

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS

GLOW ENERGY PUBLIC COMPANY LIMITED

We have audited the consolidated financial statements of Glow Energy Public Company Limited and its subsidiaries and the separate financial statements of Glow Energy Public Company Limited, which comprise the consolidated and separate statements of financial position as at December 31, 2014, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Thai Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the aforementioned consolidated and separate financial statements present fairly, in all material respects, the financial position of Glow Energy Public Company Limited and its subsidiaries and of Glow Energy Public Company Limited as at December 31, 2014, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Emphasis of Matter

Without modifying our opinion, Glow Energy Public Company Limited and its subsidiaries have adopted Thai Financial Reporting Interpretations No. 4 “Determining whether an Arrangement contains a Lease” for the first time, which have an impact as discussed in Note 3 to the financial statements.

BANGKOK
February 13, 2015

Dr. Suphamit Techamontrikul
Certified Public Accountant (Thailand)
Registration No. 3356
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

GLOW ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014

		Consolidated		The Separate	
		financial statements		financial statements	
		As at	As at	As at	As at
	Notes	December 31, 2014	December 31,	December 31, 2014	December 31, 2013
			2014		
Unit : Baht					
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	4,364,184,329	4,870,648,151	493,466,233	721,407,244
Temporary investments	7	1,443,253,928	889,156,537	-	-
Trade and other receivables	8	13,501,014,720	12,999,297,095	3,282,820,027	2,793,616,012
Short-term loans to related parties	25	-	-	1,682,724,400	3,471,824,350
Inventories	9	4,892,451,495	5,521,687,536	786,694,114	1,224,078,423
Other current assets		994,793,272	1,165,545,541	726,941,612	880,616,665
Total Current Assets		<u>25,195,697,744</u>	<u>25,446,334,860</u>	<u>6,972,646,386</u>	<u>9,091,542,694</u>
NON-CURRENT ASSETS					
Finance lease receivable	10	4,695,472,743	-	-	-
Investments in subsidiaries	11	-	-	29,155,196,263	28,635,196,263
Investment in joint venture	2.3	622,962	739,150	-	-
Other long-term investment		1,500,000	1,500,000	1,500,000	1,500,000
Long-term loan to a related party	25	-	-	3,522,600,000	4,677,000,000
Property, plant and equipment	12	87,192,557,919	97,300,771,947	28,018,786,144	28,927,666,681
Intangible assets	13	754,431,013	829,165,532	195,484,723	212,910,121
Deferred tax assets	21	421,355,454	272,304,880	17,502,998	15,221,880
Other non-current assets	14	2,060,527,940	1,155,098,992	158,940,986	195,703,505
Total Non-Current Assets		<u>95,126,468,031</u>	<u>99,559,580,501</u>	<u>61,070,011,114</u>	<u>62,665,198,450</u>
TOTAL ASSETS		<u><u>120,322,165,775</u></u>	<u><u>125,005,915,361</u></u>	<u><u>68,042,657,500</u></u>	<u><u>71,756,741,144</u></u>

Notes to the financial statements form an integral part of these statements

GLOW ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2014

Unit : Baht

	Notes	Consolidated		The Separate	
		financial statements		financial statements	
		As at December 31,	As at December 31,	As at December 31,	As at December 31,
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term borrowing from a financial institution	15	350,000,000	-	350,000,000	-
Trade and other payables	16	8,459,630,796	9,858,445,620	2,294,432,744	2,868,135,827
Current portion of finance lease payables	17	7,677,675	9,209,748	2,436,825	2,029,436
Current portion of long-term borrowings	19	7,467,033,964	9,269,195,733	4,384,419,472	6,178,779,075
Current portion of debentures	20	1,499,699,737	-	1,499,699,737	-
Short-term borrowings from related parties	25	-	-	2,622,770,880	106,000,000
Short-term borrowings	18	1,432,900,000	1,432,900,000	-	-
Current income tax payable		357,026,143	269,126,066	68,368,834	77,278,115
Value-added tax payable		286,863,435	338,424,614	91,104,860	106,491,209
Other current liabilities		334,247,930	371,166,215	54,088,574	113,388,459
Total Current Liabilities		<u>20,195,079,680</u>	<u>21,548,467,996</u>	<u>11,367,321,926</u>	<u>9,452,102,121</u>
NON-CURRENT LIABILITIES					
Finance lease payables	17	13,028,502	20,706,177	2,393,761	4,830,585
Long-term borrowings	19	26,650,774,074	34,008,539,666	6,739,043,095	11,088,719,831
Debentures	20	17,533,102,733	19,026,908,891	17,533,102,733	19,026,908,891
Long-term borrowings from a related party	25	1,497,151,791	1,537,453,684	-	-
Deferred tax liabilities	21	1,044,629,242	931,468,174	342,020,350	325,919,126
Employee benefit obligations	22	135,713,032	111,286,297	16,879,820	16,247,266
Other non-current liabilities		682,027,366	561,348,793	542,959,542	517,763,583
Total Non-Current Liabilities		<u>47,556,426,740</u>	<u>56,197,711,682</u>	<u>25,176,399,301</u>	<u>30,980,389,282</u>
TOTAL LIABILITIES		<u>67,751,506,420</u>	<u>77,746,179,678</u>	<u>36,543,721,227</u>	<u>40,432,491,403</u>
SHAREHOLDERS' EQUITY					
SHARE CAPITAL					
Authorized share capital					
1,482,865,035 ordinary shares of Baht 10 each		<u>14,828,650,350</u>	<u>14,828,650,350</u>	<u>14,828,650,350</u>	<u>14,828,650,350</u>
Issued and paid-up share capital					
1,462,865,035 ordinary shares of Baht 10 each		14,628,650,350	14,628,650,350	14,628,650,350	14,628,650,350
PREMIUM ON ORDINARY SHARES		2,935,427,353	2,935,427,353	4,786,986,727	4,786,986,727
RETAINED EARNINGS					
Appropriated					
Legal reserve	23	1,598,287,193	1,598,287,193	1,598,287,193	1,598,287,193
Unappropriated		26,659,776,225	21,915,336,684	10,483,970,749	10,310,325,471
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY		-492,621,005	-501,398,252	1,041,254	-
TOTAL ATTRIBUTIONS TO OWNERS OF					
THE PARENT		45,329,520,116	40,576,303,328	31,498,936,273	31,324,249,741
NON-CONTROLLING INTERESTS		7,241,139,239	6,683,432,355	-	-
TOTAL SHAREHOLDERS' EQUITY		<u>52,570,659,355</u>	<u>47,259,735,683</u>	<u>31,498,936,273</u>	<u>31,324,249,741</u>
TOTAL LIABILITIES AND					
SHAREHOLDERS' EQUITY		<u>120,322,165,775</u>	<u>125,005,915,361</u>	<u>68,042,657,500</u>	<u>71,756,741,144</u>

Notes to the financial statements form an integral part of these statements

GLOW ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2014

Unit : Baht

	Notes	Consolidated financial statements		The Separate financial statements	
		2014	2013	2014	2013
Revenues from sales		71,715,769,812	69,206,970,396	25,861,867,111	24,440,369,693
Interest earned from finance lease		1,275,148,180	-	-	-
Cost of sales		-57,255,860,609	-55,692,970,722	-20,690,409,712	-19,620,061,916
Gross profit		15,735,057,383	13,513,999,674	5,171,457,399	4,820,307,777
Exchange gain, net		-	-	10,977,116	-
Interest income		52,349,579	67,799,150	376,033,935	481,212,162
Dividend income		5,400,000	4,950,000	1,486,247,256	1,793,720,241
Other income		275,035,843	491,809,670	107,855,248	114,376,212
Administrative expenses		-773,147,753	-760,785,580	-438,002,290	-381,253,355
Directors' remuneration		-6,156,584	-8,165,546	-6,156,584	-8,165,546
Exchange loss, net		-61,700,563	-1,002,676,150	-	-7,299,109
Finance costs		-3,385,680,140	-3,388,690,811	-1,882,236,962	-1,677,514,702
Share of loss of joint venture		-116,188	-104,063	-	-
Profit before income tax expense		11,841,041,577	8,918,136,344	4,826,175,118	5,135,383,680
Income tax expense	21	-1,005,241,212	-1,031,311,820	-258,083,275	-261,476,546
PROFIT FOR THE YEAR		10,835,800,365	7,886,824,524	4,568,091,843	4,873,907,134
OTHER COMPREHENSIVE INCOME					
Exchange differences on translating financial statements		11,503,335	107,275,028	-	-
Actuarial gains on defined employee benefit plans		1,041,254	-	1,041,254	-
OTHER COMPREHENSIVE INCOME					
FOR THE YEAR, NET OF TAX		12,544,589	107,275,028	1,041,254	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		10,848,344,954	7,994,099,552	4,569,133,097	4,873,907,134
PROFIT ATTRIBUTABLE TO					
Owners of the parent		9,138,886,106	7,214,437,900	4,568,091,843	4,873,907,134
Non-controlling interests		1,696,914,259	672,386,624	-	-
		10,835,800,365	7,886,824,524	4,568,091,843	4,873,907,134
TOTAL COMPREHENSIVE INCOME					
ATTRIBUTABLE TO					
Owners of the parent		9,147,663,353	7,286,580,356	4,569,133,097	4,873,907,134
Non-controlling interests		1,700,681,601	707,519,196	-	-
		10,848,344,954	7,994,099,552	4,569,133,097	4,873,907,134
BASIC EARNINGS PER SHARE	BAHT	6.25	4.93	3.12	3.33
WEIGHTED AVERAGE NUMBER OF					
ORDINARY SHARES	SHARES	1,462,865,035	1,462,865,035	1,462,865,035	1,462,865,035

Notes to the financial statements form an integral part of these statements

GLOW ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2014

Unit : Baht

Notes	Consolidated financial statements										
	Other components of shareholders' equity										Total shareholders' equity
	Other comprehensive income										
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Premium on business combination under common control	Exchange differences on translating financial statements	Actuarial gains on defined employee benefit plans	Total other components of shareholders' equity	Total attributions to owners of the parent	Non-controlling interests	
			Appropriated	Unappropriated							
Legal reserve	Unappropriated										
Total											
BALANCE AS AT JANUARY 1, 2013	14,628,650,350	2,935,427,353	1,598,287,193	17,848,984,339	-369,521,136	-204,019,572	-	-573,540,708	36,437,808,527	6,105,079,568	42,542,888,095
Dividends paid to non-controller of subsidiaries	-	-	-	-	-	-	-	-	-	-129,166,409	-129,166,409
Dividends paid	-	-	-	-3,148,085,555	-	-	-	-	-3,148,085,555	-	-3,148,085,555
Total comprehensive income for the year ended December 31, 2013	-	-	-	7,214,437,900	-	72,142,456	-	72,142,456	7,286,580,356	707,519,196	7,994,099,552
BALANCE AS AT DECEMBER 31, 2013	<u>14,628,650,350</u>	<u>2,935,427,353</u>	<u>1,598,287,193</u>	<u>21,915,336,684</u>	<u>-369,521,136</u>	<u>-131,877,116</u>	<u>-</u>	<u>-501,398,252</u>	<u>40,576,303,328</u>	<u>6,683,432,355</u>	<u>47,259,735,683</u>
BALANCE AS AT JANUARY 1, 2014	14,628,650,350	2,935,427,353	1,598,287,193	21,915,336,684	-369,521,136	-131,877,116	-	-501,398,252	40,576,303,328	6,683,432,355	47,259,735,683
Dividends paid to non-controller of subsidiaries	-	-	-	-	-	-	-	-	-	-1,142,974,717	-1,142,974,717
Dividends paid	24	-	-	-4,394,446,565	-	-	-	-	-4,394,446,565	-	-4,394,446,565
Total comprehensive income for the year ended December 31, 2014	-	-	-	9,138,886,106	-	7,735,993	1,041,254	8,777,247	9,147,663,353	1,700,681,601	10,848,344,954
BALANCE AS AT DECEMBER 31, 2014	<u>14,628,650,350</u>	<u>2,935,427,353</u>	<u>1,598,287,193</u>	<u>26,659,776,225</u>	<u>-369,521,136</u>	<u>-124,141,123</u>	<u>1,041,254</u>	<u>-492,621,005</u>	<u>45,329,520,116</u>	<u>7,241,139,239</u>	<u>52,570,659,355</u>

Notes to the financial statements form an integral part of these statements

GLOW ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

Unit : Baht

The Separate financial statements							
Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of shareholders' equity		Total shareholders' equity
			Appropriated Legal reserve	Unappropriated	Other comprehensive income		
					on defined employee benefit plans	Total other components of shareholders' equity	
BALANCE AS AT JANUARY 1, 2013	14,628,650,350	4,786,986,727	1,598,287,193	8,584,503,892	-	-	29,598,428,162
Dividends paid	-	-	-	-3,148,085,555	-	-	-3,148,085,555
Total comprehensive income for the year ended December 31, 2013	-	-	-	4,873,907,134	-	-	4,873,907,134
BALANCE AS AT DECEMBER 31, 2013	<u>14,628,650,350</u>	<u>4,786,986,727</u>	<u>1,598,287,193</u>	<u>10,310,325,471</u>	<u>-</u>	<u>-</u>	<u>31,324,249,741</u>
BALANCE AS AT JANUARY 1, 2014	14,628,650,350	4,786,986,727	1,598,287,193	10,310,325,471	-	-	31,324,249,741
Dividends paid	-	-	-	-4,394,446,565	-	-	-4,394,446,565
Total comprehensive income for the year ended December 31, 2014	-	-	-	4,568,091,843	1,041,254	1,041,254	4,569,133,097
BALANCE AS AT DECEMBER 31, 2014	<u>14,628,650,350</u>	<u>4,786,986,727</u>	<u>1,598,287,193</u>	<u>10,483,970,749</u>	<u>1,041,254</u>	<u>1,041,254</u>	<u>31,498,936,273</u>

Notes to the financial statements form an integral part of these statements

GLOW ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2014

Unit : Baht

	Consolidated		The Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax expense	11,841,041,577	8,918,136,344	4,826,175,118	5,135,383,680
Adjustments for:				
Dividends received	-5,400,000	-4,950,000	-1,486,247,256	-1,793,720,241
Share of loss of joint venture	116,188	104,063	-	-
Depreciation	4,054,416,133	4,869,413,150	1,555,720,494	1,491,810,969
Amortization of intangible assets/ other non-current assets	711,276,101	136,532,609	55,707,920	53,945,457
Amortization of deferred bond issue expenses	5,893,579	5,893,580	5,893,579	5,893,580
Employee benefit obligations	21,050,383	10,298,381	1,229,188	1,170,981
Gain from sale of investment in a subsidiary	-	-	-	-11,424,859
Write-off withholding income tax	-	15,213	-	-
Write-off assets	272,083	61,608,064	-	-
Loss on disposals of fixed assets	13,444,073	6,232,960	14,266,677	3,239,940
Recognition of advance received for long-term right to grant of assets	-24,219,632	-27,075,895	-20,726,410	-21,545,760
Unrealized exchange loss (gain)	150,671,695	1,013,328,255	-770,018	1,246,146
Realized exchange gain from long-term loans repayment	-33,493,190	-31,601,448	-	-
Amortization of premium on cross currency swap agreement	9,941,963	10,406,656	9,941,963	10,406,656
Interest income/ interest earned from finance lease	-1,026,605,127	-67,799,150	-376,033,935	-481,212,162
Interest expense	3,271,562,473	3,259,655,383	1,829,628,959	1,617,250,990
Profit from operations before changes in operating assets and liabilities	18,989,968,299	18,160,198,165	6,414,786,279	6,012,445,377
Operating assets (increase) decrease				
Trade and other receivables	1,398,633,684	-4,106,067,837	-514,051,904	1,574,412,454
Inventories	146,535,433	-583,741,256	-45,044,216	-14,250,989
Other current assets	45,013,252	224,425,753	-21,999	200,400
Other non-current assets	-5,033,729	-13,944,573	-11,137	-888,688
Operating liabilities increase (decrease)				
Trade and other payables	-1,515,664,702	-165,284,509	-594,433,063	-704,483,193
Value-added tax payable	-51,561,179	-66,334,586	-15,386,349	-69,985,286
Other current liabilities	-36,918,285	162,045,940	-59,299,885	-4,619,420
Employee benefit obligations	-583,639	-	-	-
Other non-current liabilities	60,107,065	29,977,805	5,821,013	3,143,800
Cash received from operations	19,030,496,199	13,641,274,902	5,192,358,739	6,795,974,455
Cash received from interest	1,027,260,837	68,465,439	400,881,824	515,732,681
Cash paid for interest	-3,370,346,563	-3,126,462,091	-1,794,261,837	-1,569,864,007
Cash paid for income tax	-1,056,626,822	-1,541,567,573	-253,387,438	-267,921,306
Net cash provided by operating activities	15,630,783,651	9,041,710,677	3,545,591,288	5,473,921,823

GLOW ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2014

Unit : Baht

	Notes	Consolidated financial statements		The Separate financial statements	
		2014	2013	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES					
Decrease (increase) in Debt Service/ Maintenance					
Accrual Accounts		-630,879,931	296,596,157	-	-
Increase in temporary investments		-1,842,308	-470,960	-	-
Cash paid for loans granted to subsidiaries		-	-	-665,000,000	-1,752,724,350
Cash received from subsidiaries for loans repayment		-	-	3,608,499,950	3,175,000,000
Proceeds from sale of investment in a subsidiary		-	-	-	244,999,950
Cash paid for investments in a subsidiary		-	-	-520,000,000	-
Dividends received from subsidiaries/ other company		5,400,000	4,950,000	1,486,247,256	1,793,720,241
Cash paid for purchase of property, plant and equipment		-854,065,001	-1,768,437,161	-186,565,327	-504,802,794
Proceeds from sale of fixed assets		4,258,372	8,194,873	104,185	2,165,398
Cash paid for long-term right to use of assets		-809,866	-	-809,866	-
Cash paid for purchase of computer software		-2,081,730	-	-699,000	-
Cash paid for maintenance cost of leased assets under finance lease		-415,268,095	-	-	-
Proceeds from long-term right to grant of assets		60,053,605	57,271,441	34,675,000	34,675,000
Net cash provided by (used in) investing activities		-1,835,234,954	-1,401,895,650	3,756,452,198	2,993,033,445
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts of short-term borrowings from financial institutions		4,250,000,000	1,850,000,000	3,550,000,000	1,850,000,000
Repayment of short-term borrowings from financial institutions		-3,900,000,000	-4,350,000,000	-3,200,000,000	-2,750,000,000
Receipts of short-term borrowings from related parties		-	-	2,622,770,880	456,000,000
Repayment of short-term borrowings from related parties		-	-	-106,000,000	-350,000,000
Repayment of finance lease payables		-9,209,748	-10,348,213	-2,029,435	-1,750,785
Repayment of long-term borrowings		-9,055,084,205	-8,639,937,683	-6,000,281,250	-6,000,000,000
Repayment of long-term borrowings from a related party		-46,608,513	-194,648,830	-	-
Dividends paid		-4,394,446,565	-3,148,085,555	-4,394,446,565	-3,148,085,555
Dividends paid to non-controller of subsidiaries		-1,142,974,717	-129,166,409	-	-
Net cash used in financing activities		-14,298,323,748	-14,622,186,690	-7,529,986,370	-9,943,836,340
Unrealized exchange gain (loss) of cash and cash equivalents		-3,688,771	-8,143,804	1,873	30,118
Net decrease in cash and cash equivalents		-506,463,822	-6,990,515,467	-227,941,011	-1,476,850,954
Cash and cash equivalents as at January 1,		4,870,648,151	11,861,163,618	721,407,244	2,198,258,198
Cash and cash equivalents as at December 31,	6	4,364,184,329	4,870,648,151	493,466,233	721,407,244

Notes to the financial statements form an integral part of these statements

GLOW ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2014

1. OPERATIONS OF THE COMPANY AND SUBSIDIARIES

1.1 The Company's general information

Glow Energy Public Company Limited (“the Company”) registered as a public limited company under Thai laws on September 1, 1995, and was listed on the Stock Exchange of Thailand in February 1996 until August 2002 and listed again on April 21, 2005. The Company operates in Thailand and principally engages in the generation and supply of electricity, steam and water for industrial use. The Company’s office is located at 1 Empire Tower, 38th Floor - Park Wing, South Sathorn Road, Yannawa, Sathorn, Bangkok.

