

**PP PRIME PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES (FORMER NAME
“THAI LUXE ENTERPRISES PUBLIC COMPANY LIMITED”)
INTERIM FINANCIAL INFORMATION
SEPTEMBER 30, 2018
AND INDEPENDENT AUDITOR’S REPORT ON REVIEW
OF INTERIM FINANCIAL INFORMATION**

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Board of Directors of PP PRIME Public Company Limited (Former name "Thai Luxe Enterprises Public Company Limited")

I have reviewed the accompanying consolidated and separate statements of financial position as at September 30, 2018, the related consolidated and separate statements of comprehensive income for three-month and nine-month periods ended September 30, 2018, the consolidated and separate statements of changes in shareholders' equity, and the consolidated and separate statements of cash flows for nine-month period ended September 30, 2018 and the condensed notes (interim financial information). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Emphasis of matter

Without expressing a qualified conclusion on the aforementioned interim financial information, I draw attention to the Note 10.1 to the consolidated financial statements, the Company has an investment in the ordinary shares of a related company that is listed on the Market for Alternative Investment (MAI), representing approximately 14% of the total share capital of that company. Some shareholders of the Company are also shareholders of that company. The Company has informed us that the Company has no intention to participate in the management of that company and also has no influence over it. The outstanding balance of this investment as at September 30, 2018 is approximately Baht 294 million is 8% of total assets of the Group, This is considered as an asset with risk being concentrated in only one related company. The value of the investment depends on the operating results and the future market price of this related company and on Company's decisions regarding the sale of the investment.

Other matters

The consolidated and separate statements of financial position as at December 31, 2017 (before adjusted) of PP PRIME Public Company Limited, presented herewith for comparative purpose only, were audited by another auditor in my firm whose report dated on February 28, 2018, expressed an unqualified opinion on those financial statements the consolidated and separate statements of comprehensive income for three-month and nine-month periods ended September 30, 2018 (before adjusted), the consolidated and separate statements of changes in shareholders' equity, and the consolidated and separate statements of cash flows for nine-month period ended September 30, 2018 (before adjusted), presented herewith for comparative purpose only, were reviewed by another auditor in my firm, and concluded that nothing has come to attention that causes to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting" in report dated on November 14, 2017.

(Mr. Jadesada Hungsapruerk)

Certified Public Accountant

Registration No. 3759

Karin Audit Company Limited

Bangkok, Thailand

November 14, 2018

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

(FORMER NAME "THAI LUXE ENTERPRISES PUBLIC COMPANY LIMITED") □

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2018

(Unit : Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"	(RESTATED)	"REVIEWED"	
Assets					
Current assets					
Cash and cash equivalents		26,259	48,293	21,367	14,707
Current investments	4				
Available - for - sale securities		34	308,186	34	308,186
Bills of Exchange		-	110,500	-	110,500
Total current investments		34	418,686	34	418,686
Trade and other current receivables	3, 5.1	291,775	193,786	393,215	281,581
Inventories	6	248,646	217,857	248,646	217,857
Other current assets		7,238	29,656	6,830	4,558
Disposal groups classified as held for sale	7	1,228,919	-	-	-
Total current assets		1,802,871	908,278	670,092	937,389
Non - current assets					
Investment in associate	9	-	-	-	-
Investments in subsidiaries	8	-	-	81,807	3,000
Other long - term investments	10	581,973	858,930	581,973	858,930
Trade and other non - current receivables	5.2	-	-	-	-
Long - term loans	3	139,873	72,452	1,774,665	1,515,742
Investment properties	11	37,300	10,376	37,300	10,376
Property, plant and equipment	12	659,164	1,494,455	608,854	663,223
Goodwill	8.2	13,295	57,091	-	-
Other intangible assets	13	11,676	346,305	11,656	10,437
Deferred tax assets		53,130	39,778	53,130	34,789
Other non - current assets					
Restricted bank deposits		7,861	7,796	7,861	7,796
Advances payment	14	194,689	181,845	131,032	65,053
Other		4,804	10,464	4,791	4,753
Total other non - current assets		207,354	200,105	143,684	77,602
Total non-current assets		1,703,765	3,079,492	3,293,069	3,174,099
Total assets		3,506,636	3,987,770	3,963,161	4,111,488

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

(FORMER NAME “THAI LUXE ENTERPRISES PUBLIC COMPANY LIMITED”) □

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2018

(Unit : Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"	(RESTATED)	"REVIEWED"	
Liabilities and shareholders' equity					
Current liabilities					
Short-term borrowings from financial institutions	15	579,836	408,761	579,836	408,761
Trade and other current payables	3, 16	238,551	163,938	236,230	156,786
Current portion of long - term liabilities	17	757,385	1,025,882	757,385	1,025,882
Current income tax payable		3,855	2,856	3,786	1,847
Other current liabilities		5,503	6,275	4,547	4,188
Liabilities included in disposal groups classified as held for sale	7	125,597	-	-	-
Total current liabilities		1,710,727	1,607,712	1,581,784	1,597,464
Non - current liabilities					
Long - term loan	17	759,145	868,531	759,145	868,531
Deferred tax liabilities		7,968	120,966	7,968	59,288
Non - current provisions for employee benefits		15,410	13,545	15,410	13,545
Total non - current liabilities		782,523	1,003,042	782,523	941,364
Total liabilities		2,493,250	2,610,754	2,364,307	2,538,828

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

(FORMER NAME "THAI LUXE ENTERPRISES PUBLIC COMPANY LIMITED") □

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2018

(Unit : Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"	(RESTATED)	"REVIEWED"	
Shareholders' equity					
Share capital					
Authorized share capital					
	19,3	843,813	-	843,813	-
	19	-	568,452	-	568,452
Issued and paid share capital					
		563,051	563,051	563,051	563,051
		489,124	489,124	489,124	489,124
		41,479	41,479	41,479	41,479
Retained earnings					
		56,845	56,845	56,845	56,845
		342,961	421,417	875,903	573,266
		(480,074)	(194,900)	(427,548)	(151,105)
Total shareholders' equity		1,013,386	1,377,016	1,598,854	1,572,660
Total liabilities and shareholders' equity		3,506,636	3,987,770	3,963,161	4,111,488

Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE - MONTH PERIOD ENDED SEPTEMBER 30, 2018

(Unit : Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017 (Restated)	2018	2017
Revenues					
Revenues from sales		543,187	515,252	521,387	508,526
Other income					
Gain on investments in securities		(3,783)	611	(3,783)	611
Interest income		1,717	5,782	4,870	21,737
Other		3,045	6,498	2,901	5,835
Total revenues		544,166	528,143	525,375	536,709
Expenses					
Cost of sales		468,593	428,231	448,524	420,559
Cost of distributions		26,699	18,018	25,986	18,018
Administrative expenses		54,634	53,161	45,963	42,283
Other expenses					
(Profit) Loss on foreign exchange		8,154	19,286	(30,595)	1,451
Expense of acquisition of a subsidiaries	8.1	-	97,938	-	-
Finance costs		34,073	28,605	34,073	28,605
Total expenses		592,153	645,239	523,951	510,916
Share of loss from investments in associates	9	-	(162)	-	-
Profit (loss) before income tax expenses		(47,987)	(117,258)	1,424	25,793
Tax expenses (tax Income)		5,770	4,886	4,887	4,977
Profit (loss) for the period		(53,757)	(122,144)	(3,463)	20,816
Other comprehensive income :					
Other comprehensive income to be reclassified					
to profit or loss in subsequent period :					
Exchange differences on translation of financial statements					
in foreign currency		(30,766)	(16,876)	-	-
Gain (loss) on changes in value of available - for - sale investments					
- net of income tax		61,349	46,903	61,349	46,903
Other comprehensive income (expense) for the period		30,583	30,027	61,349	46,903
Total comprehensive income (expense) for the period		(23,174)	(92,117)	57,886	67,719
Earning (Loss) per share (Baht: Shares)	21	(0.10)	(0.22)	(0.01)	0.04

STATEMENT OF COMPREHENSIVE INCOME

FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2018

(Unit : Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
			(Restated)		
Revenues					
Revenues from sales		1,472,955	1,355,694	1,421,467	1,335,816
Other income					
Gain on investments in securities		(2,329)	4,447	(2,329)	4,447
Interest income		6,797	21,928	16,959	60,401
Reversed allowance of impairment on assets		2,898	-	-	-
Reversed allowance of impairment on loans		-	-	270,800	-
Reversed allowance of impairment on investment in subsidiary Company		-	-	77,775	-
Other		40,479	15,196	22,759	13,061
Total revenues		1,520,800	1,397,265	1,807,431	1,413,725
Expenses					
Cost of sales		1,267,606	1,128,283	1,215,416	1,109,526
Cost of distributions		67,219	47,432	66,506	47,431
Administrative expenses		159,702	144,792	132,780	121,805
Other expenses					
(Profit) Loss on foreign exchange		2,208	38,280	(9,694)	8,713
Expense of acquisition of a subsidiaries	8.1	-	97,938	-	-
Finance costs		92,162	72,408	92,162	72,404
Total expenses		1,588,897	1,529,133	1,497,170	1,359,879
Share of loss from investments in associates	9	-	(529)	-	-
Profit (loss) before income tax expenses		(68,097)	(132,397)	310,261	53,846
Tax expenses (tax Income)		9,773	10,615	7,038	10,489
Profit (loss) for the period		(77,870)	(143,012)	303,223	43,357

STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE NINE - MONTH PERIOD ENDED JUNE 30, 2018

