Net exposure		(169,930)	254,847	698,441	433,127



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Credit risk

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

Liquidity risk

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

Fair values of financial assets and liabilities

As at 31 December 2016, the Group has forward exchange contracts and interest rate swap contract which the fair value of assets from derivative instruments are at the amount of Baht 57.5 million (*2015: forward exchange contracts of the Group and the fair value of liabilities from derivative instruments of the Company of Baht 8.1 million and 8.1 million respectively*). The Group determined the fair value by level 2 input.

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

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

Measurement of Fair values

Financial instruments measured at fair value

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

NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

35 Commitments with non-related parties

(in thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Capital commitments				
<i>Contracted but not provided for:</i>				
Design, construction and installment for machinery and equipment and project construction	2,267,739	4,106,781	104,637	80,219
Non-cancellable operating lease commitments				
Within one year	84,982	40,335	82,718	40,118
After one year but within five years	194,778	186,505	185,721	185,637
After five years	231,194	225,673	192,970	221,876
Total	510,954	452,513	461,409	447,631

Forward Foreign Exchange Contracts

As at 31 December 2016, a subsidiary has outstanding forward contracts to buy U.S. Dollars 18.1 million, equivalent to JPY 2,080.1 million or Baht 641.6 million with maturity date from February 2017 to January 2018.

As at 31 December 2016, a subsidiary has outstanding forward contract to buy U.S. Dollars 0.8 million, equivalent to Baht 28.1 million with maturity date in April and August 2017. (2015: U.S. Dollars 0.9 million equivalent to Baht 33.5 million)

Interest Rate Swap Contract

A subsidiary has entered into interest rate swap contract with a commercial bank in other country to manage exposure and fluctuations in interest rates of long-term loans for JPY currency, whereby exchanging floating interest rate based on JPY-LIBOR plus 1.5% with fixed interest rate at 1.89% per annum. The swap contract effective from 28 February 2018 to 31 May 2036.



NOTES TO THE FINANCIAL STATEMENTS

Global Power Synergy Public Company Limited and its Subsidiaries

Long-term Maintenance Agreements

The Company has combustion turbine supply and maintenance agreements with local companies ("service provider"), whereby the service providers will supply and repair parts used for yearly and scheduled repairs. In this regard, the Company is committed to pay for the parts and maintenance service fees to the service providers at the prices specified in the agreements. These agreements are effective on the agreement date till the second major schedule repair or the twelfth yearly scheduled repair.

During 2011, the Company entered into an overhaul maintenance management agreement with a company for the estimate period of 12 years or 15 years commencing from 11 April 2011. The agreement will end in accordance with number of hours usage as agreed. Service fee and conditions are as stipulated in the agreement.

During 2011, the Company entered into an overhaul maintenance management agreement with a company for the period of 10 years commencing from 2 November 2011 with the service fee and conditions as stipulated in the agreement.

The subsidiary has combustion turbine supply and maintenance agreements with a local company ("service provider"), whereby the service providers will supply and repair parts used for yearly and scheduled repairs. In this regard, the Company is committed to pay for the parts and maintenance service fees to the service provider at the prices specified in the agreements. These agreements are effective for 15 and 17 years.

Product Sale and Purchase Agreements Product

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

The Company and a subsidiary must comply with conditions and restrictions provided for in the agreements.

On December 2014, EGAT informed the Company they will not purchase the electricity from Sriracha power plant during 2015 to 2019. However, EGAT is still obligated to pay the Company a Monthly Availability Payment. The management believes that this situation is beneficial to the overall operation result.

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

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Joint Venture Agreement

As specified in the section 3.2 of Equity Contribution Agreement, dated on 31 October 2011, between Xayaburi Power Company Limited (XPCL), Krung Thai Bank Public Company Limited (as Intercreditor Agent) and shareholders of XPCL, a subsidiary company (Natee Synergy Company Limited) as a shareholder of XPCL is committed for additional investment to XPCL whenever XPCL acquires loans from its creditor in order to constantly maintain debt to equity ratio of 3:1. The subsidiary company, therefore, has to pay additional investments, for future constructions, to XPCL to maintain its shareholding of 25%.

Loan agreements

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

Letters of Guarantee

As at 31 December 2016, the Group and the Company had commitment to local banks and Thailand office of foreign financial institutions for letter of guarantee issued for sale and purchase electricity and natural gas, electricity used, purchase of machinery and rental agreements to certain government sector and private sectors totaling Baht 1,443.0 million and Baht 196.0 million, respectively (2015: Baht 1,543.6 million and Baht 209.0 million, respectively).

Long-Term Land Lease Agreement

The subsidiary has non-cancellable land lease agreement with an oversea company, using for power plant operation in Japan for the period of 20 years commencing from commercial operation date with total rental fee of JPY 45 million per annum.

