

FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR' S REPORT
ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE YEAR ENDED DECEMBER 31, 2014

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Auditor's Report

To the Shareholders and the Board of Directors of Asian Insulators Public Company Limited

I was engaged to the audit of the accompanying consolidated financial statements (Restated) of Asian Insulators Public Company Limited and its subsidiaries, which comprise the consolidated statements of financial position as at December 31, 2014, the consolidated statements of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes and I have audited the accompanying separate financial statements of Asian Insulators Public Company Limited, which comprise the separate statements of financial position as at December 31, 2014, the separate statements of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and a summary of significant accounting policies.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

(a) The consolidated financial statements of Asian Insulators Public Company Limited and subsidiaries

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. However because of matters as described in the Basis for Disclaimer of Opinion on Consolidated Financial Statements paragraph, I was unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

(b) The separate financial statements of Asian Insulators Public Company Limited

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



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit qualified opinion.

Basis for Disclaimer of Opinion on the Consolidated Financial Statements

1. I was appointed as the auditor of AI Energy Public Company Limited which is the subsidiary of Asian Insulators Public Company Limited for the financial statements for the year ended December 31, 2014 in December 2017. As a result, I did not observe the physical inventory taking on the inventory balances of the subsidiary as at December 31, 2014. I am unable to satisfy myself by means of other audit procedures on the quantity and valuation of the inventory balances of the subsidiary as at December 31, 2014 of Baht 434.10 million shown in the consolidated statements of financial position. Due to such effect, I am unable to conclude whether there could be any necessary adjustments on the consolidated statements of financial position, consolidated statements of comprehensive income, consolidated statement of changes in shareholders' equity and consolidated statement of cash flows.
2. The predecessor auditor of Asian Insulators Public Company Limited and subsidiaries disclaimed an opinion on the Company's consolidated financial statements for the year ended December 31, 2014 (Before restated) of Asian Insulators Public Company Limited and subsidiaries according to his report dated March 24, 2015 due to AI Energy Public Company Limited Company which is the subsidiary had no effective of internal control regarding to cost of sales and inventories including misappropriation of assets utilization. As a result, information and evidence about the production transaction is not reasonable and the controlling process of taking raw materials and goods in and out of the factory is not proper. This evidence has impact on cost of sales and inventories including other related accounts.

As discussed in Note to Financial Statements No. 30.5, the subsidiary received a letter from the Enforcement Department, Office of the Securities and Exchange Commission of Thailand (the SEC), dated January 20, 2016, requesting for the facts about the subsidiary predecessor auditor's disclaimer of opinion in the subsidiary's financial statements for the year 2014. The subsidiary's former management provided a clarification of the facts to the SEC.

On June 20, 2017, the SEC has filed a criminal complaint against two former directors and executives of the subsidiary in case of the preparation of incorrect financial statements for the year 2014 (Before restated), as the predecessor auditor had expressed the disclaimer of opinion, with the Department of Special Investigation (DSI) for further legal proceedings.



Consequently, the subsidiary's current management had investigated and prepared the new documentation to support the accounting transactions related to above matter No.2 in order to reflect the financial statements to be accordance with the financial reporting standards and had adjusted the consolidated financial statements for the year ended December 31, 2014 as shown in Note to Financial Statements No. 34.

I have audited the evidences supporting the accounting transactions prepared by the subsidiary's current management. However certain supporting evidences are newly prepared. As a result, I am unable to obtain the sufficient appropriate evidence to conclude that the newly prepared supporting evidence represent the evidences supporting the accounting transactions which have been arrived from the normal internal control environment.

3. As discussed in the Note to financial statements No.12, the financial statements for the year ended December 31, 2014 and 2013 of Asian Insulators Public Company Limited included the investment in PPC Asian Insulator Company Limited, an associated company, accounted for by using the equity method, which is based on the management's information which had not been audited by an auditor. The Company's consolidated financial statements for the year ended December 31, 2014 and 2013, included an investment in equity method amounted to Baht 17.29 million and Baht 24.39 million respectively representing 0.46% and 0.57% respectively of total assets in the consolidated financial statements, and attribute loss from associated by using the equity method for the year ended December 31, 2014 and 2013 amounted to Baht 7.10 million and Baht 6.09 million respectively representing 2.19 % and 2.31 % respectively of the consolidated profit for the year.

Disclaimer of Opinion on the Consolidated Financial Statements

Because of the significance of the matters described in the Basis of Disclaimer of Opinion on the Consolidated Statement Financial paragraph, I have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, I do not express an opinion on the consolidated financial statements.

Basis for Qualified Opinion on the Separate Financial Statements

As discussed in the Note to financial statements No. 12, the financial statements for the year ended December 31, 2014 of PPC Asian Insulator Company Limited, an associated company, is based on the management's information which had not been audited by an auditor. The Company's separate financial statements for the year ended December 31, 2014, included an investment in cost method amounted to Baht 26.40 million representing 1.43% of total assets in the separate financial statements. I have not been able to obtain sufficient appropriate audit evidence about investments and its impairment in the separate financial statements. Accordingly, I was unable to conclude if there might be any adjustments were necessary to be made to these accounts.



Qualified Opinion on the Separate Financial Statements

In my opinion, except for the possible effect of the matter described in Basis for Qualified Opinion on the Separate Financial Statements paragraph, the separate financial statements referred to above present fairly, in all material respects, the separate statement of financial position as at December 31, 2014 and the separate financial performance and cash flows for the year then ended of Asian Insulator Public Company Limited, in accordance with Thai Financial Reporting Standards.

Emphasis of Matter

As discussed in the Note to financial statements No. 34, the Company had prepared the consolidated financial statements for the years ended December 31, 2014 (Before restated) and 2013(Before restated) and published the financial statements on March 24, 2015 and March 5, 2014 respectively. In 2016, the Company disclosed an accounting error in respect of the non-controlling interest. The Company therefore restated the consolidated financial statements for the years ended December 31, 2014 and 2013.

Other Matter

The consolidated and separate financial statements for the year ended December 31, 2013 (Before restated) of Asian Insulators Public Company Limited and its subsidiaries were audited by other auditor, whose report dated on March 5, 2014, expressed an unqualified opinion on those consolidated and separate financial statements by having the emphasis paragraph regarding the change in accounting policy on Income Tax.



Vichai Ruchitanont

Certified Public Accountant

Registration Number 4054

ANS Audit Co., Ltd

Bangkok, April 26, 2018

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Notes	(RESTATED)				
ASSETS					
Current assets					
	5	204,456,053	197,837,389	12,433,105	117,983,967
	6	259,340,524	1,131,518,697	39,608,531	919,702,045
	4, 7, 34	636,762,370	383,860,991	137,285,786	95,979,722
	8, 34	17,718,276	2,298,729	-	-
	9, 34	543,630,018	507,790,986	108,897,222	136,848,443
	10	2,368,196	4,821,153	-	-
	11	2,540,000	-	-	-
		<u>1,666,815,437</u>	<u>2,228,127,945</u>	<u>298,224,644</u>	<u>1,270,514,177</u>
Non-current assets					
	12	17,290,878	24,392,814	26,400,000	26,400,000
	13	-	-	862,555,182	862,555,182
	14	2,000,000	2,000,000	-	-
	15, 34	2,030,764,902	1,964,556,218	652,787,291	699,739,321
	16	5,041,183	6,894,566	4,896,137	6,789,388
	23	3,928,073	9,372,303	3,512,259	4,967,219
	34	17,055,411	29,772,289	311,892	327,592
		<u>2,076,080,447</u>	<u>2,036,988,190</u>	<u>1,550,462,761</u>	<u>1,600,778,702</u>
		<u>3,742,895,884</u>	<u>4,265,116,135</u>	<u>1,848,687,405</u>	<u>2,871,292,879</u>

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.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

Unit : Baht

	Notes	Unit : Baht			
		Consolidated financial statements		Separate financial statements	
		2014 (RESTATED)	2013	2014	2013
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	17	366,918,380	143,617,810	50,000,000	50,000,000
Trade and other payables	18, 34	257,864,246	150,989,543	48,523,929	69,865,808
Current portion of long-term loan from financial institutions	19	22,080,000	32,343,000	-	-
Advance received and deferred construction revenue	8, 34	617,446	16,429,113	-	-
Income tax payable	34	38,850,928	154,735,805	2,272,041	154,341,492
Total current liabilities		686,331,000	498,115,271	100,795,970	274,207,300
Non-current liabilities					
Long-term loan from financial institutions - net	19	76,880,000	56,286,589	-	-
Non-current provisions for employee benefits	20	30,809,593	36,785,004	17,685,656	25,020,990
Total non-current liabilities		107,689,593	93,071,593	17,685,656	25,020,990
Total liabilities		794,020,593	591,186,864	118,481,626	299,228,290
Shareholders' equity					
Authorized share capital					
Common shares 500,000,000 shares at Baht 1 each		500,000,000	500,000,000	500,000,000	500,000,000
Issued and fully paid-up share capital					
Common shares 500,000,000 shares at Baht 1 each		500,000,000	500,000,000	500,000,000	500,000,000
Premiums on share capital		902,769,092	902,769,092	902,769,092	902,769,092
Retained earnings (deficits)					
Appropriated					
Legal reserve	22	50,000,000	50,000,000	50,000,000	50,000,000
Unappropriated	21	(467,936,479)	293,810,159	277,436,687	1,119,295,497
Other components of shareholders' equity					
Difference on business combination under common control		(3,258,930)	(3,258,930)	-	-
Capital surplus from share premium of subsidiary		360,580,334	360,580,334	-	-
Gain on disposal of investment in subsidiaries		861,442,927	861,442,927	-	-
Total shareholders' equity of the Company		2,203,596,944	2,965,343,582	1,730,205,779	2,572,064,589
Non-controlling interests	13, 34	745,278,347	708,585,689	-	-
Total shareholders' equity		2,948,875,291	3,673,929,271	1,730,205,779	2,572,064,589
Total liabilities and shareholders' equity		3,742,895,884	4,265,116,135	1,848,687,405	2,871,292,879

