

**SAAM Energy Development
Public Company Limited and its subsidiaries**

Interim financial statements
for the three-month period ended 31 March 2020

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 and Shareholders of SAAM Energy Development Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of SAAM Energy Development Public Company Limited and its subsidiaries, and of SAAM Energy Development Public Company Limited, respectively, as at 31 March 2020; the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2020; and 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".

Other Matter

The consolidated and separate statements of financial position of SAAM Energy Development Public Company Limited and its subsidiaries, and of SAAM Energy Development Public Company Limited as at 31 December 2019, which are included as comparative information, were audited by another auditor whose report was dated 17 February 2020 expressed an unqualified opinion on those statements. Furthermore, the consolidated and separate statements of comprehensive income, changes in equity and cash flows of SAAM Energy Development Public Company Limited and its subsidiaries, and of SAAM Energy Development Public Company Limited, for the three-month period ended 31 March 2019, which are included as comparative information, were reviewed by another auditor, whose report was dated 7 May 2019 expressed an unmodified conclusion on those statements.

(Pitinan Lilamethwat)
Certified Public Accountant
Registration No. 11133

PKF Audit (Thailand) Ltd.
Bangkok
12 May 2020

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SAAM Energy Development Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2020

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2020 (Unaudited but reviewed)	31 December 2019 (Audited)	31 March 2020 (Unaudited but reviewed)	31 December 2019 (Audited)
<i>(in thousand Baht)</i>					
Assets					
Current assets					
Cash and cash equivalents	5	51,164	51,894	14,194	17,845
Short-term investment	6	81,078	81,078	81,078	81,078
Trade and other receivables	7	9,666	8,736	16,956	8,212
Project in progress	8	10,960	10,176	-	-
Current portion of prepaid land rental expense		-	96	-	-
Short-term loans to related parties	4	-	-	33,670	31,204
Other current assets		5,088	4,933	1,334	1,489
Total current assets		157,956	156,913	147,232	139,828
Non-current assets					
Investments in subsidiaries	9	-	-	123,660	123,660
Prepaid land rental expense - net of current portion		-	8,115	-	-
Investment properties	10	82,495	82,495	-	-
Property, plant and equipment	11	123,142	122,141	4,796	2,473
Right-of-use assets	12	39,090	-	14,296	-
Intangible assets	13	86	75	81	70
Deposit of purchase equipment	21.1	26,299	24,462	-	-
Deferred tax assets		1,035	1,941	946	1,859
Other non-current assets		1,707	4,589	241	1,688
Total non-current assets		273,854	243,818	144,020	129,750
Total assets		431,810	400,731	291,252	269,578

SAAM Energy Development Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2020

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2020 (Unaudited but reviewed)	31 December 2019 (Audited)	31 March 2020 (Unaudited but reviewed)	31 December 2019 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	14	2,889	3,862	902	1,410
Short-term loan from related party	4	-	-	5,500	5,500
Current portion of liabilities under lease agreements	15	3,396	-	2,098	
Current portion of long-term loans from financial institutions	16	18,232	17,484	-	-
Corporate income tax payable		1,961	1,658	-	-
Other current liabilities		659	1,310	182	904
Total current liabilities		27,137	24,314	8,682	7,814
Non-current liabilities					
Liabilities under lease agreements - net of current portion	15	25,821	-	10,501	-
Long-term loans from financial institutions - net of current portion	16	77,522	82,449	-	-
Provision for long-term employee benefits		1,953	1,877	1,399	1,332
Derivative liability	20	778	-	-	-
Other non-current liabilities - rental payable		-	2,054	-	756
Total non-current liabilities		106,074	86,380	11,900	2,088
Total liabilities		133,211	110,694	20,582	9,902

SAAM Energy Development Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2020 (Unaudited but reviewed)	31 December 2019 (Audited)	31 March 2020 (Unaudited but reviewed)	31 December 2019 (Audited)
	<i>(in thousand Baht)</i>			
Liabilities and shareholders' equity (continued)				
Shareholders' equity				
Share capital				
Registered				
300,000,000 ordinary shares of Baht 0.50 each	150,000	150,000	150,000	150,000
Issued and fully paid up				
300,000,000 ordinary shares of Baht 0.50 each	150,000	150,000	150,000	150,000
Share premium	99,419	99,419	99,419	99,419
Deficit on business combination under common control	(689)	(689)	-	-
Retained earnings				
Appropriated - statutory reserve	2,551	2,551	2,551	2,551
Unappropriated	47,403	40,640	18,700	7,706
Other components of shareholders' equity	302	(1,524)	-	-
Equity attributable to owners of the Company	298,986	290,397	270,670	259,676
Non-controlling interests of the subsidiaries	(387)	(360)	-	-
Total shareholders' equity	298,599	290,037	270,670	259,676
Total liabilities and shareholders' equity	431,810	400,731	291,252	269,578