The Company’s major shareholders are GDF Suez Energy (Thailand) Company Limited, holding 44.1 percent of the Company’s share capital and GDF Suez Energy International Global Development B.V. (formerly GDF Suez Energy Asia, Turkey & Southern Africa B.V.), holding 25 percent of the Company’s share capital. GDF Suez Energy International Global Development B.V. also wholly holds GDF Suez Energy (Thailand) Company Limited. The Company’s ultimate shareholder is GDF Suez S.A., which is incorporated in France.

1.2 Subsidiaries

The subsidiaries in No. 1) - 9) and 11) are companies registered in Thailand. The registered offices of the subsidiaries No. 1) - 7) and 9) are located at 1 Empire Tower, 38th Floor - Park Wing, South Sathorn Road, Yannawa, Sathorn, Bangkok. The registered office of the subsidiary No. 8) is located at 11 I - 5 Road, Maptaphut, Muang Rayong, Rayong. The registered office of the subsidiary No. 11) is located at 60/19 Moo 3, Siam Eastern Industrial Park, Mabyangporn, Pluakdaeng, Rayong.

The subsidiary in No. 10) represents Houay Ho Power Company Limited (“HHPC”), which is incorporated in the Lao People’s Democratic Republic (the “Lao PDR”). Under the Build Operate and Transfer Agreement (“BOT”) dated December 18, 2001, HHPC has developed, constructed and operated a 150 MW hydroelectric power plant for a non-renewable term of 30 years. Such agreement will be expired in December 2031.

The information of the Company's subsidiaries is as follows:

<u>Company's name</u>	<u>Registered date</u>	<u>Main business objective</u>
1) Glow Company Limited	March 12, 1997	Provide management services, consultant services and management advisory for related companies
2) Glow SPP 1 Company Limited	December 6, 1994	Generate and supply electricity, steam and water for industrial use
3) Glow SPP 2 Company Limited	September 19, 1994	Generate and supply electricity and steam for industrial use
4) Glow SPP 3 Company Limited	August 9, 1991	Generate and supply electricity, steam and water for industrial use
5) Glow IPP Company Limited	March 12, 1997	Generate and supply electricity to Electricity Generating Authority of Thailand ("EGAT")
6) Glow IPP 3 Company Limited	June 14, 2005	Develop power generation projects
7) Glow IPP 2 Holding Company Limited	October 16, 2007	Invest in other companies
8) GHECO-One Company Limited	April 27, 2007	Generate and supply electricity to EGAT
9) Houay Ho Thai Company Limited	August 30, 2001	Invest in other companies
10) Houay Ho Power Company Limited	May 20, 1996	Generate and supply electricity to EGAT and Electricity du Lao ("EDL")
11) Glow SPP 11 Company Limited	December 8, 1997	Generate and supply electricity and water for industrial use

2. BASIS FOR PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS

- 2.1 The consolidated and the separate financial statements have been prepared in Thai Baht currency and in accordance with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand. The financial statement presentation is compliance with the Notification of the Department of Business Development dated September 28, 2011 regarding “The Brief Particulars in the Financial Statements B.E. 2554” and Thai Accounting Standard No. 1 (Revised 2012) “Presentation of Financial Statements”, and the Regulation of The Stock Exchange of Thailand dated January 22, 2001, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2544.
- 2.2 The consolidated financial statements included the accounts of the Company and its subsidiaries, after elimination of intercompany transactions, of which the percentage of shareholding is as follows:

	<u>% of Shareholding</u>	
	<u>2014</u>	<u>2013</u>
<u>Owned by the Company</u>		
Glow Company Limited	100	100
Glow SPP 2 Company Limited	100	100
Glow SPP 3 Company Limited	100	100
Glow IPP 2 Holding Company Limited	100	100
Glow SPP 11 Company Limited	100	100
<u>Owned by Glow Company Limited</u>		
Glow SPP 1 Company Limited	100	100
Glow IPP Company Limited	95	95
Houay Ho Power Company Limited	55	55
Houay Ho Thai Company Limited	49	49
<u>Owned by Glow IPP 2 Holding Company Limited</u>		
GHECO-One Company Limited	65	65
Glow IPP 3 Company Limited	100	100
<u>Owned by Houay Ho Thai Company Limited</u>		
Houay Ho Power Company Limited	25	25

- 2.3 Investment in joint venture represents the investment in Glow Hemaraj Wind Company Limited, 49% jointly controlled entity by Glow Company Limited, was registered as a limited company in Thailand on July 4, 2011 with Baht 10 million registered capital and Baht 2.5 million paid-up capital. Glow Hemaraj Wind Company Limited is under research in the business of generation and distribution of electricity.
- 2.4 The Federation of Accounting Professions issued the Notification of Federation of Accounting Professions No. 35/2557 dated September 24, 2014 regarding the Conceptual Framework for Financial Reporting (Revised 2014) which was announced in the Royal Gazette and was effective on October 15, 2014 onwards to replace the Accounting Framework (Revised 2009).

Such Conceptual Framework for Financial Reporting is effective for the financial statements for the accounting period beginning on or after January 1, 2014 which there is no material impact on the financial statements.

- 2.5 The Federation of Accounting Professions has issued the Notifications regarding the new and revised Thai Accounting Standards (“TAS”), Thai Financial Reporting Standards (“TFRS”), Thai Accounting Standard Interpretations (“TSIC”) and Thai Financial Reporting Interpretations (“TFRIC”) applicable to the Company and its subsidiaries which are effective for the financial statements for the accounting period beginning on or after January 1, 2015 onwards as follows:

TAS

TAS 1 (Revised 2014)	Presentation of Financial Statements
TAS 2 (Revised 2014)	Inventories
TAS 7 (Revised 2014)	Statement of Cash Flows
TAS 8 (Revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2014)	Events after the Reporting Period
TAS 12 (Revised 2014)	Income Taxes
TAS 16 (Revised 2014)	Property, Plant and Equipment
TAS 17 (Revised 2014)	Leases
TAS 18 (Revised 2014)	Revenue
TAS 19 (Revised 2014)	Employee Benefits
TAS 21 (Revised 2014)	The Effects of Changes in Foreign Exchange Rate
TAS 23 (Revised 2014)	Borrowing Costs
TAS 24 (Revised 2014)	Related Party Disclosure
TAS 26 (Revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2014)	Separate Financial Statements
TAS 28 (Revised 2014)	Investments in Associates and Joint Ventures
TAS 33 (Revised 2014)	Earnings per Share
TAS 34 (Revised 2014)	Interim Financial Reporting
TAS 36 (Revised 2014)	Impairment of Assets
TAS 37 (Revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2014)	Intangible Assets

TFRS

TFRS 8 (Revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement

TSIC

TSIC 15 (Revised 2014)	Operating Leases - Incentives
TSIC 25 (Revised 2014)	Income Taxes - Change in the Tax Status of an Enterprise or its Shareholders
TSIC 27 (Revised 2014)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 32 (Revised 2014)	Intangible Assets - Web Site Costs

TFRIC

TFRIC 1 (Revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liability
TFRIC 4 (Revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 10 (Revised 2014)	Interim Financial Reporting and Impairment
TFRIC 18 (Revised 2014)	Transfers of Assets from Customers

The Company and its subsidiaries’ management will adopt the above relevant TAS, TFRS, TSIC and TFRIC in the preparation of the financial statements when they become effective. The management is currently assessing the full impact on the Company’s and its subsidiaries’ financial statements in the period of initial application.

3. ADOPTION OF NEW AND REVISED THAI FINANCIAL REPORTING STANDARDS

Since January 1, 2014, the Company and its subsidiaries have adopted the new and revised Thai Financial Reporting Standards issued by the Federation of Accounting Professions which are effective for the financial statements for the accounting periods beginning on or after January 1, 2014 onwards. This adoption does not have significant impact on the Company's consolidated financial statements, except for Thai Financial Reporting Standard Interpretations No. 4 ("TFRIC 4") "Determining whether an Arrangement contains a Lease".

3.1 The adoption of TFRIC 4

TFRIC 4 requires to determine whether an arrangement is, or contains, a lease based on the substance of the arrangement and requires an assessment of whether:

1. Fulfilment of the arrangement is dependent on the use of a specific asset and
2. The arrangement conveys a right to use the asset.

Contracts meeting such criteria are considered for the classification under Thai Accounting Standard No. 17 ("TAS 17") "Leases".

The Company and its subsidiaries have determined that the Power Purchase Agreement between Glow IPP Company Limited and Electricity Generating Authority of Thailand met the criteria of such Thai Financial Reporting Interpretations, which is considered as a lease contract and Glow IPP Company Limited acted as lessor. This lease contract is classified as a finance lease due to meeting the criteria under TAS 17.

3.2 The impact on the consolidated financial statements

The Company and its subsidiaries assessed the above impact and concluded that the impact is not material to the consolidated financial statements. Then, the Company and its subsidiaries applied the prospective application instead of applied retrospective application. The cumulative effects to the consolidated financial statements are as follows:

	<u>As at</u> <u>January 1,</u> <u>2014</u>	<u>Cumulative</u> <u>effects on adoption of</u> <u>TFRIC 4</u>	<u>Increase/</u> <u>(Decrease)</u> <u>during the year</u>	<u>As at and for</u> <u>the year ended</u> <u>December 31, 2014</u>
Unit : Baht				
<u>Consolidated statement of financial position</u>				
Finance lease receivable	-	6,875,313,199	(1,275,487,064)	5,599,826,135
Property, plant and equipment	97,300,771,947	(7,625,336,820)	(2,482,877,208)	87,192,557,919
Other non-current assets	1,155,098,992	1,126,139,411	(220,710,463)	2,060,527,940
Deferred tax liabilities	931,468,174	75,223,158	37,937,910	1,044,629,242
Retained earnings	21,915,336,684	285,848,000	4,458,591,541	26,659,776,225
Non-controlling interests	6,683,432,355	15,044,632	542,662,252	7,241,139,239
<u>Consolidated statement of comprehensive income</u>				
Interest earned from finance lease	-	300,892,632	974,255,548	1,275,148,180

In this regard, the Company and its subsidiaries adjusted the above items since January 1, 2014, the result of the adjustment has been included in the consolidated statement of financial position as at December 31, 2014 and the consolidated statement of comprehensive income for the year ended December 31, 2014.

3.3 Additional information

The certain financial information relevant to the above Power Purchase Agreement for the year ended December 31, 2014 compared between before and after adoption of TFRIC 4 are presented as follow:

	<u>After adoption</u> <u>TFRIC 4</u> (excluded the impact of first time adoption)	<u>Before adoption</u> <u>TFRIC 4</u>	<u>Unit : Baht</u> <u>Difference</u>
<u>Consolidated statement of financial position</u>			
<u>As at December 31, 2014</u>			
Finance lease receivable	5,599,826,135	-	5,599,826,135
Accrued interest from finance lease	27,944,292	-	27,944,292
Property, plant and equipment	-	7,130,058,318	(7,130,058,318)
Other non-current assets	968,131,913	-	968,131,913
Deferred tax assets	112,420,054	-	112,420,054
Retained earnings	1,103,803,822	1,790,300,950	(686,497,128)
Non-controlling interests	58,094,938	94,226,366	(36,131,428)
<u>Consolidated statement of comprehensive income</u>			
<u>For the year ended December 31, 2014</u>			
Revenues from sales	-	2,221,798,320	(2,221,798,320)
Interest earned from finance lease	974,255,548	-	974,255,548
Cost of sales	-	(337,271,004)	337,271,004
Income tax benefit	187,643,212	-	187,643,212
Net profit	1,161,898,760	1,884,527,316	(722,628,556)
Profit attributable to owners of the parent	1,103,803,822	1,790,300,950	(686,497,128)
Profit attributable to non-controlling interests	58,094,938	94,226,366	(36,131,428)
Basic earnings per share (Baht)	0.75	1.22	(0.47)

4. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies of the Company and subsidiaries are summarized below:

4.1 Cash and cash equivalents

Cash and cash equivalents are cash on hand, deposits at banks' savings accounts and current accounts, and short-term highly liquid investments with original maturities within three months from the date of acquisition.

4.2 Trade receivables and allowance for doubtful accounts

Trade receivables are carried at invoiced value less provision for contract discount and allowance for doubtful accounts.

Allowance for doubtful accounts are based on estimated uncollectible debts (if any) of each customer.

4.3 Inventories

Inventories consisting of raw materials, consumable spare parts, and supplies for machines are valued at the lower of cost and net realizable value. Cost is determined by weighted average method.

Provision is made for obsolete and slow-moving of consumable spare parts and supplies for machines based on the items that are expected not to be used.

4.4 Property, plant and equipment

Land is stated at cost net of provision of impairment (if any).

Plant and equipment are stated at cost net of accumulated depreciation and provision of impairment (if any). The costs of plant and equipment comprise both the purchase price and any costs directly attributable to bringing the assets to location and condition necessary for them to be capable of operating in the manner intended by management. Their costs also include the initial estimate of the costs of dismantling and removing the item and restoring the site on which they are located.

Depreciation is calculated by reference to cost of assets on a straight-line basis over the following estimated useful lives:

	<u>Years</u>
Power and water plants	3 - 40
Building and leasehold improvement	5 - 30
Machinery, tools and equipment	3 - 20
Furniture, fixtures and office equipment	3, 5, 10
Motor vehicles	5

In case impairment in value of property, plant and equipment has occurred, the resultant loss on impairment is recognized as expense in the statements of comprehensive income.

Construction in progress includes construction, borrowing costs that are directly attributable to loans for construction and other related costs directly to constructing the asset or bringing it to working condition.

4.5 Borrowing costs

Interest incurred during the construction or installation of machinery and equipment related to loans obtained for construction of the power plant and acquisition of machinery are capitalized as part of the cost of assets.

4.6 Intangible assets

Intangible assets are stated at cost less accumulated amortization and provision of impairment (if any).

Amortization is calculated on a straight-line basis over the term of the relevant agreements as follows:

	<u>Years</u>
Deferred right to use grid system	22 - 24
Deferred right to use transmission line	25
Deferred land leasehold right	16 - 30
Deferred right to use pipe rack	8 - 16
Deferred right of way	20 - 31
Deferred right of use gas pipeline	13 - 25
Computer software	3 - 10

4.7 Other non-current assets

Other non-current assets are stated at cost less accumulated amortization and provision of impairment (if any).

Amortization is calculated on a straight-line basis over the term of the relevant agreements as follows:

	<u>Years</u>
Deferred repair and maintenance expense	3 - 6
Deferred financial service fee	3 - 23
Advance for long term service agreement	9

4.8 Long-term investments

Investments in subsidiaries are accounted for using the cost method in the separate financial statements.

Business combination under common control are accounted for using a method similar to the pooling of interest method and in accordance with the guideline on accounting regarding the business combination under common control. The difference amount between the acquisition cost of business combination under common control and the interests of acquirer per the acquiree's book value is presented as premium on business combination under common control.

Investment in joint venture is accounted for using the equity method in the consolidated financial statements.

Other long-term investment is a non-marketable equity security, which is recorded at cost.

The Company recognizes loss on impairment of investments in the statement of comprehensive income in the period in which it incurs (if any).

4.9 Employee benefit obligations

The Company and its subsidiaries have accounted for post-employment benefit obligations under the Thai Labor Protection Act based on actuarial assumptions using Projected Unit Credit Method at the end of reporting period.

4.10 Recognition of revenues

Revenues from sales are recognized when products are delivered to the customers, which represent the invoiced value, excluding value added tax, of products supplied after deducting discounts, which is calculated based on annual purchase volumes of each customer by the percentage of net sales as specified in the agreement.

Revenues from rendering of services are recognized when services are rendered.

Dividend income is recognized as income when the dividend is declared.

Interest income and other income are recognized on an accrual basis.

4.11 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

As lessor

From the impact on the adoption of the above TFRIC 4 (see Note 3.1), the Power Purchase Agreement between Glow IPP Company Limited and Electricity Generating Authority of Thailand met the criteria of a lease contract and classified as a finance lease under TAS 17 and Glow IPP Company Limited acted as lessor.

- Finance lease receivable

Finance lease receivable is stated at the amount of the net investment in the lease.

- Recognition of revenues

Interest earned from finance lease is recognized by effective interest rate method over the term of Power Purchase Agreement.

Interest earned from finance lease recognized but not yet billed is presented as “Accrued interest from finance lease”.

Interest earned from finance lease not yet recognized but billed is presented as “Unearned interest from finance lease”.

As lessee

- Operating lease

Leases in which substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating leases. The Company and its subsidiaries recognizes rentals applicable to such operating leases in the statement of comprehensive income. The operating leases that are attributable to construction are capitalized as part of construction in progress.

- Finance lease

Leases in which substantially all the risks and rewards of ownership, other than legal title, are transferred to the Company and its subsidiaries are accounted for as finance leases. At inception, the fair value of the leased assets is recorded together with the obligation. The leased assets are depreciated using the straight-line method over their estimated useful lives. Interest or financial charge and depreciation are recognized as expenses in the statement of comprehensive income.

4.12 Foreign currency transactions

Transactions denominated in foreign currencies are converted into Baht at rates of exchange prevailing at the transaction dates. All balances of monetary assets and liabilities in foreign currencies and forward foreign exchange contracts at the end of the year are converted into Baht at the reference exchange rates established by the Bank of Thailand at the end of the year.

Both realized and unrealized foreign exchange gains or losses are recognized as revenues or expenses in the statements of comprehensive income.

The Company translates assets and liabilities of foreign subsidiary into Baht using the closing rate at the date of the statement of financial position, whereas the statement of comprehensive income is translated using the average rate during the year. Differences arising from currency translations have been shown as “Exchange differences on translating financial statements” in the statement of comprehensive income and included under “Other components of shareholders’ equity” in the statement of financial position.

4.13 Financial instruments

Income and expense from interest rate swap agreements used to manage interest rate exposures are recognized as adjustments to interest income or interest expense in the statement of comprehensive income. Such adjustments that are attributable to construction are capitalized as part of construction in progress.

Gains and losses on forward foreign exchange contracts and currency swap agreements designated as hedges of existing assets and liabilities are recognized as income or expense in the statement of comprehensive income.

Gains and losses on forward foreign exchange contracts designated as hedges that are attributable to construction are capitalized as part of construction in progress.

Amounts to be paid and received are offset in the statement of financial position.

Premiums or discounts on forward foreign exchange contracts are amortized to revenues or expenses over the contract period.

The Company and its subsidiaries have no policy to speculate in or engage in the trading of any derivative financial instruments.

4.14 Provident fund

The Company, the subsidiaries and their employees jointly registered a provident fund scheme under Provident Fund Act B.E. 2530. The funds are contributed by the employees, the Company and its subsidiaries, and will be paid to the employees upon termination in accordance with the rules of the provident fund.

Contributions for employees by the Company, under the provident fund scheme, are recorded as expenses when incurred.

4.15 Income taxes

Income tax expense

Income tax expense (income) represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The current tax liability is calculated using tax rates that have been enacted or substantively enacted at the end of reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit (tax base). Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amount of a deferred tax asset is reviewed at the end of each reporting period. Deferred tax asset shall be reduced to the extent that utilized taxable profits decreased. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available to allow total or part of the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the end of reporting period.

4.16 Basic earnings per share

Basic earnings per share are calculated by dividing profit attributable to owners of the parent for the year by the weighted average number of ordinary shares outstanding during the year.