.....Director
(Narong Thararatnavibool)

.....Director
(Thanit Thararatnavibool)

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

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Notes	(RESTATED)				
3, 4, 25, 27, 28, 29, 34					
Revenues					
	Revenue from sales of goods	5,083,557,551	4,834,590,059	694,312,430	783,443,742
	Revenue from production contract	133,541,324	93,834,113	-	-
	Revenue from construction contract	297,270,666	45,824,462	-	-
	Revenue from vessel operating	35,291,157	45,662,616	-	-
	Revenue from port service	1,000,000	-	-	-
	Gain on disposal of investment in subsidiaries	-	-	-	761,806,677
	Other incomes	28,760,500	23,152,482	11,981,912	13,901,914
	Dividend income	-	-	21,964,643	-
13, 21		-	-	-	-
	Total revenues	5,579,421,198	5,043,063,732	728,258,985	1,559,152,333
Expenses					
	Cost of sales	(4,605,799,958)	(4,191,853,885)	(441,747,034)	(480,423,509)
	Cost of production contract	(78,126,200)	(46,739,417)	-	-
	Cost of construction contract	(222,103,860)	(34,303,199)	-	-
	Cost of vessel operating	(47,143,226)	(38,861,607)	-	-
	Cost of port service	(496,687)	-	-	-
	Selling expenses	(62,040,327)	(69,896,830)	(5,976,763)	(9,525,614)
	Administrative expenses	(151,130,550)	(135,578,277)	(64,070,218)	(65,520,886)
	Finance costs	(27,818,098)	(63,450,034)	(3,726,217)	(19,765,424)
	Share of loss from investment in associates	(7,101,936)	(6,092,199)	-	-
12		-	-	-	-
	Total expenses	(5,201,760,842)	(4,586,775,448)	(515,520,232)	(575,235,433)
	Profit before income tax expenses	377,660,356	456,288,284	212,738,753	983,916,900
	Income tax expense	(52,740,149)	(192,120,915)	(4,658,733)	(154,100,751)
24		-	-	-	-
	Profit for the years	324,920,207	264,167,369	208,080,020	829,816,149
Other Comprehensive Loss :					
	Actuarial losses from employee benefit plan	-	(1,577,531)	-	(1,080,319)
20		-	-	-	-
	Components of income tax	-	404,960	-	216,064
23		-	-	-	-
	Other comprehensive loss for the years-net of tax	-	(1,172,571)	-	(864,255)
	Total comprehensive income for the years	324,920,207	262,994,798	208,080,020	828,951,894
Profit attributable to :					
	Equity holders of the parent	288,192,192	259,680,005	208,080,020	829,816,149
	Non-controlling interests	36,728,015	4,487,364	-	-
		324,920,207	264,167,369	208,080,020	829,816,149
Total comprehensive income attributable to :					
	Equity holders of the parent	288,192,192	258,702,865	208,080,020	828,951,894
	Non-controlling interests	36,728,015	4,291,933	-	-
		324,920,207	262,994,798	208,080,020	828,951,894
Earnings per share					
3, 15					
	Basic earnings per share of the Company (Baht)	0.58	0.52	0.42	1.66
	Weighted average number of ordinary shares (share)	500,000,000	500,000,000	500,000,000	500,000,000

.....Director
 (Narong Thararatnavibool)

.....Director
 (Thanit Thararatnavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2014

Unit : Baht

Consolidated financial statements

Equity attributable to equity holders of the Company

Other components of shareholders' equity

Notes	Issued and paid-up share capital	Premiums on share capital	Appropriated in legal reserve	Unappropriated	Difference on business combination under common control	Capital surplus from share premium of subsidiary	Gain on disposal of investment in subsidiaries	Total other components of shareholders' equity	Total Equity holders of the Company	Non-controlling interests	Total Shareholders' Equity
Balance as at January 1, 2014 - (Restated)	500,000,000	902,769,092	50,000,000	293,810,159	(3,258,930)	360,580,334	861,442,927	1,218,764,331	2,965,343,582	708,585,689	3,673,929,271
Changes in shareholders' equity for the year:											
Dividend paid	-	-	-	(1,049,938,830)	-	-	-	-	(1,049,938,830)	(35,357)	(1,049,974,187)
Total comprehensive income for the year (Restated)	-	-	-	288,192,192	-	-	-	-	288,192,192	36,728,015	324,920,207
Balance as at December 31, 2014	500,000,000	902,769,092	50,000,000	(467,936,479)	(3,258,930)	360,580,334	861,442,927	1,218,764,331	2,203,596,944	745,278,547	2,948,875,291
Balance as at January 1, 2013 - (Before restated)	500,000,000	902,769,092	50,000,000	32,852,167	-	-	-	-	1,485,621,259	5,541,324	1,491,162,583
Cumulative effect of the change in accounting policy - Income tax	-	-	-	52,879,747	-	-	-	-	52,879,747	820,466	53,700,213
Balance as at January 1, 2013 - (Restated)	500,000,000	902,769,092	50,000,000	85,731,914	-	-	-	-	1,538,501,006	6,361,790	1,544,862,796
Changes in shareholders' equity for the year:											
Increase in non-controlling interests	-	-	-	-	-	360,580,334	-	360,580,334	360,580,334	418,779,293	779,359,627
- from increase share capital purchase	-	-	-	-	-	-	-	-	-	403,514,473	403,514,473
- from share purchase from old shareholders	-	-	-	(51,457,061)	-	-	-	-	(51,457,061)	51,457,061	-
- from change in investment ratio of subsidiaries	-	-	-	(174,986,420)	-	-	-	-	(174,986,420)	-	(174,986,420)
Dividend paid	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	259,680,005	-	-	-	-	259,680,005	4,487,364	264,167,369
Profit for the years	-	-	-	(977,140)	-	-	-	-	(977,140)	(195,431)	(1,172,571)
Actuarial losses from employee benefit plan	-	-	-	-	(3,258,930)	-	-	(3,258,930)	(3,258,930)	-	(3,258,930)
Difference on business combination under common control	-	-	-	-	-	-	-	-	-	-	-
Disposal of investment in a subsidiary	-	-	-	-	-	-	861,442,927	861,442,927	861,442,927	-	861,442,927
Balance as at December 31, 2013 - (Before restated)	500,000,000	902,769,092	50,000,000	117,991,298	(3,258,930)	360,580,334	861,442,927	1,218,764,331	2,789,524,721	884,404,550	3,673,929,271
Cumulative effects of corrections of errors	-	-	-	175,818,861	-	-	-	-	175,818,861	(175,818,861)	-
Balance as at December 31, 2013 - (Restated)	500,000,000	902,769,092	50,000,000	293,810,159	(3,258,930)	360,580,334	861,442,927	1,218,764,331	2,965,343,582	708,585,689	3,673,929,271

.....Director
(Narong Tharatanaviboon)

.....Director
(Thanit Tharatanaviboon)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2014

		Unit : Baht					
		Separate financial statements					
No.s	Issued and paid-up share capital	Premiums on share capital	Retained earnings			Other components of shareholders' equity	Total Shareholders' Equity
			Appropriated to legal reserve	Unappropriated			
	500,000,000	902,769,092	50,000,000	1,119,295,497	-	2,572,064,589	
	-	-	-	(1,049,938,830)	-	(1,049,938,830)	
	-	-	-	208,080,020	-	208,080,020	
	500,000,000	902,769,092	50,000,000	277,436,687	-	1,730,205,779	
	500,000,000	902,769,092	50,000,000	461,105,668	-	1,913,874,760	
	-	-	-	4,224,355	-	4,224,355	
	500,000,000	902,769,092	50,000,000	465,330,023	-	1,918,099,115	
	-	-	-	(174,986,420)	-	(174,986,420)	
	-	-	-	829,816,149	-	829,816,149	
	-	-	-	(864,255)	-	(864,255)	
	500,000,000	902,769,092	50,000,000	1,119,295,497	-	2,572,064,589	

.....Director (Narong Tharatanavibool) (Thanit Tharatanavibool)

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

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014 (RESTATED)	2013	2014	2013
Cash Flows from Operating Activities				
Profit before income tax expenses	377,660,356	456,288,284	212,738,753	983,916,900
Adjustments to reconcile profit to cash provided by (used in)				
operating activities:				
Depreciation	139,546,526	129,548,734	67,842,073	67,132,402
Amortization of computer softwares	1,934,575	1,935,470	1,893,251	1,918,499
Amortization of other non-current assets	733,681	-	-	-
Gain on disposal asset	(124,128)	(685,192)	(162,561)	(645,005)
Loss on unused equipment	524,810	17,136	-	-
Loss on unused equipment	(3,056,471)	(1,479,956)	(124,360)	(184,897)
(Reverse) doubtful debts	(431,851)	319,534	-	-
Bad debts	18,518	-	-	-
(Reverse) loss on diminution of inventories	120,260	(8,594,010)	-	-
Gain on non-current assets classified as held for sale disposal	-	(35)	-	(35)
Loss on diminution of non-current assets classified as held for sale	1,934,990	-	-	-
Gain on disposal of investment in subsidiaries	-	-	-	(761,806,677)
Share of loss from investments in associate	7,101,936	6,092,199	-	-
Dividend income	-	-	(21,964,643)	-
Unrealized (gain) loss on exchange rates	133,347	(32,021)	14,552	14,759
Non-current provisions for employee benefits	4,941,619	5,190,344	2,726,236	2,754,867
Interest income	(2,388,574)	(1,104,458)	(1,640,855)	(5,736,136)
Interest expenses	24,404,595	60,286,761	2,636,075	18,879,801
Amortization of withholding tax	80,992	258	-	-
Gain from operating activities before changes				
in operating assets and liabilities	553,135,181	647,783,048	263,958,521	306,244,478
Changes in operating assets - (increase) decrease				
Trade and other receivables	(252,692,638)	137,377,852	(40,928,845)	127,095,214
Unbilled receivables	(15,419,547)	19,750,817	-	-
Inventories	(35,959,292)	393,959,360	27,951,221	(31,636,989)
Oil supplies	2,452,957	(2,521,134)	-	-
Non-current assets classified as held for sale	(2,440,000)	-	-	-
Other non-current assets	(8,747,400)	-	-	15,700
Changes in operating liabilities - increase (decrease)				
Trade and other payables	99,726,717	(78,786,066)	(23,412,227)	5,530,464
Advance received and deferred construction revenue	(15,811,667)	11,524,860	-	-
Cash provided by operating activities	324,244,311	1,129,088,737	227,568,670	407,248,867
Payment for employee benefit obligations	(10,917,030)	-	(10,061,570)	-
Refund of income tax	3,106,833	2,116,510	-	-
Income tax paid	(163,577,245)	(9,570,090)	(155,273,224)	(5,782,459)
Net cash provided by operating activities	152,856,869	1,121,635,157	62,233,876	401,466,408