SAAM Energy Development Public Company Limited and its subsidiaries
Statement of income
For the three-month period ended 31 March 2020 (Unaudited but reviewed)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		<i>(in thousand Baht)</i>			
Revenues					
Revenue from sale of goods		4,774	4,462	-	-
Revenue from rendering of services and rental		13,731	13,731	2,944	2,970
Dividend income from subsidiaries	4	-	-	7,399	2,995
Other income		2,091	71	6,250	2,410
Total revenues		20,596	18,264	16,593	8,375
Expenses					
Cost of sales of goods		1,558	1,509	-	-
Costs of rendering of services and rental		3,317	3,254	910	901
Selling and service expenses		54	54	54	54
Administrative expenses		5,465	6,826	3,689	5,413
Total expenses		10,394	11,643	4,653	6,368
Profit before finance cost and income tax benefits (expenses)		10,202	6,621	11,940	2,007
Finance cost		(1,035)	(1,274)	(33)	(121)
Profit before income tax benefits (expenses)		9,167	5,347	11,907	1,886
Income tax benefits (expenses)	17	(1,839)	(778)	(913)	227
Profit for the period		7,328	4,569	10,994	2,113
Profit attributable to:					
Equity holders of the Company		7,354	4,591	10,994	2,113
Non-controlling interests of the subsidiaries		(26)	(22)		
		7,328	4,569		
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company	18	0.025	0.015	0.037	0.007
Weighted average number of ordinary shares (Shares)		300,000	300,000	300,000	300,000

SAAM Energy Development Public Company Limited and its subsidiaries
Statement of comprehensive income
For the three-month period ended 31 March 2020 (Unaudited but reviewed)

	Consolidated financial statements		Separate financial statements	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
	<i>(in thousand Baht)</i>			
Profit for the period	<u>7,328</u>	<u>4,569</u>	<u>10,994</u>	<u>2,113</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency - net of income tax	<u>1,826</u>	<u>(293)</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>1,826</u>	<u>(293)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>9,154</u>	<u>4,276</u>	<u>10,994</u>	<u>2,113</u>
Total comprehensive income attributable to:				
Equity holders of the Company	9,180	4,298	<u>10,994</u>	<u>2,113</u>
Non-controlling interests of the subsidiaries	<u>(26)</u>	<u>(22)</u>		
	<u>9,154</u>	<u>4,276</u>		

SAAM Energy Development Public Company Limited and its subsidiaries

Statement of cash flows

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

	Note 2: Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Cash flows from operating activities				
Profit before tax	9,167	5,347	11,907	1,886
Adjustments to reconcile net profit before tax to net cash provided by (paid from) operating activities:				
Unrealised (gain) loss on exchange rate	802	437	(3,015)	571
Loss on measurement of fair value of derivatives	186	-	-	-
Amortisation of prepaid land rental expense	-	24	-	-
Depreciation and amortisation	2,365	1,419	618	109
Write-off project in progress	131	-	-	-
Write-off withholding tax deducted at source	-	127	-	-
Increase in provision for long-term employee benefits	76	59	66	50
Dividend income	4	-	(7,399)	(2,995)
Interest income	(223)	-	(325)	(76)
Interest expenses	1,017	1,234	31	114
Profit (loss) from operating activities before changes in operating assets and liabilities	13,521	8,647	1,883	(341)
Operating assets (increase) decrease				
Trade and other receivables	(1,109)	(1,512)	(858)	(1,493)
Other current assets	(308)	322	1	261
Other non-current assets	14	11	-	-
Operating liabilities increase (decrease)				
Trade and other payables	(3,541)	(1,675)	(525)	(1,133)
Other current liabilities	(650)	(1,526)	(722)	(1,492)
Other non-current liabilities	-	28	-	8
Cash flows from (used in) operating activities	7,927	4,295	(221)	(4,190)
Cash paid for interest expenses	(956)	(1,272)	-	(145)
Cash received from withholding tax refundable	307	517	307	517
Cash paid for income tax	(783)	(736)	(154)	(140)
Net cash flows from (used in) operating activities	6,495	2,804	(68)	(3,958)

SAAM Energy Development Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
<i>(in thousand Baht)</i>					
Cash flows from investing activities					
Payment for acquisition of vehicle, equipment and software computer	11, 13	(2,558)	(34)	(2,552)	(34)
Payment to provide short-term loans to related parties		-	-	-	(3,448)
Net cash flows from (used in) investing activities		(2,558)	(34)	(2,552)	(3,482)
Cash flows from financing activities					
Payment of liabilities under lease agreements	12	(1,397)	-	(1,031)	-
Repayment of long-term loans from related parties		-	-	-	(14,210)
Repayment of long-term loans from financial institution	16	(4,179)	(19,268)	-	-
Decrease in non-controlling interest of the subsidiaries from dividend payment		(1)	-	-	-
Net cash flows from (used in) financing activities		(5,577)	(19,268)	(1,031)	(14,210)
Increase (decrease) in translation adjustments		910	(79)	-	-
Net increase (decrease) in cash and cash equivalents		(730)	(16,577)	(3,651)	(21,650)
Cash and cash equivalents at beginning of period		51,894	163,994	17,845	145,566
Cash and cash equivalents at end of period		51,164	147,417	14,194	123,916