4.17 Use of management judgments

The preparation of financial statements in accordance with Thai Financial Reporting Standards also requires the Company's management to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenue and expense during the accounting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

4.18 Operating segments

The Company and its subsidiaries ("Group Company") presented the operating segments on the basis of internal reports that are regularly reviewed by the chief operating decision maker for the purposes of making decisions about allocating resources to the segment and assessing the performance of the operating segments. The operating segments are presented by classifying based on Small Power Producer Business ("SPP") and Independent Power Producer Business ("IPP").

5. SUPPLEMENTARY CASH FLOWS INFORMATION

Accounts payable - acquisition of fixed assets for the years ended December 31, are as follows:

	<u>Consolidated</u>		<u>The Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Accounts payable - acquisition of fixed assets brought forward	1,710,647,695	2,203,035,310	35,106,254	166,560,135
<u>Add</u> Purchase of fixed assets	1,091,987,133	1,206,503,281	178,782,294	375,203,665
Unrealized exchange loss (gain)	(455,907)	79,621,545	-	455,248
<u>Less</u> Cash payment	(854,065,001)	(1,768,437,161)	(186,565,327)	(504,802,794)
Assets under finance lease	-	(10,075,280)	-	(2,310,000)
Accounts payable - acquisition of fixed assets carried forward	<u>1,948,113,920</u>	<u>1,710,647,695</u>	<u>27,323,221</u>	<u>35,106,254</u>

Unit : Baht

6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, consist of:

	<u>Consolidated</u>		<u>The Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cash	1,114,617	1,071,278	46,082	46,082
Bank deposits in current accounts	268,619,677	113,595,974	466,421	181,314
Bank deposits in savings accounts	4,094,450,035	4,755,980,899	492,953,730	721,179,848
	<u>4,364,184,329</u>	<u>4,870,648,151</u>	<u>493,466,233</u>	<u>721,407,244</u>

Cash and cash equivalents of GHECO-One Company Limited, Glow IPP Company Limited and Houay Ho Power Company Limited as at December 31, 2014 and 2013, totaling Baht 3,626.4 million and Baht 3,147.4 million, respectively, are pledged as collateral to secure credit facilities obtained from financial institutions. However, the pledged accounts can be withdrawn in accordance with the objective and conditions stipulated in the loan agreements for use as working capital required in the normal course of their business (see Note 19).

7. TEMPORARY INVESTMENTS

Temporary investments as at December 31, consist of:

	<u>Consolidated</u>		<u>The Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Bank deposits in savings accounts	1,306,859,828	755,007,662	-	-
Fixed deposits	136,394,100	134,148,875	-	-
	<u>1,443,253,928</u>	<u>889,156,537</u>	<u>-</u>	<u>-</u>

As at December 31, 2014 and 2013, deposit in savings accounts of Glow IPP Company Limited of Baht 1,306.9 million and Baht 755.0 million, respectively, are pledged as collateral to secure credit facilities obtained from financial institutions and are restricted for repayment of current portion of long-term borrowings and payment of major maintenance (see Note 19).

As at December 31, 2014 and 2013, fixed deposits of Houay Ho Power Company Limited of Baht 136.4 million and Baht 134.1 million, respectively, are pledged as collateral to secure credit facilities obtained from financial institutions. However, these can be withdrawn for use if the loan principal is reduced and approval is received from the lenders (see Note 19).

8. TRADE AND OTHER RECEIVABLES

Trade and other receivables as at December 31, consist of:

		Consolidated		The Separate	
		financial statements		financial statements	
	Notes	2014	2013	2014	2013
Trade receivables, other companies		10,242,991,445	10,509,682,221	2,798,514,749	2,639,042,223
<u>Less</u> Provision for contract discount		<u>(78,761,694)</u>	<u>(72,687,935)</u>	<u>(78,761,694)</u>	<u>(72,687,935)</u>
Net		10,164,229,751	10,436,994,286	2,719,753,055	2,566,354,288
Trade receivables from related parties	25	<u>-</u>	<u>-</u>	483,747,733	108,213,714
Total trade receivables		10,164,229,751	10,436,994,286	3,203,500,788	2,674,568,002
Current portion of finance lease receivable	10	904,353,392	-	-	-
Accrued interest from finance lease	10	27,944,292	-	-	-
Other receivables		91,945,997	401,501,045 ⁽¹⁾	476,451	29,389,894
Advance to related parties	25	9,756,665	4,829,547	15,656,841	2,155,224
Interest receivables from related parties	25	-	-	8,417,550	33,265,132
Interest receivables		755,640	1,411,350	808	1,115
Prepaid expenses		227,122,592	209,007,582	50,267,139	41,858,660
Advance payment		388,960,759	267,057,445	4,500,450	12,377,985
Receivable of compensation on construction postponement		<u>1,685,945,632⁽²⁾</u>	<u>1,678,495,840⁽²⁾</u>	<u>-</u>	<u>-</u>
		<u>13,501,014,720</u>	<u>12,999,297,095</u>	<u>3,282,820,027</u>	<u>2,793,616,012</u>

(1) In July 2013, the equipment of GHECO-One Company Limited (“GHECO1”)’s power plant was damaged, which caused the power plant was not able to operate in the normal course during mid of July to September 2013. In this regard, GHECO1 has the right to claim the business interruption from insurer approximately Baht 296.9 million and recorded such amount as a part of other receivables in the consolidated statement of financial position as at December 31, 2013 and other income in the consolidated statement of comprehensive income for the year ended December 31, 2013.

(2) As at December 31, 2014 and 2013, receivable of compensation on construction postponement of USD 51.52 million represents the compensation which GHECO1 charged to the power plant construction company for liquidated damages as the power plant construction has been delayed according to the construction contract.

Trade receivables as at December 31, are classified by aging as follows:

	Consolidated		The Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Trade receivables, other companies				
Current	10,160,624,741	10,424,220,003	2,756,838,918	2,598,119,598
Past due				
Less than 3 months	41,675,831	36,403,790	41,675,831	36,171,946
3 - 6 months	-	648,541	-	198,022
6 - 12 months	-	878,846	-	352,847
More than 12 months	40,690,873 ⁽³⁾	47,531,041 ⁽³⁾	-	4,199,810
	<u>10,242,991,445</u>	<u>10,509,682,221</u>	<u>2,798,514,749</u>	<u>2,639,042,223</u>
<u>Less</u> Provision for contract discount	<u>(78,761,694)</u>	<u>(72,687,935)</u>	<u>(78,761,694)</u>	<u>(72,687,935)</u>
	<u>10,164,229,751</u>	<u>10,436,994,286</u>	<u>2,719,753,055</u>	<u>2,566,354,288</u>
Trade receivables from related parties				
Current	-	-	483,747,733	108,213,714
Total trade receivables	<u>10,164,229,751</u>	<u>10,436,994,286</u>	<u>3,203,500,788</u>	<u>2,674,568,002</u>

(3) The above trade receivables outstanding more than 12 months, presented in consolidated financial statements, is due from Electricity Generating Authority of Thailand (“EGAT”) of Baht 40.6 million which Glow IPP Company Limited has received a letter from the Arbitral Tribunal for winning the arbitration case. However, up to the date of the financial statements, EGAT has not paid the amount and brought this case to the Central Administrative Court. At present, this case is being in consideration by the Central Administrative Court.

9. INVENTORIES

Inventories as at December 31, consist of:

	Consolidated		The Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Raw material - coal	1,158,592,249	1,587,908,477	-	-
Raw material - oil	214,258,945	221,988,752	-	-
Spare parts and supplies for machines	3,543,632,602	3,735,822,608	786,694,114	1,224,078,423
Total	<u>4,916,483,796</u>	<u>5,545,719,837</u>	<u>786,694,114</u>	<u>1,224,078,423</u>
<u>Less</u> Provision for obsolescence	<u>(24,032,301)</u>	<u>(24,032,301)</u>	<u>-</u>	<u>-</u>
Total inventories	<u>4,892,451,495</u>	<u>5,521,687,536</u>	<u>786,694,114</u>	<u>1,224,078,423</u>

10. FINANCE LEASE RECEIVABLE

The present values of minimum lease payment of receivable under TFRIC 4 (see Note 3.1) as at December 31, are as follows:

	Unit : Baht			
	<u>Consolidated</u>		<u>The Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Not later than one year	1,725,812,324	-	-	-
Later than one year and not later than five years	4,016,916,640	-	-	-
Later than five years	4,610,870,508	-	-	-
	<u>10,353,599,472</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Less</u> Deferred interest receivable	<u>(4,725,829,045)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Present value of minimum lease payment of receivable	5,627,770,427	-	-	-
<u>Less</u> Current portion of finance lease receivable	<u>(904,353,392)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Less</u> Accrued interest from finance lease ⁽¹⁾	<u>(27,944,292)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u><u>4,695,472,743</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

(1) Supplementary disclosure for accrued interest from finance lease as at December 31, consists of:

	Unit : Baht			
	<u>Consolidated</u>		<u>The Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Interest earned from finance lease recognized	1,275,148,180	-	-	-
<u>Less</u> Cumulative effect of adoption of TFRIC 4	<u>(300,892,632)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>Less</u> Contract billings only part of interest income	<u>(946,311,256)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Accrued interest from finance lease	<u>27,944,292</u>	<u>-</u>	<u>-</u>	<u>-</u>

11. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries in the separate financial statements which use the cost method as at December 31, are as follows:

<u>Company's name</u>	<u>Paid-up</u>	<u>Portion of</u>	Unit : Baht	
			<u>Capital</u>	<u>Investment (%)</u>
Glow Company Limited	4,401,668,111	100	7,114,824,414	7,114,824,414
Glow SPP 2 Company Limited	4,941,534,880	100	4,941,534,824	4,941,534,824
Glow SPP 3 Company Limited	7,373,389,550	100	7,379,374,525	7,379,374,525
Glow IPP 2 Holding Company Limited	7,565,000,000	100	7,565,000,000	7,565,000,000
Glow SPP 11 Company Limited	1,520,000,000	100	2,154,462,500	1,634,462,500
Total			<u>29,155,196,263</u>	<u>28,635,196,263</u>

Capital increase of subsidiaries

On August 22, 2014, the extraordinary general shareholders' meeting of Glow SPP 11 Company Limited passed a resolution to increase the registered capital from Baht 1,000 million to Baht 1,520 million by issuing 52 million new ordinary shares at par value of Baht 10 each, totaling Baht 520 million. The Company paid for the increased shares on August 27, 2014. Glow SPP 11 Company Limited registered the capital increase with the Department of Business Development on September 1, 2014.

Dividends payment of subsidiaries

The Board of Directors' meetings of the subsidiaries passed resolutions to distribute interim dividends for the year 2014 as follows:

Company's name	BODs' meeting date	Baht per share	Amount (Million Baht)	Dividend payment date
Glow IPP Company Limited	November 10, 2014	4.210	1,199.9	December 11, 2014
GHECO-One Company Limited	April 23, 2014	0.983	1,142.6	May 2, 2014
GHECO-One Company Limited	November 12, 2014	1.567	1,821.5	December 15, 2014
Houay Ho Thai Company Limited	August 8, 2014	0.660	34.8	August 25, 2014
Glow Company Limited	August 14, 2014	0.212	93.3	August 27, 2014
Glow Company Limited	November 10, 2014	2.590	1,140.0	December 11, 2014

On July 29, 2014, Houay Ho Power Company Limited paid the pre-agreed dividend and additional dividend to shareholders totaling USD 4.3 million. These dividends are based on the excess cash available as stipulated in the Supplemental Shareholders Agreement.

On April 21, 2014, the Annual General Meeting of Shareholders of the subsidiaries passed a resolution to distribute an annual dividend for the year 2013. The dividends consist of interim dividends which were already paid and additional dividend as follows:

Company's name	BODs' / Shareholders' meeting date	Baht per share	Amount (Million Baht)	Dividend payment date
Glow Company Limited	August 5, 2013	0.41	180.5	August 13, 2013
Glow Company Limited	August 5, 2013	0.21	92.4	September 4, 2013
Glow Company Limited	November 11, 2013	2.15	946.4	December 20, 2013
Glow Company Limited	April 21, 2014 *	0.11	48.4	May 6, 2014
Glow SPP 1 Company Limited	August 5, 2013	0.70	150.5	August 13, 2013
Glow SPP 1 Company Limited	April 21, 2014 *	0.23	49.5	May 6, 2014
Glow SPP 11 Company Limited	August 5, 2013	3.00	300.0	August 9, 2013
Houay Ho Thai Company Limited	August 14, 2013	0.65	34.3	September 3, 2013
Glow IPP Company Limited	November 11, 2013	3.50	997.5	December 20, 2013
Glow SPP 3 Company Limited	April 21, 2014 *	0.27	199.1	May 6, 2014

* Shareholders' meeting date

12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment consist of:

Unit : Baht

	Consolidated financial statements							
	Land	Power and water plants	Building and leasehold improvement	Machinery, tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Total
Cost								
December 31, 2012	702,951,304	137,868,848,467	469,409,653	458,199,251	274,318,996	133,235,688	721,300,160	140,628,263,519
Translation difference	-	513,587,849	1,243,360	118,170	338,890	1,183,785	413,906	516,885,960
Purchases	-	16,928,375	2,566,360	13,675,288	14,923,798	10,142,680	1,148,266,780	1,206,503,281
Transfer to spare parts	-	(78,000)	-	-	-	-	-	(78,000)
Write-off	-	-	-	-	-	-	(61,608,064)	(61,608,064)
Transfer in (out)	-	1,273,532,492	4,558,425	-	210,902	3,210,000	(1,281,511,819)	-
Disposals	-	(31,540,607)	-	(205,574)	(4,694,755)	(22,500,469)	-	(58,941,405)
December 31, 2013	702,951,304	139,641,278,576	477,777,798	471,787,135	285,097,831	125,271,684	526,860,963	142,231,025,291
Impact of TFRIC4 adoption	-	(17,276,129,255)	-	-	-	-	(292,037,119)	(17,568,166,374)
Translation difference	-	35,425,117	85,374	8,724	18,824	45,554	(37,291)	35,546,302
Purchases	8,600,000	10,718,948	376,022	8,635,580	13,401,899	1,903,180	1,048,351,504	1,091,987,133
Transfer from spare parts	-	482,428,525	-	-	-	-	-	482,428,525
Transfer in (out)	-	450,601,705	8,087,289	20,252,706	-	-	(478,941,700)	-
Disposals	-	(180,219,862)	-	(141,312)	(2,102,085)	(14,817,438)	-	(197,280,697)
December 31, 2014	711,551,304	123,164,103,754	486,326,483	500,542,833	296,416,469	112,402,980	804,196,357	126,075,540,180
Accumulated depreciation								
December 31, 2012	-	39,032,969,428	128,074,764	378,913,309	224,259,213	94,528,148	-	39,858,744,862
Translation difference	-	244,598,388	463,063	97,023	267,180	1,183,250	-	246,608,904
Depreciation for the year	-	4,790,014,987	21,778,901	24,306,634	17,580,963	15,731,665	-	4,869,413,150
Depreciation - disposals	-	(17,167,762)	-	(205,571)	(4,681,296)	(22,458,943)	-	(44,513,572)
December 31, 2013	-	44,050,415,041	150,316,728	403,111,395	237,426,060	88,984,120	-	44,930,253,344
Impact of TFRIC4 adoption	-	(9,942,829,554)	-	-	-	-	-	(9,942,829,554)
Translation difference	-	20,620,669	43,660	7,006	16,730	32,525	-	20,720,590
Depreciation for the year	-	3,976,637,250	22,215,029	25,625,367	18,109,502	11,828,985	-	4,054,416,133
Depreciation - disposals	-	(162,539,338)	-	(141,311)	(2,080,174)	(14,817,429)	-	(179,578,252)
December 31, 2014	-	37,942,304,068	172,575,417	428,602,457	253,472,118	86,028,201	-	38,882,982,261
Net book value								
December 31, 2013	702,951,304	95,590,863,535	327,461,070	68,675,740	47,671,771	36,287,564	526,860,963	97,300,771,947
December 31, 2014	711,551,304	85,221,799,686	313,751,066	71,940,376	42,944,351	26,374,779	804,196,357	87,192,557,919

Depreciation for the years ended December 31,

2013	4,869,413,150
2014	4,054,416,133

Unit : Baht

The Separate financial statements								
	Land	Power and water plants	Building and leasehold improvement	Machinery, tools and equipment	Furniture, fixtures and office equipment	Motor vehicles	Construction in progress	Total
Cost								
December 31, 2012	81,250,000	38,013,952,232	327,601,207	235,335,317	85,451,866	27,555,220	406,924,742	39,178,070,584
Purchases	-	-	26,000	1,051,982	3,128,099	2,310,000	368,687,584	375,203,665
Transfer to spare parts	-	(78,000)	-	-	-	-	-	(78,000)
Transfer in (out)	-	677,933,373	-	-	85,000	-	(678,018,373)	-
Disposals	-	(13,030,230)	-	(3,200)	(483,912)	(6,249,320)	-	(19,766,662)
December 31, 2013	81,250,000	38,678,777,375	327,627,207	236,384,099	88,181,053	23,615,900	97,593,953	39,533,429,587
Purchases	-	-	-	2,410,754	1,569,547	-	174,801,993	178,782,294
Transfer from spare parts	-	482,428,525	-	-	-	-	-	482,428,525
Transfer in (out)	-	209,572,301	3,304,960	-	-	-	(212,877,261)	-
Disposals	-	(176,487,748)	-	-	(13,400)	(6,500)	-	(176,507,648)
December 31, 2014	81,250,000	39,194,290,453	330,932,167	238,794,853	89,737,200	23,609,400	59,518,685	40,018,132,758
Accumulated depreciation								
December 31, 2012	-	8,763,627,630	54,229,604	221,204,677	69,161,604	20,089,746	-	9,128,313,261
Depreciation for the year	-	1,460,846,567	16,529,373	5,709,266	5,551,895	3,173,868	-	1,491,810,969
Depreciation - disposals	-	(7,628,914)	-	(3,199)	(479,897)	(6,249,314)	-	(14,361,324)
December 31, 2013	-	10,216,845,283	70,758,977	226,910,744	74,233,602	17,014,300	-	10,605,762,906
Depreciation for the year	-	1,526,403,424	16,693,078	5,409,518	5,199,555	2,014,919	-	1,555,720,494
Depreciation - disposals	-	(162,116,888)	-	-	(13,399)	(6,499)	-	(162,136,786)
December 31, 2014	-	11,581,131,819	87,452,055	232,320,262	79,419,758	19,022,720	-	11,999,346,614
Net book value								
December 31, 2013	<u>81,250,000</u>	<u>28,461,932,092</u>	<u>256,868,230</u>	<u>9,473,355</u>	<u>13,947,451</u>	<u>6,601,600</u>	<u>97,593,953</u>	<u>28,927,666,681</u>
December 31, 2014	<u>81,250,000</u>	<u>27,613,158,634</u>	<u>243,480,112</u>	<u>6,474,591</u>	<u>10,317,442</u>	<u>4,586,680</u>	<u>59,518,685</u>	<u>28,018,786,144</u>
Depreciation for the years ended December 31,								
								<u>1,491,810,969</u>
2013								
2014								<u>1,555,720,494</u>

On November 13, 2013, Houay Ho Power Company Limited (“HHPC”) received the letter from the Ministry of Planning and Investment on behalf of the Government of Lao PDR regarding the reject of extension period for development of the Xepian-Houay Soy Hydroelectric Power Project. Therefore, the development cost of Baht 61.6 million was written-off in the consolidated financial statements for the year ended December 31, 2013.

As at December 31, 2014 and 2013, costs of power plant and equipment in the consolidated financial statements that were fully depreciated but still in use were Baht 2,783.4 million and Baht 7,202.8 million (After adoption TFRIC 4 : Baht 2,523.8 million), respectively.

As at December 31, 2014 and 2013, costs of power plant and equipment in the separate financial statements that were fully depreciated but still in use were Baht 469.1 million and Baht 370.1 million, respectively.