.....Director
 (Narong Thararatnavibool)

.....Director
 (Thanit Thararatnavibool)

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

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014 (RESTATED)	2013	2014	2013
Cash Flows from Investing Activities				
Decrease in short-term loans to related parties	-	-	-	394,000,000
Increase in fixed deposits with obligation	-	(2,000,000)	-	-
Interest received	2,394,134	1,086,337	1,640,855	5,736,136
Proceeds from non-current assets classified as held for sale disposal	-	1,869	-	1,869
(Increase) Decrease in current investments	875,234,644	(956,284,949)	880,217,874	(916,349,502)
Dividend income from investments in subsidiary	-	-	21,964,643	-
Payment for purchases of assets	(174,033,408)	(150,948,653)	(17,777,577)	(36,127,980)
Interest payment for plant construction and equipment installation	-	(266,628)	-	(18,551)
Proceeds from disposal of equipment	168,126	797,570	201,246	657,383
Payment for purchases of intangible assets	(81,192)	-	-	-
Payment assets payable	(2,676,301)	(20,695,920)	(511,407)	(150,000)
Payment deposit on assets	(6,798,123)	(5,724,725)	(1,107,521)	(1,360,606)
Net cash provided by (used in) investing activities	694,207,880	(1,134,035,099)	884,628,113	(553,611,251)
Cash Flows from Financing Activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	223,300,570	(1,519,379,746)	-	(350,000,000)
Interest paid	(24,102,879)	(61,507,777)	(2,474,021)	(19,251,845)
Increase in long-term loans from financial institutions	110,000,000	-	-	-
Payment for long-term loans from financial institutions	(99,669,589)	(164,218,840)	-	(99,987,810)
Payment for increase shares capital in subsidiaries	-	-	-	(839,754,090)
Difference on business combination under common control	-	(3,258,930)	-	-
Proceeds from disposal of investment in subsidiaries	-	1,264,957,400	-	1,696,771,610
Capital surplus from share premium of subsidiary	-	360,580,334	-	-
Increase in non-controlling interest	-	418,779,293	-	-
Dividend payment	(1,049,938,830)	(174,986,420)	(1,049,938,830)	(174,986,420)
Subsidiary's dividend paid to non-controlling interests	(35,357)	-	-	-
Net cash provided by (used in) financing activities	(840,446,085)	120,965,314	(1,052,412,851)	212,791,445
Net increase (decrease) in cash and cash equivalents	6,618,664	108,565,372	(105,550,862)	60,646,602
Cash and cash equivalents at beginning of the years	197,837,389	89,272,017	117,983,967	57,337,365
Cash and cash equivalents at end of the years	204,456,053	197,837,389	12,433,105	117,983,967

.....Director
 (Narong Thareratanavibool)

.....Director
 (Thanit Thareratanavibool)

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

Unit : Baht

Consolidated financial statements		Separate financial statements	
2014	2013	2014	2013

(RESTATED)

Supplemental disclosures of cash flows information

Non-cash transactions consisted of:

Assets payable for plant and equipment	13,629,680	8,795,866	3,001,151	3,172,764
Assets payable for intangible assets	-	67,500	-	-
Transferred deposit to plant and equipment	20,695,920	13,164,537	150,000	11,260,036
Transferred machinery to non-current assets classified as held for sale	2,034,990	-	-	-
Increase in non-controlling interests from change in investments ratio of parent company in subsidiaries	-	51,457,061	-	-
Gain on disposal of investment in subsidiaries	-	861,442,927	-	-
Effect of adjusted actuarial losses from employee benefit plan				
- Increase in deferred tax assets	-	404,960	216,064	216,064
- Increase in provision for long-term employee benefits	-	(1,577,531)	(1,080,319)	(1,080,319)
- Decrease in retained earnings	-	977,140	864,255	864,255
- Decrease in non-controlling interests	-	195,431	-	-

.....Director
 (Narong Thararatnavibool)

.....Director
 (Thanit Thararatnavibool)

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

1. GENERAL INFORMATION

Asian Insulators Public Company Limited (“the Company”) was registered as a Thai limited-company under the Civil and Commercial Code on May 12, 1981, and was registered as a public company limited with the Ministry of Commerce on March 19, 2004. The Company was listed on the Stock Exchange of Thailand on September 9, 2004.

The Company’s main businesses are as producing and selling porcelain insulators and electrical equipment.

The Company’s registered office is located at No. 254 Seri Thai Road, Khan naa yao Sub-District, Khan na yao. District Bangkok and The Factory located at No. 99 Moo 2, Asia Highway Road, Km. 70 -71 Tambol Banmor, Amphur Promburi, Singburi Province.

2. BASIS FOR OF PRESENTATION FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) and applicable rules and regulations of the Securities and Exchange Commission.

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated September 28, 2011, issued under the Accounting Act B.E. 2543.

The financial statements are prepared on the historical cost basis, except as disclosed in respective accounting policies.

The accompanying financial statements have been prepared in the Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided by translating from the Thai version of the financial statements.

The preparation of the financial statements in conformity with Thai Financial Reporting Standards (“TFRS”) requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

Basis for preparation of the consolidated financial statements

- a) The consolidated financial statements included the financial statements of the Company and its subsidiaries (“the Group”) and its equity in associate by shareholding in subsidiaries and associate as follows:

Name	Nature of business	Country of incorporation	Percentage of holding	
			2014	2013
Subsidiaries directly held by the Company				
AI Engineering Services Company Limited	Undertake construction and install electrical transmission power sub-station and trading electrical equipment	Thailand	99.84	99.84
AI Energy Public Company Limited	Producing and distributing biodiesel, vegetable oil and other fuel oil	Thailand	59.59	59.59
Subsidiaries held by AI Energy Public Company Limited				
AI Logistics Company Limited	Local and overseas logistics for passenger, merchandise, parcel and other materials	Thailand	100.00	100.00
AI Ports and Terminals Company Limited	(1) Servicing port (2) Distributing ice (3) Trading electrical equipment, vegetable oil and other fuel oil	Thailand	100.00	100.00
Associate				
PPC Asian Insulators Company Limited	Producing and distributing electronics insulators	Thailand	25.10	25.10

- b) The Company is deemed to have control over an investee or subsidiaries if the Company has rights, or is exposed, to variable returns from its involvement with the investee, and the Company has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated as from the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Significant balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- g) Investments in associate are stated by equity method in the consolidated financial statement.

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

The separate financial statements, which presented investments in subsidiaries and associate under the cost method, have been prepared solely for the benefit of the public.

New and revised Thai Financial Reporting Standards

Below is a summary of accounting standards that became effective in the current accounting year and those that will become effective in the future.

a) Accounting standards that became effective in the current accounting year

The Conceptual financial Reporting Standards (revised 2014).

TAS

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rates
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Venture
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible assets

TFRS

TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

TSIC	
TSIC 15	Operating Leases-Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Disclosure-Service Concession Arrangements
TSIC 32	Intangible Assets-Web Site Costs
TFRIC	
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommission, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

Accounting Treatment Guidance for Stock Dividend

These accounting standards were amended primarily to align their content with the corresponding International Financial Reporting Standards. Most of the changes were directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of the accounting standards the above standards do not have any significant impacts on the financial statements.

b) Accounting standards that will become effective in the future

The Federation of Accounting Professions has issued a number of revised and new accounting standards that become effective for fiscal years beginning on or after 1 January 2015. These accounting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company believes they will not have any significant impact on the financial statements in the year in which they are adopted. However, some of these accounting standards involve changes to key principles, as discussed below:

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognize actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

At present, the Group immediately recognized actuarial gains and losses in other comprehensive income in the period in which they occur.

TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the part dealing with consolidated financial statements as included in TAS 27 Consolidated and Separate Financial Statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company has control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

The management of the Company's believes that the standards will not have any significant impact on the Company's financial statements.

TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact to the financial statements of the Company.

TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other accounting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively. Based on the preliminary analysis, the management of the Company believes that this standard will not have any significant impact on the Company's financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Revenues and expenses recognition

The Company and subsidiaries recognize revenues from sales and services when the significant risks and rewards of ownership of the goods have passed to the buyer, and services are already rendered to customers.

Subsidiary recognizes revenues from construction contract under percentage of completion method. Current portion of additional income and other contracts with working period within one year are recognized in proportion to the completed construction and being billed for collection.

Subsidiary recognizes revenues from vessel operating on the proportion of time travelled compared with the total time to be taken of that trip.