(Unit : Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
			(Restated)		
Other comprehensive income :					
Other comprehensive income to be reclassified					
to profit or loss in subsequent period :					
Exchange differences on translation of financial statements					
in foreign currency		(8,731)	(15,666)	-	-
Gain (loss) on changes in value of available - for - sale investments					
- net of income tax		(276,443)	44,007	(276,443)	44,007
Components of other comprehensive income that will not be					
reclassified to profit or loss					
Gains (losses) on remeasurements of defined benefit plans		(586)	-	(586)	-
Other comprehensive income (expense) for the period		(285,760)	28,341	(277,029)	44,007
Total comprehensive income (expense) for the period		(363,630)	(114,671)	26,194	87,364
Earning (Loss) per share (Baht: Shares)	21	(0.14)	(0.25)	0.54	0.08

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

"UNAUDITED"

(FORMER NAME "THAI LUXE ENTERPRISES PUBLIC COMPANY LIMITED") □

"REVIEWED"

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2018

(Unit : Thousand Baht)

Consolidated financial statements											
Equity attributable to owners of the Company											
	Note	Capital reserve				Other components of shareholders' equity					
		Issued and fully paid - up share capital	Share premium - ordinary shares	for share - based payment transactions	Retained earnings		Other comprehensive income				
					Appropriated	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Surplus (deficit) on changes in value of available - for - sale investments	Gains(losses) on remeasurements of defined benefit plans	Total other components of shareholders' equity	Total shareholders' equity
Balance as at January 1, 2017		563,051	489,124	41,479	56,845	673,824	(5,910)	933	-	(4,977)	1,819,346
Changes in shareholders' equity :											
Total comprehensive income (expense) for the period (Restated)		-	-	-	-	(143,012)	(15,666)	44,007	-	28,341	(114,671)
Balance as at September 30, 2017 (Restated)		563,051	489,124	41,479	56,845	530,812	(21,576)	44,940	-	23,364	1,704,675
Balance as at January 1, 2018 (as previously reported)		563,051	489,124	41,479	56,845	424,259	(43,840)	(151,105)	-	(194,945)	1,379,813
New adjustment	8.1	-	-	-	-	(2,842)	45	-	-	45	(2,797)
Brought forward as at 1 January,2018 (Restated)		563,051	489,124	41,479	56,845	421,417	(43,795)	(151,105)	-	(194,900)	1,377,016
Changes in shareholders' equity :											
Total comprehensive income (expense) for the period		-	-	-	-	(77,870)	(8,731)	(276,443)	(586)	(285,760)	(363,630)
Transferred to retained earnings		-	-	-	-	(586)	-	-	586	586	-
Balance as at September 30, 2018		563,051	489,124	41,479	56,845	342,961	(52,526)	(427,548)	-	(480,074)	1,013,386

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

"UNAUDITED"

(FORMER NAME "THAI LUXE ENTERPRISES PUBLIC COMPANY LIMITED") □

"REVIEWED"

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2018

(Unit : Thousand Baht)

	Separate financial statements									
	Note	Other components of shareholders' equity							Total shareholders' equity	
		Issued and fully paid - up share capital	Share premium - ordinary shares	Capital reserve for share - based payment transactions	Retained earnings		Surplus (deficit) on changes in value of available - for - sale investments	Other comprehensive income		
					Appropriated	Unappropriated		Gains(losses) on remeasurements of defined benefit plans		Total other components of shareholders' equity
Balance as at January 1, 2017		563,051	489,124	41,479	56,845	679,035	933	-	933	1,830,467
Changes in shareholders' equity :										
Total comprehensive income (expense) for the period		-	-	-	-	43,357	44,007	-	44,007	87,364
Balance as at September 30, 2017		563,051	489,124	41,479	56,845	722,392	44,940	-	44,940	1,917,831
Balance as at January 1, 2018		563,051	489,124	41,479	56,845	573,266	(151,105)	-	(151,105)	1,572,660
Changes in shareholders' equity :										
Total comprehensive income (expense) for the period		-	-	-	-	303,223	(276,443)	(586)	(277,029)	26,194
Transferred to retained earnings		-	-	-	-	(586)	-	586	586	-
Balance as at September 30, 2018		563,051	489,124	41,479	56,845	875,903	(427,548)	-	(427,548)	1,598,854

CASH FLOWS STATEMENTS

FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2018

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017
Cash flows from operating activities				
Profit (loss) before income tax expenses	(68,097)	(132,397)	310,261	53,846
Adjustments to reconcile profit (loss) to cash received (paid)				
Adjusted financial costs	92,162	72,408	92,162	72,404
Adjusted trade accounts and other current receivables (increase) decrease	(121,015)	(74,515)	(106,693)	(73,830)
Adjusted inventories (increase) decrease	(29,374)	(31,267)	(29,374)	(31,267)
Adjusted other assets (increase) decrease	12,641	7,358	(2,725)	347
Adjusted trade accounts and other current payable increase (decrease)	67,804	87,966	78,443	92,814
Adjusted other liabilities increase (decrease)	(1,680)	(6,649)	361	(211)
Depreciation and amortization	105,010	73,730	55,783	58,900
Adjusted provisions for employee benefits (reversal)	1,278	1,697	1,278	1,697
Adjusted unrealised on exchange loss (gain)	(2,208)	29,540	(9,694)	902
Adjusted share of loss (gain) from investments in associates	-	529	-	-
Adjusted bad debts and doubtful accounts (reversal)	7,517	5,826	7,517	5,826
Adjusted loss (gain) sales of non - current asset				
- Loss (gain) on sales of available for sale securities	2,329	(4,447)	2,329	(4,447)
- Loss (gain) on sales of equipment	(526)	(2,297)	(526)	(1,732)
Adjusted other reconcile profit (loss)				
- Dividend income from investments held as available for sale	(10,827)	(122)	(10,827)	(122)
- Reversal of reduce cost of inventories to net realisable value	(1,415)	(6,230)	(1,415)	(6,230)
- Reversed allowance of impairment on loans	-	-	(270,800)	-
- Reversed allowance of impairment on investment in subsidiary Company	-	-	(77,775)	-
- Reversed allowance of impairment on assets	(2,898)	-	-	-
- Fee for acquisition subsidiaries	-	97,938	-	-
- Amortized of inventories	-	972	-	972
- Write-off on withholding tax	-	630	-	630
- Interest income	(6,798)	(21,928)	(16,960)	(60,401)
Total adjustment to reconcile profit (loss)	112,000	231,139	(288,916)	56,252
Net cash provided by (used in) operating activities	43,903	98,742	21,345	110,098
Interest expenses	(87,658)	(62,592)	(88,860)	(62,546)
Tax received (paid)	(5,746)	(27,703)	(4,280)	(27,586)
Net cash provided by (used in) operating activities	(49,501)	8,447	(71,795)	19,966

CASH FLOWS STATEMENTS (CONTINUED)

FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2018

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017
Cash flows from investing activities				
Cash received from sale of investment in subsidiary	-	10,867	-	10,867
Acquisition of subsidiaries net cost acquired				
Fee for acquisition subsidiaries	-	(97,938)	-	-
Acquisition of investments in subsidiaries	-	(760,716)	(1,033)	-
Cash received from sale of investment in associate	-	14,122	-	14,122
Cash received from sales other equity instrument	860,127	1,831,616	860,127	1,831,616
Cash paid for purchases other equity instrument	(624,269)	(1,904,230)	(624,269)	(1,904,230)
Cash received from property, plant and equipment	526	2,301	526	2,301
Cash paid for property, plant and equipment	(23,396)	(131,849)	(23,396)	(35,455)
Cash paid for intangible assets	(2,307)	(1,275)	(2,307)	(1,275)
Cash received from loan to related parties	-	-	81,906	-
Cash paid for loans to related person or parties	(93,352)	(15,541)	(70,029)	(1,067,032)
Dividend received	10,827	122	10,827	122
Interest income	4,339	19,943	4,500	19,937
Other cash received (paid) from investment activities				
- Cash received from investments in bill of exchange	200,500	406,327	200,500	406,327
- Cash paid for investments in bill of exchange	(90,000)	(80,603)	(90,000)	(80,603)
- Restricted bank deposits (increase) decrease	(65)	(67)	(65)	(67)
- Advance for acquisition of assets	-	(76,656)	-	(39,703)
- Cash paid for purchase of assets	-	(65,639)	-	(447)
- Deposit for acquisition of investment	(65,564)	-	(65,564)	-
- Deposit from the sale of geothermal power plants	59,980	-	-	-
Net cash provided by (used in) investing activities	237,346	(849,216)	281,723	(843,520)

CASH FLOWS STATEMENTS (CONTINUED)

FOR THE NINE - MONTH PERIOD ENDED SEPTEMBER 30, 2018

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017
Cash flows from financing activities				
Cash received from borrowing				
- From bill of exchange	286,200	-	286,200	-
- From debenture	653,500	260,500	653,500	260,500
- From financial institution	-	558,200	-	558,200
Cash paid for repayment of borrowing				
- Bill of exchange due	(192,200)	-	(192,200)	-
- Maturity debenture	(986,200)	-	(986,200)	-
- Borrowing from financial institutions	(29,479)	(1,540)	(29,479)	-
Cash paid for repayment of liabilities under long - term lease agreements	(1,594)	(1,100)	(1,594)	(1,100)
Other cash received (paid) from financing activities				
- Accounts payable - trust receipts increases	71,746	-	71,746	-
- Bank overdrafts increase (decrease)	5,757	-	5,757	-
- Payment of front end fee and debenture issuing costs	(10,998)	(1,914)	(10,998)	(1,914)
Net cash provided by (used in) financing activities	(203,268)	814,146	(203,268)	815,686
Net cash and cash equivalents increase (decrease)				
before effect of exchange rate	(15,423)	(26,623)	6,660	(7,868)
Effect of exchange rate to cash and cash equivalents	8,212	(1,010)	-	-
Net in cash and cash equivalents increase (decrease)	(7,211)	(27,633)	6,660	(7,868)
Cash and cash equivalents at beginning of the period	48,293	73,202	14,707	25,353
Cash and cash equivalents from discontinued operations at the end of the period	(14,823)	-	-	-
Cash and cash equivalents at ending of the period	26,259	45,569	21,367	17,485
Supplemental Disclosure of Cash flows information				
Non - cash items				
Reclassification of current investments in trading securities				
to available - for - sale securities	-	1,027,603	-	1,027,603
Acquisition of power plants for which paid in advance	-	76,141	-	-
Acquisition of intangible assets for which paid in advance	-	11,179	-	-
Acquisition of assets that have not yet been paid	2,616	1,932	2,616	1,932
Assets acquired under long-term lease agreements	1,238	3,942	1,238	3,942
Transferred Property Plant and Equipment to Investment Property	27,176	-	27,176	-
Disposal groups classified as held for sale	1,228,919	-	-	-
Past of liabilities in disposal groups classified as held for sale	125,597	-	-	-

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2018**

1. GENERAL INFORMATION

1.1. Corporate information

PP PRIME Public Company Limited (Former name “Thai Luxe Enterprises Public Company Limited”) (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of feeds for aquatic animals and pets. The registered office of the Company is at 69/5 Moo 5 Rama 2 Road (Km. 71) Tambol Bangkhantaek, Amphur Muang, Samutsongkhram.