SAAM Energy Development Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

Consolidated financial statements									
Equity attributable to owners of the Company									
				Retained earnings		Other components of shareholders' equity		Other comprehensive income	
	Issued and paid up	Deficit on business combination under common control		Appropriated - statutory reserve	Exchange on translation of financial statements in foreign currency	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries		Total equity
<i>Note</i>	share capital	Share premium	control	reserve	Unappropriated	currency	the Company	the subsidiaries	equity
	<i>(in thousand Baht)</i>								
Balance as at 1 January 2019	150,000	99,419	(689)	1,976	47,257	(659)	297,304	(312)	296,992
Profit for the period	-	-	-	-	4,591	-	4,591	(22)	4,569
Other comprehensive income for the period	-	-	-	-	-	(293)	(293)	-	(293)
Total comprehensive income for the period	-	-	-	-	4,591	(293)	4,298	(22)	4,276
Balance as at 31 March 2019	150,000	99,419	(689)	1,976	51,848	(952)	301,602	(334)	301,268
Balance as at 31 December 2019 - as reported	150,000	99,419	(689)	2,551	40,640	(1,524)	290,397	(360)	290,037
Impact of changes in accounting policies	-	-	-	-	(591)	-	(591)	-	(591)
Balance as at 1 January 2020	150,000	99,419	(689)	2,551	40,049	(1,524)	289,806	(360)	289,446
Profit for the period	-	-	-	-	7,354	-	7,354	(26)	7,328
Other comprehensive income for the period	-	-	-	-	-	1,826	1,826	-	1,826
Total comprehensive income for the period	-	-	-	-	7,354	1,826	9,180	(26)	9,154
Decrease in non-controlling interests of the subsidiaries from dividend payment of subsidiaries	-	-	-	-	-	-	-	(1)	(1)
Balance as at 31 March 2020	150,000	99,419	(689)	2,551	47,403	302	298,986	(387)	298,599

SAAM Energy Development Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the three-month period ended 31 March 2020 (Unaudited but reviewed)

	Separate financial statements				Total equity
	Issued and paid up share capital	Share premium	Retained earnings Appropriated - statutory reserve	Unappropriated	
			<i>(in thousand Baht)</i>		
Balance as at 1 January 2019	150,000	99,419	1,976	19,393	270,788
Total comprehensive income for the period	-	-	-	2,113	2,113
Balance as at 31 March 2019	150,000	99,419	1,976	21,506	272,901
Balance as at 1 January 2020	150,000	99,419	2,551	7,706	259,676
Total comprehensive income for the period	-	-	-	10,994	10,994
Balance as at 31 March 2020	150,000	99,419	2,551	18,700	270,670

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

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SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

1 General information

SAAM Energy Development Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in developing renewable energy power plant projects for sale including procuring project land and providing related services, and investing in renewable energy power plants. Its registered office address is at Major Tower Thonglor, Room No. 2.2, 10th Floor, 141 Soi Sukhumvit 63 (Ekamai), Sukhumvit Road, Klongton Nua, Wattana, Bangkok.

2 Basis of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard (TAS) No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, statements of income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are prepared to provide information additional to that 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 latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The English language interim financial statements have been translated from the Thai language financial statements.

2.1 Basis of consolidation

The interim consolidated financial statements include the financial statements of SAAM Energy Development Public Company Limited (“the Company”) and its subsidiaries (“the subsidiaries”) have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2019 with no changes in the shareholding structure of subsidiaries during the current period.

2.2 Coronavirus disease 2020 pandemic

The Coronavirus disease 2020 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. However, this situation has no significant impact on the Company and its subsidiaries.

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

Nevertheless, the Company and its subsidiaries 's management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities. The degree of the impact severity is dependent upon the pandemic controlling measures imposed by government and the duration of the pandemic.

2.3 New financial reporting standards

Financial reporting standards that became effective in the current year

During the period, the Company and its subsidiaries have adopted all the revised financial reporting standards and interpretations that are effective for annual periods beginning on or after 1 January 2020.

From 1 January 2020, the Company and its subsidiaries has initially applied TFRS - Financial instruments standards and TFRS 16 Leasing. Impact of changes in accounting policies on shareholders' equity are as follows:

	Consolidated financial statements	Separate financial statements
	Retained earnings <i>(in thousand Baht)</i>	Retained earnings
At 31 December 2019 - as reported	43,191	10,257
<i>Decrease due to:</i>		
Adoption of TFRS - Interest rate swap contract	(591)	-
At 1 January 2020 - restated	42,600	10,257

2.3.1. TFRS - Financial instruments standards

The Company and its subsidiaries have adopted TFRS - Financial instruments standards by adjusting the cumulative effects to retained earnings on 1 January 2020. Therefore, the Company and its subsidiaries did not adjust the information presented for 2019.

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS – Financial instruments standards are as follows:

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

2.3.1.1. Classification and measurement of financial assets and financial liabilities

TFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value to other comprehensive income (FVOCI) and fair value to profit or loss (FVTPL). The classification under TFRS 9 is based on the cash flow characteristics of the financial asset and the business model in which they are managed. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.

Under TFRS 9, interest income and interest expenses recognised from all financial assets and financial liabilities measured at amortised cost shall be calculated using effective interest rate method. Previously, the Company and its subsidiaries recognised interest income and interest expenses at the rate specified in the contract.

Under TFRS 9, derivatives are measured at FVTPL. Previously, the Company and its subsidiaries recognised the derivatives when they were exercised.

The following table shows measurement categories under previous standards and TFRS 9, including reconciliation of the carrying amounts of each class of the Company's and its subsidiaries's financial assets and financial liabilities as at 1 January 2020.