Subsidiary recognizes revenues from loading of goods, revenue from warehousing and other services when those services are already rendered.

The Company and subsidiaries recognize other revenues and expenses on an accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents are cash on hand and fixed deposit at the financial institutions due not more than 3 months from the date of acquisition with no obligation.

3.3 Short-term investments

Investments in Open-end Fund are considered as trading securities, stated at fair value. Cost of trading securities disposed during the year is calculated by the weighted average method.

3.4 Allowance for doubtful accounts

Subsidiaries set up allowance for doubtful accounts from the estimated loss which may be incurred where collection is doubtful.

3.5 Unbilled receivables / Deferred construction revenue

Unbilled receivables consist of the cost of materials and labour, cost of sub-contract, other services and expenses including both net profit or loss computed net from the amount collected from customers.

The contracts which have construction value more than amount billed to customers will be presented under current assets. For those contracts which have the amount billed more than the construction value will be presented as "Deferred construction revenue" under current liabilities.

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

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3.6 Inventories

Finished goods and raw materials are stated at cost or net realizable value, whichever is the lower. Cost is determined by the weighted average method.

Goods in process are stated at average cost of raw materials plus wages and manufacturing expenses.

Subsidiary recognizes construction contracts in progress consist of the cost of materials and labour, cost of sub-contract, other services and expenses of project.

The Company set up the allowance for devaluation of inventories for the deteriorated goods and expected to be unsalable.

3.7 Oil supplies

Oil supplies stated at cost are calculated by the weighted average method.

3.8 Non-current assets classified as held for sale

Saleable assets are stated at book value or net fair value, whichever is the lower. The Company set up the provision for diminution in saleable assets by estimating from the realizable sale value.

3.9 Investments

Investments in associate mean that company in which the group company has shareholding and significant influence over the group company. That is, the parent company has power to participate in determining the financial and operating policies of the enterprise but not up to the level of governing such policies. Investments in associate are stated by equity method for the consolidation and by cost method after provision for diminution in investment for the separate financial statements.

Investments in subsidiaries mean those companies in which the parent company in the group companies, directly or indirectly, has power more than one half of the total voting rights or power to govern the financial and operating policies of subsidiaries. Investments in subsidiaries are stated by cost method for the separate financial statements.

Cost of investments in subsidiaries disposed during the year is calculated by the weighted average method.

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.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

3.10 Property, plant, vessel and equipment

Property, plant, vessel and equipment are stated at cost. Depreciation for land improvement, plant, vessel and equipment is calculated by the straight-line method based on the estimated useful life of following assets:

Particulars	Useful Life (Years)	
	Consolidated	Separate Financial Statements
No depreciation is provided on land and assets under construction and installation		
Land improvement	5 - 10	5
Building and structures	5 - 40	20
Building improvement	10	10
Utility systems	5 - 20	5
Machinery and accessories	5 - 20	5 - 10
Vessel and improvement	3 - 10	-
Office furniture and equipment	5	5
Motor vehicles	5 - 20	5

3.11 Borrowing cost

The Company and subsidiaries recorded the interest on loan for machinery construction as part of machinery under installation until they are ready for utilization according to its objective.

3.12 Intangible assets

Intangible assets are computer system development expenses and deferred computer softwares to be amortized by the straight-line method within 5 - 10 years.

3.13 Income Taxes

Deferred tax assets/liabilities

Deferred tax assets/liabilities are recognized for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes as at the statements of financial position date. They will be realised in future period when the income is realised, or the expenses provided for are actually incurred and considered deductible for income tax purposes.

Deferred tax assets are recognized for deductible temporary differences or addtble tax are deferred tax liabilities if it is highly probable that the Company will generate sufficient taxable profits from its future operations to utilise these assets.

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

At each statement of financial position date, the Company reviews and reduces the carrying amount of deferred tax assets/liabilities to the extent that it is no longer probable that sufficient taxable profit be available to allow all or part of the deferred tax asset or deferred tax liabilities to be utilised.

Income tax expenses

Income tax expenses from profit/loss for the year consist of current income tax and deferred tax. Income tax expenses recognized in income statement unless part of transaction recorded in shareholders' equity recorded directly to equity.

3.14 Employee benefits

Short-term employee benefits

The Company and subsidiaries recognized salaries, wages, bonuses and contributions to the social security fund as expenses when incurred.

Long-term employee benefits

Defined contribution plan

The Company and subsidiaries provide a provident fund, which is a defined contribution plan, the assets of which are held in a separate trust fund and managed by the external fund manager. The provident fund is contributed by payments from employees and the Company and subsidiaries. Contributions to the provident fund are recorded to expense in the statements of comprehensive income in the incurred period.

Defined benefit plan

The provision for employee retirement benefits is recognized as an expense of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Company and subsidiaries in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by a qualified actuary using the Projected Unit Credit Method.

When the actuarial assumptions are changed, the Company recognized actuarial gains or losses in the other comprehensive income for the period in which they arise.

3.15 Basic earnings per share

Basic earnings per share are computed by dividing the net profit for the year by the weighted average number of issued common shares during the year.

3.16 Foreign currency transactions

Foreign currency transactions are recorded in Baht at the rate ruling on the date of transactions. Outstanding foreign currency assets and liabilities at the end of the years are converted to Baht at the rate of exchange in effect on that date. Except the agreed rates of forward exchange contracts with the bank, will be recorded at fair value. Gains or losses on exchange rate are credited or charged to operations during the years.

3.17 Significant accounting judgements and estimates

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Allowance for diminution in inventory value

In determining an allowance for diminution in inventory value, the management needs to make judgement in estimating loss from slow moving and deteriorated inventories including the effect from declining in net realisable value of inventories.

Impairment of investments

Management assesses the impairment of investments in subsidiaries company by considering the operating result and the future business plan of the subsidiaries. Such consideration is based on management's judgement.

Allowances for impairment of assets

The Company and subsidiaries consider asset as impaired when there is an indication that an asset may be impaired. If any such indication exists when there has been a significant decline in the fair value, the Company and subsidiaries make an estimate of the asset recoverable amount. The determination of recoverable amount is requires judgment. An impairment loss is recognized as an expense in the statement of comprehensive income.

Property, plant and equipment

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimated useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Provisions

Provisions are recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Deferred tax assets

The Company and subsidiaries recognized deferred tax assets for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

4. RELATED PARTIES TRANSACTIONS

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market value or, where no market value exists, at contractually agreed prices. Sale of hybrid clay and repurchase of scrap clay with PPC Asian Insulators Company Limited are conducted at agreed prices on the basis determined by both parties.

Details of the related parties are as follows;

Name	Nature of business	Nature of relationships
Subsidiaries directly held by the Company		
AI Engineering Services Company Limited	Undertake construction and install electrical transmission power sub-station and trading electrical equipment	99.84 % holding of interest
AI Energy Public Company Limited	Producing and distributing biodiesel, vegetable oil and other fuel oil	59.59 % holding of interest
Subsidiaries held by AI Energy Public Company Limited		
AI Logistics Company Limited	Local and overseas logistics for passenger, merchandise, parcel and other materials	100.00 % holding of interest
AI Ports and Terminals Company Limited	(1) Servicing port (2) Distributing ice (3) trading electrical equipment vegetable oil and other fuel oil	100.00 % holding of interest
Associate		
PPC Asian Insulators Company Limited	Producing and distributing electronics insulators	25.10 % holding of interest
Related companies		
Samart Palm Company Limited	Crude Palm Oil	Director is relative of the directors of the Company
Samart Palmoil Company Limited	Crude Palm Oil	Director is relative of the directors of the Company
Samart Palm Industry Company Limited	Factory of palm oil extraction plant	Director is relative of the directors of the Company

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.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

Significant transactions between the Company and related parties for the years ended December 31, 2014 and 2013 were as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Sales of products and raw materials				
PPC Asian Insulators Co., Ltd.	4,292,441	3,700,599	4,272,114	3,700,599
AI Engineering Services Co., Ltd.	-	-	10,227,752	5,550,000
AI Energy Public Co., Ltd.	-	-	-	7,400,000
AI Ports and Terminals Co., Ltd.	-	-	2,960,000	26,159,000
Sales of hybrid clay				
PPC Asian Insulators Co., Ltd.	207,557,000	174,152,368	207,557,000	174,152,368
Dividend income				
AI Engineering Services Co., Ltd.	-	-	21,964,643	-
Other income - rental and services				
PPC Asian Insulators Co., Ltd.	2,681,970	2,604,436	2,681,970	2,604,436
AI Engineering Services Co., Ltd.	-	-	1,238,515	1,197,315
AI Energy Public Co., Ltd.	-	-	1,198,954	3,262,237
AI Logistics Co., Ltd.	-	-	574,642	1,161,210
AI Ports and Terminals Co., Ltd.	-	-	559,990	3,062,909
Purchases goods				
Samart Palm Co., Ltd.	17,436,582	22,424,335	-	-
Samart Palmoil Co., Ltd.	19,745,072	19,509,163	-	-
Samart Palm Industry Co., Ltd.	4,670,505	-	-	-
Purchases of scrap clay				
PPC Asian Insulators Co., Ltd.	131,529,109	103,504,037	131,529,109	103,504,037
Purchase of goods and consumed supply				
PPC Asian Insulators Co., Ltd.	91,550	47,199	91,550	47,199
AI Energy Public Co., Ltd.	-	-	45,065	42,916

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

Directors and management's remuneration

Directors and management's remuneration for the years ended December 31, 2014 and 2013 consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Short - term employee benefits	47,755,977	42,554,448	26,691,734	29,035,225
Long-term post-employment benefits	1,081,365	1,097,248	553,240	954,855
Total directors and management's remuneration	48,837,342	43,651,696	27,244,974	29,990,080