On September 19, 2018 the extraordinary general meeting shareholders No. 2/2018 approved changing the company name from Thai Luxe Enterprises Public Company Limited to PP PRIME Public Company Limited. The company changed name in the memorandum of association and registered with Ministry of Commerce on September 21, 2018.

2. BASIS FOR INTERIM FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATION

2.1 Basis for interim financial statements preparation

These interim financial statements are prepared in accordance with Accounting Standards Pronouncement No. 34: “Interim financial reporting”, whereby the Company chooses to present condensed interim financial statements. However, additional line items are presented in the financial statements to bring them into the full format similar to the annual financial statements.

The interim financial statements are prepared to provide information in addition to those included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances to avoid repetition of information previously reported. These interim financial statements should, therefore, be read in conjunction with the financial statements for the year ended December 31, 2017.

The interim financial statements are officially prepared in Thai language. The translation of these statutory financial statements to other language must conform to the Thai financial report.

2.2 Principles of consolidation

The consolidated financial statements have been prepared by including the financial statements of PP PRIME Public Company Limited and its subsidiary and also have been using the same principle of computation as were used in the consolidated statement for the year ended December 31, 2017.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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2.3 Significant accounting policies

These interim financial statements have been prepared by using the same accounting policies and methods of computation as were used in the preparation of the financial statements for the year ended December 31, 2017.

The Federation of Accounting Professions has announced the new and amendments to some Thai accounting standards and Thai financial reporting standards, and accounting standard interpretations and financial reporting standards interpretations.

2.3.1 The Thai financial reporting standards which are effective for the preparation of financial statements with accounting periods beginning on or after January 1, 2018. The Company has adopted the application of those standards for preparation of financial statements effective January 1, 2018. These accounting standards and interpretations do not have significant impact on the financial position and results of operations for the period.

TAS 7 (revised 2017)	Statement of cash flows
TAS 12 (revised 2017)	Income taxes

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

TAS 12 (revised 2017) The amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset’s tax base. Specifically, the amendments confirm that:

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

Management has assessed and considered that the above revised standards not have a material impact on the Company.

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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2.3.2 Financial reporting standard that will become effective in the future, during the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal years beginning on or after January 1, 2019. Key principles of this standard are summarized below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

At present, the management of the Company and its subsidiaries are evaluating the impact of this standard to the financial statements in the year when it is adopted.

2.4 Estimation

When preparing the interim financial statements, management undertake judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

The judgments, estimates and assumptions applied in the interim financial statements, including the key sources of estimation were the same as those applied in the preparation of annual financial statements for the year ended December 31, 2017.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2018

3. RELATED PARTY TRANSACTIONS

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and related parties.

(Unit: Million Baht)

	For the three – month period ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2018	2017	2018	2017	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Interest income	-	-	4	16	3 - 8 percent per annum
<u>Transactions with associated company</u>					
Interest income	1	1	-	-	3 percent per annum
<u>Transactions with related companies</u>					
Sales of goods	38	57	38	57	Cost plus contract rate
Interest income	2	4	1	4	5 - 7 percent per annum
Purchase of raw materials	10	22	10	22	Market prices
Consulting fee	1	1	1	1	Contract prices

(Unit: Million Baht)

	For the nine – month period ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2018	2017	2018	2017	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Interest income	-	-	13	40	3 - 8 percent per annum
<u>Transactions with associated company</u>					
Interest income	2	2	-	-	3 percent per annum
<u>Transactions with related companies</u>					
Sales of goods	142	150	142	150	Cost plus contract rate
Interest income	4	16	2	16	5 - 7 percent per annum
Purchase of raw materials	33	59	33	59	Market prices
Consulting fee	2	2	2	2	Contract prices

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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The balances of the accounts as at September 30, 2018 and December 31, 2017 between the Company and its related parties are as follows:

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	September	December	September	December
	30, 2018	31, 2017	30, 2018	31, 2017
<u>Other current investments – related party (Note 4)</u>				
Related party (common shareholders and the Company is a shareholder)	-	80,500	-	80,500
	-	80,500	-	80,500
<u>Trade and other current receivables – related parties (Note 5, 7)</u>				
Subsidiaries	-	-	107,679	95,186
Associate	4,842	3,406	-	-
Related party (common director)	953	16	-	-
Related party (common shareholders)	25,452	11,730	25,452	11,730
Related party (common shareholders and the Company is a shareholder)	-	-	-	-
	31,247	15,152	133,131	106,916
<u>Trade and other current payables – related parties (Note 16)</u>				
Related party (common director)	-	5	-	-
Related party (common director and shareholders)	6,360	4,250	6,360	4,250
Related parties (director of subsidiaries)	1,150	1,179	-	-
	7,510	5,434	6,360	4,250

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2018

Long – term loans to related party

As at September 30, 2018, the balance of loans between the Company and those related parties and the movement are as follows:

		(Unit : Thousand Baht)			
		Consolidated financial statements			
Loans to related parties	Relationship	Balance as at January 1, 2018	Increase during the period	Translation adjustment	Balance as at September 30, 2018
M - Luxe Energy Co., Ltd.*	Associate	72,452	-	(1,088)	71,364
Aulux Power Co., Ltd.**	Co-directors	-	68,509	-	68,509
Total		72,452	68,509	(1,088)	139,873

*The loans to related parties carried interest rate at 3 percent per annum and has maturity date on August 2018 and March 2020. However, the Company has no plans to call the loans to associate on August 2018, therefore, classified such loans as non-current assets in the financial statements.

** The loans to related parties carried interest rate at 3 percent per annum and are has maturity date on March 2020

		(Unit : Thousand Baht)			
		Separate financial statements			
Loans to related parties	Relationship	Balance as at January 1, 2018	Increase during the period	Decrease during the period	Balance as at September 30, 2018
Tluxe Power Co., Ltd.	Subsidiary	166,659	-	(9,659)	157,000
PPSN Co., Ltd.	Subsidiary	598,786	68,241	(71,553)	595,474
Sumo Power Co., Ltd.	Subsidiary	83,729	-	-	83,729
Geothermal Power A Co., Ltd.	Subsidiary	557,619	-	-	557,619
Geothermal Power B Co., Ltd.	Subsidiary	375,939	-	-	375,939
P Green Energy Co., Ltd	Subsidiary	3,810	1,788	(694)	4,904
Total		1,786,542	70,029	(81,906)	1,774,665
Less : Allowance for impairment		(270,800)	-	270,800	-
		1,515,742	70,029	188,894	1,774,665

Board of Directors Meeting No. 8/2018 convened on May 18, 2018, to approved that the Company disposes of the 15 geothermal power plant projects located in the same vicinity in Oasa-Tsurumi, Beppu city, Oita prefecture, Japan which have already commenced their commercial operations (the “Power Plant Projects”) at the purchase price of approximately JPY 320 million per one power plant project or equivalent to approximately THB 91.71 million per one power plant project, making a total purchase price for the Power Plant Projects of not less than JPY 4,800 million or equivalent to

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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approximately THB 1,375.69 million and then on June 21, 2018, the Company has a sale contract of Power Plant Projects with the buyer (Relocation Group), the Company has received the deposit amounting of JPY 200 millions (approximately of Baht 59.98 millions), according to the sale contract identify that the buyer (Relocation Group) will pay remaining amounting of JPY 4,600 millions within February 2019 so that the Company therefore recognised allowance for impairment on loans amounting to Baht 270.80 million in statement of income in separate financial statement for nine-month period ended September 30, 2018 and the Company reversed allowance of impairment on investment at Baht 77.78 million in the consolidated statement of comprehensive income. (Note 8 to the financial statements)

The loans to subsidiaries are loans used for investing in the geothermal power plant in Japan. These loans carry interest at rates of 3 – 8 percent per annum and mature on demand. However, the Company has no plans to call the loans within one year, and therefore classified them as non-current assets in the financial statements.

Directors and management’s benefits

For the three-month and nine – month periods ended September 30, 2018 and 2017, the Company and its subsidiaries had employee benefit expenses payable to their directors and managements as below.

