

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND
ITS SUBSIDIARIES**

Interim Financial Information

For the Three-Month and Six-Month Periods ended June 30, 2019

and Independent Auditor's Report on Review of Interim Financial Information

BPR AUDIT AND ADVISORY CO., LTD.

Independent Auditors

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of General Environmental Conservation Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of General Environmental Conservation Public Company Limited and its subsidiaries as at June 30, 2019, and the related consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2019, changes in shareholders' equity, and cash flows for the six-month period ended June 30, 2019, and condensed notes to financial statements, and I have reviewed the accompanying statement of financial position of General Environmental Conservation Public Company Limited as at June 30, 2019, the statements of comprehensive income for the three-month and six-month periods ended June 30, 2019, changes in shareholders' equity, and cash flows for the six-month period ended June 30, 2019, and condensed notes to financial statements. The management is responsible for the preparation and fair presentation of this interim financial information in accordance with Thai Accounting Standard No.34 (Revised 2018) "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 No.34 (Revised 2018) "Interim Financial Reporting".

(Miss Piyanuch Kasemsupakorn)
Independent Auditor
Registration No. 6303

BPR AUDIT AND ADVISORY CO., LTD.
Bangkok
August 13, 2019

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2019

ASSETS

	Notes	In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		June	December	June	December
		30, 2019	31, 2018	30, 2019	31, 2018
		"Unaudited"		"Unaudited"	
	"Reviewed"	"Audited"	"Reviewed"	"Audited"	
CURRENT ASSETS					
Cash and cash equivalents	6	232,887	291,686	77,001	235,095
Trade and other receivables	5,7	63,071	56,208	63,141	54,668
Real estate development costs	8	441,960	460,833	190,107	203,885
Inventories		638	849	638	849
Other current assets		954	991	-	-
Total current assets		739,510	810,567	330,887	494,497
NON - CURRENT ASSETS					
Deposits at financial institution pledged as collaterals	9	756	756	756	756
Other long-term investments - available - for - sales	10	3,286	3,273	3,286	3,273
Investments in subsidiaries	11	-	-	678,107	578,107
Investments in associate	12	17,812	17,906	18,000	18,000
Land and structures held for development	13	363,772	363,772	200,285	200,285
Investment property	14	83,105	75,875	6,427	1,199
Property, plant and equipment	15	302,323	308,640	299,544	305,147
Intangible assets	16	4,853	4,942	4,853	4,942
Deferred tax assets	20	5,490	5,054	5,153	4,721
Other non - current assets					
Costs of landfills		29,284	29,069	29,284	29,069
Withholding tax deducted at source		25,623	23,831	22,955	22,955
Others	5	6,944	7,280	6,710	7,046
Total non - current assets		843,248	840,398	1,275,360	1,175,500
TOTAL ASSETS		1,582,758	1,650,965	1,606,247	1,669,997

The accompanying notes are and integral parts of these financial statements.

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT JUNE 30, 2019

LIABILITIES AND SHAREHOLDERS' EQUITY

	Notes	In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		June	December	June	December
		30, 2019	31, 2018	30, 2019	31, 2018
		"Unaudited"		"Unaudited"	
	"Reviewed"	"Audited"	"Reviewed"	"Audited"	
CURRENT LIABILITIES					
Trade and other payables	5,17	49,330	57,742	46,102	54,023
Current portion of long-term loans from financial institution	18	24,236	23,563	24,236	23,563
Current portion of liabilities under finance lease contracts		246	237	246	237
Income tax payable		-	18,468	-	18,306
Total current liabilities		73,812	100,010	70,584	96,129
NON - CURRENT LIABILITIES					
Long - term loans from financial institution - net of current portion	18	55,499	67,791	55,499	67,791
Liabilities under finance lease contracts - net of current portion		152	277	152	277
Employee benefit obligations	19	9,502	7,403	9,286	7,208
Provision costs of landfill		34,000	34,000	34,000	34,000
Total non - current liabilities		99,153	109,471	98,937	109,276
TOTAL LIABILITIES		172,965	209,481	169,521	205,405
SHAREHOLDERS' EQUITY					
Share capital - common shares, Baht 1 par value					
Authorized share capital - 1,122,297,625 shares, Baht 1 par value		1,122,298	1,122,298	1,122,298	1,122,298
Issued and fully paid-up share capital - 1,122,297,625 shares, Baht 1 par value		1,122,298	1,122,298	1,122,298	1,122,298
Premium on share capital		208,730	208,730	208,730	208,730
Retained earnings (Decifit)					
- Appropriated for legal reserve		13,405	13,405	13,405	13,405
- Unappropriated		69,914	101,618	96,847	124,726
Other component of shareholders' equity		(4,554)	(4,567)	(4,554)	(4,567)
Total equity holders of the parent company		1,409,793	1,441,484	1,436,726	1,464,592
Non - controlling interest		-	-	-	-
TOTAL SHAREHOLDERS' EQUITY		1,409,793	1,441,484	1,436,726	1,464,592
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		1,582,758	1,650,965	1,606,247	1,669,997

The accompanying notes are and integral parts of these financial statements.

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2019

"UNAUDITED"
"REVIEWED"

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Notes		2019	2018	2019	2018
REVENUES					
	Revenues from sales and services - service and treatment of industrial waste business	64,266	66,725	64,266	66,725
	Revenues from sales - real estate development business	6,320	9,281	6,320	2,610
	Interest income	89	65	108	1,905
	Other income	3,137	3,958	720	1,898
	Total Revenues	<u>73,812</u>	<u>80,029</u>	<u>71,414</u>	<u>73,138</u>
EXPENSES					
	Costs of sales and services - service and treatment of industrial waste business	45,725	49,634	45,725	49,634
	Costs of sales - real estate development business	4,941	6,151	4,941	1,917
	Selling expenses	1,172	3,510	1,150	1,528
	Administrative expenses	27,666	23,751	22,670	21,485
	Finance costs	1,321	2,479	1,318	2,473
	Total Expenses	<u>80,825</u>	<u>85,525</u>	<u>75,804</u>	<u>77,037</u>
	Loss before share of loss from investments in associate and income tax expenses	(7,013)	(5,496)	(4,390)	(3,899)
	Share of loss from investments in associate	12 (83)	(20)	-	-
	LOSS BEFORE INCOME TAX	(7,096)	(5,516)	(4,390)	(3,899)
	Income tax (expenses) income	20 381	(709)	378	(653)
	LOSS FOR THE PERIOD	<u>(6,715)</u>	<u>(6,225)</u>	<u>(4,012)</u>	<u>(4,552)</u>
Other comprehensive income (loss) - net of income tax					
Items that may be reclassified to profit or loss in subsequent period					
	Unrealized gain (loss) on revaluation of available-for-sale investments	(33)	(1,063)	(33)	(1,063)
	Total items that may be reclassified to profit or loss in subsequent period	<u>(33)</u>	<u>(1,063)</u>	<u>(33)</u>	<u>(1,063)</u>
	Total other comprehensive income (loss) for the period	<u>(33)</u>	<u>(1,063)</u>	<u>(33)</u>	<u>(1,063)</u>
	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	<u>(6,748)</u>	<u>(7,288)</u>	<u>(4,045)</u>	<u>(5,615)</u>
Profit (Loss) for the period attributable to :					
	Equity holders of the parent company	(6,715)	(6,225)	(4,012)	(4,552)
	Non - controlling interest	-	-	-	-
		<u>(6,715)</u>	<u>(6,225)</u>	<u>(4,012)</u>	<u>(4,552)</u>
Total comprehensive income (loss) for the period attributable to :					
	Equity holders of the parent company	(6,748)	(7,288)	(4,045)	(5,615)
	Non - controlling interest	-	-	-	-
		<u>(6,748)</u>	<u>(7,288)</u>	<u>(4,045)</u>	<u>(5,615)</u>
	LOSS PER SHARE (In Baht)	21 (0.006)	(0.006)	(0.004)	(0.004)