The Company had significant balances with related parties as at December 31, 2014 and 2013, as follows:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade accounts receivable				
PPC Asian Insulators Co., Ltd.	35,042,877	35,922,648	35,042,877	35,922,648
AI Engineering Services Co., Ltd.	-	-	-	7,957,780
Other receivables				
PPC Asian Insulators Co., Ltd.	546,593	8,233,071	546,593	8,233,071
AI Engineering Services Co., Ltd.	-	-	12,258	11,876
AI Energy Public Co., Ltd.	-	-	-	105,238
AI Logistics Co., Ltd.	-	-	2,661	2,389
AI Ports and Terminals Co., Ltd.	-	-	-	1,445
Other receivables-Director	23,855,074	-	-	-
Trade Accounts payable				
PPC Asian Insulators Co., Ltd.	20,527,585	24,654,036	20,527,585	24,654,036
Samart Palm Co., Ltd.	-	359,150	-	-
Samart Palmoil Co., Ltd.	-	390,775	-	-
Samart Palm Industry Co., Ltd.	1,681,350	-	-	-
Other payable				
AI Energy Public Co., Ltd.	-	-	47,300	23,920

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2014 and 2013 consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash on hand	605,152	336,060	105,000	145,000
Deposit at bank - saving	200,702,895	194,609,522	11,786,485	117,607,328
- current	596,682	867,100	541,620	231,639
Fixed deposits due within 3 months	2,551,324	2,024,707	-	-
Total cash and cash equivalents	204,456,053	197,837,389	12,433,105	117,983,967

6. SHORT - TERM INVESTMENTS

Short - term investments as at December 31, 2014 and 2013 were as follows:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Investment in Open - end Fund -				
Debt securities	256,195,492	1,129,988,741	39,484,171	919,702,045
<u>Add Allowance for adjustment</u>	<u>3,056,471</u>	<u>1,479,956</u>	<u>124,360</u>	<u>-</u>
Investment in Open - end Fund -				
Fair value	259,251,963	1,131,468,697	39,608,531	919,702,045
Fixed deposits	88,561	50,000	-	-
Total short - term investments	259,340,524	1,131,518,697	39,608,531	919,702,045

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.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

7. TRADE AND OTHER RECEIVABLES - NET

Trade and other receivables as at December 31, 2015 and 2014 consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade receivables				
Trade receivable - related companies	35,042,877	35,922,648	35,042,877	37,902,148
Trade receivable - state enterprises	110,567,860	39,851,824	88,707,046	39,851,824
Trade receivables - other companies	453,291,978	271,238,409	10,558,700	4,077,756
Post date cheques	7,348,300	5,103,118	-	-
Total trade receivables	606,251,015	352,115,999	134,308,623	81,831,728
<u>Less</u> Allowance for doubtful accounts	(3,334,211)	(3,766,062)	-	-
Total trade receivables - net	602,916,804	348,349,937	134,308,623	81,831,728
Other receivables				
Other receivables - related person	23,855,074	-	-	-
Other receivables - related companies	546,593	8,233,071	561,512	8,354,019
Prepaid expense	6,556,616	6,446,899	1,737,914	2,381,190
Deposit for inventories	511,407	3,964,687	511,407	150,000
Revenue Department receivable	931,167	4,624,868	163,770	3,261,063
Advance payment to subcontractors	76,680	11,458,933	-	-
Others	1,674,379	1,088,946	2,560	1,722
Total other receivables	34,151,916	35,817,404	2,977,163	14,147,994
<u>Less</u> Allowance for doubtful accounts	(306,350)	(306,350)	-	-
Total other receivables - net	33,845,566	35,511,054	2,977,163	14,147,994
Total trade and other receivables - net	636,762,370	383,860,991	137,285,786	95,979,722

.....Director
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.....Director
(Thanit Thareratanavibool)

As at December 31, 2014 and 2013, aging analysis for trade accounts receivable consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Related companies				
Current	14,929,854	14,966,073	14,929,854	16,945,573
Overdue				
Within 3 months	20,113,023	20,956,575	20,113,023	20,956,575
Total	35,042,877	35,922,648	35,042,877	37,902,148
State enterprises				
Current	109,820,760	36,755,065	87,959,946	36,755,065
Overdue				
Within 3 months	747,100	2,539,707	747,100	2,539,707
Over 3 months to 12 months	-	260,652	-	260,652
Over 12 months	-	296,400	-	296,400
Total	110,567,860	39,851,824	88,707,046	39,851,824
Other companies				
Current	410,451,466	230,833,635	10,439,994	273,639
Overdue				
Within 3 months	46,854,601	41,741,830	118,706	3,804,117
Over 12 months	3,334,211	3,766,062	-	-
Total	460,640,278	276,341,527	10,558,700	4,077,756
<u>Less Allowance for doubtful accounts</u>	(3,334,211)	(3,766,062)	-	-
Total trade receivables - net	602,916,804	348,349,937	134,308,623	81,831,728

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.....Director
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.....Director
(Thanit Thareratanavibool)

8. UNBILLED RECEIVABLES / ADVANCE RECEIVED AND DEFERRED CONSTRUCTION REVENUE

Unbilled receivables/advance received and deferred construction revenue as at December 31, 2014 and 2013 consisted of:

	Unit: Baht	
	Consolidated financial statements	
	2014	2013
Unbilled receivables		
Contract value	180,397,850	214,926,937
Recognition of income by the percentage of completion	177,725,147	93,422,513
<u>Less</u> Value of billing construction	(160,006,871)	(91,123,784)
Total	17,718,276	2,298,729
Advance received and deferred construction revenue		
Contract value	136,445,720	178,781,700
Value of billing construction	128,547,999	17,533,738
<u>Less</u> Recognition of income by the percentage of completion	(127,930,553)	(1,104,625)
Total	617,446	16,429,113

9. INVENTORIES - NET

Inventories as at December 31, 2014 and 2013 consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Raw materials	349,285,227	368,146,088	72,555,204	77,842,911
Work in process	99,498,149	60,417,080	24,359,579	33,122,270
Finished goods	75,030,562	60,212,888	5,623,415	21,301,300
Supplies	14,657,034	15,929,069	1,079,718	1,496,102
Goods in transit	5,279,306	3,085,861	5,279,306	3,085,861
Total	543,750,278	507,790,986	108,897,222	136,848,443
<u>Less</u> Provision for diminution in inventories	(120,260)	-	-	-
Total inventories - net	543,630,018	507,790,986	108,897,222	136,848,443

.....Director
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.....Director
(Thanit Thareratanavibool)

10. OIL SUPPLIES

Oil supplies as at December 31, 2014 and 2013 consisted of:

	Unit: Baht	
	Consolidated financial statements	
	2014	2013
Bunker oil	1,725,114	4,218,866
Lubricants	643,082	602,287
Total oil supplies	2,368,196	4,821,153

11. NON-CURRENT ASSETS HELD FOR SALE - NET

Non-current assets held for sale as at December 31, 2014 and 2013 consisted of:

	Unit : Baht
	Consolidate financial statements
Book value as at December 31, 2013	-
<u>Add</u> Transfers in during the year (Cost) (Note 15)	6,611,000.00
<u>Less</u> Accumulated depreciation (Note 15)	(2,136,010.00)
Allowance for impairment of asset	(1,934,990.00)
Book value as at December 31, 2014	2,540,000.00

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12. INVESTMENTS IN ASSOCIATED COMPANY - NET

Investments in associated company - net as December 31, 2014 and 2013, consisted of:

Company	Industries	Percentage of investment (%)		Unit : Baht		Unit : Baht	
		2014	2013	Issued share capital		Separate financial statements	
		2014	2013	2014	2013	Equity method	Cost method
PPC Asian Insulators	Producing and distributing						
Company Limited	electronics insulators	25.10	25.10	263,000,000	263,000,000	17,290,878	24,392,814
						66,000,000	66,000,000
<u>Less</u> Provision for diminution in investment							
Total investments in associate - net						17,290,878	24,392,814
							(39,600,000)
						17,290,878	26,400,000

The consolidated and separate financial statements for the years ended December 31, 2014 and 2013 of Asian Insulators Public Company Limited and its subsidiaries, and of Asian Insulators Public Company Limited respectively, included an investment in the associated company based on financial statements of the associated company which had not been audited by an auditor. The carrying value of the investment in the consolidated financial statements as at December 31, 2014 and 2013 amounted to Baht 17.29 million and amounted to Baht 24.39 million, respectively, representing 0.46% and 0.57% of total assets in the consolidated financial statements.

The equity of net loss of the associated company in the consolidated financial statements for the years ended December 31, 2014 and 2013 amounted to Baht 7.10 million and Baht 6.09 million respectively, representing 2.19% and 2.31% of consolidated net profit, respectively.

The carrying value of the investment in the separate financial statements as at December 31, 2014 and 2013, amounted to Baht 26.4 million, representing 1.43% and 0.92%, respectively, of total assets in the separate financial statements.