(Unit: Thousand Baht)

	For the three – month period ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Short – term employee benefits	6,008	5,193	4,323	3,806
Post – employment benefits	191	201	191	201
Other long – term benefits	2	1	2	1
Total	6,201	5,395	4,516	4,008

(Unit: Thousand Baht)

	For the nine – month period ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Short – term employee benefits	17,532	13,740	13,340	10,129
Post – employment benefits	638	642	638	642
Other long – term benefits	4	2	4	2
Total	18,174	14,384	13,982	10,773

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2018

4. CURRENT INVESTMENTS

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	September 30, 2018	December 31, 2017
Investments in trading securities (Mutual Fund)		
Investments in available – for – sale securities, cost	33	307,522
Add: Gain on changes in value of investments	1	664
Investments in available – for – sale securities, fair value	34	308,186
Bills of exchange	-	110,500
Total	34	418,686

4.1 Investments in trading securities (Mutual Fund)

During the six-month period ended September 30, 2018, the movement of available-for-sale investments is as follows:

	(Unit: Thousand Baht)
	Consolidated / Separate financial statements
Book value as at January 1, 2018	307,522
Acquisition during the period	547,700
Disposal during the period – at cost	(855,189)
Gain (loss) on changes in value of available – for – sale investments during the period	1
Book value as at September 30, 2018	34

During nine – month period ended September 30, 2018, the Company sold available–for–sale securities with book value totaling Baht 855.19 million (2017 : Baht 731.90 million) and recognised gains on the sales amounting to Baht 1.51 million (2017 : Baht 3.84 million) in profit and loss financial statement.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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4.2 Bills of exchange

During the nine-month period ended September 30, 2018, the movement of the bills of exchange is as follows:

	(Unit : Thousand Baht)
	Consolidated / Separate financial statements
Net book value as at January 1, 2018	110,500
Increase	90,000
Decrease	(200,500)
Net book value as at September 30, 2018	-

5. TRADE AND OTHER CURRENT RECEIVABLES

5.1 Trade and other current receivables

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	September	December	September	December
	30, 2018	31, 2017	30, 2018	31, 2017
<u>Trade receivables – related party</u>				
Aged on the basis of due dates				
Not yet due	23,628	11,730	23,628	11,730
Past due				
Up to 3 months	1,824	-	1,824	-
3 – 6 months	-	-	-	-
6 – 12 months	-	-	-	-
Over 12 months	-	-	-	-
	25,452	11,730	25,452	11,730

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
<u>Trade receivables – unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	225,084	140,033	225,084	136,064
Past due				
Up to 3 months	33,249	29,445	33,249	29,445
3 – 6 months	3,078	17,770	3,078	17,770
6 – 12 months	9,557	8,082	9,557	8,082
Over 12 months	15,700	228	15,700	228
Total	286,668	195,558	286,668	191,589
Less: Allowance for doubtful debts	(26,797)	(17,195)	(26,797)	(17,195)
Total trade receivables – unrelated parties – net	259,871	178,363	259,871	174,394
	285,323	190,093	285,323	186,124
<u>Other current receivables</u>				
Amounts due from related parties	155	916	1,976	1,997
Amounts due from unrelated parties	2,539	140	138	140
Interest receivable – related parties	3,683	2,506	105,703	93,189
Interest receivable – unrelated parties	75	131	75	131
Total other receivables	6,452	3,693	107,892	95,457
	291,775	193,786	393,215	281,581

5.2 Trade and other non-current receivables

These represent the balance of long outstanding debts amounting to Baht 55.49 million due from various trade debtors against whom the Company has taken legal actions. As at September 30, 2018, the Company has set up an allowance for doubtful accounts amounting to Baht 55.49 million in its accounts by taking into consideration the auction price and the value of the related collaterals.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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6. INVENTORIES

Movements in the reduction of inventory to net realisable value account during the nine – month period ended September 30, 2018, is summarised below.

	(Unit: Thousand Baht)
	Consolidated / Separate financial statements
Balance as at January 1, 2018	13,900
Reversal of reduction of inventory to net realisable value	1,415
Balance as at September 30, 2018	<u>15,315</u>

7. DISPOSAL ASSETS(LIABILITIES) GROUPS CLASSIFIED AS HELD FOR SALE

Board of Directors Meeting No. 8/2018 convened on May 18, 2018, to approved that the Company disposes of the 15 geothermal power plant projects located in the same vicinity in Oasa-Tsurumi, Beppu city, Oita prefecture, Japan which have already commenced their commercial operations (the “Power Plant Projects”) at the purchase price of approximately JPY 320 million per one power plant project or equivalent to approximately THB 91.71 million per one power plant project, making a total purchase price for the Power Plant Projects of not less than JPY 4,800 million or equivalent to approximately THB 1,375.69 million (based on the exchange rate of THB 28.6602 per JPY 100 as announced by the Bank of Thailand on May 17, 2018) to Relocation Group, a company incorporated under the laws of Japan (the “Buyer”). This transaction may be undertaken by way of disposition of shares in the Company’s subsidiaries or disposition of assets of the Power Plant Projects.

Then on June 21,2018, the Company has a sale contract of Power Plant Projects with the buyer(Relocation Group), the Company has received the deposit amounting of JPY 200 millions (approximately of Baht 59.98 millions), according to sale contract indentify that the buyer (Relocation Group) will pay remaining amounting of JPY 4,600 millions within February 2019.

The Group's management has assessed that it is highly probable that the agreement will be completed. As a result, the Company has reclassified related assets and liabilities of the project as assets and liabilities held-for-sale in the consolidated statement of financial position and measured them at the lower than between carrying amount and fair value less costs of sell. The lower amount is the carrying amount

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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Disposal groups classified as held for sale comprised:

	(Unit: Thousand Baht)
	Consolidated financial statements
	September 30, 2018
Cash and cash equivalents	14,823
Trade and other current receivables	21,964
Other current assets	14,085
Property, plant and equipment	741,542
Other intangible assets	347,040
Long - term loans related party	19,411
Deferred tax assets	4,656
Other non - current assets	22,461
Goodwill	42,937
Total	<u>1,228,919</u>

Liabilities included in disposal groups classified as held for sale comprised:

	(Unit: Thousand Baht)
	Consolidated financial statements
	September 30, 2018
Trade account payable	2,970
Current income tax payable	5,844
Other current liabilities	59,074
Deferred tax liabilities	57,709
Total	<u>125,597</u>

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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8. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as presented in separate financial statements as at September 30, 2018 and December 31, 2017 are as follows:

Company's name	(Unit : Thousand Baht)									
	Paid-up capital		Shareholding Percentage		Cost		Provision for impairment of investments		Carrying amounts based on cost method - net	
	2018	2017	2018 (%)	2017 (%)	2018	2017	2018	2017	2018	2017
Subsidiaries directly held by the Company										
Tluxe Global Business Co., Ltd.	3,000	3,000	100	100	3,000	3,000	-	-	3,000	3,000
Tluxe Power Co., Ltd.	100,000	100,000	100	100	100,000	100,000	(22,225)	(100,000)	77,775	-
Thailuxe Enterprises (Thailand) Co., Ltd.	1,000	-	100	-	1,000	-	-	-	1,000	-
P PRIME SINGAPORE PTE. LTD.	32	-	100	-	32	-	-	-	32	-
Investments in subsidiaries directly held by the Company - net					104,032	103,000	(22,225)	(100,000)	81,807	3,000
Subsidiaries held through Tluxe Power Limited										
Tluxe Investments Limited	10*	10*	100	100	-	-	-	-	-	-
Origin Power Investment Co., Ltd.	0.1*	-	100	-	-	-	-	-	-	-
Subsidiaries held through Tluxe Investments Limited										
Tluxe Holdings Limited	10*	10*	100	100	-	-	-	-	-	-
Geothermal Power A Co., Ltd.	10*	10*	100	100	-	-	-	-	-	-
Geothermal Power B Co., Ltd.	10*	10*	100	100	-	-	-	-	-	-
Subsidiaries held through Tluxe Holdings Limited										
Sumo Power Co., Ltd.	1,000**	1,000**	100	100	-	-	-	-	-	-
Beppu Tsurumi Onsen Geothermal Power Station No.1 Liaison Company	10**	10**	100	100	-	-	-	-	-	-
P Green Energy Co., Ltd.	1,000**	1,000**	100	100	-	-	-	-	-	-
Subsidiaries held through Geothermal Power A Co., Ltd.										
Fino Binary Power Plant LLC.	10**	10**	100	100	-	-	-	-	-	-
NIS Binary Power Plant LLC.	10**	10**	100	100	-	-	-	-	-	-
Lena Power Station No.1 LLC.	5,000**	5,000**	100	100	-	-	-	-	-	-
Subsidiaries held through Geothermal Power B Co., Ltd.										
PPSN Co., Ltd.	12,000**	12,000**	100	100	-	-	-	-	-	-
SNS Power Co., Ltd.	500**	500**	100	100	-	-	-	-	-	-
Dual Energy Binary - Power Plant No.1 LLC.	100**	100**	100	100	-	-	-	-	-	-
Subsidiaries held through Sumo Power Co., Ltd										
Otomeyama Energy Co., Ltd.	500**	500**	100	100	-	-	-	-	-	-
S-Power Co., Ltd.	500**	500**	100	100	-	-	-	-	-	-
Total investments in subsidiaries - net					104,032	103,000	(22,225)	(100,000)	81,807	3,000

* Unit: Thousand US dollar

** Unit: Thousand Yen

The Company reversed allowance of impairment on investment at Baht 77.78 million in the consolidated statement of comprehensive income for the nine-month periods ended September 30, 2018. (Note 3 to the consolidated financial statements)

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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Investments in Thai Luxe Enterprise (Thailand) Company Limited.

In the Extraordinary General Meeting of Shareholders No. 1/2018 held on 16 July 2018, has approval the Company, Restructuring plan to invest in a new subsidiary name “Thai Luxe Enterprise (Thailand) Company Limited.” to accept the transfer of the production of aquatic animals and pets of partial business transfer, i.e. manufacturing of aquatic animal feed (shrimp feed and fish feed) and pet feed, including all assets and liabilities, relevant licensing and promotional certificates, including all personnel involved in the business to Thai Luxe Enterprise (Thailand) Company Limited has already registered on 18 September 2018, amounting to Baht 1 million (100,000 ordinary shares with a par value of Baht 10 each). The Company holds 99,997 shares or 99.99 percent of the registered capital.

Investments in P PRIME SINGAPORE PTE. LTD.