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

"UNAUDITED"
"REVIEWED"

		In Thousand Baht				
		Consolidated Financial Statements		Separate Financial Statements		
Notes		2019	2018	2019	2018	
REVENUES						
	Revenues from sales and services - service and treatment of industrial waste business	23	127,072	130,764	127,072	130,764
	Revenues from sales - real estate development business		13,533	16,997	11,123	7,759
	Gain on sales of investment property		-	4,191	-	4,191
	Interest income		386	97	287	3,906
	Other income		5,741	8,196	1,420	3,118
	Total Revenues		<u>146,732</u>	<u>160,245</u>	<u>139,902</u>	<u>149,738</u>
EXPENSES						
	Costs of sales and services - service and treatment of industrial waste business		90,415	96,045	90,415	96,045
	Costs of sales - real estate development business		10,127	11,138	8,485	5,345
	Selling expenses		2,278	5,081	2,122	2,639
	Administrative expenses		50,842	50,501	42,079	44,702
	Finance costs		2,671	4,884	2,667	4,787
	Total Expenses		<u>156,333</u>	<u>167,649</u>	<u>145,768</u>	<u>153,518</u>
	Loss before share of loss from investments in associate and income tax expenses		(9,601)	(7,404)	(5,866)	(3,780)
	Share of loss from investments in associate	12	(94)	(36)	-	-
	LOSS BEFORE INCOME TAX		(9,695)	(7,440)	(5,866)	(3,780)
	Income tax (expenses) income	20	436	(1,031)	432	(976)
	LOSS FOR THE PERIOD		<u>(9,259)</u>	<u>(8,471)</u>	<u>(5,434)</u>	<u>(4,756)</u>
Other comprehensive income (loss) - net of income tax						
Items that may be reclassified to profit or loss in subsequent period						
	Unrealized gain (loss) on revaluation of available-for-sale investments	10	13	(1,786)	13	(1,786)
	Total items that may be reclassified to profit or loss in subsequent period		<u>13</u>	<u>(1,786)</u>	<u>13</u>	<u>(1,786)</u>
	Total other comprehensive income (loss) for the period		<u>13</u>	<u>(1,786)</u>	<u>13</u>	<u>(1,786)</u>
	TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD		<u>(9,246)</u>	<u>(10,257)</u>	<u>(5,421)</u>	<u>(6,542)</u>
Profit (Loss) for the period attributable to :						
	Equity holders of the parent company		(9,259)	(8,471)	(5,434)	(4,756)
	Non - controlling interest		-	-	-	-
			<u>(9,259)</u>	<u>(8,471)</u>	<u>(5,434)</u>	<u>(4,756)</u>
Total comprehensive income (loss) for the period attributable to :						
	Equity holders of the parent company		(9,246)	(10,257)	(5,421)	(6,542)
	Non - controlling interest		-	-	-	-
			<u>(9,246)</u>	<u>(10,257)</u>	<u>(5,421)</u>	<u>(6,542)</u>
	LOSS PER SHARE (In Baht)	21	<u>(0.008)</u>	<u>(0.008)</u>	<u>(0.005)</u>	<u>(0.004)</u>

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

"UNAUDITED"

"REVIEWED"

		In Thousand Baht							
		Consolidated Financial Statements							
				Retained earnings (Deficit)		Other component of shareholders' equity	Total	Total	
Notes	Issued and fully paid - up share capital	Premium on share capital	Appropriated for legal reserve	Unappropriated (Deficit)	Unrealized gain (loss) from available - for - sale investments	Other comprehensive income (loss)	equity attributable the equity holders of the parent company	Non - controlling interests	shareholders' equity
	Balance as at January 1, 2019	1,122,298	208,730	13,405	101,618	(4,567)	1,441,484	-	1,441,484
	Transactions with owners, recorded directly in shareholder's equity								
22	Dividends paid	-	-	-	(22,445)	-	(22,445)	-	(22,445)
	Total transactions with owners, recorded in shareholders' equity	-	-	-	(22,445)	-	(22,445)	-	(22,445)
	Comprehensive income (loss) for the period								
	Loss for the period	-	-	-	(9,259)	-	(9,259)	-	(9,259)
	Other comprehensive income (loss)	-	-	-	-	13	13	-	13
	Total comprehensive income (loss) for the period	-	-	-	(9,259)	13	(9,246)	-	(9,246)
	Balance as at June 30, 2019	<u>1,122,298</u>	<u>208,730</u>	<u>13,405</u>	<u>69,914</u>	<u>(4,554)</u>	<u>1,409,793</u>	<u>-</u>	<u>1,409,793</u>
	Balance as at January 1, 2018	1,122,298	208,730	8,709	195	(1,658)	1,338,274	-	1,338,274
	Transactions with owners, recorded directly in shareholder's equity								
	Dividends paid	-	-	-	(11,221)	-	(11,221)	-	(11,221)
	Total transactions with owners, recorded in shareholders' equity	-	-	-	(11,221)	-	(11,221)	-	(11,221)
	Comprehensive income (loss) for the period								
	Loss for the period	-	-	-	(8,471)	-	(8,471)	-	(8,471)
	Other comprehensive income (loss)	-	-	-	-	(1,786)	(1,786)	-	(1,786)
	Total comprehensive income (loss) for the period	-	-	-	(8,471)	(1,786)	(10,257)	-	(10,257)
	Balance as at June 30, 2018	<u>1,122,298</u>	<u>208,730</u>	<u>8,709</u>	<u>(19,497)</u>	<u>(3,444)</u>	<u>1,316,796</u>	<u>-</u>	<u>1,316,796</u>