Consolidated financial statements				
Classification under previous standards at 31 December 2019	Classification under TFRS 9 at 1 January 2020			
Carrying amounts	Fair value - applied hedge accounting	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost - net
		<i>(in thousand Baht)</i>		
Derivative liability	-	-	591	-
Total	-	-	591	-

The Company and its subsidiaries intends to hold derivative contract - interest rate swap (Note 20 and 22) for the strategic purposes. The Company and its subsidiaries have designated them as measured at FVTPL.

2.3.1.2. Impairment - Financial assets and contract assets

TFRS 9 introduces forward-looking 'expected credit loss' (ECL) model whereas previously the Company and its subsidiaries estimates allowance for doubtful account by analysing payment histories and future expectation of customer payment. TFRS 9 requires considerable judgement about how changes in economic factors affect ECLs, which will be determined on a probability-

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

weighted basis. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments measured at FVOCI, lease receivables, except for investments in equity instruments.

2.3.2. TFRS 16 Leases

From 1 January 2020, the Company and its subsidiaries have initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 Leases and TFRIC 4 Determining whether an arrangement contains a lease using the modified retrospective approach.

Previously, the Company and its subsidiaries, as a lessee, recognised payments made under operating leases in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Company and its subsidiaries assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Company and its subsidiaries allocates the consideration in the contract based on stand-alone selling price (transaction price). As at 1 January 2020, the Company and its subsidiaries recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases were changed because the Company and its subsidiaries recognised depreciation of right-of-use assets and interest expense on lease liabilities.

On transition, the Company and its subsidiaries also elected to use the following practical expedients:

- do not recognise right-of-use assets and lease liabilities for leases with less than 12 months of lease term;
- use hindsight when determining the lease term;
- apply a single discount rate to a portfolio of leases with similar characteristics;
- rely on previous assessments whether leases are onerous as an alternative to performing an impairment review; and
- exclude initial direct costs from measuring the right-of-use asset.

	Consolidated financial statements	Separate financial statements
<i>Impact from the adoption of TFRS 16</i>		
<i>At 1 January 2020</i>		
Increase in right-of-use assets	39,908	14,696
Decrease in deposit of land rental	(2,868)	(1,448)
Decrease in prepaid land rental	(8,211)	-
Decrease in other non-current asset - prepaid rental	(401)	(387)
Increase in lease liabilities	(30,482)	(13,617)
Decrease in other non-current liabilities - rental payable	2,054	756

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

The lease commitment as disclosed at 31 December 2019 are as follows;

- a) The Group entered into lease agreements in respect of the lease of land for solar power plant operation services provided to a company. The terms of the land lease agreements are the earlier of 18 to 25 years or the end of the service agreements.
- b) The Company entered into a three-year agreement with respect to office space rental and related facility service for the Group operation. This agreement will expire in December 2022.

All the lease commitments, stated above, are included in measurement of lease liabilities as below.

	Consolidated financial statements	Separate financial statements
<i>Measurement of lease liability</i>		
	<i>(in thousand Baht)</i>	
Operating lease commitment as disclosed at 31 December 2019	35,929	14,514
Extension and termination options reasonably certain to be exercised	513	1,009
Future minimum lease payments	<u>36,442</u>	<u>15,523</u>
Present value of remaining lease payments, discounted using the incremental borrowing rate at 1 January 2020	30,482	13,617
Lease liabilities recognised at 1 January 2020	<u>30,482</u>	<u>13,617</u>
Weighted-average incremental borrowing rate (<i>% per annum</i>)	<u>3.67</u>	<u>3.44</u>

Right-of-use assets and lease liabilities shown above were presented as part of renewable energy project segments.

3 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2019, other than in respect of new financial reporting standards adopted as shown in Note 2.3.

4 Related party transactions

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries are described in Note 9. Relationship with key management and other related parties were as follows:

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

Name of entities	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

During the periods, the Company and its subsidiaries had significant business transactions with related parties, principally in respect of the provision of services and loans. The pricing policies for these related party transactions are summarised as follows:

1. Management fees and operation fee are charged at the amount stated in the agreements.
2. Interest on loans are charged at 0.05 - 1.25 percent per annum and MLR - 0.40 percent per annum (2019: 0.05 - 1.25 percent per annum and MLR - 0.40 percent per annum).
3. Dividend income is recognised when declared and the right to receive the dividends is established.

For the three-month period ended 31 March			
Consolidated financial statements		Separate financial statements	
2020	2019	2020	2019
<i>(in thousand Baht)</i>			

Transactions with subsidiary companies

(eliminated from the consolidated financial statements)

Service income	-	-	733	760
Management income	-	-	2,880	2,304
Dividend income (Note 9)	-	-	7,399	2,995
Interest income	-	-	102	76
Interest expenses	-	-	17	114

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

As at 31 March 2020 and 31 December 2019, the balances of the accounts between the Company and those related companies are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<u>Trade accounts receivable - related parties</u>				
(Note 7)				
Subsidiaries	-	-	6,638	5,405
Total trade accounts receivable				
- related parties	-	-	6,638	5,405
<u>Dividend receivable - related parties</u>				
(Note 7)				
Subsidiaries	-	-	7,399	-
Total dividend receivable - related parties	-	-	7,399	-
<u>Accrued interest income - related parties</u>				
(Note 7)				
Subsidiaries	-	-	685	533
Total accrued interest income				
- related parties	-	-	685	533
<u>Accrued interest expense - related parties</u>				
(Note 14)				
Subsidiaries	-	-	192	174
Total accrued interest expense				
- related parties	-	-	192	174