Pursuant to the Board of Director Meeting No. 8/2018 convened on May 18, 2018, it resolved to approve that the Company (or its subsidiary) enters into the joint investment transaction with Rich Partners Co., Ltd. (“Rich Partners”), a company incorporated under Japanese law (or Rich Partners’ subsidiary), in the mixed-use development project under the project’s name “Riverside Tower” located in Da Nang City, Vietnam (the “Riverside Project”) which is being developed by Sun Frontier Investment Co., Ltd., a company incorporated under Vietnamese law under, The Company sets up its 100 percent wholly-owned subsidiary in Singapore, namely P PRIME SINGAPORE PTE. LTD. which will be the company to enter into the Investment in Riverside Project Transaction with Rich Partner’s subsidiary in Singapore.

Investments in Origin Power Investment Co., Ltd.

On May 30, 2018, Thuxe Power Company Limited registered the incorporation of a subsidiary in the Republic of Mauritius under the name of Origin Power Investment Co., Ltd. to invest in wind power business. The Company has authorized capital of USD 100 (1 share with a par value of USD 100 each).

8.1 Business acquisition

- On June 27, 2017, a meeting of the Company’s Board of Directors passed a resolution to approve investments in the geothermal power generation business in Japan, with a total project value of JPY 2,200 million (Baht 675 million), through the acquisition of four companies which were incorporated in Japan (each company has 2 units of power plant), i.e. Fino Binary Power Plant Limited Liability Company, NIS Binary Power Plant Limited Liability Company, Beppu Tsurumi Onsen Geothermal Power Station No.1 Liaison Company and Dual Energy Binary - Power Plant No.1 Limited Liability Company. On June 28, 2017, PPSN Company Limited signed an investment proposal letter with a seller and on July 3, 2017, paid a deposit equal to 20% of the total project cost, amounting to JPY 440 million (Baht 134 million).

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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Then, on August 28, 2017, the Company signed a share purchase agreement to acquire shares of Fino Binary Power Plant Limited Liability Company and on September 4, 2017, the Company signed share purchase agreements to acquire shares of NIS Binary Power Plant Limited Liability Company, Beppu Tsurumi Onsen Geothermal Power Station No.1 Liaison Company and Dual Energy Binary - Power Plant No.1 Limited Liability Company, made the remaining payments for the ordinary shares of these companies, amounting to JPY 1,760 million (Baht 541 million) and refund the deposits amounting to JPY 440 million (Baht 134 million) to PPSN Company Limited.

- On August 2, 2017, a meeting of the Board of Directors of the Company passed a resolution to approve investment in Lena Power Station No.1 Limited Liability Company, which is engaged in geothermal power generation business in Japan, 2 units of power plant under this company, and on August 28, 2017, Geothermal Power A Company Limited signed a share purchase agreement to acquire shares of this company and made payment approximately JPY 530 million (Baht 160 million) for the shares.

The Company incurred expenses related to the acquisition of all shares of the 5 subsidiaries mentioned above totaling approximately JPY 320 million (Baht 98 million), which were recorded under other expenses in profit or loss for the three-month and nine-month periods ended 30 September 2017.

Subsequently, on September 30, 2017, the Company restructured its shareholding by selling all of its shares in Fino Binary Power Plant Limited Liability Company and NIS Binary Power Plant Limited Liability Company to Geothermal Power A Company Limited, at a price of Baht 375.9 million, and selling all of its shares in Beppu Tsurumi Onsen Geothermal Power Station No.1 Liaison Company and Dual Energy Binary - Power Plant No.1 Limited Liability Company to Geothermal Power B Company Limited at a price of Baht 375.9 million.

The subsidiary has assessed the fair value of identifiable assets acquired and liabilities assumed at the acquisition date and the assessment process has been completed in the second quarter of 2018 within the period of twelve months from the acquisition date allowed by Financial Reporting Standard No.3 (revised 2017), Business Combinations. During this measurement period, the Company obtained further information on the fair value of part of the assets and liabilities and has retrospectively adjusted the provisional amount recognised at the acquisition date. The Company has restated the consolidated financial statements As at December 31, 2017, as presented herein for comparative purposes, to reflect the provisional amount recognised at the acquisition date (August 28, 2017) as below.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2018

	(Unit : Thousand Baht)		
	As previously reported	New adjusted	Restated
Assets			
Cash and cash equivalents	48,293	-	48,293
Total current investments	418,686	-	418,686
Trade and other current receivables	193,786	-	193,786
Inventories	217,857	-	217,857
Other current assets	29,656	-	29,656
Other long - term investments	858,930	-	858,930
Long - term loans	72,452	-	72,452
Investment properties	10,376	-	10,376
Property, plant and equipment	1,494,455	-	1,494,455
Goodwill	16,258	40,833	57,091
Other intangible assets	123,467	222,838	346,305
Deferred tax assets	39,778	-	39,778
Other non - current assets :			
Restricted bank deposits	7,796	-	7,796
Unallocated costs of business acquisition	205,856	(205,856)	-
Advances payment	181,845	-	181,845
Other non - current assets	10,464	-	10,464
Total assets	3,929,955	57,815	3,987,770
Liabilities			
Short-term borrowings from financial institutions	(408,761)	-	(408,761)
Trade and other current payables	(163,938)	-	(163,938)
Current portion of long - term liabilities	(1,025,882)	-	(1,025,882)
Current income tax payable	(2,856)	-	(2,856)
Other current liabilities	(6,275)	-	(6,275)
Long - term borrowings	(868,531)	-	(868,531)
Deferred tax liabilities	(60,354)	(60,612)	(120,966)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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	(Unit : Thousand Baht)		
	As previously reported	New adjusted	Restated
Non - current provisions for employee	(13,545)	-	(13,545)
Total liabilities	(2,550,142)	(60,612)	(2,610,754)
Shareholders' equity			
Ordinary shares	(563,051)	-	(563,051)
Share premium - ordinary shares	(489,124)	-	(489,124)
Capital reserve for share-based payment transactions	(41,479)	-	(41,479)
Retained earnings			
Appropriated - Legal reserve	(56,845)	-	(56,845)
Unappropriated	(424,259)	2,842	(421,417)
Other components of shareholders' equity	194,945	(45)	194,900
Total shareholders' equity	(1,379,813)	2,797	(1,377,016)
Total liabilities and shareholders' equity	(3,929,955)	(57,815)	(3,987,770)

	(Unit : Thousand Baht)	
	For the year ended December 31, 2017	
Total comprehensive income		
Other revenues (increase)		658
Cost of sales (increase)		(4,808)
Tax expenses decrease		1,308
Net profit/Retained earning (decrease)		(2,842)
Other comprehensive income		
on differences translation of financial statements in foreign currency (increase)		45

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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	(Unit : Thousand Baht)	
	For the three – month period ended September 30, 2018	For the nine – month period ended September 30, 2018
Total comprehensive income		
Other revenues (increase)	(673)	(673)
Cost of sales (increase)	(1,020)	(1,020)
Tax expenses decrease	278	278
Net profit/Retained earning (decrease)	(1,415)	(1,415)
Other comprehensive income		
on differences translation of financial statements in foreign currency (increase)	5,537	5,537

8.2 During the year 2017, the Company and its subsidiaries has assessed all geothermal power plant projects in Japan for impairment, by comparing the carrying amounts and recoverable amounts of the CGUs. The Company and its subsidiaries determined the recoverable amounts of the CGUs on a value-in-use basis, by preparing projections of the cash flows that are expected to be generated from each group of assets in the future, with reference to financial projections approved by the management, under the key assumption that the power purchase agreements of the power plant projects would cover a period of 15 years. Other key assumptions of the value in use calculation can be summarised as follows:

Energy capacity (Unit: Kilowatt per hour)	83 - 100
Growth rates (Unit: Percent per annum)	0.1, 1.2
Pre-tax discount rates (Unit: Percent per annum)	3.0

The management determined growth rates based on long-term inflation rate and discount rates is the pre-tax rate that reflects the risks specific to each CGU.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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Based on the impairment review of the assets above, In 2017 the Company and its subsidiaries recognised allowance for impairment loss on the geothermal power plant projects amounting to Baht 29 million. This consisted of allowance for impairment loss amounting to Baht 26 million on new geothermal power plant projects that were purchased during the year 2017, which is recorded as impairment loss on Good will, and allowance for impairment loss of Baht 3 million on power plant, machinery and equipment, the net book value of Good will as at September 30, 2018 and December 31, 2017 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	September 30, 2018	December 31, 2017
Net book value at beginning of period/year	57,091	19,082
Increased from acquisition of subsidiaries	-	69,860
Impairment loss	-	(25,578)
Exchange difference translation adjustment	(859)	(6,273)
Assets classified as held for sale (Note 7)	(42,937)	-
Net book value at end of period/year	<u>13,295</u>	<u>57,091</u>

8.3 Dividend income

During the three – month and nine – month periods ended September 30, 2018 and 2017, The Company has not dividend income from the investments in subsidiaries.