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

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

"UNAUDITED"

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

"REVIEWED"

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

In Thousand Baht							
Separate Financial Statements							
	Notes	Issued and fully paid - up share capital	Premium on share capital	Retained earnings (Deficit)		Other component of shareholders' equity	
				Appropriated for legal reserve	Unappropriated	Other comprehensive income (loss)	
						Unrealized gain (loss) from available - for - sale investments	Total shareholders' equity
Balance as at January 1, 2019		1,122,298	208,730	13,405	124,726	(4,567)	1,464,592
Transactions with owners, recorded directly in shareholders' equity							
Dividends paid	22	-	-	-	(22,445)	-	(22,445)
Total transactions with owners, recorded directly in shareholders' equity		-	-	-	(22,445)	-	(22,445)
Comprehensive income (loss) for the period							
Loss for the period		-	-	-	(5,434)	-	(5,434)
Other comprehensive income (loss)		-	-	-	-	13	13
Total comprehensive income (loss) for the period		-	-	-	(5,434)	13	(5,421)
Balance as at June 30, 2019		<u>1,122,298</u>	<u>208,730</u>	<u>13,405</u>	<u>96,847</u>	<u>(4,554)</u>	<u>1,436,726</u>
Balance as at January 1, 2018		1,122,298	208,730	8,709	48,737	(1,658)	1,386,816
Transactions with owners, recorded directly in shareholders' equity							
Dividends paid		-	-	-	(11,221)	-	(11,221)
Total transactions with owners, recorded directly in shareholders' equity		-	-	-	(11,221)	-	(11,221)
Comprehensive income (loss) for the period							
Loss for the period		-	-	-	(4,756)	-	(4,756)
Other comprehensive income (loss)		-	-	-	-	(1,786)	(1,786)
Total comprehensive income (loss) for the period		-	-	-	(4,756)	(1,786)	(6,542)
Balance as at June 30, 2018		<u>1,122,298</u>	<u>208,730</u>	<u>8,709</u>	<u>32,760</u>	<u>(3,444)</u>	<u>1,369,053</u>

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

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

"UNAUDITED"
"REVIEWED"

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss before income tax	(9,695)	(7,440)	(5,866)	(3,780)
Adjustments for				
Depreciation and amortization	14,600	14,231	12,095	11,910
Provision for bad debt and doubtful accounts	1,019	246	1,019	246
Reversal of provision for decline in value of real estate development costs	(663)	(648)	(663)	(648)
Gain on sales of investment property	-	(4,191)	-	(4,191)
Gain on sales of vehicles	-	(351)	-	-
Loss on written-off of fixed assets	-	3	-	3
Loss on written - off withholding tax	-	1	-	-
Share of loss from investment in associate	94	36	-	-
Short - term provision	-	250	-	250
Provision for employee benefit obligations	1,980	250	1,962	241
Dividend income	(54)	(54)	(54)	(54)
Interest income	(386)	(97)	(287)	(3,906)
Finance cost	2,671	4,884	2,667	4,787
Profit from operating activities before change in operating assets and liabilities	9,566	7,120	10,873	4,858
Decrease (Increase) in operating assets				
Trade and other receivables	(6,005)	7,932	(5,840)	7,099
Real estate development costs	10,456	8,907	9,148	5,232
Inventories	211	(85)	211	(85)
Other current assets	36	(416)	88	182
Other non - current assets	(127)	(9,362)	(215)	(8,639)
Increase (Decrease) in operating liabilities				
Trade and other payables	(8,465)	(21,896)	(7,973)	(15,402)
Cash generated (paid) from operations	5,672	(7,800)	6,292	(6,755)
Interest paid	(2,481)	(4,780)	(2,481)	(4,685)
Income tax paid	(22,152)	(4,149)	(21,958)	(4,040)
Net Cash Used in Operating Activities	(18,961)	(16,729)	(18,147)	(15,480)

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

"UNAUDITED"
"REVIEWED"

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase (Decrease) in advance received from sale of land and structures held for future development	-	18,016	-	(1,984)
Cash paid for investment in subsidiary	-	-	(100,000)	-
Proceeds from long-term loan to related parties	-	-	-	20,000
Proceeds from sales of investment property	-	17,000	-	17,000
Cash paid for investment in associate	-	(4,350)	-	(4,350)
Proceeds from sales of vehicles	-	321	-	-
Cash paid for purchase of property, plant and equipment	(6,095)	(7,077)	(6,090)	(6,797)
Cash paid for purchase of intangible assests	-	(244)	-	(244)
Interest received	401	81	287	66
Dividend received	54	54	54	54
Net Cash Provided by (Used in) Investing Activities	(5,640)	23,801	(105,749)	23,745
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from short-term loans	-	50,000	-	50,000
Repayment of short-term loans	-	(50,000)	-	(50,000)
Increase in long-term loans from financial institutions	-	14,337	-	14,337
Repayment of long-term loans from financial instituons	(11,619)	(6,820)	(11,619)	(6,820)
Repayment of liabilities under finance leases contracts	(134)	(196)	(134)	(196)
Dividend paid	(22,445)	(11,221)	(22,445)	(11,221)
Net Cash Used in Financing Activities	(34,198)	(3,900)	(34,198)	(3,900)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(58,799)	3,172	(158,094)	4,365
Cash and Cash Equivalents at Beginning of Period	291,686	24,300	235,095	19,429
CASH AND CASH EQUIVALENTS AT END OF PERIOD	232,887	27,472	77,001	23,794
Supplementary disclosures of cash flow information				
Non-cash item				
Transfer investment property from real estate development costs	9,081	-	5,293	-

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2019 (REVIEWED)**

These notes form and integral part of the interim financial statements.

The interim financial statements were authorized for issue by the Board of Directors on August 13, 2019.

1. GENERAL INFORMATION

General Environmental Conservation Public Company Limited (“the Company”) was incorporated in Thailand on August 8, 1997. The Company’s offices located at the following addresses:

Head office	: 447 Bondstreet Rd., Bangpood, Parkkred, Nonthaburi, 11120, Thailand
Industrial Waste Facility at Samaedam Center	: 68/39 Moo 3 Samaedam Rd., Bangkhuntien, Bangkok, 10150, Thailand
Industrial Waste Facility at Map Ta Phut Center	: 5 Muangmai Map Ta Phut Line 6 Rd., Hauypong, Muang Rayong, Rayong, 21150, Thailand

The Company and its subsidiaries (“the Group”) operate in Thailand and principally activity are the treatment of industrial waste and unavoidable by - products of manufacturing processes and real estate business.

2. BASIS OF INTERIM FINANCIAL STATEMENT PREPARATION

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the interim financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34 (Revised 2018) Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions ; applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared and presented in Thai Baht, which is the Group’s functional currency.