All of the land, construction, machinery and equipment of the power plants of Glow IPP Company Limited, Houay Ho Power Company Limited and GHECO-One Company Limited have been mortgaged and pledged to secure credit facilities which the subsidiaries obtained from financial institutions (see Note 19).

As at December 31, motor vehicles under finance lease agreements included above which the Company and its subsidiaries are lessee are as follows:

	Unit : Baht			
	<u>Consolidated</u>		<u>The Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Cost	36,152,980	45,953,648	10,047,300	10,047,300
<u>Less</u> Accumulated depreciation	<u>(16,339,547)</u>	<u>(16,511,740)</u>	<u>(5,474,094)</u>	<u>(3,464,635)</u>
Net book value	<u>19,813,433</u>	<u>29,441,908</u>	<u>4,573,206</u>	<u>6,582,665</u>

13. INTANGIBLE ASSETS

Intangible assets as at December 31, consist of:

	Notes	Unit : Baht			
		<u>Consolidated</u>		<u>The Separate</u>	
		<u>financial statements</u>		<u>financial statements</u>	
		<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Deferred right to use grid system	13.1	259,493,270	259,493,270	-	-
<u>Less</u> Accumulated amortization		<u>(172,140,720)</u>	<u>(161,232,837)</u>	-	-
		<u>87,352,550</u>	<u>98,260,433</u>	-	-
Deferred right to use transmission line	13.2	250,297,983	250,297,983	55,000,000	55,000,000
<u>Less</u> Accumulated amortization		<u>(94,627,091)</u>	<u>(84,253,092)</u>	<u>(7,094,831)</u>	<u>(4,896,518)</u>
		<u>155,670,892</u>	<u>166,044,891</u>	<u>47,905,169</u>	<u>50,103,482</u>
Deferred land leasehold right	13.3	321,517,042	321,517,042	37,260,553	37,260,553
<u>Less</u> Accumulated amortization		<u>(122,606,162)</u>	<u>(110,550,726)</u>	<u>(8,739,613)</u>	<u>(7,498,388)</u>
		<u>198,910,880</u>	<u>210,966,316</u>	<u>28,520,940</u>	<u>29,762,165</u>
Deferred right to use pipe rack	13.4	105,302,606	113,210,409	199,054,841	198,244,975
<u>Less</u> Accumulated amortization		<u>(69,171,154)</u>	<u>(67,073,043)</u>	<u>(82,212,725)</u>	<u>(67,013,300)</u>
		<u>36,131,452</u>	<u>46,137,366</u>	<u>116,842,116</u>	<u>131,231,675</u>
Deferred right of way	13.5	310,449,231	310,449,231	3,838,775	3,838,775
<u>Less</u> Accumulated amortization		<u>(153,651,036)</u>	<u>(138,254,506)</u>	<u>(2,584,909)</u>	<u>(2,401,488)</u>
		<u>156,798,195</u>	<u>172,194,725</u>	<u>1,253,866</u>	<u>1,437,287</u>
Deferred right to use gas pipeline	13.6	68,642,106	68,642,106	-	-
<u>Less</u> Accumulated amortization		<u>(34,385,338)</u>	<u>(31,215,417)</u>	-	-
		<u>34,256,768</u>	<u>37,426,689</u>	-	-
Computer software		203,100,525	201,018,795	7,501,282	6,802,282
<u>Less</u> Accumulated amortization		<u>(117,790,249)</u>	<u>(102,883,683)</u>	<u>(6,538,650)</u>	<u>(6,426,770)</u>
		<u>85,310,276</u>	<u>98,135,112</u>	<u>962,632</u>	<u>375,512</u>
Total intangible assets		<u>754,431,013</u>	<u>829,165,532</u>	<u>195,484,723</u>	<u>212,910,121</u>
Amortization for the years ended December 31,		<u>77,626,115</u>	<u>76,800,413</u>	<u>18,934,264</u>	<u>18,335,230</u>

- 13.1 Deferred right to use grid system represents right to use grid system of Glow SPP 2 Company Limited (“GSPP2”) and Glow SPP 3 Company Limited (“GSPP3”), whereby on September 27, 2000, both subsidiaries handed over and transferred the ownership of certain parts of the grid system to Electricity Generating Authority of Thailand (“EGAT”) to comply with the power purchase agreement, under the regulation of purchasing electricity from small power producers.
- 13.2 Deferred right to use transmission line mainly represents the costs paid by Glow IPP Company Limited (“GIPP”) for construction of transmission line in order to comply with the power purchase agreement, under the regulation of purchasing electricity from independent power producers. According to the condition in such agreement, the ownership of the transmission line belongs to EGAT and GIPP has the right to use the transmission line over the period of the power purchase agreement of 25 years.
- 13.3 Deferred land leasehold right represents fees paid by the Company, GSPP2, GSPP3 and GHECO1 in relation to the leasehold right of land under the land lease agreements made with Industrial Estate Authority of Thailand.
- 13.4 Deferred right to use pipe rack represents the fee paid by the Company for the right to lay the Company’s pipelines in Asia Industrial Estate Company Limited under the Piperack Agreement dated August 31, 2009 and the fee paid for the right to lay the Company’s pipelines in GSPP3 under the Piperack Agreement dated September 1, 2012 and Amendment dated December 11, 2012.
- 13.5 Deferred right of way of Baht 300 million represents the right under the Memorandum of Understanding dated May 13, 1998 and Amendment dated May 11, 2005 of Glow SPP 11 Company Limited (“GSPP11”) to use easement and right of way within the Siam Eastern Industrial Park (“SEIP”) for the construction, operation and maintenance of gas pipeline and network for the distribution of electricity, steam and other services over the period GSPP11 own land in SEIP.
- 13.6 Deferred right to use gas pipeline represents the costs of gas pipeline and all related facilities that was transferred to PTT Public Company Limited by GSPP2 and GSPP11 in exchange for the right to use such assets throughout the term of the gas supply agreements.

14. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, consist of:

		Consolidated		The Separate	
		financial statements		financial statements	
	Notes	2014	2013	2014	2013
Deferred repair and maintenance expense		5,983,481,408	-	-	-
<u>Less</u> Accumulated amortization		<u>(5,015,349,495)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	3.3	<u>968,131,913</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred financial service fee	14.1	591,406,843	597,727,218	91,436,060	101,436,060
<u>Less</u> Accumulated amortization		<u>(284,565,748)</u>	<u>(248,018,926)</u>	<u>(70,257,700)</u>	<u>(59,415,854)</u>
		<u>306,841,095</u>	<u>349,708,292</u>	<u>21,178,360</u>	<u>42,020,206</u>
Advance for long term service agreement	14.2	123,740,135	123,740,135	123,740,135	123,740,135
<u>Less</u> Accumulated amortization		<u>(44,483,223)</u>	<u>(30,746,864)</u>	<u>(44,483,223)</u>	<u>(30,746,864)</u>
		<u>79,256,912</u>	<u>92,993,271</u>	<u>79,256,912</u>	<u>92,993,271</u>
Deferred expenses - others		6,701,772	6,701,772	57,640,259	57,640,259
<u>Less</u> Accumulated amortization		<u>(3,039,837)</u>	<u>(2,479,179)</u>	<u>(6,806,086)</u>	<u>(4,610,635)</u>
		<u>3,661,935</u>	<u>4,222,593</u>	<u>50,834,173</u>	<u>53,029,624</u>
Corporate income tax refundable	14.3	627,903,105	627,903,105	-	-
Refundable deposits		32,167,221	29,165,734	7,384,044	7,130,954
Others		42,565,759	51,105,997	287,497	529,450
Total other non-current assets		<u>2,060,527,940</u>	<u>1,155,098,992</u>	<u>158,940,986</u>	<u>195,703,505</u>
Amortization for the years ended December 31,		<u>633,649,986</u>	<u>59,732,196</u>	<u>36,773,656</u>	<u>35,610,227</u>

- 14.1 Deferred financial service fee represents the financial fees paid in connection with the long-term borrowings of the Company and its subsidiaries.
- 14.2 Advance for Long Term Service Agreement (“LTSA”) represents advance payment made under the LTSA as described in Note 32.1.8.5.
- 14.3 Rayong Area Revenue Office raised the tax issue in regard to the GHECO1’s corporate income tax computation for exchange gains/losses arising during the power plant construction period. GHECO1 had consulted with the Revenue Officer and prepared the consultation letter for tax issued to the Revenue Department.

In April 2013, GHECO1 received a letter replied by the Revenue Department stating that the loss on exchange must be capitalized into cost of power plant but the gain on exchange must be treated as income and subject to corporate income tax. GHECO1 disagreed with the Revenue Department’s opinion and still has not been assessed the corporate income tax by the Revenue Department. According to the opinion from the legal counsel and the tax advisor for the possibility to revise matter of law and the settlement of this issue which will take long time due to having significant impact, GHECO1’s Board of Directors decided to amend the corporate income tax return filing for the years 2008 to 2011 for the tax payments and surcharges totaling Baht 627.9 million based on the Revenue Department’s opinion in order to stop the surcharges that may arise from delay in settlement. GHECO1 recorded such amount as corporate income tax refundable, which was presented under other non-current assets.

GHECO1 disagreed with the tax payments according to such letter replied by the Revenue Department as there is likely to have a refund of the tax and surcharges based on the opinion from the legal counsel. GHECO1 has the dissenting opinion and submitted the tax and surcharges for a refund. In August and October 2013, GHECO1 received the letters from the Rayong Area Revenue Office to reject the corporate income tax refund for the years 2008 and 2009, respectively. GHECO1 appealed for corporate income tax refund for the years 2008 and 2009 to Rayong Area Revenue Office in September and November 2013, respectively. On December 6, 2013, GHECO1 filed the lawsuit for the corporate income tax refund of the years 2008 and 2009 with total dispute amount of Baht 129.56 million to the Central Tax Court.

GHECO1 subsequently received the letter from the Rayong Area Revenue Office to reject the corporate income tax refund for the years 2010 and 2011 on May 21, 2014 and July 28, 2014, respectively, and GHECO1 appealed for corporate income tax refund for the year 2010 to Rayong Area Revenue Office. On July 18, 2014, GHECO1 received the letter from the Fifth Regional Office of the Revenue Department notifying its administrative decision of consideration of GHECO1's appeal for the refund of corporate income tax for the year 2010 by insisting the administrative order for not refunding such corporate income tax for the year 2010 as per the letter of notice not to refund corporate income tax from Rayong Area Revenue Office dated May 8, 2014. GHECO1 disagreed with such decision and has already submitted the plaint to claim for the corporate income tax refund with the total dispute amount of Baht 466.19 million with the Central Tax Court on October 14, 2014.

On September 30, 2014, the Central Tax Court rendered judgment on the corporate income tax refund claims for the years 2008 and 2009 with the total dispute amount of Baht 129.56 million. The judgment dismissed the plaint on the ground that GHECO1 had already filed an administrative appeal pursuant to Administrative Procedure Act B.E. 2539 and that, on the submission date of the plaint, the 90-day period granted to the governmental body to render the administrative appeal decision had not yet been expired. As such, there has not yet been a dispute arising to entitle GHECO1 to submit the plaint. GHECO1 is preparing to resubmit the corporate income tax refund claims for the years 2008 and 2009 to the Central Tax Court and is considering to include in the same plaint the corporate income tax refund claims for the year 2011 with the dispute amount of Baht 32.15 million.

15. SHORT-TERM BORROWING FROM A FINANCIAL INSTITUTION

As at December 31, 2014, short-term borrowing of the Company amounting to Baht 350 million was obtained from a financial institution. The borrowing carries interest at a certain percentage per annum and is repayable at call. Subsequently, the borrowing was repaid on January 5, 2015.

16. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, consist of:

	Notes	Unit : Baht			
		Consolidated		The Separate	
		financial statements		financial statements	
	2014	2013	2014	2013	
Trade payables, other companies		4,922,136,231	6,599,322,385	1,390,182,148	2,054,303,976
Trade payables to related parties	25	-	-	255,843,266	216,788,166
Advance from related parties	25	30,573,159	28,638,900	70,431,691	55,818,858
Accounts payable - acquisition of fixed assets	5	1,948,113,920	1,710,647,695	27,323,221	35,106,254
Other payables		187,966,611	170,267,774	43,778,987	54,722,041
Accrued interest expense		554,000,956	675,466,722	324,367,176	303,735,928
Interest payables to related parties	25	-	-	8,718,883	68,973
Accrued expenses		816,839,919	674,102,144	173,787,372	147,591,631
		<u>8,459,630,796</u>	<u>9,858,445,620</u>	<u>2,294,432,744</u>	<u>2,868,135,827</u>

17. FINANCE LEASE PAYABLES

The Company and its subsidiaries entered into finance lease agreements for vehicles, which the balances of minimum lease payments as at December 31, are as follows:

	Unit : Baht			
	<u>Consolidated</u>		<u>The Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Not later than one year	8,578,444	10,561,437	2,625,256	2,355,180
Later than one year and not later than five years	<u>13,580,686</u>	<u>22,159,130</u>	<u>2,495,951</u>	<u>5,121,207</u>
Total minimum lease payment	22,159,130	32,720,567	5,121,207	7,476,387
<u>Less</u> Interest expense	<u>(1,452,953)</u>	<u>(2,804,642)</u>	<u>(290,621)</u>	<u>(616,366)</u>
Total minimum lease payment, net	20,706,177	29,915,925	4,830,586	6,860,021
<u>Less</u> Current portion of finance lease payables	<u>(7,677,675)</u>	<u>(9,209,748)</u>	<u>(2,436,825)</u>	<u>(2,029,436)</u>
	<u>13,028,502</u>	<u>20,706,177</u>	<u>2,393,761</u>	<u>4,830,585</u>

18. SHORT-TERM BORROWINGS

Short-term borrowings of GHECO-One Company Limited (“GHECO1”) obtained from a shareholder under the Equity Subscription and Retention Agreement dated October 9, 2008 entered into by GHECO1, Glow IPP 2 Holding Company Limited and the other shareholder. The borrowings carry interest at MLR per annum and are repayable at call.

19. LONG-TERM BORROWINGS

Long-term borrowings of the Company and its subsidiaries as at December 31, consist of:

<u>The Company</u>	<u>Interest rate</u>	<u>Repayment Date of principal</u>	<u>Currency</u>	<u>Facility</u>	<u>2014</u>		<u>2013</u>	
					<u>USD</u>	<u>Baht</u>	<u>USD</u>	<u>Baht</u>
1) Loan under Facility Agreement dated February 23, 2012	A certain percentage p.a.	November 1, 2016 and November 1, 2017	Baht	2,500,000,000	-	2,500,000,000	-	2,500,000,000
2) Loan under Facility Agreement dated June 20, 2011	LIBOR + a certain percentage p.a.	July 15, 2015	USD	65,737,000	65,737,000	2,176,762,428	65,737,000	2,165,994,708
3) Loan under Facility Agreement dated June 27, 2011	LIBOR + a certain percentage p.a.	July 15, 2015	USD	66,670,000	66,670,000	2,207,657,044	66,670,000	2,196,736,498
4) Loan under Facility Agreement dated June 28, 2011	LIBOR + a certain percentage p.a.	December 15, 2014 and December 15, 2016	USD	99,465,000	33,340,000	1,103,994,088	99,465,000	3,277,312,071
5) Loan under Facility Agreement dated January 31, 2011	LIBOR + a certain percentage p.a.	February 6, 2016	USD	46,357,616	46,357,616	1,535,049,007	46,357,616	1,527,455,629
6) Loan under Facility Agreement dated December 24, 2010	THBFIX + a certain percentage p.a.	February 6, 2016	Baht	1,600,000,000	-	1,600,000,000	-	1,600,000,000
7) Loan under Facility Agreement dated May 13, 2010	A certain percentage p.a.	June 30, 2014	Baht	1,000,000,000	-	-	-	1,000,000,000
8) Loan under Facility Agreement dated June 1, 2010	A certain percentage p.a.	June 30, 2014 and December 31, 2014	Baht	2,000,000,000	-	-	-	2,000,000,000
9) Loan under Facility Agreement dated May 7, 2010	A certain percentage p.a.	June 30, 2014 and December 30, 2014	Baht	1,000,000,000	-	-	-	1,000,000,000
Total in the separate financial statements							11,123,462,567	17,267,498,906
<u>Less</u> Current portion of long-term borrowings in the separate financial statements							<u>(4,384,419,472)</u>	<u>(6,178,779,075)</u>
							<u>6,739,043,095</u>	<u>11,088,719,831</u>

	<u>Interest rate</u>	<u>Repayment Date of principal</u>	<u>Currency</u>	<u>Facility</u>	<u>2014</u>		<u>2013</u>		
					<u>USD</u>	<u>Baht</u>	<u>USD</u>	<u>Baht</u>	
<u>Subsidiaries</u>									
<u>GHECO-One Company Limited</u>									
10) Loan under Facility Agreement dated October 9, 2008									
- Baht loan	THBFIX + a certain percentage p.a.	*	Baht	9,960,000,000	-	7,467,183,450	-	8,296,032,150	
- USD loan	LIBOR + a certain percentage p.a.	*	USD	460,000,000	363,619,368	12,040,600,857	403,980,696	13,310,921,545	
<u>Glow IPP Company Limited</u>									
11) Loan from overseas commercial banks	LIBOR + a certain percentage p.a.	June 15, 2006 - June 15, 2018	USD	217,666,655	70,741,663	2,342,482,827	89,896,328	2,962,030,082	
12) Loan from overseas financial institutions (Tranche EIB)	A certain percentage p.a.	June 15, 2003 - June 15, 2014	USD	61,500,000	-	-	2,795,155	92,098,696	
<u>Houay Ho Power Company Limited</u>									
13) Syndicated Loan from various financial institutions									
- Tranche A	MLR + a certain percentage p.a.	June 30, 2003 - December 31, 2019	Baht	1,200,000,000	-	398,925,000	-	471,825,000	
- Tranche B	LIBOR + a certain percentage p.a.	June 30, 2003 - December 31, 2019	USD	68,000,000	22,605,750	745,153,337	26,736,750	877,329,020	
Total long-term borrowings of subsidiaries						<u>22,994,345,471</u>		<u>26,010,236,493</u>	
Total in the consolidated financial statements						34,117,808,038		43,277,735,399	
<u>Less</u> Current portion of long-term borrowings in the consolidated financial statements						<u>(7,467,033,964)</u>		<u>(9,269,195,733)</u>	
						<u>26,650,774,074</u>		<u>34,008,539,666</u>	

* See the attached details below.

The Company's borrowings

All the Company's borrowings with financial institutions are guaranteed by Glow SPP 1 Company Limited, Glow SPP 2 Company Limited and Glow SPP 3 Company Limited. The Facility Agreements stipulate certain covenants such as the maintenance of tangible net worth, net debt to equity ratio and debt service coverage ratio.

All the USD loans of the Company were swapped into Baht loans with fixed interest rate under the Cross Currency Interest Rate Swap Agreements (see Notes 30.2.1 and 30.3).

In addition, the Company entered into interest rate swap agreements for the loan No. 6) (see Note 30.3).

The subsidiaries' borrowings

GHECO-One Company Limited ("GHECO1")

On October 9, 2008, GHECO1 entered into a Facility Agreement with a group of financial institutions for project financing of its new 660 MW Coal Fired Power Plant. The loan facilities consist of:

- Thai Baht Term Loan Facility of Baht 9,960 million carries interest at THBFIX plus a certain percentage per annum and is repayable in 33 semi-annual installments of a portion specified in the agreement commencing on the date falling 12 months after the Project Commercial Operation Date.
- USD Term Loan Facility of USD 460 million carries interest at LIBOR plus a certain percentage per annum and is repayable in 33 semi-annual installments of a portion specified in the agreement commencing on the date falling 12 months after the Project Commercial Operation Date.

In the event the Market Disruption Event occurs, the interest rate of the above loans shall be the cost of funding plus a certain percentage per annum.

All borrowings of GHECO1 are secured by the mortgage of the construction and pledge of machinery, most of bank accounts and all shares of GHECO1 and the assignment of all rights and obligations under various agreements relating to the power plant project.