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

Loans to related parties and loans from related parties

As at 31 March 2020 and 31 December 2019, the balance of loans between the Company and those related companies and the movement are as follows:

Short-term loans to related party

Short-term loans to	Related by	Separate financial statements				
		Balance as at 31 December 2019	During the period		Unrealised gain on exchange rate	Balance as at 31 March 2020
		<i>(in thousand Baht)</i>				
SAAM International Limited	Subsidiary	26,704	-	-	2,466	29,170
SAAM Three Company Limited	Subsidiary	4,500	-	-	-	4,500
Total short-term loans to related parties		31,204	-	-	2,466	33,670

Short-term loans from related party

Short-term loans from	Related by	Separate financial statements			
		Balance as at 31 December 2019	During the period		Balance as at 31 March 2020
		<i>(in thousand Baht)</i>			
SAAM Solar Power Two Co., Ltd.	Subsidiary	5,500	-	-	5,500
Total short-term loans from related parties		5,500	-	-	5,500

Directors and management's benefits

During the three-month period ended 31 March 2020 and 2019, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	For the three-month period ended 31 March	
	Consolidated / Separate financial statements	
	2020	2019
<i>(in thousand Baht)</i>		
Short-term employee benefits	1,344	1,200
Post-employment benefits	39	33
Total	1,383	1,233

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

5 Cash and cash equivalents

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Cash	99	105	17	8
Bank deposits	51,065	51,789	14,177	17,837
Total cash and cash equivalent	51,164	51,894	14,194	17,845

As at 31 March 2020, bank deposits in saving accounts carried interests at 0.375 percent per annum (31 December 2019: 0.375 percent per annum).

6 Short-term investment

As at 31 March 2019, the Company has short-term investment which were fixed deposits at bank. The fixed deposits carried interest at 1.40 percent per annum and will be matured within 2020 (2019: 1.40 percent per annum).

7 Trade and other receivables

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<u>Trade accounts receivable - related parties</u>				
(Note 4)				
Aged on the basis of due dates				
Not yet due	-	-	6,638	5,405
Total trade accounts receivable				
- related parties	-	-	6,638	5,405
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	7,091	6,831	1,577	1,577
Total trade accounts receivable				
- unrelated parties	7,091	6,831	1,577	1,577

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
<u>Other receivables</u>				
Dividend receivable - related parties (Note 4)	-	-	7,399	-
Advance to employee	10	10	10	10
Accrued interest income - related parties (Note 4)	-	-	685	533
Accrued interest income - unrelated parties (Note 4)	236	13	236	13
Accrued income	1,650	1,023	-	-
Prepaid expenses	632	825	398	674
Value added tax refundable	34	34	-	-
Other receivables - unrelated parties	13	-	13	-
Total other receivables	<u>2,575</u>	<u>1,905</u>	<u>8,741</u>	<u>1,230</u>
Total trade and other receivables	<u>9,666</u>	<u>8,736</u>	<u>16,956</u>	<u>8,212</u>

8 Project in progress

The net book value of project in progress as at 31 March 2020 and 31 December 2019 are presented below.

	Consolidated	
	financial statements	
	31 March	31 December
	2020	2019
	<i>(in thousand Baht)</i>	
Grid application	121	252
Grid interconnection	8,451	8,451
Consultation fee	1,583	1,583
Others	510	510
Translation adjustment	295	(620)
Total project in progress	<u>10,960</u>	<u>10,176</u>
Write-off project in progress	<u>131</u>	<u>-</u>

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

9 Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the three-month period ended	
	31		31	31	31		31 March	31 March
	31 March 2020	December 2019	March 2020	December 2019	31 March 2020	December 2019	2020	2019
	<i>(in thousand Baht)</i>		<i>(percent)</i>		<i>(in thousand Baht)</i>			
SAAM One Co., Ltd.	4,000	4,000	100	100	4,000	4,000	2,600	400
SAAM Two Co., Ltd.	1,500	1,500	100	100	1,500	1,500	1,799	795
SAAM Three Co., Ltd.	30,000	30,000	100	100	30,000	30,000	3,000	1,800
SAAM Service Co., Ltd.	2,250	2,250	100	100	2,250	2,250	-	-
SAAM Solar Power One Co., Ltd.	40,000	40,000	100	100	39,999	39,999	-	-
SAAM Solar Power Two Co., Ltd.	40,000	40,000	100	100	39,999	39,999	-	-
SAAM International Limited	HKD 1.5 million	HKD 1.5 million	100	100	5,912	5,912	-	-
Total					<u>123,660</u>	<u>123,660</u>	<u>7,399</u>	<u>2,995</u>

10 Investment property

Investment properties of a subsidiary company are land at cost of Baht 82.5 million and are located in Phetchaburi and Prachuap Khiri Khan provinces which is rented to operators of solar power plant. The terms of the rental agreements are generally 25 years.