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2018. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2018.

The consolidated financial statements as at June 30, 2019 and December 31, 2018, include the accounts of the Company and its subsidiaries which the Company has controlling power or directly and indirectly holdings on those subsidiaries as follows:

Name of Companies	Type of business	In Thousand Baht		Percentages of direct and indirect holdings (%)	
		Paid-up share capital		June 30, 2019	December 31, 2018
		June 30, 2019	December 31, 2018		
Asia Patana Land Co., Ltd.	Buy, sale, and land development	530,000	430,000	100	100
Industrial Waste Management (Asia) Co., Ltd.	Industrial waste treatment	200,000	200,000	100	100
Genco Renewable Co., Ltd.	Renewable energy power plants	14,000	14,000	100	100
Genco Clean Energy Co., Ltd.	Renewable energy power plants	14,000	14,000	100	100

All significant intercompany transactions between the Group included in the consolidated financial statements have been eliminated.

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3. NEW FINANCIAL REPORTING STANDARDS

(a) Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company’s and its subsidiaries’ financial statements. However, the new standard involves changes to key principles, which are summarised below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

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 recognised 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 judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The Group adopted this financial reporting standard without any material affecting to the Group’s financial statements.

(b) Financial reporting standards that became effective for fiscal years beginning on or after January 1, 2020

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after January 1, 2020. These new standards involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

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These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Group is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

4. 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 December 31, 2018, and adoption of TFRS 15, Revenue from Contracts with Customers. (as described in Note 3 (a) to the interim financial statements.)

5. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related companies. Related parties are those parties controlled by the Company, directly or indirectly or significant influence, to govern the financial and operating policies of the Company.

Types of relationship of related companies are as follows:

<u>The Company's name</u>	<u>Type of business</u>	<u>Type of relationship</u>
The Department of Industrial Works	The Government enterprise	Shareholders and co director
Industrial Estate Authority of Thailand	The Government enterprise	Shareholders and co director
Asia Patana Land Co., Ltd.	Buy, sale, and land or real estate development	Subsidiary
Industrial Waste Management (Asia) Co., Ltd.	Industrial waste treatment	Subsidiary
Genco Renewable Co., Ltd.	Renewable energy power plants	Subsidiary
Genco Clean Energy Co., Ltd.	Renewable energy power plants	Subsidiary
Genco Otani Co., Ltd.	Operate electroplating wastewater pretreatment plant	Associate
General Logistics Co., Ltd.	Transportation service	Shareholder
Mr. Asawin Wipoosiri	-	Director
Mr. Pasu Loharjun	-	Director
Mr. Burin Amorpichit	-	Director
Mr. Itthirit Wipoosiri	-	Close member of the director's family
Mr. Mongkon Phuksawattana	-	Director (Director until September 30, 2018)
Mr. Somyot Sangsuwan	-	Director
Mr. Thongchai Chawalitpichaet	-	Director

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Pricing policies for each transaction are described as follows:

Transactions	Pricing policies
Interest income	Interest at the finance cost of lender
Other income	Contractually agreed prices
Cost of Service	Contractually agreed prices
Rental and royalty fee	Contractually agreed prices
Other expenses	Contractually agreed prices
Rental expenses	Contractually agreed prices
Consultant fee	Contractually agreed prices
Purchase - Sales of fixed assets	Price approximately market price

Significant revenues and expenses derived from transactions with related parties for the three-month and six-month periods ended June 30, 2019 and 2018 are summarized as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2019	2018	2019	2018
Cost of service				
General Logistic Co.,Ltd.	17,107	18,180	34,988	35,972
Rental and royalty fee				
Industrial Estate Authority of Thailand	905	905	1,810	1,810
The Department of Industrial Works	660	776	1,529	1,557
Other expenses				
Industrial Estate Authority of Thailand	433	503	877	936
Rental expense				
General Logistic Co.,Ltd.	1,428	723	2,466	1,458
Consultant fee				
Mr. Pasu Loharjun	210	210	420	420
Mr. Somyot Sangsuwan	120	120	240	240
Mr. Thongchai Chawalitpichaet	150	-	300	-
Mr. Itthirit Wipoosiri	200	-	200	-
Mr. Mongkon Phuksawattana	-	150	-	300
Purchase of fixed assets				
General Logistics Co., Ltd.	-	-	3,397	520
Sale of fixed assets				
General Logistics Co., Ltd.	-	-	-	321

	In Thousand Baht			
	Separate Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2019	2018	2019	2018
Interest income				
Asia Patana Land Co., Ltd.	-	1,858	-	3,839
Other income				
Industrial Waste Management (Asia) Co., Ltd.	166	395	371	653
Cost of service				
General Logistic Co.,Ltd.	17,107	18,180	34,988	35,972
Rental and royalty fee				
Industrial Estate Authority of Thailand	905	905	1,810	1,810
The Department of Industrial Works	660	776	1,529	1,557
Other expenses				
Industrial Estate Authority of Thailand	433	503	877	936

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	In Thousand Baht			
	Separate Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2019	2018	2019	2018
Rental expense				
General Logistic Co.,Ltd.	1,428	723	2,466	1,458
Consultant fee				
Mr. Pasu Loharjun	210	210	420	420
Mr. Thongchai Chawalitpichaet	150	-	300	-
Mr. Itthirit Wipoosiri	200	-	200	-
Mr. Mongkon Phuksawattana	-	150	-	300
Purchase of fixed assets				
General Logistics Co., Ltd.	-	-	3,397	520

Key managements personnel compensation and directors remuneration for the three-month and six-month periods ended June 30, 2019 and 2018 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements and Separate Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2019	2018	2019	2018
Key managements personnel compensation and directors remuneration				
Short-term employment benefits	1,831	2,117	3,909	4,119
Post-employment benefits	60	64	120	128
	<u>1,891</u>	<u>2,181</u>	<u>4,029</u>	<u>4,247</u>

The balances of related parties as of June 30, 2019 and December 31, 2018 are summarized as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018
Other receivables				
Advance Payment				
Mr. Asawin Wipoosiri	-	300	-	300
Mr. Somyot Sangsuwan	-	250	-	250
Others				
Industrial Waste Management (Asia) Co., Ltd.	-	-	117	271
Genco Otani Co., Ltd.	330	-	330	-
	<u>330</u>	<u>550</u>	<u>447</u>	<u>821</u>
Deposit for rent / Deposit				
Industrial Estate Authority of Thailand	15	36	15	36
General Logistics Co., Ltd.	2,000	2,000	2,000	2,000
	<u>2,015</u>	<u>2,036</u>	<u>2,015</u>	<u>2,036</u>
Trade and other payables				
Industrial Estate Authority of Thailand	1,624	2,750	1,624	2,750
The Department of Industrial Works	495	488	495	488
General Logistics Co., Ltd.	10,973	11,851	10,973	11,851
Industrial Waste Management (Asia) Co., Ltd.	-	-	-	400
Total	<u>13,092</u>	<u>15,089</u>	<u>13,092</u>	<u>15,489</u>