In addition, the repayment of USD term loan facility and Thai Baht term loan facility according to the Debt Service Reserve Account are guaranteed and undertaken by the Company, of which the guarantee facility amount shall not exceed 65 percent of the borrowings on the repayment date.

The Facility Agreement contains normal covenants related to various matters, such as the maintenance of debt service coverage ratio, the Project Commercial Operation Date and the maintenance of coal stockpile.

GHECO1 entered into interest rate swap agreements for all loans (see Note 30.3).

Glow IPP Company Limited ("GIPP")

All borrowings of GIPP are secured by the mortgage of all of the land and construction and pledge of machinery, equipment, deposits at financial institutions and temporary investments and the assignment of all rights and obligations under various agreements relating to the projects. In addition, the loans are secured by the pledge of all shares of GIPP, of which 95 percent are owned by Glow Company Limited and 5 percent by other shareholders.

The borrowing agreements contain normal covenants related to various matters, such as the maintenance of certain debt to equity ratio, the maintenance of certain debt service coverage ratio, and the power plant project completion period.

For the loan No. 11), on March 1, 2006, the Company entered into a Dollar Debt Service Reserve Guarantee Agreement with an Offshore Collateral Agent, as agent for the lenders, of GIPP to guarantee and undertake to the agent for the payments of Accrual Scheduled Debt Service when due, of which the guarantee facility amount shall not exceed 50 percent of the amount required for the Relevant Debt Service Reserve Account of GIPP on that Repayment Date.

GIPP entered into interest rate swap agreements for the above loan No. 11) (see Note 30.3).

Houay Ho Power Company Limited (“HHPC”)

These represent the loans obtained from various financial institutions in Thailand under the Facility Agreement dated December 18, 2002 and Amendment Agreement dated December 27, 2007. The loans are repayable in semi-annual installments from June 30, 2003 to December 31, 2019. The Tranche A loans carry interest at MLR plus a certain percentage per annum from 2008 to 2012 and MLR plus another percentage per annum from 2013 onwards. The Tranche B loans carry interest at LIBOR plus a certain percentage per annum from 2008 to 2012 and LIBOR plus another percentage per annum from 2013 onwards. On January 30, 2015, all loans have been prepaid to the lenders (see Note 34).

All borrowings of HHPC are secured by the mortgage of all of the construction and pledge of machinery, equipment, all bank accounts, all shares of HHPC owned by Glow Company Limited and Houay Ho Thai Company Limited and the assignment of all rights and obligations under various agreements relating to the power plant project.

The Facility Agreement contains normal covenant to the maintenance of certain debt service coverage ratio.

HHPC entered into an interest rate swap agreement for the Tranche B loan (see Note 30.3).

20. DEBENTURES

Debentures as at December 31, consist of:

	Unit : Baht	
	<u>Consolidated and the Separate</u>	
	<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>
Debentures No. 1/2555	1,500,000,000	1,500,000,000
<u>Less</u> Deferred debentures issue expenses	(3,125,647)	(3,931,910)
Debentures No. 1/2554	5,555,000,000	5,555,000,000
<u>Less</u> Deferred debentures issue expenses	(9,082,609)	(10,444,067)
Debentures No. 1/2553	1,000,000,000	1,000,000,000
<u>Less</u> Deferred debentures issue expenses	(614,738)	(888,038)
Debentures No. 2/2553	5,000,000,000	5,000,000,000
<u>Less</u> Deferred debentures issue expenses	(4,356,060)	(5,487,724)
Debentures No. 1/2551	4,000,000,000	4,000,000,000
<u>Less</u> Deferred debentures issue expenses	(3,107,011)	(4,627,808)
Debentures No. 1/2550	2,000,000,000	2,000,000,000
<u>Less</u> Deferred debentures issue expenses	(1,911,465)	(2,711,562)
	<u>19,032,802,470</u>	<u>19,026,908,891</u>
<u>Less</u> Current portion of debentures	(1,499,699,737)	-
	<u><u>17,533,102,733</u></u>	<u><u>19,026,908,891</u></u>

All the above debentures are guaranteed by Glow SPP 1 Company Limited, Glow SPP 2 Company Limited and Glow SPP 3 Company Limited and stipulate certain covenants such as the maintenance of tangible net worth, net debt to equity ratio and debt service coverage ratio.

Debentures No. 1/2555

On November 15, 2012, the Company issued 1,500,000 units of unsubordinated and guaranteed debentures with a debenture holders' representative in the named-registered certificate at the face value of Baht 1,000 each, totaling Baht 1,500 million. The debentures have a 6-year term and will be due for redemption on November 15, 2018. The debentures have a coupon rate at a certain percentage per annum, payable semi-annually commencing May 15, 2013.

Debentures No. 1/2554

On August 31, 2011, the Company issued 5,555,000 units of unsubordinated and guaranteed debentures with a debenture holders' representative in the named-registered certificate at the face value of Baht 1,000 each, totaling Baht 5,555 million. The debentures have a 10-year term and will be due for redemption on August 31, 2021. The debentures have a coupon rate at a certain percentage per annum, payable semi-annually commencing February 29, 2012.

Debentures No. 1/2553 and No. 2/2553

On March 31, 2010, the Company issued 1,000,000 units of unsubordinated and guaranteed debentures with a debenture holders' representative in the named-registered certificate at the face value of Baht 1,000 each, totaling Baht 1,000 million (Debentures No. 1/2553). The debentures have a 7-year term and will be due for redemption on March 31, 2017. The debentures have a coupon rate at a certain percentage per annum, payable semi-annually commencing September 30, 2010.

On April 8, 2010, the Company issued 8,000,000 units of unsubordinated and guaranteed debentures with a debenture holders' representative in the named-registered certificate at the face value of Baht 1,000 each, totaling Baht 8,000 million (Debentures No. 2/2553). The debentures have coupon rates at certain percentages per annum, payable semi-annually commencing October 8, 2010. The terms of the debentures are as follows:

<u>Debentures No. 2/2553</u>	<u>Amount</u> <u>(Thousand Baht)</u>	<u>Redemption date</u>
Series 1	3,000,000	December 8, 2012 (Redemption)
Series 2	1,600,000	October 8, 2017
Series 3	2,000,000	April 8, 2019
Series 4	1,400,000	October 8, 2019

Debentures No. 1/2551

On June 5, 2008, the Company issued 4,000,000 units of unsubordinated and guaranteed debentures with a debenture holders' representative in the named-registered certificate at the face value of Baht 1,000 each, totaling Baht 4,000 million. These were offered exclusively to institutional and high net-worth investors. The debentures consist of:

- 1,500,000 units of Tranche 1, with 7-year term, due for redemption on June 5, 2015 and bearing coupon rate at a certain percentage per annum, payable semi-annually commencing December 5, 2008.
- 2,500,000 units of Tranche 2, with 10-year term, due for redemption on June 5, 2018 and bearing coupon rate at a certain percentage per annum, payable semi-annually commencing December 5, 2008.

Debentures No. 1/2550

On May 21, 2007, the Company issued 2,000,000 units of unsubordinated and guaranteed debentures with a debenture holders' representative in the named-registered certificate at the face value of Baht 1,000 each, totaling Baht 2,000 million. These were offered exclusively to institutional and high net-worth investors. The debentures have a 10-year term and will be due for redemption on May 21, 2017. The debentures have a coupon rate at a certain percentage per annum, payable semi-annually commencing November 21, 2007.

21. DEFERRED INCOME TAX/ INCOME TAX EXPENSE

The movements of deferred tax assets and liabilities during the years are as follows:

	Consolidated financial statements				Unit : Baht
	Transactions recognized in				
	As at	Profit and loss	Other Comprehensive		As at
	December 31,	Addition	Utilized	Income	December 31,
	2013				2014
Deferred tax assets					
Finance lease receivable	-	112,420,054	-	-	112,420,054
Difference of depreciation	192,066,124	45,097,171	(26,711,736)	-	210,451,559
Provisions	62,480,617	24,079,849	(5,452,599)	(214,988)	80,892,879
Assets under finance lease	7,110,036	-	(28,831)	-	7,081,205
Taxable loss carried forward	10,648,103	-	(138,346)	-	10,509,757
Total	272,304,880	181,597,074	(32,331,512)	(214,988)	421,355,454
Deferred tax liabilities					
Finance lease receivable	-	75,223,158	(75,223,158)	-	-
Difference of depreciation	899,468,561	117,488,551	-	-	1,016,957,112
Deferred expenses	31,999,613	-	(4,327,483)	-	27,672,130
Total	931,468,174	192,711,709	(79,550,641)	-	1,044,629,242

	Consolidated financial statements				Unit : Baht
	As at	Addition	Utilized		As at
	December 31,				December 31,
	2012				2013
Deferred tax assets					
Difference of depreciation	237,019,381	43,128,740	(88,081,997)	-	192,066,124
Provisions	52,015,476	15,374,333	(4,909,192)	-	62,480,617
Assets under finance lease	7,039,148	70,888	-	-	7,110,036
Taxable loss carried forward	13,660,273	10,677,420	(13,689,590)	-	10,648,103
Total	309,734,278	69,251,381	(106,680,779)	-	272,304,880
Deferred tax liabilities					
Difference of depreciation	788,137,816	111,330,745	-	-	899,468,561
Deferred expenses	36,551,533	-	(4,551,920)	-	31,999,613
Total	824,689,349	111,330,745	(4,551,920)	-	931,468,174

Unit : Baht

	The Separate financial statements				As at December 31, 2014
	Transactions recognized in				
	As at December 31, 2013	Profit and loss Addition	Utilized	Other Comprehensive Income	
Deferred tax assets					
Provisions	15,221,880	2,703,038	(206,932)	(214,988)	17,502,998
Total	<u>15,221,880</u>	<u>2,703,038</u>	<u>(206,932)</u>	<u>(214,988)</u>	<u>17,502,998</u>
Deferred tax liabilities					
Difference of depreciation	314,168,489	20,428,707	-	-	334,597,196
Deferred expenses	11,750,637	-	(4,327,483)	-	7,423,154
Total	<u>325,919,126</u>	<u>20,428,707</u>	<u>(4,327,483)</u>	<u>-</u>	<u>342,020,350</u>

Unit : Baht

	The Separate financial statements			As at December 31, 2013
	As at December 31, 2012	Addition	Utilized	
	Deferred tax assets			
Provisions	13,208,864	2,279,039	(266,023)	15,221,880
Total	<u>13,208,864</u>	<u>2,279,039</u>	<u>(266,023)</u>	<u>15,221,880</u>
Deferred tax liabilities				
Difference of depreciation	287,396,525	26,771,964	-	314,168,489
Deferred expenses	16,302,557	-	(4,551,920)	11,750,637
Total	<u>303,699,082</u>	<u>26,771,964</u>	<u>(4,551,920)</u>	<u>325,919,126</u>

Reconciliations of income tax expense for the years ended December 31, are as follows:

	Unit : Baht	
	<u>Consolidated financial statements</u>	
	<u>2014</u>	<u>2013</u>
Accounting profit before income tax	11,841,041,577	8,918,136,344
Permanent differences	276,750,666	97,693,368
Temporary differences	294,323,881	(627,754,852)
Utilization of taxable loss carried forward	-	(221,442,895)
Income that is exempt from taxation	<u>(7,149,154,461)</u>	<u>(3,750,391,645)</u>
Taxable profit	<u>5,262,961,663</u>	<u>4,416,240,320</u>
Tax currently payable		
- Local tax rate (20%)	940,136,482	874,162,568
- Overseas tax rate (15%)	84,341,888	6,814,122
Tax effects of :		
Temporary differences		
Finance lease receivable	(112,420,054)	-
Difference of depreciation	99,103,116	156,284,002
Provisions	(18,627,250)	(10,465,141)
Assets under finance lease	28,831	(70,888)
Taxable loss carried forward	138,346	3,012,170
Deferred expenses	<u>(4,327,483)</u>	<u>(4,551,920)</u>
	<u>(36,104,494)</u>	<u>144,208,223</u>
Adjustment of prior year income tax	<u>16,867,336</u>	<u>6,126,907</u>
Income tax expense	<u>1,005,241,212</u>	<u>1,031,311,820</u>

	Unit : Baht	
	<u>The Separate financial statements</u>	
	<u>2014</u>	<u>2013</u>
Accounting profit before income tax	4,826,175,118	5,135,383,680
Permanent differences	(1,469,935,058)	(1,783,880,771)
Temporary differences	(30,276,227)	(56,439,921)
Income that is exempt from taxation	<u>(2,145,750,572)</u>	<u>(2,097,098,310)</u>
Taxable profit	<u>1,180,213,261</u>	<u>1,197,964,678</u>
Tax currently payable (tax rate : 20%)	236,042,653	239,592,936
Tax effects of :		
Temporary differences		
Provisions	(2,496,106)	(2,013,016)
Difference of depreciation	20,428,707	26,771,964
Deferred expenses	<u>(4,327,483)</u>	<u>(4,551,920)</u>
	<u>13,605,118</u>	<u>20,207,028</u>
Adjustment of prior year income tax	<u>8,435,504</u>	<u>1,676,582</u>
Income tax expense	<u>258,083,275</u>	<u>261,476,546</u>

In accordance with the Supplemental Agreement of the Build Operate and Transfer Agreement (“BOT”) dated December 18, 2001 entered into with the Government of Lao PDR, Houay Ho Power Company Limited is granted tax exemption privilege starting from the fiscal year of the date of Commercial Operation of September 3, 1999 as follows:

Periods	Percentage of tax applied on net income
- First five fiscal years (September 3, 1999 - December 31, 2003)	0
- Next seven fiscal years (January 1, 2004 - December 31, 2010)	3.5
- Next two fiscal years (January 1, 2011 - December 31, 2012)	6.5
- Thereafter January 1, 2013	15

22. EMPLOYEE BENEFIT OBLIGATIONS

The Company and its subsidiaries operate post-employment benefit plans under the Thai Labor Protection Act, which are considered as unfunded defined benefit plans.

Amounts recognized in the statements of comprehensive income in respect of the employee benefit obligations for the years ended December 31, are as follows:

	Unit : Baht			
	<u>Consolidated</u>		<u>The Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Current service cost	21,050,383	10,298,381	1,229,188	1,170,981
Interest cost	5,216,233	4,009,127	659,608	565,905
Total	<u>26,266,616</u>	<u>14,307,508</u>	<u>1,888,796</u>	<u>1,736,886</u>

Movements in the present value of the employee benefit obligations for the years ended December 31, are as follows:

	Unit : Baht			
	<u>Consolidated</u>		<u>The Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Beginning present value of employee benefit obligations	111,286,297	96,978,789	16,247,266	14,510,380
Actuarial gain	(1,256,242)	-	(1,256,242)	-
Benefits paid	(583,639)	-	-	-
Current service cost	21,050,383	10,298,381	1,229,188	1,170,981
Interest cost	5,216,233	4,009,127	659,608	565,905
Ending present value of employee benefit obligations	<u>135,713,032</u>	<u>111,286,297</u>	<u>16,879,820</u>	<u>16,247,266</u>

The principle actuarial assumptions used to calculate the above employee benefit obligations are as follows:

	<u>Consolidated and the Separate</u>	
	<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>
Discount rate	4.4%	3.9 - 4.0%
Inflation rate	3.0%	3.0 - 3.5%
Salary increase rates	6.0 - 7.5%	6.0 - 7.5%
Turnover rates	0.0 - 8.0%	0.0 - 8.0%

23. LEGAL RESERVE

23.1 Pursuant to the Public Limited Companies Act B.E. 2535, the Company is required to set aside a legal reserve of at least 5 percent of annual net earnings after deducting accumulated deficit brought forward (if any) until the reserve reaches 10 percent of the registered share capital and the reserve is not available for distribution as dividends.

As at December 31, 2014 and 2013, the Company had already appropriated for legal reserve in full amount.

23.2 According to the Civil and Commercial Code, subsidiary companies must appropriate to a reserve fund at each distribution of dividend at least one-twentieth of the profit arising from the business of that companies until the reserve fund reaches one-tenth part of capital of subsidiary companies. Such reserve is not available for distribution as dividends.

24. DIVIDEND PAYMENT

On August 14, 2014, the Board of Directors' Meeting of the Company passed a resolution to distribute an interim dividend from profit for the six-month period ended June 30, 2014 at Baht 1.1 per share totaling Baht 1,609.2 million. The dividend was paid on September 12, 2014.

On April 21, 2014, the Annual General Meeting of Shareholders of the Company passed a resolution to distribute an annual dividend for the year 2013 at Baht 2.755 per share totaling Baht 4,030.2 million. The dividend consists of interim dividend at Baht 0.851 per share totaling Baht 1,244.9 million which was paid on September 5, 2013 and additional dividend at Baht 1.904 per share totaling Baht 2,785.3 million which was paid on May 20, 2014.

25. TRANSACTIONS WITH RELATED PARTIES

The Company has transactions with its related parties which have the same group of shareholders and directors. Those transactions occurred in the normal course of business based on the basis determined by the Company and its related parties.