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



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Global Power Synergy Public Company Limited and its Subsidiaries

36 Contingent liabilities

The Company has been assessed by the Revenue Department for the corporate income tax in respect to 1999 and 2000 revenues resulting to the utilisation of tax loss carry forwards in subsequent years (the Central Tax Court ruled in favour of the Company). Later, the Revenue Department has filed a notice of appeal. On 12 May 2015, the Central Tax Court has read the judgment of the Supreme Court which reversed the judgment into not withdraw the letters of change in loss carry forwards of year 1999 and 2000 and the adjudication of Appeal Committee. The Supreme Court judgment was related to the utilization of tax loss carry forwards of 2003 and 2005 which the Revenue Department has sent the notice letter to the Company regarding the income tax assessment of year 2003 and 2005 including penalty and surcharge amounting to Baht 121 million. Accordingly, the Company filed a notice of appeal to the Appeal Committee together with bank guarantee in the full amount. The Appeal Committee rules that the facts in this case are final in accordance with the Supreme Court judgment. The Company submitted appeal to the Central Tax Court in respect to the relevant taxable expense matter under Revenue Code Section 65 which has not yet been addressed and considered. The management believes that there shall not be any tax; therefore, no provision related to this matter has been setup

37 Dividend

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

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

At the Company's Board of Directors meeting held on 13 August 2015, the board of directors approved the appropriation of 2015 interim dividend for the operating result from 1 January 2015 to 30 June 2015 of Baht 0.35 per share, totaling Baht 524.4 million. The interim dividend was paid to shareholders on 9 September 2015.

At the annual general meeting of the shareholders of the Company held 2 April 2015, the shareholders approved the appropriation of dividend of Baht 0.53, amounting to Baht 595.6 million. The interim dividend was paid to shareholders on 10 April 2015.

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38 Event after the reporting period

At the meeting of the Board of Directors of the Company held on 9 February 2017, the Company's Board of Directors approved the submission for approval at the annual general meeting of the shareholders of the Company the appropriation of 2016 annual dividends at Baht 1.15 per share, totalling Baht 1,723.0 million. After a deduction of the interim dividends of Baht 0.45 per share which were paid to the Company's shareholders in September 2016, the remaining dividends of Baht 0.70 per share, totalling Baht 1,048.8 million. This dividend is subject to the approval of the Company's shareholders at the annual general meeting to be held on 3 April 2017.

39 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2017, are set out below. The Group does not plan to adopt these TFRS early.

TFRS	Topic
TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2016)	Events After the Reporting Period
TAS 11 (revised 2016)	Construction Contracts
TAS 12 (revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee Benefits
TAS 20 (revised 2016)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs
TAS 24 (revised 2016)	Related Party Disclosures
TAS 26 (revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investments in Associates and Joint Ventures



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TFRS	Topic
TAS 29 (revised 2016)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2016)	Earnings Per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible Assets
TAS 40 (revised 2016)	Investment Property
TAS 41 (revised 2016)	Agriculture
TAS 104 (revised 2016)	Troubled Debt Restructuring
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation
TFRS 2 (revised 2016)	Share-based Payment
TFRS 3 (revised 2016)	Business Combinations
TFRS 4 (revised 2016)	Insurance Contracts
TFRS 5 (revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2016)	Exploration for and Evaluation of Mineral Assets
TFRS 8 (revised 2016)	Operating Segments
TFRS 10 (revised 2016)	Consolidated Financial Statements
TFRS 11 (revised 2016)	Joint Arrangements
TFRS 12 (revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2016)	Fair Value Measurement
TSIC 10 (revised 2016)	Government Assistance – No Specific Relation to Operating Activities
TSIC 15 (revised 2016)	Operating Leases – Incentives
TSIC 25 (revised 2016)	Income Taxes – Changes in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (revised 2016)	Disclosure – Service Concession Arrangements
TSIC 31 (revised 2016)	Revenue – Barter Transactions Involving Advertising Services

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TFRS	Topic
TSIC 32 (revised 2016)	Intangible Assets – Web Site Costs
TFRIC 1 (revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2016)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (revised 2016)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2016)	Applying the Restatement Approach under TAS 29 (revised 2016) <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2016)	Service Concession Arrangements
TFRIC 13 (revised 2016)	Customer Loyalty Programmes
TFRIC 14 (revised 2016)	TAS 19 (revised 2016) <i>Employee Benefits – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>
TFRIC 15 (revised 2016)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2016)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2016)	Transfers of Assets from Customers
TFRIC 20 (revised 2016)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (revised 2016)	Levies
FAP Announcement no. 5/2559	Accounting guidance for derecognition of financial assets and financial liabilities
FAP Announcement no. 91/2559	Accounting guidance for insurance business to designate financial instruments as financial instruments measured at fair value through profit or loss

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.





GLOBAL POWER SYNERGY PUBLIC COMPANY LIMITED

555/2 Energy Complex Building B, 5th Floor, Vibhavadi Rangsit Road,
Chatuchak, Bangkok 10900, Thailand

Tel: +66 (0)-2140-4600 Fax: +66 (0)-2140-4601

www.gpscgroup.com