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Significant contracts with related parties are as follows:

- a) The Company entered into a waste transportation contract with General Logistics Co., Ltd. ("Contractor"), whereby the contractor agreed to hire the waste transportation to be treated at the Company's location. The contractor must provide transportation vehicles with driver as specified by the Company. Furthermore, the company will pay the service charge to the Contractor based on the actually waste quantity as specified in Manifest report. The contract is scheduled for 3 years, starting from January 1, 2019 to December 31, 2021.
- b) Rental and exclusive right agreement (Note 25 (1))
- c) Land lease agreement (Note 25 (2))

6. CASH AND CASH EQUIVALENTS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018
Bank deposits	232,887	291,686	77,001	235,095

As at June 30, 2019 and December 31, 2018, the Group has bank deposits in saving accounts, the interest rates at 0.375% - 0.85% per annum. (Separate Financial Statements: at 0.375% per annum).

7. TRADE AND OTHER RECEIVABLES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018
Other receivables - Related parties (Note 5)	330	550	447	821
Trade and other receivables - Other parties				
Trade receivables	38,735	32,796	38,735	32,796
Unbilled receivables	16,788	18,665	16,788	18,665
Total	55,523	51,461	55,523	51,461
Less Allowance for doubtful accounts	(2,937)	(1,918)	(2,937)	(1,918)
Trade receivables and unbilled receivables - Net	52,586	49,543	52,586	49,543
Other receivables				
Advance Payment	2,723	2,089	2,723	2,089
Others	7,976	4,570	7,929	2,759
Total	10,699	6,659	10,652	4,848
Less Allowance for doubtful accounts	(544)	(544)	(544)	(544)
Other receivables - Net	10,155	6,115	10,108	4,304
Total	63,071	56,208	63,141	54,668

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As at June 30, 2019 and December 31, 2018, trade receivables are classified by aging as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018
Current	25,886	19,401	25,886	19,401
Overdue				
Less than 3 months	11,703	12,454	11,703	12,454
Over 3 months to 6 months	105	101	105	101
Over 6 months to 12 months	311	74	311	74
Over 12 months	730	766	730	766
Total	<u>38,735</u>	<u>32,796</u>	<u>38,735</u>	<u>32,796</u>

The movements of allowance for doubtful accounts for the three-month and six-month periods ended June 30, 2019 and 2018 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Balance as at January 1,	2,462	2,659	2,462	2,659
Add Doubtful accounts	1,019	246	1,019	246
Balance as at June 30,	<u>3,481</u>	<u>2,905</u>	<u>3,481</u>	<u>2,905</u>

8. REAL ESTATE DEVELOPMENT COSTS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018
Commercial building for sales	349,263	356,613	133,767	137,331
Condominium for sales	112,108	124,511	67,134	78,228
Total	461,371	481,124	200,901	215,559
Less allowance for decline in value of real estate development costs	(19,411)	(20,291)	(10,794)	(11,674)
Net	<u>441,960</u>	<u>460,833</u>	<u>190,107</u>	<u>203,885</u>

The movements of real estate development costs for the six-month periods ended June 30, 2019 were as follows:

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Net book value as at January 1, 2019	460,833	203,885
Purchases/transfer in	334	-
Disposals/transfer out	(19,870)	(14,441)
Reversal of allowance for decline in value of real estate development costs	663	663
Net book value as at June 30, 2019	<u>441,960</u>	<u>190,107</u>

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The movements of allowance for decline in value of real estate development costs for the six-month periods ended June 30, 2019 and 2018 were as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Balance as at January 1,	20,291	15,217	11,674	11,180
Less Reversal of allowance for decline in value of real estate development costs	(663)	(648)	(663)	(648)
Less Transfer out	(217)	-	(217)	-
Balance as at June 30,	<u>19,411</u>	<u>14,569</u>	<u>10,794</u>	<u>10,532</u>

9. DEPOSITS AT FINANCIAL INSTITUTION PLEDGED AS COLLATERAL

As at June 30, 2019, and December 31, 2018, the Company used its saving accounts and fixed deposit accounts totaling Baht 0.8 million to secure credit facilities of utility usage.

10. OTHER LONG - TERM INVESTMENTS - AVAILABLE - FOR - SALES

	In Thousand Baht	
	Consolidated Financial Statements and Separate Financial Statements	
	June 30, 2019	December 31, 2018
Available - for - sales investments in securities	<u>3,286</u>	<u>3,273</u>

The details of available - for - sales investments in securities as at June 30, 2019 and December 31, 2018 were as follow:

	In Thousand Baht	
	Consolidated Financial Statements and Separate Financial Statements	
	June 30, 2019	December 31, 2018
Available - for - sales investments in securities consist of		
Marketable equity securities		
At the beginning of the period/year	3,273	8,990
Purchases during the period/ year	-	-
Sales during the period/year	-	-
Impairment loss recognized in profit or loss	-	(1,150)
Unrealized gain (loss) on changes in fair value	13	(4,567)
At the end of period/year	<u>3,286</u>	<u>3,273</u>

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Carrying amounts and fair values

The fair values of available-for-sales investments in securities together with the carrying amounts in the statement of financial position as at June 30, 2019 and December 31, 2018 are as follows.

	In Thousand Baht			
	Consolidated Financial Statements and Separate Financial Statements			
	June 30, 2019		December 31, 2018	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Available - for - sales investments Marketable equity securities	<u>3,286</u>	<u>3,286</u>	<u>3,273</u>	<u>3,273</u>

Fair value

The fair value measurements of available-for-sale investments in securities has been categorised as a level 1 fair value based on the quoted price in active markets and the Company can access at the measurement date. During the period, there were no transfers within the fair value hierarchy.