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..... Director
(Thanit Tharatanavibool)

The following is summarized financial information relating to an entity's interest in an associate company were as follows:

	Unit: Baht	
	PPC Asian Insulators Company Limited	
	2014	2013
Current assets	113,462,277	106,808,812
Non-current assets	178,070,276	152,861,503
Current liabilities	(219,908,599)	(160,396,175)
Non-current liabilities	(2,722,269)	(2,072,253)
Net assets	68,901,685	97,201,887
Revenues	338,930,334	239,919,063
Loss for the years	(22,480,518)	(24,276,545)

Reconcile the carrying value of the equity of the associated in the consolidated financial statement were as follows:

	Unit: Baht	
	PPC Asian Insulators Company Limited	
	2014	2013
Net assets of associate company	68,901,685	97,201,887
Ownership interest (%)	25.10	25.10
Carrying amount of interest in an associate company	17,290,878	24,392,814



.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

13. INVESTMENTS IN SUBSIDIARY COMPANIES

Investments in subsidiary companies as at December 31, 2014 and 2013, and dividend income from the investment during the years ended December 31, 2014 and 2013, consisted of:

Company	Industries	Percentage of investment (%)		Issued share capital		Cost method-net		Dividend income	
		2014	2013	2014	2013	2014	2013	2014	2013
		Unit: Baht							
Subsidiaries directly held by the Company									
AI Engineering Services Company Limited	Undertake construction and install electrical transmission power sub-station and trading electrical equipment	99.84	99.84	200,000,000	200,000,000	197,000,025	197,000,025	21,964,643	-
AI Energy Public Company Limited	Producing and distributing biodiesel, vegetable oil and other fuel oil	59.59	59.59	1,130,000,000	1,130,000,000	665,555,157	665,555,157	-	-
Subsidiaries held by AI Energy Public Company Limited									
AI Logistics Company Limited	Local and overseas logistics for passenger, merchandise, parcel and other materials	100.00	100.00	209,000,000	209,000,000	-	-	-	-
AI Ports and Terminals Company Limited	(1) Servicing port (2) Distributing ice (3) trading electrical equipment vegetable oil and other fuel oil	100.00	100.00	460,000,000	460,000,000	-	-	-	-
Total investments in subsidiaries						862,555,182	862,555,182	21,964,643	-

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..... Director
(Thanit Tharatanavibool)

The subsidiaries have significant non-controlling interests as follows;

		Unit : Baht	
		December 31, 2014	
Name of subsidiary	Type of business	Comprehensive income	
		Ownership interests held by NCI (percentage)	Attributable to Non-controlling interest
Subsidiaries directly held by the Company		accumulated	Non-controlling interest
AI Engineering Services Company Limited	Undertake construction and install electrical transmission power	0.16	432,404
AI Energy Public Company Limited	Sub-station and trading electrical equipment Producing and distributing biodiesel, vegetable oil and other fuel oil	40.41	744,845,943
Total			745,278,347

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.....Director
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..... Director
(Thanit Tharatanavibool)

The following is summarized financial information of subsidiaries before inter-company elimination.

	Unit: Baht				
	AI Engineering Services Company Limited	AI Energy Public Company Limited	AI Logistics Company Limited	AI Ports and Terminals Company Limited	Total
As at December 31, 2014					
Current assets	263,312,861	1,087,129,435	5,783,459	18,269,148	1,374,494,903
Non-current assets	117,934	1,304,438,324	62,434,633	464,804,361	1,831,795,252
Current liabilities	(14,816,540)	(522,940,874)	(5,323,995)	(47,449,719)	(590,531,128)
Non-current liabilities	(1,539,582)	(9,424,803)	(877,230)	(78,510,455)	(90,352,070)
Net assets	247,074,673	1,859,202,082	62,016,867	357,113,335	2,525,406,957
Net assets attributable to					
Non-controlling interests	432,404	744,845,943	-	-	745,278,347
For the year ended December 31, 2014					
Revenues	313,669,321	4,690,337,726	52,290,374	692,097,052	5,748,394,473
Total comprehensive loss for the year					
attributable to non-controlling interests	88,772	36,639,243	-	-	36,728,015
Net cash provided by (used in)					
Operating activities	17,651,503	43,540,629	(1,259,073)	9,917,444	69,850,503
Investing activities	46,589	(148,310,742)	(6,768,866)	(5,655,305)	(160,688,324)
Financing activities	(22,000,000)	215,002,034	1,902,012	8,103,301	203,007,347
Cash increase (decrease) - net	(4,301,908)	110,231,921	(6,125,927)	12,365,440	112,169,526

14. PLEDGED DEPOSITS AT FINANCIAL INSTIUTION

The subsidiary has pledged fixed deposit at bank as collateral for the issuance of bank guarantee. (Note 30.1)

.....Director
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.....Director
(Thanit Thareratanavibool)

15. PROPERTY, PLANT, VESSEL AND EQUIPMENT - NET

Property, plant, vessel and equipment as at December 31, 2014 and 2013 consisted of:

Consolidated financial statements										
Unit : Baht										
	Land	Land improvement	Building and building improvement	Utility system	Machinery, accessories and tools	Vessel and improvement	Office furniture and equipment	Motor vehicles	Fixed assets under construction and installation	Total
At cost										
As at December 31, 2013	352,827,457	17,769,620	918,405,290	42,635,723	1,131,093,171	173,137,962	31,638,087	83,492,897	73,189,260	2,824,189,467
Purchases during year	4,328,633	-	158,703	486,550	10,578,589	5,908,138	1,021,850	322,430	188,542,225	211,347,118
Transfers in (Transfer out) during year (Note 12)	-	-	8,031,017	11,855,497	180,041,495	-	1,329,280	6,112,503	(213,980,792)	(6,611,000)
Disposal/written off during year	-	-	-	-	(8,441,271)	(2,315,046)	(207,372)	-	-	(10,963,689)
As at December 31, 2014	357,156,090	17,769,620	926,595,010	54,977,770	1,313,271,984	176,731,054	33,781,845	89,927,830	47,750,693	3,017,961,896
Accumulated depreciation										
As at December 31, 2013	-	15,002,149	215,637,576	25,084,435	448,433,598	99,244,203	26,074,003	30,157,285	-	859,633,249
Depreciation for the year	-	322,956	32,445,380	2,379,227	79,726,031	18,482,091	2,208,354	3,982,487	-	139,546,526
Depreciation transfer out (Note 11)	-	-	-	-	(2,136,010)	-	-	-	-	(2,136,010)
Depreciation - disposals for the year	-	-	-	-	(7,344,753)	(2,315,046)	(186,972)	-	-	(9,846,771)
As at December 31, 2014	-	15,325,105	248,082,956	27,463,662	518,678,866	115,411,248	28,095,385	34,139,772	-	987,196,994
Book value										
As at December 31, 2013	352,827,457	2,767,471	702,767,714	17,551,288	682,659,573	73,893,759	5,564,084	53,335,612	73,189,260	1,964,556,218
As at December 31, 2014	357,156,090	2,444,515	678,512,054	27,514,108	794,593,118	61,319,806	5,686,460	55,788,058	47,750,693	2,030,764,902

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.....Director
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..... Director
(Thanit Tharatanavibool)

Unit : Baht

Separate financial statements

	Land	Land improvement	Building and improvement	Utility system	Machinery, equipment and instrument	Office furniture and equipment	Motor vehicles	Fixed assets under construction and installation	Total
At cost									
As at December 31, 2013	61,576,168	14,822,060	414,051,986	18,829,299	637,769,063	22,671,687	11,879,797	179,809	1,181,779,869
Purchases during year	-	-	-	486,550	6,890,615	93,797	-	13,457,765	20,928,727
Transfers in (Transfer out) during year	-	-	18,781	199,869	8,185,274	-	-	(8,403,924)	-
Disposal/written off during year	-	-	-	-	(6,231,106)	(162,572)	-	-	(6,393,678)
As at December 31, 2014	61,576,168	14,822,060	414,070,767	19,515,718	646,613,846	22,602,912	11,879,797	5,233,650	1,196,314,918
Accumulated Depreciation									
As at December 31, 2013	-	14,814,923	126,321,800	16,260,275	296,324,881	19,508,796	8,809,873	-	482,040,548
Depreciation for the year	-	3,200	18,255,310	1,099,358	46,663,746	1,014,860	805,599	-	67,842,073
Depreciation - disposals for the year	-	-	-	-	(6,192,434)	(162,560)	-	-	(6,354,994)
As at December 31, 2014	-	14,818,123	144,577,110	17,359,633	336,796,193	20,361,096	9,615,472	-	543,527,627
Book value									
As at December 31, 2013	61,576,168	7,137	287,730,186	2,569,024	341,444,182	3,162,891	3,069,924	179,809	699,739,321
As at December 31, 2014	61,576,168	3,937	269,493,657	2,156,085	309,817,653	2,241,816	2,264,325	5,233,650	652,787,291

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.....Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

Depreciations in the statements of profit or loss for the year ended December 31, 2014 and 2013 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cost of sale and service	118,507,442	106,983,620	51,626,420	48,938,487
Selling and administrative expenses	21,039,084	22,565,114	16,215,653	18,193,915
	<u>139,546,526</u>	<u>129,548,734</u>	<u>67,842,073</u>	<u>67,132,402</u>

As at December 31, 2014 and 2013, the subsidiary has mortgaged land, buildings and port with banks as collateral for credit facilities obtained from a financial institution (Note 17, 19). As at December 31, 2016, the subsidiaries revoked syndicated credit facilities and redemption collateral entirely.

The gross carrying amounts of equipment were fully depreciated but these items are still in active use by the Company and subsidiaries as at December 31, 2014 and 2013, in the consolidated financial statement totaling approximately Baht 284.72 million and Baht 278.83 million respectively, and in the separate financial statements totaling approximately Baht 243.68 million and Baht 254.12 million, respectively.

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

16. INTANGIBLE ASSETS - NET

Intangible assets as at December 31, 2014 and 2013 consisted of:

	Unit : Baht	
	Consolidated financial statements	Separate financial statements
At cost		
As at December 31, 2013	24,432,322	23,811,611
Purchases during the year	81,192	-
As at December 31, 2014	24,513,514	23,811,611
Accumulated amortisation		
As at December 31, 2013	17,537,756	17,022,223
Amortization for the year	1,934,575	1,893,251
As at December 31, 2014	19,472,331	18,915,474
Net booked value		
As at December 31, 2013	6,894,566	6,789,388
As at December 31, 2014	5,041,183	4,896,137

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.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

17. BANK OVERDRAFTS AND SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions as at December 31, 2014 and 2013 consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Bank overdraft	1,918,380	3,617,810	-	-
Promissory notes	365,000,000	140,000,000	50,000,000	50,000,000
Total bank overdrafts and short-term loans from financial institutions	366,918,380	143,617,810	50,000,000	50,000,000

	Credit line (Unit : Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Bank overdraft	32	67	12	12
Promissory notes	1,370	1,870	430	430
Letter of credit and trust receipt	270	-	-	-
Total	1,672	1,937	442	442

At as December 31, 2014 and 2013 these bank overdrafts and short-term loans from financial institutions of subsidiaries are secured by mortgage land with structure and port of a subsidiary. Under the terms of loan contract, the subsidiary cannot pledge its machinery, equipment and port as collateral for other loan (Note15), and jointly guaranteed by AI Ports & Terminals Company Limited., and AI Energy Public Company Limited.