For the three-month period ended 31 March 2020 and 2019, the subsidiary company has rental income related to these rental agreements as follows.

	Consolidated financial statements	
	For the three-month period ended 31 March	
	2020	2019
	<i>(in thousand Baht)</i>	
Rental income	3,288	3,288

As at 31 March 2020, the subsidiary company has pledged its land which net book value amounting to approximately Baht 82.5 million (31 December 2019: Baht 82.5 million) as collateral against credit facilities received from a financial institution in Note 16 to the financial statements.

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

11 Property, plant and equipment

Movements of property, plant and equipment account during the three-month period ended 31 March 2020 are summarised below.

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Net book value as at 31 December 2019	122,141	2,473
Acquisitions during period - at cost	2,544	2,538
Depreciation for period	(1,543)	(215)
Net book value as at 31 March 2020	123,142	4,796

As at 31 March 2020, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 8.7 million (2019: Baht 8.6 million) (The Company only: Baht 4.5 million (2019: Baht 4.4 million)).

The subsidiaries have pledged their land and construction amounting to approximately Baht 116.1 million (2019: Baht 117.4 million) as collateral against credit facilities received from financial institutions as described in Note 16 to the financial statements.

12 Right-of-use assets

Movements of right-of-use assets account during the three-month period ended 31 March 2020 are summarised below

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Net book value as at 1 January 2020		
Adjustments of right-of-use assets due to TFRS 16 adoption (Note 2.3.2)	39,908	14,696
Amortisation	(818)	(400)
Net book value as at 31 March 2020	39,090	14,296

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

13 Intangible assets

Movements in the intangible assets account during the three-month period ended 31 March 2020 are summarised below.

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Net book value as at 31 December 2019	75	70
Acquisition of computer software	14	14
Amortisation during the period	(3)	(3)
Net book value as at 31 March 2020	<u>86</u>	<u>81</u>

14 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in thousand Baht)</i>			
Trade accounts payable	493	500	71	76
Accrued expenses	861	2,187	398	945
Other payables	636	178	143	110
Accrued interest expense - related parties (Note 4)	-	-	192	174
Accrued interest expense	613	685	-	-
Value added tax payable	286	312	98	105
Total trade and other payables	<u>2,889</u>	<u>3,862</u>	<u>902</u>	<u>1,410</u>

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

15 Lease liabilities

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Lease liabilities	35,045	-	14,490	-
Less: Deferred interest expense	(5,828)	-	(1,891)	-
Total	29,217	-	12,599	-
Less: Current portion	(3,396)	-	(2,098)	-
Lease liabilities - net of current portion	<u>25,821</u>	<u>-</u>	<u>10,501</u>	<u>-</u>

The Group has entered into the office space and land lease agreements for use in their operation.

The terms of the agreements are generally between 3 to 25 years.

Future minimum lease payments required under the lease agreements were as follows:

	Consolidated financial statements			
	31 March 2020			
	Less than 1	1 - 5 years	Over 5 years	Total
	year			
	<i>(in thousand Baht)</i>			
Future minimum lease payments	4,209	14,357	16,479	35,045
Deferred interest expenses	(813)	(3,152)	(1,863)	(5,828)
Present value of future minimum lease payments	<u>3,396</u>	<u>11,205</u>	<u>14,616</u>	<u>29,217</u>
	Separate financial statements			
	31 March 2020			
	Less than 1	1 - 5 years	Over 5 years	Total
	year			
	<i>(in thousand Baht)</i>			
Future minimum lease payments	2,298	7,210	4,982	14,490
Deferred interest expenses	(200)	(1,189)	(502)	(1,891)
Present value of future minimum lease payments	<u>2,098</u>	<u>6,021</u>	<u>4,480</u>	<u>12,599</u>

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

Movements of lease account during the three-month period ended 31 March 2020 are summarised below.

	Consolidated financial statements	Separate financial statements
<i>The three-month period ended 31 March 2020</i>	<i>(in thousand Baht)</i>	
<i>Recognized in profit or loss</i>		
Interest paid on lease liabilities	133	14
Expenses related to leases of low-value assets	7	7

Total cash outflow for leases presented in the consolidated and separate statement of cash flows for the three-month period ended 31 March 2020 were Baht 1,397 thousand and Baht 1,031 thousand, respectively.

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

16 Long-term loans from financial institution/current portion of long-term loans

The detail of long-term loans from financial institution as at 31 March 2020 and 31 December 2019 are summarised below:

No.	Lender	Credit facilities (in million Baht)	Significant terms and conditions of loan agreements			Consolidated financial statements	
			Repayment term	Collateral	Interest rate (percent per annum)	31 March 2020 (in thousand Baht)	31 December 2019 (in thousand Baht)
<u>Subsidiaries</u>							
SAAM Three Co., Ltd.							
1.	Bank	70	76 monthly installments with the first installment due on 7 April 2016.	Land classified as investment properties of the subsidiary company	MLR - 1.5	25,118	27,650
SAAM Solar Power One Co., Ltd.							
2.	Bank	95.2	51 quarterly installments with the first installment due on 7 April 2016.	Mortgaged of the subsidiary company's ordinary shares, land and construction thereon	BIBOR 3 month + 2	70,636	72,283
Total long-term loans from financial institution						95,754	99,933
Less: current portion						(18,232)	(17,484)
Long-term loans from financial institutions - net of current portion						77,522	82,449

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

Movement in the long-term loans account the three-month period ended 31 March 2020 are summarised below.