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11. INVESTMENTS IN SUBSIDIARIES

	Separate Financial Statements											
	In Thousand Baht											
	Percentage of holdings		Paid - up share capital		Investments		Allowance for impairment loss		Net		Dividends	
	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018	June 30, 2019	June 30, 2018
Asia Patana Land Co., Ltd. Industrial Waste	100	100	530,000	430,000	530,000	430,000	-	-	530,000	430,000	-	-
Management (Asia) Co., Ltd.	100	100	200,000	200,000	200,000	200,000	(79,893)	(79,893)	120,107	120,107	-	-
Genco Renewable Co., Ltd.	100	100	14,000	14,000	14,000	14,000	-	-	14,000	14,000	-	-
Genco Clean Energy Co., Ltd.	100	100	14,000	14,000	14,000	14,000	-	-	14,000	14,000	-	-
Total					758,000	658,000	(79,893)	(79,893)	678,107	578,107	-	-

At the Extraordinary General Meeting of Shareholders No. 1/2019, held on February 25, 2019 of Asia Patana Land Co., Ltd. approved the capital increase from the existing share capital of Baht 430 million to Baht 630 million by increasing the share capital of Baht 200 million divided into 20,000,000 common shares at par value of Baht 10 per share, and call-up 50%, amounting to Baht 100 million. The Company has invested such capital increase amounting to Baht 100 million in February 2019. The increase in the share capital of the subsidiary did not change the Company's proportionate holding in the equity of such subsidiary.

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12. INVESTMENT IN ASSOCIATE

Company's name	Nature of business	Country of incorporation	Consolidated Financial Statements			
			Percentage (%) of shareholdings		In Thousand Baht	
			June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018
Genco Otani Co.,Ltd.	Operate electroplating wastewater pretreatment plant	Thailand	60	60	17,812	17,906

Company's name	Nature of business	Country of incorporation	Separate Financial Statements					
			Percentage (%) shareholdings		In Thousand Baht		Dividends	
			June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018
Genco Otani Co.,Ltd	Operate electroplating wastewater pretreatment plant	Thailand	60	60	18,000	18,000	-	-

On October 30, 2017, the Company entered into such joint venture agreement and set up new company, Genco Otani Co., Ltd. ("GO") regarding the condition specified in the joint venture agreement. The Company acquired 1,799,997 common shares at the par value of Baht 10 per share equivalent to 60% holding totaling of Baht 18 million.

Although the Company invested in GO more than 50% and has voting right in the shareholder's meeting more than 50%, the Company has significant influence as specified in the Joint Venture agreement, such as setting a significant subjects, capital reduction and capital increase, approval the annual financial statement, dividend payout etc. must receive an approval not less than 1 vote from director nominated by the Company and GO. Furthermore, the authorized signatories must also have a representative from both parties.

The Company has recognized its share of loss from investment in associate in the consolidated financial statements for the three-month and six-month periods ended June 30, 2019 as follows:

	In Thousand Baht	
	Consolidated Financial Statements	
	For the three-month period ended June 30, 2019	For the six-month period ended June 30, 2019
Share of loss from investment in associate	83	94

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Summarized financial information of associate

Financial information of associate is summarized as follow:

	In Thousand Baht				
	Consolidated Financial Statements				
	June 30, 2019			For the six-month period ended June 30, 2019	
	Paid-up share capital	Total assets	Total liabilities	Total revenues	Profit (Loss)
Genco Otani Co., Ltd. ("Reviewed")	30,000	30,303	617	32	(157)

13. LAND AND STRUCTURES HELD FOR DEVELOPMENT

As at June 30, 2019, and December 31, 2018, the Company mortgaged its 8 plots of land held for development for guarantee short - term loan and long - term loan agreements from two local financial institutions with net book value amounting to Baht 131.3 million.

14. INVESTMENT PROPERTY

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Net book value as at January 1, 2019	75,875	1,199
Acquisitions during the period	-	-
Transfer in/(out) during the period	9,081	5,293
Depreciation during the period	(1,851)	(65)
Net book value as at June 30, 2019	83,105	6,427
Fair value as at June 30, 2019	98,650	7,387

The Company had rental income from investment property to other parties for the six-month periods ended June 30, 2019 and 2018 amounting to Baht 3.3 million and Baht 3.1 million, respectively. (Separate Financial Statements : Baht 0.2 million).

Its fair value assessed by professional appraisers, which comprised of land using market approach and buildings using replacement cost approach. The fair value of investment property has been categorized as a level 2 to use of other observable inputs for such assets or liabilities, whether directly or indirectly. In addition, the Group provides the fair value of the Group's investment property portfolio on every 2 years.

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15. PROPERTY, PLANT AND EQUIPMENT

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Net book value as at January 1, 2019	308,640	305,147
Acquisitions during the period	6,095	6,090
Disposals/ written-off during the period – net book value at the disposals/ written-off date	-	-
Depreciation during the period	(12,412)	(11,693)
Net book value as at June 30, 2019	<u>302,323</u>	<u>299,544</u>

As at June 30, 2019 and December 31, 2018, the Company's buildings and machineries at Map Ta Phut Industrial Waste Treatment Facilities are mortgaged as collateral for a letter of guarantee line obtained from a local bank. The net carrying value of such amounted to approximately Baht 19.0 million and Baht 20.5 million, respectively.

16. INTANGIBLE ASSETS

	In Thousand Baht
	Consolidated Financial Statements and Separate Financial Statements
Net book value as at January 1, 2019	4,942
Acquisitions during the period	-
Disposals/ written-off - net book value at disposal/ written-off date	-
Amortization during the period	(89)
Net book value as at June 30, 2019	<u>4,853</u>

17. TRADE AND OTHER PAYABLES

Trade and other payables as at June 30, 2019 and December 31, 2018 consisted of:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018
Related parties (Note 5)				
Trade payables	11,235	12,167	11,235	12,567
Other payables	1,857	2,922	1,857	2,922
	<u>13,092</u>	<u>15,089</u>	<u>13,092</u>	<u>15,489</u>
Other parties				
Trade payables	6,821	8,073	6,821	8,074
Other payables	10,391	9,961	9,562	9,180
Retentions	2,535	3,622	1,430	1,416
Accrued expenses	16,491	20,997	15,197	19,864
	<u>36,238</u>	<u>42,653</u>	<u>33,010</u>	<u>38,534</u>
Total	<u>49,330</u>	<u>57,742</u>	<u>46,102</u>	<u>54,023</u>

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18. LONG-TERM LOANS FROM FINANCIAL INSTITUTION

Loan	Credit line (In Million Baht)	Interest rate (% p.a.)	In Thousand Baht	
			Consolidated Financial Statements and Separate Financial Statements	
			June 30, 2019	December 31, 2018
1	74.0	MLR-0.5	47,358	54,579
2	60.5	MLR-0.5	32,377	36,775
Total			79,735	91,354
Less Current portion			(24,236)	(23,563)
Net			55,499	67,791

On May 26, 2016, the Company entered into a loan agreement with a local financial institution totaling of Baht 134.5 million for building construction and machineries. Such loan bears interest at MLR-0.5% p.a. and loan is repayable for 72 monthly installments and 96 monthly installments. Such loan is secured by guarantee of land held for developments as described in note 13 to the interim financial statements. The loan agreements contain covenant that among other things require the Company to maintain debt to equity ratio with no excess of 2 : 1. As at June 30, 2019, the Company had already withdrawn the loan.