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.....Director
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.....Director
(Thanit Thareratanavibool)

18. TRADE AND OTHER PAYABLES

Trade and other payables as December 31, 2014 and 2013 consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Trade payables				
Trade payables - related companies	22,208,935	25,403,961	20,527,585	24,654,036
Trade payables - others	96,380,890	60,093,241	12,153,592	12,508,520
Total trade payables	118,589,825	85,497,202	32,681,177	37,162,556
Other payables				
Payables for purchase of assets	16,436,994	3,172,764	5,066,394	3,172,764
Other payables	7,405,034	9,502,680	47,300	23,920
Advances received for goods	18,661,521	1,905,954	1,157,003	1,118,752
Electricity payable	5,271,403	3,561,302	1,136,871	1,352,097
Accrued expenses	4,809,482	26,674,530	2,938,953	23,639,951
Retention	6,759,028	1,607,603	-	-
Revenue Department payables	78,942,938	14,212,042	5,148,389	1,837,692
Others	988,021	4,855,466	347,842	1,558,076
Total other payables	139,274,421	65,492,341	15,842,752	32,703,252
Total trade and other payables	257,864,246	150,989,543	48,523,929	69,865,808

.....Director
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.....Director
(Thanit Thareratanavibool)

19. LONG - TERM LOANS FROM FINANCIAL INSTITUTIONS - NET

Long-term loans from financial institutions as at December 31, 2014 and 2013 consisted of:

CREDIT LINE	REPYMENT CONDITIONS	Unit : Baht	
		Consolidated financial statements	
		2014	2013
Baht 90 million Started on April 4, 2009 By AI Ports and Terminals Company Limited.	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in September 2009 and will be finished within August 2016. - Monthly payment of interest at MLR Per annum. - Interest rate swap contracts to be fixed rate at 7.64% per annum from February 2012 until February 2015.	-	38,719,970
Baht 45 million Started on April 28, 2009 By AI Ports and Terminals Company Limited.	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in September 2009 and will be finished within August 2016. - Monthly payment of interest at MLR Per annum. - Interest rate swap contracts to be fixed rate at 7.64% per annum from February 2012 until February 2015.	-	18,518,919
Baht 13.75 million started on May 19, 2010 by AI Energy Public Company Limited	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in June 2010 and will be finished within May 2017. - Monthly payment of interest rate at MLR-1.25 per annum. - Interest rate swap contracts to be fixed rate at 6.39% per from February 2012 until February 2015.	-	6,853,700
Baht 56.00 million started on September 16,2011 by AI Energy Public Company Limited	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in October 2011 and will be finished within September 2018. - Monthly payment of interest rate at MLR-1.25 per annum. - Interest rate swap contracts to be fixed rate at 6.40% per annum from February 2012 until February 2015.	-	24,537,000
Baht 110 million Started on April 28, 2009 By AI Ports and Terminals Company Limited.	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in July 2014 and will be finished within June 2019. - Monthly payment of interest rate at MLR-1 per annum.	98,960,000	-
Total long-term loans from financial institutions		98,960,000	88,629,589
Less Current portion of long-term loans		(22,080,000)	(32,343,000)
Long-term loans from financial institutions-net		76,880,000	56,286,589

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

During the of year 2014, AI Ports & Terminals Company Limited., and AI Energy Public Company Limited. have made repayment of the principal before due date with the bank. The Company and subsidiary have to pay fee of prepayment and the different of interest rate according to the interest rate swap contracts.

On June 30, 2014, the AI Ports & Terminals Company Limited., has borrowed long-term loans from new financial institution with credit line Baht 110 million. The significant conditions under loan contract of subsidiary and the financial institution are summarized as follows:

- The subsidiary will not take the machinery and equipment in the ports and terminals to commit obligations (Negative Pledge).
- The subsidiary agreed to transfer its rights, duty and any benefits according to the agreement including various relative collaterals according to the agreement to the creditors by providing the letter of consent for them.
- The subsidiary will maintain the ratio of debt to equity not exceeding 2:1 including loan from director as part of capital.
- The subsidiary will maintain the debt coverage ratio at minimum ratio of 1.25:1.

Long-term loans of from financial institutions of AI Ports & Terminals Company Limited., are secured by mortgage land with structure and port of a subsidiary, and jointly guaranteed by AI Energy Public Company Limited. (Note 15)

20. EMPLOYEE BENEFIT OBLIGATIONS

Movement of the present value of employee benefits obligation for the years ended December 31, 2014 and 2013 were as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statement	
	2014	2013	2014	2013
Employee benefit at beginning of year	36,785,004	30,017,129	25,020,990	21,185,804
Included in profit or loss:		-		
Current service cost	4,051,654	4,061,611	2,228,209	2,022,335
Interest cost	874,695	1,045,512	498,027	732,532
Included in other comprehensive income:				
Actuarial (gains) losses arising from				
Financial assumptions changes	-	1,075,098	-	1,249,317.00
Experience adjustments	-	585,654	-	(168,998)
Benefit paid during the year	(10,901,760)	-	(10,061,570)	-
Employee benefit obligations at end of year	30,809,593	36,785,004	17,685,656	25,020,990

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

Employee benefit expenses in profit or loss for the year ended December 31, 2014 and 2013, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statement	
	2014	2013	2014	2013
Cost of sales	3,499,521	3,307,631	2,367,996	2,230,163
Selling expenses	293,985	261,197	-	-
Administrative expenses	1,132,843	1,538,295	358,240	524,704
Total employee benefit expenses	4,926,349	5,107,123	2,726,236	2,754,867

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table.

Principal actuarial assumptions as at December 31, 2014 and 2013 (represented by the weighted-average) consisted of:

	(Percentage (%)/annum)			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Discount rate	3.18 - 3.39	3.18 - 3.39	3.29	3.29
Salary increases rate	5.00	5.00	5.00	5.00
Mortality rate	100% of Thai Mortality Ordinary Tables of 2008		100% of Thai Mortality Ordinary Tables of 2008	
Turnover rate				
Under 31 years old	0 - 35	0 - 35	35	35
31 - 40 years old	0 - 24	0 - 24	13	13
41 - 50 years old	0 - 8	0 - 8	7	7
Above 50 years old	0	0	0	0

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

21. DIVIDEND PAYMENT

The Board of Directors' Meeting No. 5/2014 held on August 18, 2014, passed a resolution to pay interim dividend from the BOI business to the shareholders of 500 million shares at Baht 0.10 per share, amount Baht 50 million. The interim dividend was paid on September 15, 2014.

The 2014 Annual General Meeting of Shareholders of the Company held on March 26, 2014, passed a resolution to pay dividend for the year 2013 from the BOI business operating result and special dividend to the shareholders of 500 million shares at Baht 2.00 per share, amount Baht 1 billion. The interim dividend was paid on March 17, 2014.

The Board of Directors' Meeting No. 4/2014 held on August 21, 2014, of AI Engineering Services Company Limited, passed a resolution to pay interim dividend from the operation for six-month periods ended from January 1 to June 30, 2014 to the shareholders of 20 million shares at Baht 1.00 per share, amount Baht 20 million. The dividend was paid on August 26, 2014.

The Board of Directors' Meeting No.1/2014 held on March 5, 2014 of AI Engineering Services Company Limited, passed a resolution to pay dividends from the operation for the year 2013 to the shareholders of 20 million shares at Baht 0.10 per share, amount Baht 2 million. The 2014 Annual General Shareholders' Meeting held on April 30, 2014, passed a resolution to pay such dividends. The dividend was paid to the shareholders on March 20, 2014.

The Ordinary General Shareholders' Meeting for 2013 held on April 10, 2013, passed a resolution to pay dividend for 2013 from the BOI business operating result of year 2012 to the shareholders of 500 million shares at Baht 0.45 per share, amount Baht 225 million, of which the interim dividend was duly paid on September 7, 2012 at Baht 0.10 per share, amount Baht 50 million, and to pay additional dividend to the shareholders at Baht 0.35 per share, amount Baht 175 million. The dividend was paid on May 9, 2013.

22. LEGAL RESERVE

Under the provisions of the Thai Public Company Limited Act B.E. 2535, the Company is required to appropriate at least 5% of its annual net income after deduction of the deficit brought forward (if any) as legal reserve until the reserve equal to 10% of authorized share capital. The reserve is not available for dividend distribution.