	Consolidated financial statements
	<u>(in thousand Baht)</u>
Balance as at 31 December 2019	99,933
Less: Repayment	(4,179)
Balance as at 31 March 2020	<u>95,754</u>

The loan agreements contain several covenants which, among other things, require the two subsidiaries to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

During the year 2016, SAAM Solar Power One Co., Ltd., a subsidiary company, entered into an interest rate swap contract with a local commercial bank to swap the interest rate on half of the balance of a long-term loan from that bank from a rate of BIBOR 3 month per annum, to fixed interest rate of 2.41 percent per annum. The contract is effective from 7 July 2016 until 7 July 2021.

17 Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expense for the three-month period ended 31 March 2020 and 2019 are made up as follows:

	For the three-month period ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	<i>(in thousand Baht)</i>			
Current income tax:				
Interim corporate income tax charge	933	1,006	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	906	(228)	913	(227)
Income tax (income) expenses reported in the income statement	<u>1,839</u>	<u>778</u>	<u>913</u>	<u>(227)</u>

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

18 Basic earnings per share

Basic earnings per share is calculated by dividing profit 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.

19 Segment information

The Company and its subsidiaries are organised into business units based on its products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month period ended 31 March 2020 and 2019, respectively.

	For the three-month period ended 31 March							
	Development service		Distribute of electricity		Adjustments and eliminating		Consolidated financial statements	
	2020	2019	2020	2019	2020	2019	2020	2019
	<i>(in thousand Baht)</i>							
Revenue from sales, services and rental	14,464	14,675	4,774	4,462	(733)	(944)	18,505	18,193
Cost of sales, services and rental	(4,052)	(3,527)	(1,558)	(1,509)	735	273	(4,875)	(4,763)
Gross profit	<u>10,412</u>	<u>11,148</u>	<u>3,216</u>	<u>2,953</u>	<u>2</u>	<u>(671)</u>	<u>13,630</u>	<u>13,430</u>
Other income							2,091	71
Selling and servicing expenses							(54)	(54)
Administrative expenses							(5,465)	(6,826)
Finance cost							(1,035)	(1,274)
Income tax expenses							(1,839)	(778)
Non-controlling interests of the subsidiaries							26	22
Profit for the period							<u>7,354</u>	<u>4,591</u>

20 Fair value of Financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value are not expected to be materially different from the amounts presented in the statements of financial position.

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

The carrying value and fair value of interest rate swap contract as at 31 March is presented below.

	Consolidated financial statements at 31 March 2020	
	Carrying amount	Fair Value
	Fair value through profit or loss	
	<i>(in thousand Baht)</i>	
Derivative liability		
Interest rate swap contract	778	778

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturity, including cash and deposit at financial institutions, accounts receivables, accounts payables, loan to and loan from related parties, their carrying amounts in the statements of financial position approximate their fair values.
- b) For interest rate swap contract, its fair value is estimated by discounting expected future cash flow and a valuation model. Most of the inputs used for the valuation are observable in the relevant market.

During the current period, there was no transfer within the fair value hierarchy.

21 Commitments and contingencies

The Company and its subsidiaries have commitments and contingent liabilities other than those disclosed in other notes as follows;

21.1 Capital commitments

On 12 May 2015, SAAM Solar Power Two Co., Ltd, a subsidiary company, entered into 25-year power purchase agreement with a government unit with respect to the purchase of solar power generated by the ground-mount solar plant located in Amphur Deelung, Lopburi province which to commence commercial electricity sale by 31 December 2015.

Subsequently on 21 May 2015, an event of force majeure occurred, causing the subsidiary company to relocate the solar power plant to Phetchaburi province. The committee of the government unit agreed that it was a force majeure event but they did not to approve the relocation of the solar power plant. As a result, the subsidiary failed to commence commercial electricity sale by the specified date. The government unit then sent a letter to the subsidiary, notifying its intention to cancel the power purchase agreement. However during the year 2015, the subsidiary had entered into many following agreements in order to set up this solar power plant.

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

a) A solar power plant construction contract

The subsidiary company entered into a solar power plant construction contract with a company to comply with a condition stipulated in the power purchase agreement at a total cost Baht 27.6 million. As at 31 March 2020, the subsidiary partially paid for the construction cost to that company amounting to Baht 4.8 million (31 December 2019: Baht 4.8 million). The subsidiary presented this construction cost under “Construction in progress” amounting to Baht 3.5 million (31 December 2019: Baht 3.5 million) and “Deposit for equipment” amounting to Baht 1.3 million (31 December 2019: Baht 1.3 million) in the consolidated statement of financial position. The subsidiary had remaining commitments in respect of the solar power plant construction contract by the completed milestone totaling Baht 22.8 million (31 December 2019: Baht 22.8 million).

b) Equipment supply contract

The subsidiary company entered into Main Equipment Supply contract with a foreign company for the main equipment related to the construction of the solar power plant at a total cost USD 2.8 million. As at 31 March 2019, the subsidiary company paid for a deposit for the equipment to that company amounting to USD 0.7 million or equivalent to Baht 23.5 million (31 December 2019: Baht 21.7 million). The subsidiary company presented this deposit for main equipment under “Deposit for equipment” in the consolidated statement of financial position. The subsidiary company had remaining commitments in respect of the Main Equipment Supply contract by the completed milestone totaling USD 2.1 million (31 December 2019: USD 2.1 million).