The movement of long - term loans from financial institution during the period are summarized as follows:

	In Thousand Baht
	Consolidated Financial Statements and Separate Financial Statements
Balance as at January 1, 2019	91,354
Less repayment	(11,619)
Balance as at June 30, 2019	79,735

19. EMPLOYEE BENEFIT OBLIGATIONS

The movement in the present value of the employee benefit obligations as at June 30, 2019 and 2018 is as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Employee benefit obligations as at January 1,	7,403	4,536	7,208	4,438
Current service cost and interest cost	525	316	507	305
Past service cost	1,574	-	1,571	-
Employee benefit obligations as at June 30,	9,502	4,852	9,286	4,743

The Labour Protection Act (No.7), B.E. 2019 stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days, based on the final wage rate which was announced in the Government Gazette on April 4, 2019. This change is considered a post-employment benefits plan amendment and the Group has additional employee benefits obligations of Baht 1.6 million. The Group reflected the effect of the change by recognising past services costs as expenses in the Statement of Comprehensive income for the six-month period ended June 30, 2019.

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20. INCOME TAX

Income tax income (expenses) of the Group for the three-month and six-month periods ended June 30, 2019 and 2018 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2019	2018	2019	2018
Current income tax expenses:				
Income tax expenses for the period	-	(742)	-	(742)
Deferred tax:				
Relating to origination and reversal of temporary differences	381	33	436	(289)
Income tax income (expenses) reported in profit or loss	<u>381</u>	<u>(709)</u>	<u>436</u>	<u>(1,031)</u>

	In Thousand Baht			
	Separate Financial Statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2019	2018	2019	2018
Current income tax expenses:				
Income tax expenses for the period	-	(684)	-	(684)
Deferred tax:				
Relating to origination and reversal of temporary differences	378	31	432	(292)
Income tax income (expenses) reported in profit or loss	<u>378</u>	<u>(653)</u>	<u>432</u>	<u>(976)</u>

The components of deferred tax assets as at June 30, 2019 and December 31, 2018 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018
Deferred tax assets				
Trade and other receivables	587	384	587	384
Inventories	536	536	536	536
Real estate development costs	1,240	1,416	1,240	1,416
Employee benefits obligations	1,900	1,480	1,857	1,441
Short – term provision	933	944	933	944
Others	294	294	-	-
Total	<u>5,490</u>	<u>5,054</u>	<u>5,153</u>	<u>4,721</u>

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21. LOSS PER SHARE

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

Details of calculation of loss per share for the three-month and six-month periods ended June 30, 2019 and 2018 are as follows:

	In Thousand Baht/Thousand shares			
	For the three-month periods ended June 30,			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Loss for the period attributable to equity holders of the parent company	(6,715)	(6,225)	(4,012)	(4,552)
Weighted average number of common shares	1,122,298	1,122,298	1,122,298	1,122,298
Loss per share (Baht)	<u>(0.006)</u>	<u>(0.006)</u>	<u>(0.004)</u>	<u>(0.004)</u>

	In Thousand Baht/Thousand shares			
	For the six-month periods ended June 30,			
	Consolidated Financial Statements		Separate Financial Statements	
	2019	2018	2019	2018
Loss for the period attributable to equity holders of the parent company	(9,259)	(8,471)	(5,434)	(4,756)
Weighted average number of common shares	1,122,298	1,122,298	1,122,298	1,122,298
Loss per share (Baht)	<u>(0.008)</u>	<u>(0.008)</u>	<u>(0.005)</u>	<u>(0.004)</u>

22. DIVIDENDS

At the 2019 Ordinary General Meeting of Shareholders held on April 26, 2019, approved the dividend payment for the year 2018 at the rate of Baht 0.02 per share, amounting to Baht 22.4 million. The dividend was paid on May 24, 2019. In addition, the Meeting approved the appropriation of legal reserve amounting to Baht 4.7 million and the Company appropriated for such legal reserve in the 2018 financial statements.

23. PROMOTION PRIVILEGES

By virtue of the provisions of the Industrial Investment Promotion Act of B.E. 2520, the Company has been granted privileges by the Board of Investment relating to fuel blending from non-hazardous waste. The privileges granted include:

- exemption from payment of import duty on machinery approved by the Board of Investment
- exemption from payment of corporate income tax on the net profit derived from the promoted activity not exceeding 100% of investment cost not including cost of land and working capital for a period of 8 years starting from the first date of income derived from its operation
- allow to deduct the annual loss of the promoted period from the net profit after the promoted for a period of 5 years, commencing from the expiry date in (b) above.

As a promoted company, the Company must comply with certain conditions and restrictions provided for in the promotional certificate.

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The Company's revenue classified under promoted and non-promoted businesses for the six – month periods ended June 30, 2019 and 2018 are as follows:

	In Thousand Baht					
	Consolidated Financial Statements and Separate Financial Statements					
	Promoted Business		Non-promoted Business		Total	
	2019	2018	2019	2018	2019	2018
Revenues from sale and service	2,581	316	124,491	130,448	127,072	130,764

24. BUSINESS SEGMENT INFORMATION

Operating segment information is reported in a manner consistent 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 the directors of the Company. The Group operates the business primarily related to treatment of industrial waste and property development business by engaging in domestic.

Major customers

For the three-month periods ended June 30, 2019 and 2018, the Group has revenue from a major customer totalling of Baht 10.9 million and Baht 13.4 million, respectively. For the six-month periods ended June 30, 2019 and 2018, the Group has a major customer totalling of Baht 24.6 million and Baht 26.6 million, respectively, from the business primarily related to treatment of industrial waste.

Details of revenue and profit (loss) for each segments of the Group for the three-month and six-month periods ended June 30, 2019 and 2018 are as follows:

	In Thousand Baht					
	Consolidated Financial Statements					
	For the three-month periods ended June 30,					
	Treatment of industrial waste business		Property development business		Total	
	2019	2018	2019	2018	2019	2018
External revenue	64,266	66,725	6,320	9,281	70,586	76,006
Inter-segment revenue	-	-	-	-	-	-
Total revenue	64,266	66,725	6,320	9,281	70,586	76,006
Cost of sales and services	(45,725)	(49,634)	(4,941)	(6,151)	(50,666)	(55,785)
Gross profit	18,541	17,091	1,379	3,130	19,920	20,221
Unallocated revenue (expenses)						
Other income					3,226	4,023
Selling expenses					(1,172)	(3,510)
Administrative expenses					(27,666)	(23,751)
Finance cost					(1,321)	(2,479)
Loss before share of loss from investment in associate and income tax					(7,013)	(5,496)
Share of loss from investments in associate					(83)	(20)
Loss before income tax					(7,096)	(5,516)
Income tax (expense) income					381	(709)
Loss for the period					(6,715)	(6,225)