Significant balances and transactions between the Company and its related parties are as follows:

<u>Account name/ Company's name</u>	<u>Relationship</u>	<u>As at December 31,</u>			
		<u>Consolidated</u>		<u>The Separate</u>	
		<u>financial statements</u>		<u>financial statements</u>	
		<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Trade receivables from related parties					
Glow SPP 1 Company Limited	Subsidiary	-	-	150,293,493	-
Glow SPP 2 Company Limited	Subsidiary	-	-	239,348,046	97,743,548
Glow SPP 3 Company Limited	Subsidiary	-	-	91,123,085	8,267,902
GHECO-One Company Limited	Subsidiary	-	-	2,983,109	2,202,264
		-	-	483,747,733	108,213,714
Advances to related parties					
Glow SPP 1 Company Limited	Subsidiary	-	-	434,638	1,446,699
Glow SPP 2 Company Limited	Subsidiary	-	-	347,937	26,248
Glow SPP 3 Company Limited	Subsidiary	-	-	638,035	630,546
GHECO-One Company Limited	Subsidiary	-	-	14,236,231	51,731
International Power S.A.	Related company	12,656	12,656	-	-
GDF Suez Energy Asia Company Limited	Related company	354,803	2,439,768	-	-
Electrabel S.A.	Related company	174,802	174,802	-	-
International Power Plc.	Related company	8,760,023	2,202,321	-	-
International Power Ltd.	Related company	224,872	-	-	-
GDF Suez Energy Middle East, Turkey & Africa	Related company	104,839	-	-	-
Meenakshi Energy Pvt. Ltd.	Related company	124,670	-	-	-
		9,756,665	4,829,547	15,656,841	2,155,224

Unit : Baht

<u>Account name/ Company's name</u>	<u>Relationship</u>	<u>As at December 31,</u>			
		<u>Consolidated</u>		<u>The Separate</u>	
		<u>financial statements</u>		<u>financial statements</u>	
		<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Interest receivables from related parties					
Glow SPP 2 Company Limited	Subsidiary	-	-	-	19,520
Glow SPP 11 Company Limited	Subsidiary	-	-	6,222,266	5,676,575
Glow IPP 2 Holding Company Limited	Subsidiary	-	-	1,938,000	27,291,986
Glow Company Limited	Subsidiary	-	-	257,284	277,051
		<u>-</u>	<u>-</u>	<u>8,417,550</u>	<u>33,265,132</u>
Short-term loans to related parties					
Glow SPP 2 Company Limited	Subsidiary	-	-	-	30,000,000
Glow SPP 11 Company Limited	Subsidiary	-	-	784,000,000	354,000,000
Glow IPP 2 Holding Company Limited	Subsidiary	-	-	876,000,000	3,065,099,950
Glow Company Limited	Subsidiary	-	-	22,724,400	22,724,400
		<u>-</u>	<u>-</u>	<u>1,682,724,400</u>	<u>3,471,824,350</u>
Long-term loan to a related party					
Glow SPP 11 Company Limited	Subsidiary	-	-	3,522,600,000	4,677,000,000
		<u>-</u>	<u>-</u>	<u>3,522,600,000</u>	<u>4,677,000,000</u>
Deferred right to use pipe rack (recorded as a part of intangible assets)					
Glow SPP 3 Company Limited	Subsidiary	-	-	81,013,073	85,662,408
		<u>-</u>	<u>-</u>	<u>81,013,073</u>	<u>85,662,408</u>
Deferred expenses - others (recorded as a part of other non-current assets)					
Glow SPP 3 Company Limited	Subsidiary	-	-	33,340,763	34,733,460
GHECO-One Company Limited	Subsidiary	-	-	17,493,411	18,296,163
		<u>-</u>	<u>-</u>	<u>50,834,174</u>	<u>53,029,623</u>
Trade payables to related parties					
Glow SPP 1 Company Limited	Subsidiary	-	-	(2,175)	-
Glow SPP 2 Company Limited	Subsidiary	-	-	70,590,656	655,938
Glow SPP 3 Company Limited	Subsidiary	-	-	185,254,785	216,132,228
		<u>-</u>	<u>-</u>	<u>255,843,266</u>	<u>216,788,166</u>
Advance from related parties					
Glow SPP 1 Company Limited	Subsidiary	-	-	122,193	77,755
Glow SPP 2 Company Limited	Subsidiary	-	-	5,918,575	2,195,001
Glow SPP 3 Company Limited	Subsidiary	-	-	626,279	1,257,496
Glow Company Limited	Subsidiary	-	-	47,092,840	35,445,895
Glow IPP Company Limited	Subsidiary	-	-	-	143,303
Glow SPP 11 Company Limited	Subsidiary	-	-	-	808
GHECO-One Company Limited	Subsidiary	-	-	6,179	-
International Power S.A.	Related company	20,084,595	18,384,919	6,206,117	6,477,251
Tractebel Engineering Limited	Related company	-	1,768,862	-	1,768,862
GDF Suez Energy International Global Development B.V. (formerly GDF Suez Energy Asia, Turkey & Southern Africa B.V.)	Related company	8,354,500	8,354,500	8,354,500	8,354,500
GDF Suez Energy Asia Company Limited	Related company	2,134,064	130,619	2,105,008	97,987
		<u>30,573,159</u>	<u>28,638,900</u>	<u>70,431,691</u>	<u>55,818,858</u>

Unit : Baht

<u>Account name/ Company's name</u>	<u>Relationship</u>	<u>As at December 31,</u>			
		<u>Consolidated</u>		<u>The Separate</u>	
		<u>financial statements</u>		<u>financial statements</u>	
		<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Accounts payable - acquisition of fixed assets					
GDF Suez Energy Asia Company Limited	Related company	-	3,251,528	-	-
Sharepart S.C.R.L.	Related company	294,794,554	-	-	-
		<u>294,794,554</u>	<u>3,251,528</u>	<u>-</u>	<u>-</u>
Interest payables to related parties					
Glow SPP 1 Company Limited	Subsidiary	-	-	654,577	-
Glow SPP 2 Company Limited	Subsidiary	-	-	6,298,292	-
Glow SPP 3 Company Limited	Subsidiary	-	-	1,177,808	68,973
Glow SPP 11 Company Limited	Subsidiary	-	-	588,206	-
		<u>-</u>	<u>-</u>	<u>8,718,883</u>	<u>68,973</u>
Short-term borrowings from related parties					
Glow SPP 1 Company Limited	Subsidiary	-	-	544,485,960	-
Glow SPP 2 Company Limited	Subsidiary	-	-	484,106,825	-
Glow SPP 3 Company Limited	Subsidiary	-	-	1,549,118,896	106,000,000
Glow SPP 11 Company Limited	Subsidiary	-	-	45,059,199	-
		<u>-</u>	<u>-</u>	<u>2,622,770,880</u>	<u>106,000,000</u>
Long-term borrowings from a related party					
International Power S.A.	Related company	1,497,151,791	1,537,453,684	-	-
		<u>1,497,151,791</u>	<u>1,537,453,684</u>	<u>-</u>	<u>-</u>
Advance received from a related party (recorded as a part of other non-current liabilities)					
GHECO-One Company Limited	Subsidiary	-	-	213,875,733	223,664,403
		<u>-</u>	<u>-</u>	<u>213,875,733</u>	<u>223,664,403</u>

Unit : Baht

<u>Account name/ Company's name</u>	<u>Relationship</u>	<u>For the years ended December 31,</u>			
		<u>Consolidated</u>		<u>The Separate</u>	
		<u>financial statements</u>		<u>financial statements</u>	
		<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Sales					
Glow SPP 1 Company Limited	Subsidiary	-	-	412,723,342	345,866,331
Glow SPP 2 Company Limited	Subsidiary	-	-	712,069,213	916,365,063
Glow SPP 3 Company Limited	Subsidiary	-	-	314,795,222	372,472,865
GHECO-One Company Limited	Subsidiary	-	-	23,771,056	31,771,541
		<u>-</u>	<u>-</u>	<u>1,463,358,833</u>	<u>1,666,475,800</u>
Interest income					
Glow SPP 1 Company Limited	Subsidiary	-	-	507,534	-
Glow SPP 2 Company Limited	Subsidiary	-	-	226,438	8,931,735
Glow SPP 3 Company Limited	Subsidiary	-	-	-	51,013,699
Glow SPP 11 Company Limited	Subsidiary	-	-	231,406,681	263,832,055
Glow IPP 2 Holding Company Limited	Subsidiary	-	-	115,321,627	139,364,865
Glow Company Limited	Subsidiary	-	-	1,093,884	784,312
		<u>-</u>	<u>-</u>	<u>348,556,164</u>	<u>463,926,666</u>

Unit : Baht

<u>Account name/ Company's name</u>	<u>Relationship</u>	<u>For the years ended December 31,</u>			
		<u>Consolidated</u>		<u>The Separate</u>	
		<u>financial statements</u>		<u>financial statements</u>	
		<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Service income					
GHECO-One Company Limited	Subsidiary	-	-	37,024,245	25,137,923
GDF Suez Energy Asia Company Limited	Related company	2,514,091	4,080,156	-	-
		<u>2,514,091</u>	<u>4,080,156</u>	<u>37,024,245</u>	<u>25,137,923</u>
Sale of spare parts					
Glow SPP 1 Company Limited	Subsidiary	-	-	1,036,345	1,865,773
Glow SPP 2 Company Limited	Subsidiary	-	-	1,346,871	1,296,150
Glow SPP 3 Company Limited	Subsidiary	-	-	2,862,720	5,603,310
Glow IPP Company Limited	Subsidiary	-	-	347,885	50,202
GHECO-One Company Limited	Subsidiary	-	-	152,983	278,398
Glow SPP 11 Company Limited	Subsidiary	-	-	755,578	141,271
		<u>-</u>	<u>-</u>	<u>6,502,382</u>	<u>9,235,104</u>
Purchases					
Glow SPP 1 Company Limited	Subsidiary	-	-	4,474,766	-
Glow SPP 2 Company Limited	Subsidiary	-	-	566,526,263	118,772,826
Glow SPP 3 Company Limited	Subsidiary	-	-	567,543,807	807,474,525
		<u>-</u>	<u>-</u>	<u>1,138,544,836</u>	<u>926,247,351</u>
Service expenses					
Glow SPP 1 Company Limited	Subsidiary	-	-	198,491	433,515
Glow SPP 2 Company Limited	Subsidiary	-	-	10,267,595	10,267,595
Glow SPP 3 Company Limited	Subsidiary	-	-	34,248,265	36,403,368
GHECO-One Company Limited	Subsidiary	-	-	802,753	802,753
International Power S.A.	Related company	2,795,452	5,291,212	432,314	985,171
GDF Suez Energy International Global Development B.V. (formerly GDF Suez Energy Asia, Turkey & Southern Africa B.V.)	Related company	-	2,829,750	-	2,829,750
Tractebel Engineering Limited	Related company	2,101,990	3,728,786	2,101,990	3,728,786
GDF Suez Energy Asia Company Limited	Related company	7,495,987	12,371,000	7,492,460	2,567,757
GDF Suez CC SCRL	Related company	-	772,989	-	772,989
International Power Plc.	Related company	-	2,073,755	-	-
GDF SUEZ Energy Management Trading S.C.R.L.	Related company	733,945	-	-	-
		<u>13,127,374</u>	<u>27,067,492</u>	<u>55,543,868</u>	<u>58,791,684</u>
Management fees					
Glow Company Limited	Subsidiary	-	-	346,705,000	294,804,000
		<u>-</u>	<u>-</u>	<u>346,705,000</u>	<u>294,804,000</u>

Unit : Baht

<u>Account name/ Company's name</u>	<u>Relationship</u>	<u>For the years ended December 31,</u>			
		<u>Consolidated</u>		<u>The Separate</u>	
		<u>financial statements</u>		<u>financial statements</u>	
		<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Purchase of spare parts					
Glow SPP 1 Company Limited	Subsidiary	-	-	754,476	112,279
Glow SPP 2 Company Limited	Subsidiary	-	-	2,769,446	894,188
Glow SPP 3 Company Limited	Subsidiary	-	-	5,688,188	4,207,491
Glow IPP Company Limited	Subsidiary	-	-	866,122	134,095
GHECO-One Company Limited	Subsidiary	-	-	3,130,964	591,167
Glow SPP 11 Company Limited	Subsidiary	-	-	155,880	26,663
		-	-	13,365,076	5,965,883
Purchase of coal					
Glow SPP 3 Company Limited	Subsidiary	-	-	988,249,287	1,180,451,506
GDF SUEZ Energy Management Trading S.C.R.L.	Related company	225,146,004	-	-	-
		225,146,004	-	988,249,287	1,180,451,506
Dividends income					
Glow Company Limited	Subsidiary	-	-	1,281,765,739	1,289,688,742
Glow SPP 3 Company Limited	Subsidiary	-	-	199,081,517	199,081,517
Glow SPP 11 Company Limited	Subsidiary	-	-	-	299,999,982
		-	-	1,480,847,256	1,788,770,241
Management benefit expenses					
Management benefit expenses (Short-term employee benefits)	Management	250,663,803	206,196,122	-	-
		250,663,803	206,196,122	-	-
Interest expense					
Glow SPP 1 Company Limited	Subsidiary	-	-	11,206,622	1,000,000
Glow SPP 2 Company Limited	Subsidiary	-	-	8,321,155	917,808
Glow SPP 3 Company Limited	Subsidiary	-	-	21,817,158	68,973
Glow SPP 11 Company Limited	Subsidiary	-	-	2,681,007	-
		-	-	44,025,942	1,986,781

Cash management agreement

On January 31, 2014, Glow SPP 1 Company Limited, Glow SPP 2 Company Limited, Glow SPP 3 Company Limited and Glow SPP 11 Company Limited participated into cash management agreement (cash pooling) with the Company and a bank. According to such agreement, the bank provides cash management services between the Company and such subsidiaries. The intercompany loans incurred under cash pooling carries interest at MLR minus a certain percentage per annum.

Pricing policies

Interest income and interest expense are determined based on MLR minus a certain percentage per annum.

No interest is charged on advances with related parties.

The Company and the related companies have determined prices of sales and purchases of electricity, steam and water to and from related companies based on average selling price charged to industrial customers of the Company and related companies.

Service income and service expenses are determined based on the amounts stipulated in the agreements.

Prices of purchase and sale of spare parts and coal within the group company are determined based on cost plus a certain margin.

Prices of purchase of coal from related company is determined based on the amounts stipulated in the agreements.

Management fees are determined based on the actual cost related to rendering of services plus a certain margin.

All managements of the group company are under Glow Company Limited and the management benefit expenses have been included in the management fee charged to each company.

Short-term loans to Glow SPP 2 Company Limited (“GSPP2”)

On May 2, 2012, the Company entered into short-term loan agreement to provide loan for the facilities of Baht 500 million to GSPP2. The loan is subject to interest at MLR minus a certain percentage per annum and repayable at call.

On February 28, 2014, GSPP2 repaid the loan amounting to Baht 30 million which was drawn down on December 27, 2013.

Short-term and long-term loans to Glow SPP 11 Company Limited (“GSPP11”)

The Company entered into a loan agreement dated April 30, 2012 and Amendment No. 1 dated November 22, 2013 with GSPP11 to provide loans up to Baht 7,200 million. The loans are subject to interest at MLR minus a certain percentage per annum, and the balances as at December 31, are as follows:

	<u>Repayment Date</u>	<u>Facility</u>	<u>2014</u>	<u>2013</u>	<u>Unit : Baht</u>
<u>Short-term loan</u>					
Tranche B	As mutually agreed	1,200,000,000	784,000,000	354,000,000	
<u>Long-term loan</u>					
Tranche A	August 31, 2021	6,000,000,000	3,522,600,000	4,677,000,000	
		<u>7,200,000,000</u>	<u>4,306,600,000</u>	<u>5,031,000,000</u>	

GSPP11 drew down additional Tranche B loan amounting to Baht 100 million, Baht 230 million and Baht 100 million on May 30, 2014, September 1, 2014 and October 30, 2014, respectively.

GSPP11 gradually prepaid the Tranche A loan totaling Baht 1,154.4 million during the year 2014.

Short-term loans to Glow IPP 2 Holding Company Limited (“GIPP2”)

The Company entered into a short-term loan agreement dated April 20, 2012 and amendments dated June 20, 2012, October 16, 2012 and July 1, 2013 with GIPP2 to provide loans in the amount not exceeding Baht 3,500 million. The loans carry interest at MLR minus a certain percentage per annum and are repayable at call.

GIPP2 drew down additional loans amounting to Baht 76 million, Baht 5 million, Baht 4 million and Baht 50 million on April 28, 2014, May 30, 2014, August 29, 2014 and October 28, 2014, respectively, and repaid the loan amounting to Baht 1,038.1 million and Baht 1,286 million on May 2, 2014 and December 15, 2014, respectively.

Some of these loans were lent to GHECO1 under the Equity Subscription and Retention Agreement dated October 9, 2008 (see Note 18).

Short-term loans to Glow Company Limited (“GCO”)

The Company entered into a short-term loan agreement dated April 2, 2013 and Amendment No. 1 dated June 10, 2013 with GCO to provide loan in the amount not exceeding Baht 40 million. The loan carries interest at MLR minus a certain percentage per annum and is repayable at call.

Short-term borrowings from related parties

The outstanding balance of Baht 172.8 million as at December 31, 2014 represented the amount of short-term borrowings under the above cash management agreement (cash pooling).

The Company drew down loans amounting to Baht 200 million, Baht 100 million, Baht 100 million and Baht 100 million from GSPP1 on June 30, 2014, July 30, 2014, September 10, 2014 and October 30, 2014, respectively.

The Company drew down loans amounting to Baht 200 million, Baht 100 million and Baht 150 million from GSPP2 on July 30, 2014, September 10, 2014 and December 30, 2014, respectively.

The Company repaid the loans amounting to Baht 106 million to GSPP3 on January 15, 2014 and drew down additional loans amounting to Baht 400 million, Baht 300 million, Baht 200 million and Baht 600 million on June 30, 2014, July 30, 2014, September 1, 2014 and December 30, 2014, respectively.

Long-term borrowings from a related party

These represent long-term borrowings of Houay Ho Power Company Limited (“HHPC”) granted by International Power S.A. under the Supplemental Agreement on an Engineering Procurement Construction Contract Restructuring Agreement dated August 1, 2004 and Amendment Agreement dated December 27, 2007. On July 29, 2014, HHPC repaid the loan amounting to USD 1.4 million. The balances of the long-term borrowings as at December 31, 2014 and 2013 are USD 45,419,160 and USD 46,854,161, respectively. The loan is non-interest bearing until December 2014 and carries interest at a certain percentage per annum from January 2015 onwards, and is repayable upon excessive cash available under the term and schedule of priorities until Build Operate and Transfer Agreement termination.

Shared Facilities Agreements

GSPP2, GSPP3 and the Company entered into Shared Facilities Agreements to provide and allow GHECO-One Company Limited (“GHECO1”) to use their facilities in operating its power plant for a period of 25 years. On December 4, 2008, shared facilities fees totaling Baht 1,253.8 million were paid by GHECO1 detailed as follows:

<u>Company’s name</u>	<u>Agreement Date</u>	<u>Fees (Baht)</u>	<u>Commencement date of the shared facilities agreement</u>
The Company	March 14, 2008	163,072,795	October 2, 2010
Glow SPP 2 Company Limited	March 14, 2008	28,955,184	March 4, 2011
Glow SPP 3 Company Limited	January 21, 2008	1,061,750,682	March 4, 2011
		<u>1,253,778,661</u>	

The fees are recorded as advance received in the statement of financial position and are recognized as income over the agreement period.

In addition, GHECO1 pays the annual fees to the Company, GSPP2 and GSPP3 in the amount stipulated in the agreements.

Emission Credit Assignment Agreements

In 2008, GSPP3, GHECO1 and the Company entered into the Emission Credit Assignment Agreements, whereby the fees for the emission reduction equipment were paid and recorded as advance received in the statement of financial position and are recognized as income over agreement period. The details of the agreements are as follows:

<u>Counterparty</u>	<u>Agreement Date</u>	<u>Fees (USD)</u>
The Company and GHECO1	August 20, 2008	2,500,000
GSPP3 and GHECO1	August 20, 2008	7,500,000
GSPP3 and the Company	April 1, 2008	860,000

In addition, GHECO1 and the Company pay the annual fees in the amount stipulated in the agreements.

26. CAPITAL MANAGEMENT

The Company and its subsidiaries' ("Group Company") objectives in respect of managing capital are as follows:

- To safeguard the Group Company's ability to continue as a going concern so that it can continue to provide returns to shareholders and benefits to other stakeholders and,
- In order to provide adequate returns to shareholders, the projects invested by the Companies in the Group shall be prudently considered on the appropriate risk level.

The Group Company undertakes the capital management by setting a target to maintain the credit rating of the Group Company by not less than A minus following the principle of Credit Rating performed by TRIS. The Group Company manages its capital in relation to the proportional risk and manages the capital structure by separate funding to each type of project. The funding of the Independent Power Producer Project ("IPP") is separately managed from other projects in term of Project Financing. For the Cogeneration project, Group Company's source of fund shall pass through Glow Energy Public Company Limited by raising fund and grants the loans to the companies in the group for their projects.

Monitoring the capital of the Cogeneration project is considered based on the financial ratios of Group Company's performance excluding IPP's operating result. The financial ratios comprise Debt to Equity Ratio, Debt Service Coverage Ratio and Interest Coverage Ratio.

Monitoring the capital of the IPP is in accordance with the covenant on financial ratios stipulated in a loan agreement of each project.

27. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, are as follows:

	Unit : Baht			
	<u>Consolidated</u>		<u>The Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Fuel costs	47,443,885,390	46,235,077,475	16,435,735,535	15,771,182,955
Repair and maintenance expenses	1,852,339,617	1,322,982,707	596,880,559	503,004,716
Employee benefits expense	1,246,165,939	1,052,124,373	149,407,421	126,329,025
Depreciation and amortization	4,765,692,234	5,005,945,759	1,611,428,414	1,545,756,426

28. PROVIDENT FUND EXPENSE

Provident fund contributions made by the Company and its subsidiaries for their employees and recorded as expense in the statements of comprehensive income for the years ended December 31, are as follows:

<u>Company's name</u>	Unit : Million Baht			
	<u>Consolidated</u>		<u>The Separate</u>	
	<u>financial statements</u>		<u>financial statements</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
The Company	4.1	3.4	4.1	3.4
Glow SPP 1 Company Limited	1.4	1.2	-	-
Glow SPP 2 Company Limited	1.8	1.5	-	-
Glow SPP 3 Company Limited	0.7	0.6	-	-
Glow IPP Company Limited	1.7	1.2	-	-
Glow Company Limited	18.2	14.5	-	-
GHECO-One Company Limited	1.9	1.6	-	-
Glow SPP 11 Company Limited	1.4	1.2	-	-
Houay Ho Power Company Limited	0.3	-	-	-

29. PROMOTIONAL PRIVILEGES

The Company and its subsidiaries have been granted the promotional privileges under the Investment Promotional Act, B.E. 2520 by the Board of Investment under each promotion certificate as follows:

Company's name	Certificates		1 st Income Date	Privileges	
	No.	Dated			
The Company	1413/2537	July 11, 1994	May 1995	a) to g)	
	1392/2538	June 23, 1995	January 1996	a) to g)	
	1206(2)/2547	March 9, 2004	July 2004	a) to g)	
	1635(2)/2547	August 9, 2004	December 2005	a) to g)	
	1609(2)/2550	June 18, 2007	January 2010	a) to g)	
	2155/0./2550*	November 16, 2007	-	a) to b)	
	1187(2)/2552	February 26, 2009	March 2011	a) to g)	
	2144(1)/2555	August 21, 2012	August 2012	b) to g)	
	Glow Company Limited	1479/2546	September 4, 2003	-	a)
	Glow SPP 1 Company Limited	1032/2539	January 22, 1996	September 1997	a) to g)
1532/2539		July 24, 1996	July 1998	a) to g)	
1854/0./2552**		November 4, 2009	May 20, 1999	a), b), e)	
Glow SPP 2 Company Limited	1855(2)/0./2552**	November 4, 2009	July 11, 2006	a) to g)	
	1744/2539	November 6, 1996	August 1997	a) to g)	
Glow SPP 3 Company Limited	1552/2540	August 22, 1997	August 1999	a) to g)	
Glow IPP Company Limited	1526/2542	November 30, 1999	January 2003	a) to d)	
GHECO-One Company Limited	1969(2)/2551	July 25, 2008	July 26, 2012	b) to g)	
Glow SPP 11 Company Limited	1079/2542	March 12, 1999	September 1, 2000	a) to g)	
	2061(2)/0./2556***	July 31, 2013	November 27, 2012	b) to g)	
	2060(2)/00./2556***	July 31, 2013	October 11, 2006	b) to g)	
	2060(2)/2557	September 1, 2014	Not yet started	b) to g)	

Subject to certain imposed conditions, the privileges include the following:

- a) Permission to own land in order to carry on the promoted activities as the Board may deem appropriate.
 - b) Exemption of import duty on machinery, materials or supplies imported for production for domestic sales as approved by the Board.
 - c) Exemption of corporate income tax on net profit of the promoted operations for a period of eight years commencing from the date of earning operating income. In cases where the business incurs a loss during that period of exemption, the loss incurred in such period can be taken as a deduction from net profit for the years after the period of exemption, not exceeding five years.
 - d) Shareholders receive exemption of income tax on dividends paid from the profit of the promoted operation over the above corporate income tax exemption period.
 - e) An allowance of fifty percent of the normal rate of corporate income tax on net profit for a period of five years after the expiry date of the corporate income tax exemption period as described in c) above.
 - f) Permission to deduct double the cost of transportation, electricity and water supply for corporate income tax purpose for a period of ten years commencing from the date of earning operating income.
 - g) Permission to deduct the cost of installation or construction of public utilities at the rate of twenty-five percent of investment in addition to normal depreciation charges.
- * The privileges under the promotion certificate No. 2155/0./2550 of the Company were transferred from the remaining privileges under the promotion certificate No. 1222/2536 dated November 5, 1993 of Glow SPP 3 Company Limited as a consequence of selling its Phase 1 water plant to the Company in June 2007.
- ** The privileges under the promotion certificates No. 1854/0./2552 and No. 1855(2)/0./2552 of Glow SPP 1 Company Limited were transferred from the remaining privileges under the promotion certificates No. 1213/2542 dated May 21, 1999 and No. 1235(2)/2549 dated March 2, 2006, respectively, of Glow Demin Water Company Limited as a consequence of the entire business transfer of Glow Demin Water Company Limited to Glow SPP 1 Company Limited on August 1, 2009.
- *** The privileges under the promotion certificates No. 2061(2)/0./2556 and No. 2060(2)/00./2556 of Glow SPP 11 Company Limited were transferred from the remaining privileges under the promotion certificates No. 1764(2)/2553 dated July 16, 2010 of Glow SPP 12 Company Limited and No. 2086(2)/0./2549 dated November 13, 2006 of Glow SPP 13 Company Limited, respectively, as a consequence of the entire business transfer of Glow SPP 12 Company Limited and Glow SPP 13 Company Limited to Glow SPP 11 Company Limited on May 31, 2013.

The Company has to comply with certain terms and conditions as stipulated in the investment promotion certificates.

All the Company's revenues from sales are domestic sales, which are allocated to promoted and non-promoted activities as follows:

Unit : Baht						
The Separate financial statements						
2014			2013			
Promoted activities	Non-promoted activities	Total	Promoted activities	Non-promoted activities	Total	
Revenues from sales	23,225,838,679	2,636,028,432	25,861,867,111	23,490,536,915	949,832,778	24,440,369,693

30. DISCLOSURE OF FINANCIAL INSTRUMENTS INFORMATION

30.1 Credit risk

The Company and its subsidiaries are subject to significant concentrations of credit risk, as almost all sales are made to EGAT and companies in the petrochemical industry, the Company and its subsidiaries do not expect to incur material credit losses on their risk management or other financial instruments.

As at December 31, 2014, the maximum exposure to credit risk of the Company and its subsidiaries is the carrying amount of the financial assets as stated in the statement of financial position.

30.2 Foreign currency risk

The exposure to foreign currency risk relates primarily to purchases of equipment, repairs and maintenance of power plants and loans denominated in foreign currencies. In order to hedge the foreign currency risk, the Company and its subsidiaries entered into currency swap agreements and forward foreign exchange contracts, of which the details are as follows:

30.2.1 The Company entered into cross currency interest rate swap agreements with the financial institutions to swap its USD loans for Baht loans and to swap interests as disclosed in Note 30.3. As at December 31, 2014, the outstanding agreements are as follows:

Agreement date	Swap		Term
	Million USD	Million Baht	
January 6, 2011	46.4	1,400.0	February 7, 2011 - February 6, 2016
May 12, 2011	33.3	1,006.9	September 15, 2011 - December 15, 2016
May 13, 2011	66.7	2,014.1	July 18, 2011 - July 15, 2015
May 19, 2011	65.7	1,985.9	July 18, 2011 - July 15, 2015

30.2.2 As at December 31, 2014, the Company and its subsidiaries have outstanding forward foreign exchange contracts with financial institutions as follows:

Unit : Million

Description	Value date	Contract amount		
		EUR	USD	Baht
Long-term parts and repair agreements				
Glow IPP Company Limited				
Long-term parts and repair agreements	July 29, 2016 - January 31, 2018	33.2	43.3	-
Glow SPP 1 Company Limited				
Long-term parts and repair agreements	July 30, 2015 - September 20, 2018	7.8	10.0	-
Gas engine expansion construction agreement				
Glow SPP 11 Company Limited				
Gas engine expansion construction agreement	February 20, 2015	0.5	-	22.3
Coal purchase				
GHECO-One Company Limited				
Purchase of coal	January 6, 2015	-	5.0	164.4
Long-term service agreement				
The Company				
Fixed fee	January 30, 2015 - November 30, 2020	2.3	-	92.7
Variable fee	January 30, 2015 - November 30, 2020	16.0	-	666.5

Some of the forward foreign exchange contracts of the Company are guaranteed by Glow SPP 1 Company Limited, Glow SPP 2 Company Limited and Glow SPP 3 Company Limited.

As at December 31, 2014, the Company and its subsidiaries have current liabilities in foreign currencies which are not hedged against foreign exchange rate risk of approximately USD 62.5 million, YEN 3.3 million and EUR 8.1 million.

30.3 Interest rate risk

Interest rate risk is the risk whereby future movements in market interest rates will have an effect on the operating results and cash flows of the Company and its subsidiaries. Financial instruments of the Company and its subsidiaries with floating interest rates comprise deposits at financial institutions, and long-term borrowings. In order to hedge interest rate risks of long-term borrowings, the Company and its subsidiaries entered into interest rate swap agreements with financial institutions. As at December 31, 2014, the Company and its subsidiaries have outstanding interest rate swap agreements as follows:

Unit : Million					
Agreement date	For	Notional amount	Swap interest		Term
			From	To	
The Company					
May 16, 2008 and novation agreement dated May 24, 2012	Debentures No. 1/2550	800.0	A certain percentage per annum	Different certain percentages per annum, per term	May 21, 2008 - May 21, 2010 and May 21, 2010 - May 21, 2017
August 21, 2008 and September 11, 2008	Baht loan	4,000.0	THBFIX	A certain percentage per annum	October 15, 2008 - July 15, 2015
March 16, 2009 and novation agreement dated May 24, 2012	Baht loan	1,000.0	THBFIX + a certain percentage per annum	Different certain percentages per annum, per term	February 6, 2009 - August 6, 2009 and August 6, 2009 - February 6, 2016
April 24, 2009	Baht loan	1,000.0	THBFIX + a certain percentage per annum	Different certain percentages per annum, per term	February 6, 2009 - August 6, 2009 and August 6, 2009 - February 8, 2016
April 29, 2009	Baht loan	1,000.0	THBFIX + a certain percentage per annum	Different certain percentages per annum, per term	February 6, 2009 - August 6, 2009 and August 6, 2009 - February 8, 2016
January 6, 2011 (see Note 30.2.1)	USD loan	46.4	LIBOR + a certain percentage per annum	THBFIX + a certain percentage per annum	February 7, 2011 - February 6, 2016
January 6, 2011 and Amendment dated March 19, 2012	Debentures No. 1/2550, 1/2551, 1/2553, 2/2553 series 3 and series 4	7,300.0	Certain percentages per annum	Different certain percentages per annum	January 5, 2011 - October 8, 2019
May 12, 2011 (see Note 30.2.1)	USD loan	33.3	LIBOR + a certain percentage per annum	A certain percentage per annum	September 15, 2011 - December 15, 2016
May 13, 2011 (see Note 30.2.1)	USD loan	66.7	LIBOR + a certain percentage per annum	THBFIX - a certain percentage per annum	July 18, 2011 - July 15, 2015

Unit : Million

Agreement date	For	Notional amount	Swap interest		Term
			From	To	
The Company (continued)					
May 19, 2011 (see Note 30.2.1)	USD loan	65.7	LIBOR + a certain percentage per annum	THBFIX - a certain percentage per annum	July 18, 2011 - July 15, 2015
August 30, 2011 and novation agreement dated May 24, 2012	Debentures No. 1/2554	2,000.0	A certain percentage per annum	Different certain percentage per annum	August 31, 2011 - August 31, 2021
August 31, 2011 and Amendment dated March 26, 2012	Debentures No. 1/2554	1,555.0	A certain percentage per annum	Different certain percentage per annum	August 31, 2011 - August 31, 2021
September 1, 2011 and novation agreement dated May 24, 2012	Debentures No. 1/2554	2,000.0	A certain percentage per annum	Different certain percentage per annum	August 31, 2011 - August 31, 2021
Glow IPP Company Limited					
December 13, 2005	USD loan	35.4	LIBOR	A certain percentage per annum	December 15, 2008 - June 15, 2018
August 24, 2011	USD loan	35.4	LIBOR	A certain percentage per annum	December 15, 2013 - June 15, 2018
GHECO-One Company Limited					
November 2008	USD loan	254.5	LIBOR	A certain percentage per annum	November 2008 - October 2028
November 2008	Baht loan	5,513.2	THBFIX	A certain percentage per annum	November 2008 - October 2021
November 2009 - January 2010	USD loan	81.8	LIBOR	A certain percentage per annum	October 2011 - January 2027
June 2010	USD loan	27.3	LIBOR	A certain percentage per annum	October 2011 - January 2027
August 2010 - July 2012	Baht loan	1,954.0	THBFIX	A certain percentage per annum	October 2011 - January 2027
Houay Ho Power Company Limited					
April 9, 2010	USD loan	22.6	LIBOR	A certain percentage per annum	March 31, 2010 - December 31, 2019

Some of interest rate swap agreements of the Company are guaranteed by Glow SPP 1 Company Limited, Glow SPP 2 Company Limited and Glow SPP 3 Company Limited.

30.4 Fair value of financial instruments

For the fair value disclosures, considerable judgement is necessarily required in estimation of fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amount that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The following methods and assumptions were used by the Company and its subsidiaries in estimating fair value of financial instruments.

Cash and cash equivalents, temporary investments, trade receivables, finance lease receivable, accrued interest from finance lease, other receivables, advance to related parties, interest receivables from related parties, interest receivables, short-term loans to related parties, long-term loan to a related party with floating interest rate, short-term borrowing from a financial institution, trade and other payables, short-term borrowings from related parties, short-term borrowings, current income tax payable, value-added tax payable, other current liabilities and long-term borrowings with floating interest rate; the fair values approximate their carrying values.

Long-term borrowings bearing fixed interest rates and finance lease payables; the fair values approximate the calculated values based on the discounted cash flow method using current average interest rate.

As at December 31, 2014, long-term borrowings bearing fixed interest rates, finance lease payables, cross currency interest rate swap agreements, interest rate swap agreements, forward foreign exchange contracts and debentures; the carrying values and fair values are as follows:

Unit : Million Baht

Description	<u>December 31, 2014</u> <u>Consolidated</u> <u>financial statements</u>		<u>December 31, 2014</u> <u>The Separate</u> <u>financial statements</u>	
	Carrying value	Fair value Liability	Carrying value	Fair value Liability
Long-term borrowing	2,500.0	2,511.9	2,500.0	2,511.9
Finance lease payables	20.7	20.6	4.8	4.8

Unit : Million

Description	<u>December 31, 2014</u> <u>Consolidated financial statements</u>			Gain (Loss) on fair value		
	Carrying value / Contract amount			EUR	USD	Baht
	EUR	USD	Baht	EUR	USD	Baht
Cross currency interest rate swap agreements						
- USD loans	-	212.1	6,406.9	-	-	577.7
Forward foreign exchange contracts						
- USD / Baht	-	5.0	164.4	-	-	0.1
- EUR / Baht	18.8	-	781.6	0.4	-	-
- EUR / USD	41.0	53.3	-	(0.9)	-	-
Interest rate swap agreements						
- Baht	-	-	28,122.2	-	-	(1,769.1)
- USD	-	457.0	-	-	(53.0)	-

Unit : Million

December 31, 2014
The Separate financial statements

Description	Carrying value / Contract amount			Gain (Loss) on fair value		
	EUR	USD	Baht	EUR	USD	Baht
Cross currency interest rate swap agreements						
- USD loans	-	212.1	6,406.9	-	-	577.7
Forward foreign exchange contracts						
- EUR / Baht	18.3	-	759.2	0.4	-	-
Interest rate swap agreements						
- Baht	-	-	20,655.0	-	-	(1,188.4)

Unit : Million Baht

December 31, 2014

Description	Consolidated and the Separate financial statements	
	Carrying value	Fair value
Debentures 1/2555	1,500.0	1,553.6
Debentures 1/2554	5,555.0	5,970.0
Debentures 1/2553	1,000.0	999.9
Debentures 2/2553	5,000.0	5,248.5
Debentures 1/2551 Tranche 1	1,500.0	1,521.9
Debentures 1/2551 Tranche 2	2,500.0	2,729.9
Debentures 1/2550	2,000.0	2,064.7

The fair value of debentures is determined by the last bid price on the Thai Bond Dealing Center on the last business day of the year.

31. FINANCIAL INFORMATION BY SEGMENT

The Company and its subsidiaries (“Group Company”) presented the segment financial information in respect of the Group Company under management approach. Operating segment is based on the Group Company’s management, the management structure and internal reporting. The Group Company classified the operating segments based on their core business as follows:

Small Power Producer Business (“SPP”)

SPP engages in the generation and supply of electricity, steam and water for industrial use to state enterprises and industrial customers in Thailand.

Independent Power Producer Business (“IPP”)

IPP operates in the generation and supply of electricity to the state enterprises both domestic and abroad.

Financial information by reportable segments

	<u>SPP Business</u>	<u>IPP Business</u>	Unit : Baht <u>Consolidated</u> <u>financial</u> <u>statements</u>
<u>Statements of comprehensive income</u>			
<u>For the year ended December 31, 2014</u>			
Revenue from sales	44,666,184,311	27,049,585,501	71,715,769,812
Interest earned from finance lease	-	1,275,148,180	1,275,148,180
Cost of sales	<u>(36,933,049,024)</u>	<u>(20,322,811,585)</u>	<u>(57,255,860,609)</u>
Gross profit	7,733,135,287	8,001,922,096	15,735,057,383
Other income	182,250,314	150,535,108	332,785,422
Administrative expenses	(541,951,662)	(231,196,091)	(773,147,753)
Directors' remuneration	(6,156,584)	-	(6,156,584)
Exchange gain (loss), net	21,114,406	(82,814,969)	(61,700,563)
Finance costs	(1,865,605,358)	(1,520,074,782)	(3,385,680,140)
Share of loss of joint venture	<u>(116,188)</u>	<u>-</u>	<u>(116,188)</u>
Profit before income tax expense	5,522,670,215	6,318,371,362	11,841,041,577
Income tax expense	<u>(730,252,041)</u>	<u>(274,989,171)</u>	<u>(1,005,241,212)</u>
Profit for the year	4,792,418,174	6,043,382,191	10,835,800,365
Other comprehensive income	<u>1,041,254</u>	<u>11,503,335</u>	<u>12,544,589</u>
Total comprehensive income for the year	<u>4,793,459,428</u>	<u>6,054,885,526</u>	<u>10,848,344,954</u>
<u>For the year ended December 31, 2013</u>			
Revenue from sales	42,276,049,226	26,930,921,170	69,206,970,396
Cost of sales	<u>(35,017,106,750)</u>	<u>(20,675,863,972)</u>	<u>(55,692,970,722)</u>
Gross profit	7,258,942,476	6,255,057,198	13,513,999,674
Other income	235,418,480	329,140,340	564,558,820
Administrative expenses	(641,616,158)	(119,169,422)	(760,785,580)
Directors' remuneration	(8,165,546)	-	(8,165,546)
Exchange loss, net	(11,762,385)	(990,913,765)	(1,002,676,150)
Finance costs	(1,706,568,525)	(1,682,122,286)	(3,388,690,811)
Share of loss of joint venture	<u>(104,063)</u>	<u>-</u>	<u>(104,063)</u>
Profit before income tax expense	5,126,144,279	3,791,992,065	8,918,136,344
Income tax expense	<u>(661,628,464)</u>	<u>(369,683,356)</u>	<u>(1,031,311,820)</u>
Profit for the year	4,464,515,815	3,422,308,709	7,886,824,524
Other comprehensive income	<u>-</u>	<u>107,275,028</u>	<u>107,275,028</u>
Total comprehensive income for the year	<u>4,464,515,815</u>	<u>3,529,583,737</u>	<u>7,994,099,552</u>
<u>Statements of financial position</u>			
<u>As at December 31, 2014</u>			
Segment assets	60,343,902,005	59,978,263,770	120,322,165,775
Segment liabilities	36,549,829,990	31,201,676,430	67,751,506,420
<u>As at December 31, 2013</u>			
Segment assets	63,308,114,764	61,697,800,597	125,005,915,361
Segment liabilities	43,573,169,389	34,173,010,289	77,746,179,678

Geographic Area Information

Financial information by geographic area is as follows:

	<u>Thailand</u>	<u>The Lao PDR</u>	<u>Unit : Baht</u> <u>Consolidated</u> <u>financial statements</u>
<u>Revenue</u>			
<u>For the year ended December 31, 2014</u>			
Revenue from external customers	71,934,509,187	1,056,408,805	72,990,917,992
<u>Segment assets</u>			
<u>As at December 31, 2014</u>			
Non-current assets	91,263,493,372	3,862,974,659	95,126,468,031
<u>Revenue</u>			
<u>For the year ended December 31, 2013</u>			
Revenue from external customers	68,669,566,029	537,404,367	69,206,970,396
<u>Segment assets</u>			
<u>As at December 31, 2013</u>			
Non-current assets	95,464,077,123	4,095,503,378	99,559,580,501

Major Customers Information

For the years ended December 31, 2014 and 2013, Group Company earns revenue from a single customer from SPP and IPP businesses totaling approximately Baht 46,571.3 million and Baht 45,188.7 million, respectively, of the Group Company’s total revenue.