Regarding the above mentioned occurrence of forced majeure and commitments, on 28 July 2016, the subsidiary company filed a lawsuit against the government unit and other two units with the Central Administrative Court, seeking either the enforcement of the power purchase agreement or the compensation for damages arising upon related commitments under agreements.

Subsequently on 25 September 2019, the Central Administrative Court pronounced a verdict to dismiss the lawsuit. The Group’s management is of the opinion that this lawsuit has not been finalised and the subsidiary has a right to file an appeal with the Supreme Administrative Court against the verdict of the Central Administrative Court within the applicable limitation of legal terms. Therefore on 25 October 2019, the subsidiary company lodged an appeal against the Central Administrative Court’s verdict with the Supreme Administrative Court.

However, during the year ended 31 December 2019, the Group’s management proceeded to set up a provision for impairment of power plant under construction totaling Baht 4.6 million which was presented as “Asset under construction” under Property Plant and Equipment.

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

Currently, the lawsuit is under the consideration of the Supreme Administration Court. The Group's management considered an opinion of the Company's legal counsel, the commitments under the agreements and consequences from terminating related contracts early and believed that the deposits for the main equipment are valuable until the litigation process is finalised. In addition, in case of early termination of the Main Equipment Supply contract, the subsidiary has the right to receive a full refund. Therefore as at 31 March 2020, the Group's management therefore decided not to set up a provision for impairment of these assets in the consolidated financial statements.

21.2 Commitment for sell and purchase of land agreement

SAAM Three Co., Ltd., a subsidiary company, entered into to sell and to purchase land agreement with a third party who was an owner of the land where the solar power plant was to be located at a total cost Baht 14.6 million (31 December 2019: Baht 14.6 million). Currently, the subsidiary company was in a process of land fill and solar power plant construction. The subsidiary was obligated to pay to the landowner the compensation amounting to Baht 0.3 million per year (31 December 2019: Baht 0.3 million).

21.3 Operating lease commitment

The Company entered into a three-year agreement with respect to equipment rental and related facility service for the Group operation. This agreement will expire in January 2023. The Company is obliged to pay a monthly rental and service fee approximately Baht 3,500. (31 December 2019: 3,600 Baht).

21.4 Service commitment

The Company entered into a long-term agreement with a third party for land and solar power plant management in Phetchaburi province. This agreement will expire in 2030. The Company is obliged to pay a yearly service fee totaling approximately Baht 0.2 million (31 December 2019: Baht 0.2 million).

The Company entered into a long-term agreement with a third party for providing rental management services. This agreement will expire in 2022. The Company is obliged to pay a monthly service fee totaling approximately Baht 0.05 million (31 December 2019: Baht 0.04 million).

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Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

22 Foreign currency risk and interest rate risk

Foreign currency risk

The Company and the subsidiaries exposure to foreign currency risk arises mainly from services, loan and purchase of equipment that are denominated in foreign currencies.

As at 31 March 2020 and 31 December 2019, the balances of financial assets denominated in foreign currencies are summarised below.

Foreign currency	Consolidated		Separate		Exchange rate as at	
	financial statements		financial statements			
	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	<i>(in million Baht)</i>				<i>(Baht per 1 foreign currency unit)</i>	
Financial assets						
US dollar	0.7	0.7	-	-	32.5125	29.9767
Yen	-	-	118.5	115.8	0.2975	0.2723
HK dollar	-	-	0.2	0.2	4.1784	3.8328

Interest rate risk

The Company and the subsidiaries exposure to interest rate risk relates primarily to its cash at banks and borrowings. Most of The Company and the subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

SAAM Solar Power One Co., Ltd., a subsidiary company has an interest rate swap contract to swap the interest on half of the balance of a long-term loan from bank as described in Note 16 to mitigate interest rate risk as below.

Currency	Consolidated Financial Statements			Maturity date
	Loan	Interest		
	<i>(in million Baht)</i>	<i>(Percent per annum)</i>		
As at 31 March 2020				
Baht	36.4	Exchange of interest at BIBOR 3 month to interest at 2.41 percent per annum		7 April 2020
As at 31 December 2019				
Baht	37.3	Exchange of interest at BIBOR 3 month to interest at 2.41 percent per annum		7 January 2020

SAAM Energy Development Public Company Limited and its subsidiaries

Notes to interim financial statements

For the three-month period ended 31 March 2020 (Unaudited but reviewed)

23 Events after the reporting period

Dividend payment

On 10 April 2020, the Board of Director Meeting No. 02/2563 passed a resolution approving the payment of interim dividend from the Company's operating results of fiscal year ended 31 December 2019 and retained earnings in place of annual dividend payment of Baht 0.025 per share to the Company's shareholders, totaling Baht 7.5 million. The Company paid the dividend to its shareholders on 24 April 2020, and such dividend will be recorded in the second quarter of 2020.

24 Approval of financial statements

These interim financial statements were authorised for issue by the Company's authorised director on 12 May 2020.