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	In Thousand Baht					
	Consolidated Financial Statements					
	For the six-month periods ended June 30,					
	Treatment of industrial waste business		Property development business		Total	
2019	2018	2019	2018	2019	2018	
External revenue	127,072	130,764	13,533	16,997	140,605	147,761
Inter-segment revenue	-	-	-	-	-	-
Total revenue	127,072	130,764	13,533	16,997	140,605	147,761
Cost of sales and services	(90,415)	(96,045)	(10,127)	(11,138)	(100,542)	(107,183)
Gross profit	36,657	34,719	3,406	5,859	40,063	40,578
Unallocated revenue (expenses)						
Other income					6,127	12,484
Selling expenses					(2,278)	(5,081)
Administrative expenses					(50,842)	(50,501)
Finance cost					(2,671)	(4,884)
Loss before share of loss from investment in associate and income tax					(9,601)	(7,404)
Share of loss from investments in associate					(94)	(36)
Loss before income tax					(9,695)	(7,440)
Income tax (expense) income					436	(1,031)
Loss for the period					(9,259)	(8,471)

The segment assets and liabilities as at June 30, 2019 and December 31, 2018 are as follows:

	In Thousand Baht					
	Treatment of industrial waste business		Property development business		Total	
	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018	June 30, 2019	December 31, 2018
Assets						
Trade and other receivables	58,521	52,879	4,550	3,329	63,071	56,208
Real estate development costs	-	-	441,960	460,833	441,960	460,833
Inventories	638	849	-	-	638	849
Deposits at financial institution pledged as collaterals	-	-	756	756	756	756
Investment in associate	17,812	17,906	-	-	17,812	17,906
Land and structures held for development	104,804	104,804	258,968	258,968	363,772	363,772
Investment property	-	-	83,105	75,875	83,105	75,875
Property, plant and equipment	269,007	273,216	33,316	35,424	302,323	308,640
Cost of landfills	29,284	29,069	-	-	29,284	29,069
Unallocated assets	-	-	-	-	280,037	337,057
Total					1,582,758	1,650,965
Liabilities						
Trade and other payables	43,428	47,049	5,902	10,693	49,330	57,742
Long - term loans from financial institution	79,735	91,354	-	-	79,735	91,354
Provision cost of landfill	34,000	34,000	-	-	34,000	34,000
Unallocated liabilities	-	-	-	-	9,900	26,385
Total					172,965	209,481

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25. AGREEMENTS

The Group entered into the following agreements:

25.1) Rental and exclusive right agreement with the Department of Industrial Works whereby the Company is granted the right to operate in the Industrial Waste Facility at Samae Dam including the Research and Development Center for Environmental Conservation (Ratchaburi) for a period of 10 years. Under the terms of the agreement, the Company agreed to pay annual rental fee from year 1st to year 5th amounting to approximately Baht 1.1 million per year, year 6th to year 10th amounting to approximately Baht 1.4 million per year and royalty fee at a certain percentage of waste served. The agreement is effective from October 1, 2006 to September 30, 2016.

Subsequently, as at September 30, 2016, the Company renewed a rental and exclusive right agreement with the Department of Industrial Works whereby the Company is granted the right to operate in the Industrial Waste Facility at Samae Dam including the Research and Development Center for Environmental Conservation (Ratchaburi) for a period of 10 years starting from October 1, 2016 to September 30, 2026. The Company is committed to pay 1) land lease fee to Treasury Department at the rate fixed by Treasury Department. At the present, it is in process to make an agreement 2) royalty fee at a certain percentage of waste served by month.

Furthermore, as described in the agreement, the lesser has to invest not less than Baht 77 million for maintenance and developing its operational center which is leased according to a maintenance and developing plan of lessee or such plan of lesser which has an approval from lessee and will be transferred the ownership to the Department of Industrial works at the maturity date.

25.2) Three land lease agreements with The Industrial Estate Authority of Thailand (which is one of the Company's shareholders) for a period of 30 years up to May 2026, August 2026 and March 2031. The Company is committed to pay rental fees at the rate specified in the agreements.

Future minimum payments under the above operating lease agreements are as follows:

	In Million Baht	
	June 30, 2019	December 31, 2018
Less than 1 year	5.7	5.7
Over 1 year to 5 years	23.2	23.1
Over 5 years	19.8	22.7
Total	<u>48.7</u>	<u>51.5</u>

25.3) Land lease agreements with third party for a period of 16 years. The Company agreed to pay annual rental fee from 1st year to 4th year amounting to approximately Baht 0.2 million per year, 5th year to 8th year amounting to approximately Baht 0.2 million per year, 9th year to 12th year amounting to approximately Baht 0.3 million per year and 13th year to 16th year amounting to approximately Baht 0.3 million per year. The agreement is effective from September 5, 2012 to September 5, 2028. The Company is committed to pay fees at the rate specified in the agreements.

Future minimum payments under the above operating lease agreements are as follows:

	In Million Baht	
	June 30, 2019	December 31, 2018
Less than 1 year	0.3	0.3
Over 1 year to 5 years	1.2	1.2
Over 5 years	1.4	1.6
Total	<u>2.9</u>	<u>3.1</u>

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26. COMMITMENTS AND CONTINGENT LIABILITIES

As at June 30, 2019 and December 31, 2018, the Group had

26.1) Contingent liabilities to a local bank for letters of guarantee to guarantee rental agreements and treatment service agreements amounting to Baht 36.9 million.

26.2) Contingent liabilities to a local bank for letter of guarantee to utility usage, which has secured by company's saving account amounting to Baht 0.8 million.

26.3) Capital expenditure commitments amounting to Baht 1.9 million and Baht 14.3 million, respectively.

27. LAWSUITS

According to two subsidiaries tendering of the electrical plant from industrial wastes in the form of feed-in tariff to the Energy Regulatory Commission ("ERC"), the result of such tendering on October 28, 2016 was that two subsidiaries had not been chosen, then they filed appeal. On March 22, 2017, the Office of Energy Regulatory Commission replied that the appeal was cancelled. Subsequently, on June 16, 2017, such subsidiaries filed a complaint with the President of the Ombudsman and the Ombudsman's Office had already received a complaint and investigated the complaint. On April 27, 2018, the Ombudsman's Office has issued the decision asking ERC to review the consideration of the proposal to sell electricity and remedy the damage to the two subsidiaries. Subsequently, on March 13, 2019, the Ombudsman made a decision for the ERC committee to lead the power plant project of a subsidiary to consider joining the special power purchase project from industrial waste again, due to the fact that the subsidiary has not been selected because of the differences in the translation of text according to documents between the company and ERC only. For the power plant project of another subsidiary, the Ombudsman had a decision to terminate the compliant.