32. COMMITMENTS AND LETTERS OF GUARANTEE

The Company and its subsidiaries have commitments and letters of guarantee as follows:

32.1 Commitments

32.1.1 Significant power purchase agreements

The Company and its subsidiaries entered into Power Purchase Agreements (“PPAs”) with the Electricity Generating Authority of Thailand (“EGAT”). Each of the agreements is effective commencing from the month in which electricity was sold to EGAT. The details of the PPAs are as below:

Company’s name	Agreement date	Number of agreements	Agreement term (Years)
The Company	January 7, 1998	2	21
The Company	December 3, 2009	1	25
Glow SPP 1 Company Limited	February 1, 1996	2	23
Glow SPP 2 Company Limited	December 23, 1997	2	25
Glow SPP 3 Company Limited	December 23, 1997	2	25
Glow IPP Company Limited	November 19, 1997	1	25
GHECO-One Company Limited	September 10, 2008	1	25
Houay Ho Power Company Limited	June 24, 1997	1	30
Glow SPP 11 Company Limited	January 5, 1998	1	25
Glow SPP 11 Company Limited	January 7, 2010	1	25

32.1.2 Power, steam and water supply agreements among the group of companies

On December 25, 2006, Glow SPP 1 Company Limited, Glow SPP 2 Company Limited, Glow SPP 3 Company Limited and the Company jointly entered into Back-up Agreements for supply of electricity, steam, clarified water and demineralized water among them. Such agreements are effective for the period of 25 years starting from January 1, 2004.

32.1.3 Gas supply agreements

The Company and its subsidiaries entered into Gas Supply Agreements with PTT Public Company Limited (“PTT”) to purchase gas at a specified quantity and price detailed as follows:

Company’s name	Agreement date	Gas Commercial Utilization Date	Term/ Renew (Years)
The Company			
- Phase 1	October 26, 2011	November 1, 2011	4
- Phase 2	November 22, 1999	January 18, 1996	21/ 4
- Phase 4	February 19, 2008	February 1, 2008	15/4
- Phase 5	February 19, 2008	September 1, 2011	10
Glow SPP 1 Company Limited	October 1, 1998	February 3, 1998	21/ 4
Glow SPP 2 Company Limited	September 28, 1999	September 28, 1999	21/ 4
Glow IPP Company Limited	December 12, 1997	January 31, 2003	25
Glow SPP 11 Company Limited	January 8, 1999	May 22, 2000	21/4
Glow SPP 11 Company Limited	March 23, 2010	December 12, 2012	25
Glow SPP 11 Company Limited	September 9, 2005	October 11, 2006	15

32.1.4 Coal supply agreements

The subsidiaries entered into coal supply agreements to purchase coal at a specified quantity and price detailed as follows:

Company's name	Agreement date	Counterparty	Term of delivery
Glow SPP 3 Company Limited	December 17, 1997 (amendments dated April 8, 1999, September 6, 2002, December 15, 2006, and September 18, 2014)	A local company	Until December 31, 2019, renewable for another 5 years
Glow SPP 3 Company Limited	August 15, 2012	A local company	January 1, 2013 - December 31, 2017
Glow SPP 3 Company Limited	December 12, 2013	An overseas company	March 18, 2014 - December 31, 2018
Glow SPP 3 Company Limited	November 20, 2014	An overseas company	February 28, 2015 - December 31, 2017
GHECO-One Company Limited	August 15, 2008	An overseas company	4 years from commercial operation date
GHECO-One Company Limited	August 25, 2008	An overseas company	4 years from commercial operation date

32.1.5 Back-up power purchase agreements

Glow SPP 2 Company Limited, Glow SPP 3 Company Limited and the Company entered into Back-up Power Purchase Agreements with EGAT to purchase back-up power at the quantity and price as stipulated in the agreements. The agreements are for a period of 1 year, renewable every year and are detailed as follows:

Company's name	Agreement date	Effective date	Number of agreement
The Company	February 2, 2004	October 1, 2003	2
Glow SPP 2 Company Limited	March 22, 2002	January 1, 2001	2
Glow SPP 3 Company Limited	February 2, 2004	October 1, 2003	2

On February 2, 2005, Glow SPP 2 Company Limited, Glow SPP 3 Company Limited and the Company made amendments to the Back-up Power Purchase Agreements with EGAT to revise the quantity of back-up power and to purchase the back-up power over the periods as follows:

Company's name	Project	Period up to
The Company	1	March 31, 2017
	2	September 30, 2017
Glow SPP 2 Company Limited	1	March 28, 2024
	2	April 25, 2024
Glow SPP 3 Company Limited	1	August 31, 2024
	2	March 19, 2025

In the event the PPAs with EGAT are terminated before the above date, the back-up power purchase agreements will be consequently terminated.

32.1.6 Construction and development

32.1.6.1 As at December 31, 2014, the Company and its subsidiaries have outstanding commitments in respect of other construction and improvement as follows:

Company's name	Commitments	Amount (Million Baht)
The Company	Construction of transmission line and improvement of power plant system	131.3
Glow SPP 1 Company Limited	Improvement of power plant system	19.4
Glow SPP 2 Company Limited	Improvement of power plant system	10.5
Glow SPP 3 Company Limited	Improvement of power plant system	75.8
Glow SPP 11 Company Limited	Gas engine expansion and improvement of transmission line	85.1
GHECO-One Company Limited	Improvement of power plant system	38.5

32.1.6.2 On August 7, 2000, Glow SPP 3 Company Limited entered into a joint agreement with the Industrial Estate Authority of Thailand ("IEAT") to develop an area to construct a shipping berth at Map Ta Phut Industrial Estate. The construction of the dedicated berth for use in handling of coal, other raw materials and necessary goods has been completed and it commenced the operation on December 7, 2001. Glow SPP 3 Company Limited has the right to utilize this area for a period of 30 years, with the following benefits paid to IEAT:

- Right of way fee for coal conveyor construction at Baht 1.3 million per annum, adjusted every 10 years by 10 percent.
- Water front fees of Baht 23.6 million payable within 1 year, and fees of Baht 9.9 million per annum payable from 2001 to 2030.

- Fee payable at a rate stipulated in the agreement for actual shipments made through the berth, and, from 2002, a minimum of at least an amount equivalent to 500,000 tons per year being shipped through the berth is to be paid.

In addition, the ownership of the dedicated berth will be transferred to IEAT in the fifteenth year from the date of commencing the operations, without any compensation.

32.1.7 Lease and right of use agreements

The Company and its subsidiaries entered into agreements with the Industrial Estate Authority of Thailand (“IEAT”), PTT Public Company Limited (“PTT”), Asia Industrial Estate Company Limited (“AIE”) and other local companies for land lease, right of use of the land for laying underground power transmission line, right of use of pipe rack, right of use of underground area for intake and discharge sea water underground tunnel and lease and service of building space as follows:

Company’s name	Agreement date	Counterparty	Term	Annual fee (Million Baht)
Land lease				
The Company, Glow SPP 2 Company Limited, Glow SPP 3 Company Limited and GHECO-One Company Limited	December 19, 2007 (addendum dated April 11, 2008)	IEAT	30 years	7.6, increase by 10% every 5 years
The Company	June 5, 2007	IEAT	June 5, 2007 - November 14, 2020	1.0
Glow SPP 2 Company Limited	August 13, 1998	IEAT	September 30, 1996 - November 30, 2024	0.5, increase by 10% every 10 years
The Company, Glow SPP 2 Company Limited, Glow SPP 3 Company Limited and GHECO-One Company Limited	December 6, 1996 (addendums dated July 11, 2003 and April 11, 2008)	IEAT	December 1, 1996 - November 30, 2024	30.9, increase by 10% every 5 years
The Company	April 4, 1994	IEAT	26 years, renewable for another 20 years	0.5

Company's name	Agreement date	Counterparty	Term	Annual fee (Million Baht)
Right of use of the land for laying underground power transmission line				
The Company	March 17, 2008	IEAT	January 2, 2008 - November 30, 2024	0.2, increase by 10% every 5 years
The Company and Glow SPP 3 Company Limited	January 23, 2007	IEAT	January 15, 1996 - November 30, 2024, renewable for another 20 years	2.2, increase by 10% every 10 years
Glow SPP 3 Company Limited	July 1, 2009	PTT	January 1, 2009 - December 31, 2028	3.3, increase by 2% every year after the 6 th year of lease agreement
Right of use of pipe rack				
The Company	August 31, 2009	AIE	August 31, 2009 - October 31, 2017	8.2, increase depending on AIE's costs
The Company	August 30, 2007	PTT	January 1, 2007 - December 31, 2021	0.4, increase by 3% every year
The Company	September 1, 2004	A local company	June 1, 2005 - December 31, 2020	4.5, increase by 5% every year
Glow SPP 3 Company Limited	September 29, 2005	PTT	September 1, 2005 - August 31, 2020	0.6, increase by 3% every year
Glow SPP 1 Company Limited	May 28, 1999 (amendments dated September 1, 2002 and September 28, 2006)	A local company	October 1, 1998 - September 30, 2021	6.0, increase by 5% every year
Right of use of underground area for intake and discharge sea water underground tunnel				
Glow SPP 3 Company Limited	September 30, 2009	IEAT	December 1, 1997 - November 30, 2024	1.6, increase by 10% every 5 years
Glow SPP 3 Company Limited	September 30, 2009	IEAT	January 19, 1999 - November 30, 2024	0.2, increase by 10% every 5 years
GHECO-One Company Limited	September 30, 2009	IEAT	September 30, 2009 - November 30, 2024	0.2, increase by 10% every 5 years
Lease and service of building space				
Glow Company Limited	May 25, 2012	A local company	June 1, 2012 - May 31, 2015	Monthly fee of Baht 1.8 million

As at December 31, 2014, the future lease payments for the above agreements and lease of vehicles which are operating leases are summarized as follows:

	<u>Consolidated</u> <u>financial statements</u>	<u>Unit : Million Baht</u> <u>The Separate</u> <u>financial</u> <u>statements</u>
Not later than one year	122.4	27.6
Later than one year but not later than five years	513.6	94.8
Later than five years	718.4	74.0
Total	<u>1,354.4</u>	<u>196.4</u>

32.1.8 Other service agreements

32.1.8.1 On April 20, 2004, the Company and Glow SPP 2 Company Limited entered into the Long Term Parts and Long Term Service Agreements (“LTSAs”) with a local company in order for provision of parts and maintenance services of Gas Turbine Units and their associated equipments. The terms of the LTSAs are determined by the number of hours that such Cover Unit is operated (Factored-Fired Hour) and number of major inspection as specified in the agreements. The provision of services commenced in January 2005. The contract prices consist of a fixed Thai Baht monthly fee and variable monthly fee in both USD and Baht currency as specified in the agreements. These prices are subject to escalation in accordance with the terms of the LTSAs.

32.1.8.2 On February 9, 2009, the Company and six subsidiaries jointly entered into Support Services Agreement and Engineering Services Agreement with International Power S.A., whereby International Power S.A. shall provide consulting services in respect of engineering, operational, financial and auditing system, investment, project finance, insurance, etc. The service fee will be determined in the agreed hourly rate depending on the type of services. The term of the agreements is 2 years from July 11, 2008, automatically renewed for successive one-year term unless termination is notified by either party. Nevertheless, the agreements shall be automatically terminated on the date that GDF Suez S.A., the ultimate shareholder, holds directly or indirectly less than 25 percent of the shares of Glow Group. On November 25, 2014, International Power S.A. entered into Novation and Amendment Agreement with the Company and six subsidiaries to novate its rights and obligations under the above agreements to GDF SUEZ Energy Asia Co., Ltd. which was effective from July 1, 2014.

32.1.8.3 Glow IPP Company Limited entered into a Long Term Parts and Repair Agreement (“LTPRA”) with an overseas company and a related company to provide certain parts and/or reconditioning services in respect of the power plant at the price in Euro currency as set out in the agreement. The agreement shall expire within 15 years or earlier upon the conditions as stipulated in the agreement.

32.1.8.4 Glow SPP 1 Company Limited entered into a Long Term Parts and Repair Agreement (“LTPRA”) dated June 23, 2010 with a local company to provide certain parts and/or reconditioning services in respect of the power plant at the price in Euro currency as set out in the agreement. The agreement shall expire within 12 years or earlier upon the conditions as stipulated in the agreement.

- 32.1.8.5 The Company entered into a Long Term Service Agreement (“LTSA”) dated December 24, 2010 with a local company to provide certain parts and maintenance services for Phase 5 power plant at the price in Euro currency as set out in the agreement. The term of the agreement is 12 years or earlier upon the conditions as stipulated in the agreement.
- 32.1.8.6 On April 2, 2012, Glow SPP 11 Company Limited (“GSPP11”) entered into a Long Term Parts and Service Agreement (“LTSA”) with a local company to procure for parts and maintenance services of Gas Turbine Units and their associated equipment. The term of the LTSA is determined by the number of hours that such cover unit is operated (Factored-Fired Hour) and number of major inspection as specified in the agreement. The provision of services commenced in April 2012. The contract prices consist of a fixed Thai Baht monthly fee and variable monthly fee in both USD and Baht currency as specified in the agreement. These prices are subject to escalation in accordance with the terms of the LTSA.
- 32.1.8.7 On May 10, 2012, Houay Ho Power Company Limited entered into a Long Term Service Agreement with EGAT for EGAT to provide annual test service of the power plant for the period of 7 years. The annual service fee payable is Baht 1.6 million, escalated 3 percent annually.
- 32.1.8.8 On October 15, 2012, Glow SPP 12 Company Limited (“GSPP12”) entered into Service Agreements with a local company and an overseas company to provide certain parts and maintenance services in respect of the power plant at the price in USD currency as set out in the agreements. The term of the agreements approximately 10 years or earlier upon the conditions as stipulated in the agreements.

As a result of the entire business transfer of GSPP12, all rights and obligations under the agreements were novated to GSPP11 under the Novation Agreement dated May 31, 2013.

- 32.1.8.9 On January 1, 2014, Glow SPP 1 Company Limited, Glow SPP 3 Company Limited and the Company entered into Piperack Operation and Maintenance Service Agreements with a local company to provide services for the period from January 1, 2014 to September 30, 2028. The fees are to be paid semi-annually totaling Baht 7.0 million, increased annually as per formula in the agreements but not exceeding 5 percent.
- 32.1.8.10 As at December 31, 2014, the Company and its subsidiaries have outstanding commitments in respect of software license and other services agreements totaling approximately Baht 265.4 million.
- 32.1.9 Purchase of spare parts

As at December 31, 2014, Glow IPP Company Limited and Glow SPP 1 Company Limited have outstanding commitments in respect of purchase parts under the LTPRA (see Notes 32.1.8.3 and 32.1.8.4) in the amount totaling EUR 28.6 million and EUR 3.6 million, respectively.

32.1.10 Royalty agreement

In consideration for the grant and issuance to Houay Ho Power Company Limited of all rights, leases, permits and other benefits under the Build Operate and Transfer Agreement (“BOT”), Houay Ho Power Company Limited shall pay to the Government of Lao PDR on a quarterly basis, within 90 days of the end of quarter. The royalty shall be paid in Thai Baht, USD and Kip at the rate of 3.15 percent during the first seven years of commercial operation and 7.2 percent thereafter, of revenue from sales under its power purchase agreements.

32.1.11 Facility agreements

The Company and its subsidiaries entered into working capital facility agreements with financial institutions. As at December 31, 2014, the amounts that have not been drawn down are as follows:

Agreement date	Amount (Million Baht)	Interest rate	Term
The Company			
June 27, 2012	1,000.0	BIBOR + a certain percentage per annum	1 year, automatically renew subject to lender discretion
GHECO-One Company Limited			
May 12, 2011	400.0	BIBOR + a certain percentage per annum	1 year, automatically renew
June 30, 2011	500.0	BIBOR + a certain percentage per annum	2 years, automatically renew
July 22, 2011	700.0	BIBOR + a certain percentage per annum	1 year, automatically renew
Glow IPP Company Limited			
May 8, 2007 (amendment dated May 14, 2013)	600.0	THBFIX + a certain percentage per annum	11 years
Glow SPP 1 Company Limited, Glow SPP 2 Company Limited, Glow SPP 3 Company Limited, Glow SPP 11 Company Limited and the Company			
July 16, 2012	500.0	BIBOR + a certain percentage per annum	1 year, automatically renew subject to lender discretion

32.2 Letters of guarantee

As at December 31, 2014, there were outstanding letters of guarantee issued by banks on behalf of the Company and its subsidiaries in respect of certain performance bonds as required in the normal course of business of the Company and its subsidiaries as follows:

Company's name	Currency	Amount (Million)
The Company	Baht	529.6
The Company	EUR	1.8
Glow SPP 1 Company Limited	Baht	199.3
Glow SPP 2 Company Limited	Baht	245.0
Glow SPP 3 Company Limited	Baht	499.4
Glow IPP Company Limited	Baht	6.8
GHECO-One Company Limited *	Baht	50.5
Houay Ho Power Company Limited	USD	3.0
Glow SPP 11 Company Limited	Baht	421.3

* The above bank guarantee of GHECO-One Company Limited is guaranteed by the Company not exceeding 65 percent of the amount.

32.3 Letter of credit

As at December 31, 2014, there was an outstanding letter of credit issued by bank on behalf of Glow SPP 11 Company Limited in respect of gas engine expansion totaling EUR 0.5 million.

33. RECLASSIFICATION

Intangible assets which were previously included in the other non-current assets in the consolidated and the separate statements of financial position as at December 31, 2013 have been reclassified to separately present to conform the classification used in the consolidated and the separate statements of financial position as at December 31, 2014.

34. EVENT AFTER THE REPORTING PERIOD

On January 30, 2015, Houay Ho Power Company Limited (“HHPC”) prepaid the whole amount of the borrowings from financial institutions of USD 22.6 million and Baht 398.9 million and the borrowing from International Power S.A. of USD 45.4 million. The prepayment of loan was refinanced by the new borrowing amounting to USD 80.9 million under the Credit Facility Agreement dated January 15, 2015 with the two oversea financial institutions. HHPC already released all collateral from the existing borrowings and is being in process to execute the collateral for the new borrowing.

Under the above Credit Facilities Agreement, the principal and interest are repayable in 18 semi-annual installments from June 15, 2015 to December 15, 2023 with interest rate at LIBOR plus a certain percentage per annum. In addition, the loan will be secured by the mortgage of all of the construction and pledge of machinery, equipment, the certain bank accounts, all shares of HHPC owned by Glow Company Limited, Houay Ho Thai Company Limited and EDL Generation Public Company and the assignment of all rights and obligations under various agreements relating to the power plant project and the maintenance of Debt Service Coverage Ratio.

On January 16, 2015, HHPC entered into the Novation Agreement to novate the existing interest rate swap agreement of the USD loan amounting to USD 22.6 million to a financial institution. The term of the new interest rate swap agreement is effective from January 30, 2015 to December 15, 2019.

On February 2, 2015, the Company has issued the letter of guarantee with amounts not exceeding an aggregate of USD 3 million to a bank in order to guarantee the HHPC's liability to EGAT under the Power Purchase Agreement.

On February 4, 2015, HHPC entered into the additional interest rate swap agreements to swap interest rate of new borrowing at LIBOR to certain percentage per annum for the remaining of the borrowing amount under the Credit Facility Agreement. The term of the agreement is effective from June 15, 2015 to December 15, 2023

35. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been authorized for issue by Finance Executive Management of the Company on February 13, 2015.