9. INVESTMENTS IN ASSOCIATE

Company's name	(Unit : Thousand Baht)			
	Consolidated financial statements			
	Carrying amounts based			
	on equity method			
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
	(%)	(%)		
M-Luxe Energy Co., Ltd.	25	25	-	-
Total			<u>-</u>	<u>-</u>

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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9.1 Investment in associate with capital deficit

The Company recognised share of losses from investment in 1 associates, as listed below, until the value of the investments approached zero. Subsequent losses incurred by those associates have not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of those associates. The amount of such unrecognised share of losses is set out below:

Associate company	(Unit : Million Baht)	
	Unrecognised share of losses during the period/the years	
	For the nine – month period ended September 30, 2018	For the year ended December 31, 2017
M-Luxe Energy Co., Ltd.	0.50	2.00

10. OTHER LONG-TERM INVESTMENTS

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	September 30, 2018	December 31, 2017
Investments in available – for – sale securities – cost	1,114,306	1,045,004
Less: Loss on changes in value of investments	(535,783)	(189,524)
Investments in available – for – sale securities – fair value	578,523	855,480
Other investments – cost	5,000	5,000
Less: Provision for impairment of investment	(1,550)	(1,550)
Other investments – net	3,450	3,450
Total	581,973	858,930

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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During the nine – month period ended September 30, 2018, the movement of available – for – sale is as follows:

	Consolidated / Separate financial statements	
	Number of shares	Amount
	(Thousand Shares)	(Thousand Baht)
Book value as at January 1, 2018	147,717	1,045,004
Acquisition during the period	20,431	74,240
Increase number of shares form Stock dividend and Warrants	13,808	-
Disposal during the period - at cost	(8,791)	(4,938)
Gain (loss) on changes in value of Available – for – sale investments during the period	-	(535,783)
Book value as at September 30, 2018	<u>173,165</u>	<u>578,523</u>

10.1 The Company invested in ordinary shares of ASIA Capital Group Public Company Limited, a related company listed on the Market for Alternative Investment (MAI). The investment in these shares represents approximately 14 percent of that company’s paid-up share capital, and some shareholders of the Company are also shareholders of this company. The Company has no intention to take part in the management of this company and has no influence over it. As at September 30, 2018, the investments have amount 43.25 million shares (Book value of Baht 294 million) is 8% of total assets of the Group this is concentration risk asset in only one related company. The value of the Company's investments depends on the operating results and future market prices of related company and the company will decide to sell this investment.

10.2 As at September 30, the Company has led Available-for-sale amount 173.16 million shares (Book value of Baht 578.47 million) pledge as collateral for short-term loans. As a guarantee for the issuance of debentures. As discussed in Note 15 and 17.2 to the consolidated financial statements, respectively.

10.3 The Company received dividend income for the nine-month period ended 30 September 2018 amount Baht 10.83 million (2560: Baht 0.12 million).

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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11. INVESTMENT PROPERTIES

	(Unit : Thousand Baht)
	Consolidated / Separate financial statements
Net book value as at January 1, 2018	10,376
Transfer in (out)	27,176
Depreciation for period	(252)
Net book value as at September 30, 2018	<u>37,300</u>

The subsidiary transferred Property, plant and equipment to investment property. The net book value is Baht 27.18 million due to the change in the use of assets for rent. The Company is in the process of evaluating the fair value.

Investment property presented at cost, less accumulated depreciation and allowance for impairment. (if any)

The fair value of the investment properties stated below:

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	September 30, 2018	December 31, 2017
Land not being used in operation/land for rent	32,793	32,793
Office building for rent	32,105	32,105

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent value. The fair value of the land not being used in operation has been determined based on market prices, while that of the land and office using the income approach. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

The Company have pledge of Investment Properties at cost approximately Baht 36 million as collateral against credit line received from financial institutions and Bills of exchange from the Company other persons as disclosed in the Note 15, 17.1 to the consolidated financial statements.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
AS AT SEPTEMBER 30, 2018

12. PROPERTY, PLANT AND EQUIPMENT

Movements of the property, plant and equipment account during the nine-month period ended September 30, 2018 are summarised below.

	(Unit : Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2018	1,494,455	663,223
Acquisitions during period – at cost	27,250	27,250
Disposals during period – at cost	(5,637)	(5,637)
Disposals during period – at accumulated depreciation	5,637	5,637
Reversed allowance of impairment on assets	2,898	-
Depreciation for period	(85,157)	(54,443)
Exchange difference on translation adjustment	(11,564)	-
Assets classified as held for sale (Note 7)	(741,542)	-
Assets classified as investment property (Note 11)	(27,176)	(27,176)
Net book value as at September 30, 2018	659,164	608,854

As at September 30, 2018, certain items of buildings and equipment of the Company were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 754 million.

The Company have pledge of Property, plant and equipment at cost approximately Baht 616 million as collateral against credit line received from financial institutions and bills of exchange from the company and other persons as disclosed in the Note 15, 17.1 to the consolidated financial statements.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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13. OTHER INTANGIBLE ASSETS

Movements of the intangible assets accounts during the nine-month period ended September 30, 2018 are summarised below.

	(Unit : Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at January 1, 2018	346,306	10,437
Acquisitions during period	2,307	2,307
Transfer in (out)	34,777	-
Amortisation for the period	(19,601)	(1,088)
Exchange difference on translation adjustment	(5,073)	-
Assets classified as held for sale (Note 7)	(347,040)	-
Net book value as at September 30, 2018	11,676	11,656

14. ADVANCES PAYMENT

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
Advance payment for construction of geothermal power plants	29,402	29,850	-	-
Advance payment for Riverside Project	65,565	-	65,564	-
Advance payment for Hot spring rights	34,255	86,942	-	-
Advance payment for assets	65,468	65,053	65,468	65,053
Total	194,689	181,845	131,032	65,053

Advance payment for construction of geothermal power plants

On December 13, 2017, a meeting of the Board of Directors of the Company passed a resolution to approve investment in 9 units of geothermal power plant in Japan, with a total project value of JPY 2,700 million (Baht 786 million). As at September 30, 2018, Sumo Power Company Limited, a subsidiary, has paid a deposit of JPY 103 million (Baht 29 million) for 2 units of power plant.

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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Advance payment for Riverside Project

Board of Directors Meeting No.8/2018 convened on May 18, 2018, to approved that the Company enters into the joint investment transaction with Rich Partners Co., Ltd. (“Rich Partners”) in the mixed-use development project under the project’s name “Riverside Tower” located in Da Nang City, Vietnam (the “Riverside Project”) which is being developed by Sun Frontier Investment Co., Ltd. (“Sun Frontier Investment”), a company incorporated under Vietnamese law. The Company will invest in the Riverside Project for the investment amount of not more than JPY 3,100 million or equivalent to THB 911.83 million (based on the exchange rate of THB 29,4140 per JPY 100 as announced by the Bank of Thailand on May 17, 2018). Under the joint investment agreement which to be entered into between the Company and Rich Partners (the “Joint Investment Agreement”), the Company will be entitled to the rights to sell the residential units and receive the consideration from the sale of residential units in the Riverside Project selected by the Company and agreed with Rich Partners the approximate area of which will be not less than 50 percent of the total residential area of the Riverside Project, whereby the Company’s investment return shall be guaranteed at the rate of not less than six percent per annum in respect of the total investment amount of the Company, the terms and conditions of which are currently being negotiated and shall further be executed by the Company and Rich Partners Co., Ltd.

On June 25, 2018, the Company has paid a deposit amount of JPY 210 million (approximately of THB 62.31 million), whilst the remaining investment amount shall be payable to Rich Partners upon completion of all the conditions precedent so specified under the Joint Investment Agreement. If any of the conditions precedent cannot be completed within the specific timeframe, the Company shall be entitled to receive full amount of deposit from Rich Partners.

On July 2, 2018, the Company has memorandum of agreement with shareholder and Rich Partners Co., Ltd., the shareholder of Rich Partners Co., Ltd. agrees to transfer all of the shares in Rich Partners Co., Ltd. at its par value (JPY 10 million) as security against payment of deposit and to ensure that Rich Partners Co., Ltd. and its shareholder shall comply with all conditions precedent under the Joint Investment Agreement which include inter alia Rich Partners Co., Ltd. or its subsidiary acquiring the entire equity stake in Sun Frontier Investment Co., Ltd. Upon all conditions precedent having been completely fulfilled by Rich Partners Co., Ltd. the Company shall transfer the shares of Rich Partners Co., Ltd. back to Rich Partners’ shareholder at its par value, On July 10, 2018, the Company has paid amount of JPY 10 million (approximately of THB 3 million)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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15. SHORT-TERM LOAN FROM FINANCIAL INSTITUTIONS

	Interest rate (% per annum)	Maturity date	(Unit : Thousand Baht)	
			Consolidated / Separate financial statements	
			September 30, 2018	December 31, 2017
Bank overdrafts			5,757	-
Promissory note from financial institutions	4.50	9 April 2019	180,000	180,000
Bills of exchange from the Company and other persons	6.50 and 8.00	9 November and 21 December 2018	92,793	-
Short-term loan from financial institutions	5.75	30 November 2018	230,000	230,000
Trust Receipt Payable			71,746	-
			580,296	410,000
Deferred front end fee			(460)	(1,239)
			579,836	408,761

Bills of exchange from the Company other persons

Bills of exchange from other persons, the securities used are as follows:

- 1.Pledge of available-for-sale securities of amount 62.68 million shares (Book value of Baht 111.52 million), with a value of not less than 2 times of the credit line, as mentioned in Note 10.2 to the consolidated financial statements
- 2.Related persons of the Company pledge the ordinary shares of PP PRIME Public Company Limited with a value of not less than 2 times the credit line, There is no charge between them.
- 3.The Company is the pledge of land and buildings of the Company amount Baht 16.74 million, as mentioned in Note 11, 12 to the consolidated financial statements

Short-term loan form financial institutions

Short-term loans amounting to Baht 230 million were guaranteed by pledge of investments in available-for-sale amount 30.50 million shares (Book value of Baht 207.40 million), with a value of not less than 1.2 times the credit line, as mentioned in Note 10.2 to the consolidated financial statements

Under the loan agreement the Company must comply with condition of financial terms as specified in the agreement, such as maintaining debt to equity ratio.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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16. TRADE AND OTHER CURRENT PAYABLES

	(Unit : Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
Trade payables – related party	6,080	3,980	6,080	3,980
Trade payables – unrelated parties	163,565	87,010	163,565	87,010
Other payables – related parties	1,150	1,179	-	-
Other payables – unrelated parties	14,408	13,675	13,542	8,239
Other payables for purchases of assets	2,616	4,409	2,616	4,409
Accrued interest – related party	-	5	-	-
Accrued interest –unrelated parties	11,666	12,385	11,666	12,381
Accrued expenses – related party	280	270	280	270
Accrued expenses – unrelated parties	38,786	41,025	38,481	40,497
Total trade and other current payables	<u>238,551</u>	<u>163,938</u>	<u>236,230</u>	<u>156,786</u>

17. LONG-TERM LOAN

As at September 30, 2018 and December 31, 2017 are as follows.

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	September 30, 2018	December 31, 2017
Long-term loan		
Long-term loan from financial institutions	607,825	646,678
Debentures	904,193	1,242,811
Liabilities under hire purchase and financial lease agreements	4,512	4,924
Total long-term loan	<u>1,516,530</u>	<u>1,894,413</u>
Less: Current portion of long – term		
Long-term loan from financial institutions	(50,075)	(40,185)
Debentures	(705,120)	(983,830)
Liabilities under hire purchase and financial lease agreements	(2,190)	(1,867)
Total current portion of long – term	<u>(757,385)</u>	<u>(1,025,882)</u>
	<u>759,145</u>	<u>868,531</u>

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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17.1 Long – term loan from financial institutions

Movements of the long-term loan account during the nine-month period ended September 30, 2018 are as follows:

	(Unit : Thousand Baht)
	Consolidated / financial statements
Balance as at January 1, 2018	646,678
<u>Add</u> Increase	-
<u>Less</u> Payment	(29,479)
Exchange differences on translation adjustment	(8,795)
Deferred financial fee	(579)
Balance as at September 30, 2018	<u>607,825</u>

		(Unit : Thousand Baht)	
		Consolidated / Separate financial statements	
Interest rate (% per annum)	Maturity date	September 30, 2018	December 31, 2017
JPY LIBOR (3 months) plus 3%	Repayable in monthly installments commencing from the fourth month after the loan is drawn down (November 2017), with 35 installments of JPY 14.5 million each and the balance payable in the thirty six installment	607,825	646,678
Less: Portion due within one year		(50,075)	(40,185)
Long-term loan - net of current portion		<u>557,750</u>	<u>606,493</u>

In accordance with the conditions specified in the agreement, this loan amounting to JPY 2,104 million (Baht 608 million) is secured by the pledge of land and buildings of the Company and the Company has to mortgage property of the geothermal power plant projects in Japan, pledge power purchases agreements and shares of the companies that own the geothermal power plant projects, pledge or transfer the rights in the electricity revenue accounts of 4 of the companies, which consist of 8 power plants.

The loan agreements contain several covenants which, among other things, require the Company to maintain a debt-to-equity ratio.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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17.2 Debentures

	(Unit : Thousand Baht)	
	Consolidated / Separate financial statements	
	September 30, 2018	December 31, 2017
Debentures	914,000	1,246,700
Less: Deferred arrangement fee for debentures	(9,807)	(3,889)
Debentures – net of arrangement fee	904,193	1,242,811
Less: Portion due within one year	(705,120)	(983,830)
Debentures – net of current portion	<u>199,073</u>	<u>258,981</u>

Movements of the debentures accounts during the nine-month period ended September 30, 2018 are summarised below.

	(Unit : Thousand Baht)
	Consolidated / Separate financial statements
Balance as at January 1, 2018	1,246,700
Issuance of debentures	653,500
Redemption of debentures	(986,200)
Deferred arrangement fee for debentures	(9,807)
Balance as at September 30, 2018	<u>904,193</u>

As at September 30, 2018, the balance of the debentures issued by the Company is Baht 914 million. Such debentures were offered to investors by private placement. The debentures pay interest every 3 months. Significant details are as follows:

Issue date	Units	Par value per unit (Baht)	Total value (Million Baht)	Interest rate (% per annum)	Maturity date
<u>Registered holders of Debentures unsubordinated and unsecured debentures, which do not have a debenture holders' representative.*</u>					
July 26, 2017	260,500	1,000	261	6.3	July 26, 2019
<u>Registered holders of Debentures unsubordinated and unsecured debentures, which do have a debenture holders' representative.*</u>					
August 2, 2018	319,500	1,000	320	7.25	August 2, 2019
September 3, 2018	134,000	1,000	134	7.25	September 3, 2019

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Registered holders of Debentures unsubordinated and secured debentures, which do have a
debenture holders' representative.**

May 8, 2018	200,000	1,000	200	7.0	May 8, 2020
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* The conditions regarding the rights and obligations of the debenture issuer stipulate certain covenants, pertaining to matters such as the maintenance of debt-to-equity ratio.

** As at September 30, 2018, guarantee by pledge investment available for sale amount 79.98 million shares (Book value of Baht 259.56 million), the Company has to comply with conditions that the value of guarantee not less than 1.10 times of the credit line and the Company has to remain the ratio of guarantee to value of debenture not less than 1.10 : 1

17.3 Unutilised credit facilities

On July 19, 2018, the Export-Import Bank of Thailand (EXIM Bank) has approved the loan agreement details are as follows;

- 1) Long-term credit facilities of up to 1,040 million Yen (or about 303.75 million Baht, based on announcement by the Bank of Thailand on July 19, 2018 at 0.292067 baht per yen). A total of 7 projects were installed in Japan, totaling 875 kW.
- 2) The FX forward contract amounted to 1,040 million Yen (or about 303.75 million Baht, based on announcement by the Bank of Thailand on July 19, 2018 at 0.292067 baht per yen).
- 3) JPY LIBOR (3M) + 3.00% per year or Prime Rate -1.50% per year
- 4) 3-year loan period 3 months (including Grace Period 3 months)

Guarantee of borrowings are as follows:

- 1) Mortgage land and constructions by cost estimate for external Valuator company have total value not lower than of Baht 122 millions
- 2) Mortgage land and machine of project in Japan.
- 3) Pledge and Assignments Power Purchase Agreement (PPA).
- 4) Transfer assignments the Benefit of casualty insurance policy, after constructions for EXIM Bank.
- 5) Pledge the stocks of company are as follows:
 - PPSN Limited Liability Company
 - Lena Power Station No.1 Limited Liability Company
 - SNS POWER Limited Liability Company
 - SUMO POWER Limited Liability Company
- 6) Pledge or assignments with conditionals in deposit account of electric income from Power purchase Agency.
- 7) Pledge shares of PP Prime Public Company Limited amount 20,000,000 shares (ownership: the Related persons of company)

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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18. PROMOTIONAL PRIVILEGES

The Company has received promotional privileges which approved by the Board of Investment for the manufacture and distribution of feeds for aquatic animals, pursuant to the investment promotion certificate No. 2091 (2)/2554 issued on August 31, 2011. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations commenced generating revenues (June 1, 2012) with the corporate income tax exempted capped at the amount of capital investment made, excluding in land and working capital. They also include a reduction of import duty on imported machinery as approved by the Board of Investment and an exemption from income tax on dividend paid to the shareholders from the profit of the promoted activities during the corporate income tax exemption period.

In addition, the Company has received promotional privileges which approved by the Board of Investment for the manufacture and distribution of feeds for aquatic animals, pursuant to the investment promotion certificate No. 1856 (2)/2556 issued on June 19, 2013 and the investment promotion certificate No. 1131 (2)/2558 issued on February 4, 2015. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations commenced generating revenues (the investment promotion certificate No. 1856(2)/2556 has not yet generated revenues and the investment promotion certificate No. 1311(2)/2558 has revenues generate on April 30, 2015) with the corporate income tax exempted capped at the amount of capital investment made, excluding in land and working capital. They also include a reduction of import duty on imported machinery as approved by the Board of Investment, an exemption from income tax on dividend paid to the shareholders from the profit of the promoted activities during the corporate income tax exemption period, and permission to deduct 25 percent of the amount in invested in the installation of facilities in addition to normal depreciation.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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19. SHARE CAPITAL

According to the resolution of the Extraordinary General Meeting of Shareholders No. 1/2018 held on 16 July 2018, has the resolutions of each agenda were as follows:

19.1 Approve the Company’s registered capital decrease by Baht 5,400,833, from the current registered capital of Baht 568,451,520 to be Baht 563,050,687, by way of cancellation of 5,400,833 ordinary shares allocated for 5,400,833 at the par value of Baht 1 per share.

19.2 Approve the amendment of Clause 4 of the Company’s Memorandum of Association to be in line with the Company’s registered capital decrease.

“Clause 4. The Company’s capital is	Baht 563,050,687 (Five hundred sixty-three million fifty thousand Six Hundred and Eighty-Seven Baht)
divided into	563,050,687 shares (Five hundred sixty-three million fifty thousand Six Hundred and Eighty-Seven)
at the par value of divided into	Baht 1 (One Baht) per share
Ordinary shares	563,050,687 shares (Five hundred sixty-three million fifty thousand Six Hundred and Eighty-Seven)
Preferred shares	- shares (-).”

Subsequently, on July 26, 2018, the Company has completely registered the reduction of registered capital together with the amendment to Clause 4 of the Memorandum of Association of the Company to be accorded with the reduction of the registered capital as detailed above, with the Department of Business Development, the Ministry of Commerce

19.3 Approve the Company’s registered capital increase by Baht 280,762,672 from the current registered capital of Baht 563,050,687 to be Baht 843,813,359, by way of issuance of not exceeding 280,762,672 ordinary shares for capital increase at the par value of Baht 1 per share, as per the following details:

19.3.1 Capital increase by Baht 140,762,672, by way of issuance of 140,762,672 ordinary shares for capital increase at the par value of Baht 1 per share to accommodate the exercise of the Warrants

19.3.2 Capital increase by Baht 140,000,000, by way of issuance of 140,000,000 ordinary shares for capital increase at the par value of Baht 1 per share to accommodate the conversion of the Convertible Debentures

19.4 Approve the amendment of Clause 4 of the Company’s Memorandum of Association to be in line with the Company’s registered capital increase.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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“Clause 4. The Company’s capital is	Baht 843,813,359 (Eight Hundred Forty- Three Million Eight Hundred Thirteen Thousand Three Hundred and Fifty-Nine Baht)
divided into	843,813,359 shares (Eight Hundred Forty-Three Million Eight Hundred Thirteen Thousand Three Hundred and Fifty-Nine)
at the par value of divided into	Baht 1 (One Baht) per share
Ordinary shares	843,813,359 shares (Eight Hundred Forty-Three Million Eight Hundred Thirteen Thousand Three Hundred and Fifty-Nine)
Preferred shares	- shares (-).”

Subsequently, on July 31, 2018, the Company has completely registered the increase of registered capital together with the amendment to Clause 4 of the Memorandum of Association of the Company to be accorded with the increase of the registered capital as detailed above, with the Department of Business Development, the Ministry of Commerce

20. WARRANTS NOT YET ISSUED AND OFFERED

According to the resolution of the Extraordinary General Meeting of Shareholders No. 1/2018 held on 16 July 2018, has the resolutions of each agenda were as follows:

Approved to propose the Extraordinary General Meeting of the Shareholders No. 1/2018 to consider approving the issuance and allocation of the warrants to purchase ordinary shares for capital increase of the Company No. 3 (TLUXE-W3) to the Company’s existing shareholders according to their shareholding percentage (Right Offering) (the “Warrants”) in the amount of not exceeding 140,762,672 units, free of charge, at the ratio of 4 existing ordinary share(s) to 1 unit of the Warrants (any fraction thereof shall be discarded), for a term of not exceeding 3 years from the issuance date of the Warrants, at the exercise ratio of 1 unit to 1 ordinary share(s) for capital increase, and at the exercise price of Baht 2 per share. In this regard, the Company would consider allocating not exceeding 140,762,672 ordinary shares for capital increase of the Company at the par value of Baht 1 per share to accommodate the exercise of the Warrants

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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21. EARNINGS PER SHARE

Basic earnings (loss) per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

The following table sets forth the computation of basic earnings (loss) per share for the three-month and nine-month periods ended September 30, 2018 and 2017:

	For the three – month period ended September 30			
	Consolidated financial		Separate financial	
	statements	statements	statements	statements
	2018	2017	2018	2017
Profit (Loss) attributable to equity holders of the parent company	(53,757)	(122,144)	(3,463)	20,816
Number of common shares (Thousand Shares)	563,051	563,051	563,051	563,051
Profit (Loss) per share (Baht / Share)	(0.10)	(0.22)	(0.01)	0.04
	For the nine – month period ended September 30			
	Consolidated financial		Separate financial	
	statements	statements	statements	statements
	2018	2017	2018	2017
Profit (Loss) attributable to equity holders of the parent company	(77,870)	(143,012)	303,223	43,357
Number of common shares (Thousand Shares)	563,051	563,051	563,051	563,051
Profit (Loss) per share (Baht / Share)	(0.14)	(0.25)	0.54	0.08

**NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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22. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Board of Directors.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have three reportable segments as follows:

1. Aquatic animal feed segment
2. Pets food segment
3. Production and distribution of electricity segment

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for outsider transactions.

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(FORMER NAME “THAI LUXE ENTERPRISES PUBLIC COMPANY LIMITED
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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“UNAUDITED”
“REVIEWED”

The following tables present revenue and profit (loss) information regarding the Company’s and its subsidiaries’ operating segments for the three-month and nine-month periods ended September 30, 2018 and 2017, respectively.

(Unit : Million Baht)

	For the three-month period ended 30 September											
	Domestic				Overseas							
	Aquatic animal feed		Pets food		Production and distribution of electricity		Total segments		Eliminations		Consolidated	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenue form external customers	484	452	38	57	22	7	544	516	-	-	544	516
Total revenues	484	452	38	57	22	7	544	516	-	-	544	516
Results												
Segment profit (loss)	(1)	27	2	1	(7)	(11)	(6)	17	-	-	(6)	17
Gain (loss) on investments in securities											-	-
Interest income											1	6
Other income (expenses)											(9)	(111)
Share of loss from investments in associates											-	-
Finance cost											(34)	(29)
Loss before income tax expenses											(48)	(117)
Income tax expenses											(5)	(5)
Loss for the period											(53)	(122)

PP PRIME PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
(FORMER NAME “THAI LUXE ENTERPRISES PUBLIC COMPANY LIMITED”)

“UNAUDITED”
“REVIEWED”

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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(Unit : Million Baht)

	For nine-month period ended 30 September											
	Domestic				Overseas						Consolidated	
	Aquatic animal feed		Pets food		Production and distribution of electricity		Total segments		Eliminations			
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenue from external customers	1,279	1,186	142	150	51	20	1,472	1,356	-	-	1,472	1,356
Total revenues	1,279	1,186	142	150	51	20	1,472	1,356	-	-	1,472	1,356
Results												
Segment profit (loss)	3	54	4	3	(27)	(21)	(20)	36	-	-	(20)	36
Gain (loss) on investments in securities											2	4
Interest income											6	22
Other income (expenses)											36	(121)
Share of loss from investments in associates											-	(1)
Finance cost											(92)	(72)
Loss before income tax expenses											(68)	(132)
Income tax expenses											(10)	(11)
Loss for the period											(78)	(143)

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
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23. COMMITMENTS AND CONTINGENT LIABILITIES

23.1 Power purchase agreements

As at September 30, 2018 a subsidiary entered into PPA with an unrelated company. The PPA is effective for a period of 15 years starting from scheduled commercial operation date. The sales quantity and its price must be complied with the agreement.

23.2 Hot springs service agreement

As at September 30, 2018 the overseas subsidiaries have commitments in respect of power plant hot springs service agreements made with an unrelated company, amounting to approximately JPY 0.4 million per month per power plant for periods of 15 years from the commercial operation dates.

In November 2017 and January 2018, the subsidiaries entered into a memorandum of understanding with an unrelated company to waive hot springs service charges, in accordance with the conditions specified in the agreement.

23.3 Power plant operation and maintenance agreement

As at September 30, 2018 an overseas subsidiary has commitments in respect of power plant operation and maintenance agreements made with an unrelated company, amounting to approximately JPY 0.1 million per month per power plant for 5 years starting from a project awarded date, which can be extended every 5 years, and has maximum duration of 15 years, under the same conditions.

23.4 Property rights of land agreement

As at September 30, 2018 an overseas subsidiary has commitments in respect of property rights of land agreement with an unrelated company to operate in a project of electricity production from wind power amounting to approximately JPY 0.1 million per month per power plant. The term of this agreement is 21 years starting from an agreement signing date.

23.5 Capital Commitments

As at September 30, 2018 the Company had capital commitments of approximately Baht 1 million (December 31, 2017: Baht 7 million), relating to acquisition and installation of machinery and equipment. In addition, the overseas subsidiaries had capital commitments of approximately JPY 2,351 million (December 31, 2017: JPY 1,981 million), relating to the construction of power plant.

23.6 Purchase of raw material commitments

As at September 30, 2018 the Company had purchase commitments of USD 2 million (December 31, 2017: USD 2 million) in respect of the purchase of raw materials for aquatic animal feed.

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23.7 Lease and services commitments

The Company has entered into several lease agreements in respect of office building space and service agreement and vehicle rental. The terms of the agreements are generally duration from 1 to 3 years.

Future minimum lease payments required under these non-cancellable leases and services contracts were as follows.

	(Unit : Million Baht)	
	September 30, 2018	December 31, 2017
Payable:		
within 1 year	3	9
more than 1 year but not over 2 years	-	-

23.8 Long-term property lease commitment

As at September 30, 2018 the Company had space lease contracts commitments of approximately Baht 7.2 million for a full service center. The term of the lease is 18 years, starting from the date the possession of assets is delivered. At present, the leased space is under construction and has yet been delivered.

23.9 Guarantees

As at September 30, 2018 the Company were outstanding bank guarantees of approximately Baht 8 million (December 31, 2017: Baht 8 million), issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee relating to guarantee electricity use.

24. FINANCIAL INSTRUMENTS

24.1 Foreign currency risk

The company and its subsidiaries have significant outstanding balances of financial liabilities denominated in foreign currencies are as follows:

Foreign currencies	Financial liabilities		Average exchange rate	
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	-	-	32.57	32.68
Japanese yen	-	-	0.29	0.29

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24.2 Fair value hierarchy

As at September 30, 2018 and December 31, 2017, the Company had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

		(Unit : Million Baht)							
		Consolidated/Separate financial statements							
		Level 1		Level 2		Level 3		Total	
		September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
Financial assets measured at fair value									
Held for trade investments									
Equity instruments		-	-	-	-	-	-	-	-
Available-for-sale investments									
Equity instruments		579	855	-	-	-	-	579	855
Debt instruments*		-	-	-	308	-	-	-	308
Other current investments									
Bill of exchanges		-	-	-	110	-	-	-	110
Financial assets for which fair value are disclosed									
Investment properties		-	-	38	10	-	55	38	65
Financial liabilities for which fair value are disclosed									
Debentures		-	-	904	1,243	-	-	904	1,243

* Level 2 - The fair value determined by using the net asset value as published by the Asset Management

During the current year, there were not transfer within the fair value hierarchy.

25. CAPITAL MANAGEMENT

The primary objective of the Company’s capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at September 30, 2018 the Group's debt-to-equity ratio was 2.46 : 1 (December 31, 2017: 1.85:1) and the Company's was 1.48 : 1 (December 31, 2017: 1.61:1).

26. EVENT AFTER THE REPORTING PERIOD

On October 31, 2018, Origin Power Investment Company Limited registered the incorporation of a subsidiary in the Hong Kong Special Administrative Region under the name of Wind Power A Company Limited to invest in wind power business. The Company has authorized capital of USD 100 (1 share with a par value of USD 100 each).

27. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company’s authorised director on November 14, 2018.