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.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

23. DEFERRED TAX

Movements in deferred tax assets and deferred tax liabilities during the years were as follows:

	Unit : Baht							
	Consolidated financial statements			Separate financial statements				
	As at January 1, 2014	Profit (loss)	Comprehensive income (loss)	As at December 31, 2014	As at January 1, 2014	Profit (loss)	Comprehensive income (loss)	As at December 31, 2014
Deferred tax assets								
Allowance for doubtful trade accounts receivable	814,483	(86,370)	-	728,113	-	-	-	-
Allowance for devaluation of inventories	-	24,052	-	24,052	-	-	-	-
Allowance for impairment of assets	-	386,998	-	386,998	-	-	-	-
Non-current provisions for employee benefits	6,937,861	(1,277,480)	-	5,660,381	5,004,198	(1,467,067)	-	3,537,131
Tax loss carries forward	1,915,950	(1,915,950)	-	-	-	-	-	-
Total	9,668,294	(2,868,750)	-	6,799,544	5,004,198	(1,467,067)	-	3,537,131
Deferred tax liability								
Unrealized gain on investments in Open-end Fund	(295,991)	(315,303)	-	(611,294)	(36,979)	12,107	-	(24,872)
Depreciation	-	(2,260,177)	-	(2,260,177)	-	-	-	-
Total	(295,991)	(2,575,480)	-	(2,871,471)	(36,979)	12,107	-	(24,872)
Deferred tax assets - net	9,372,303	(5,444,230)	-	3,928,073	4,967,219	(1,454,960)	-	3,512,259

.....Director
(Narong Tharetanavibool)

..... Director
(Thanit Tharetanavibool)

Unit : Baht

	Consolidated financial statements				Separate financial statements			
	Profit		Comprehensive income (loss)		Profit		Comprehensive income (loss)	
	As at January 1, 2013	(loss)	As at December 31, 2013	income (loss)	As at January 1, 2013	(loss)	As at December 31, 2013	income (loss)
Deferred tax assets								
Allowance for doubtful trade accounts receivable	750,576	63,907	814,483	-	-	-	-	-
Allowance for devaluation of inventories	1,718,802	(1,718,802)	-	-	-	-	-	-
Allowance for impairment of assets	3,302	(3,302)	-	-	3,302	(3,302)	-	-
Non-current provisions for employee benefits	5,587,007	945,894	6,937,861	404,960	4,237,160	550,974	216,064	5,004,198
Tax loss carries forward	37,870,850	(35,954,900)	1,915,950	-	-	-	-	-
Total	45,930,537	(36,667,203)	9,668,294	404,960	4,240,462	547,672	216,064	5,004,198
Deferred tax liability								
Unrealized gain on investments in Open-end Fund	(893,573)	597,582	(295,991)	-	(16,107)	(20,872)	-	(36,979)
Total	(893,573)	597,582	(295,991)	-	(16,107)	(20,872)	-	(36,979)
Deferred tax assets - net	45,036,964	(36,069,621)	9,372,303	404,960	4,224,355	526,800	216,064	4,967,219

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.....Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)

24. INCOME TAX EXPENSE

Income tax expense for the year ended December 31, 2014 and 2013 consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Current tax expense				
Current years	(47,295,919)	(156,051,294)	(3,203,773)	(154,627,551)
Deferred tax expense				
Movement in temporary differences	(5,444,230)	(36,069,621)	(1,454,960)	526,800
Total	<u>(52,740,149)</u>	<u>(192,120,915)</u>	<u>(4,658,733)</u>	<u>(154,100,751)</u>

Income tax reduction

Royal Decree No. 530 B.E.2554 dated December 14, 2011 grants a reduction in the corporate income tax rate from 30% to 20% on net profit for the accounting periods beginning on January 1, 2013 to December 31, 2014. According to the Royal Decree No. 577 B.E. 2557, dated November 10, 2014, the corporate income tax rate will continue at 20 % on net profit for the accounting periods beginning on January 1, 2015 to December 31, 2015.

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

25. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2014 and 2013 consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
(Increase) decrease in change of				
finished goods and work in progress	(53,898,743)	191,588,617	24,440,576	(29,861,110)
Raw materials and consumables used	4,246,519,131	3,460,366,542	317,666,135	342,666,534
Construction materials and subcontractors	219,181,213	32,272,760	-	-
Vessel operating expenses	23,178,566	20,123,060	-	-
Purchase of goods for sale	141,880,284	294,526,133	10,376,695	33,662,416
Employee benefit expenses	159,855,491	166,062,206	77,860,261	88,995,282
Depreciation and amortization expenses	142,214,782	131,484,204	69,735,324	69,050,901
Finance costs	24,404,595	60,286,761	2,636,075	18,879,801
(Reversal) Loss on diminution of inventories	120,260	(8,594,010)	-	-

26. FOREIGN CURRENCY TRANSACTIONS

As at December 31, 2014 and 2013 the Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies which are not covered by any hedging as follows:

(Unit : Thousand)

Particulars	Consolidated financial statements				Separate financial statements			
	2014		2013		2014		2013	
	Foreign Currency	Converted to Baht	Foreign Currency	Converted to Baht	Foreign Currency	Converted to Baht	Foreign Currency	Converted to Baht
Assets								
USD	361.01	12,186.65	150.42	4,915.48	2.27	74.62	8.86	289.52
Total		12,186.65		4,915.48		74.62		289.52
Liabilities								
USD	170.73	5,653.42	192.15	6,331.31	170.48	5,645.14	80.76	2,660.99
EUR	-	-	2.83	128.26	-	-	2.83	128.26
Total		5,653.42		6,459.57		5,645.14		2,789.25

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

27. PROMOTIONAL PRIVILEGES

By virtue of the Investment Promotion Act, B.E. 2520 (1977), the Company and three subsidiaries were granted promotional certificates as follows:

Companies	1. Promotional certificates Nos.	2. Effective dates	3. To promote investment in business of	4. Expiry dates according to items 5.1 and 5.2
Asian Insulators Plc.	1025/2541	January 24, 2001	Producing porcelain insulators	January 23, 2009
	1115(2)/2548	February 28, 2005	Producing finished hybrid clay	February 27, 2013
	1116(2)/2549	January 30, 2009	Producing porcelain insulators	January 29, 2017
	1478(2)/2553	June 12, 2012	Producing porcelain insulators	June 11, 2020
AI Energy Public Co., Ltd.	1922(1)/2553	October 1, 2013	Producing biodiesel	September 30, 2021
	2777(1)/2556	February 3, 2015	Producing biodiesel	February 2, 2023
AI Logistics Co., Ltd.	2029(2)/2549	June 27, 2006	Ship transportation	June 26, 2014
	1434(2)/2550	June 11, 2007	Ship transportation	June 10, 2015
AI Ports and Terminals Co., Ltd.	1373(2)/2552	July 1, 2009	Ports and terminals service	(*) July 30, 2017
	1374(2)/2552	August 7, 2009	Ports and terminals service	(*) August 5, 2017

5. Important privileges which are granted :

5.1 Exemption from corporate income tax on net profit of promotion operation for 8 years. Whereby the promotional certificates No. 1115(2)/2548, 1116(2)/2549, 1478(2)/2553, 2029(2)/2549, 1434(2)/2550, 1373(2)/2552 and 1374(2)/2552 have limited amount for corporate income tax exemption at maximum of Baht 11.01 million, Baht 75.18 million, Baht 495.91 million, Baht 66.26 million, Baht 107.00 million, Baht 303.49 million and Baht 200.00 million, respectively.

5.2 Exemption from income tax on dividend from promoted business which was exempted from corporate income tax as 5.1 throughout the promotional period of all promotional certificates.

5.3 Allowance for reduction the corporate income tax from promotional net profit at 50% of normal rate since the exemption is expired as 5.1 for 5 years especially for promotional certificate No. 1025/2541, 1922(1)/2553 and 2777(1)/2556.

5.4 Allowance for double deduction of annual expenses of public utilities (electricity, water supply and transportation), commencing from the generating revenues date for 10 years of promotional certificate No. 1025/2541, 1922(1)/2553 and 2777(1)/2556.

5.5 Allowance to deduct the annual loss incurred during the income tax exemption period as 5.1 from the net profit since the expiry dates within 5 years, by which can be deducted from net profit of any year or several years of all promotional certificates.

(*) AI Ports and Terminals Company Limited received a letter from the Board of Investment, dated April 3, 2015, to change the rights and benefits period from 8 years to 7 years due to the company's quality system had been certified but did not cover the operation for cargo vessels as promoted.

As a promoted industry, the Company and subsidiaries must strictly comply with certain terms and conditions stipulated in the promotional certificate.

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

The Company and subsidiaries have sales, vessel operating, port and terminal service revenues from local and overseas which are granted the promotional certificates for the years ended December 31, 2014 and 2013 as follows:

	Unit: Baht					
	Consolidated financial statements			Separate financial statements		
	Promoted Activities	Non-promoted Activities	Total	Promoted Activities	Non-promoted Activities	Total
For the year ended December 31, 2014						
Revenue from sales	677,416,077	4,406,141,474	5,083,557,551	677,416,077	16,896,353	694,312,430
Revenues from production contract	-	133,541,324	133,541,324	-	-	-
Revenue from construction contract	-	297,270,666	297,270,666	-	-	-
Vessel operating income	-	35,291,157	35,291,157	-	-	-
Revenue from port service	1,000,000	-	1,000,000	-	-	-
Other incomes	185,110	28,575,390	28,760,500	-	11,981,912	11,981,912
Dividend income	-	-	-	-	21,964,643	21,964,643
Total	678,601,187	4,900,820,011	5,579,421,198	677,416,077	50,842,908	728,258,985
For the year ended December 31, 2013						
Revenue from sales	1,196,181,021	3,638,409,038	4,834,590,059	738,096,882	45,346,860	783,443,742
Revenues from production contract	-	93,834,113	93,834,113	-	-	-
Revenue from construction contract	-	45,824,462	45,824,462	-	-	-
Vessel operating income	45,662,616	-	45,662,616	-	-	-
Gain on disposal of investment in subsidiaries	-	-	-	-	761,806,677	761,806,677
Other incomes	48,587	23,103,895	23,152,482	-	13,901,914	13,901,914
Total	1,241,892,224	3,801,171,508	5,043,063,732	738,096,882	821,055,451	1,559,152,333

.....Director
(Narong Tharatanavibool)

.....Director
(Thanit Tharatanavibool)

28. PROVIDENT FUND

The Company and subsidiaries have set up a provident fund for the employees under the Provident Fund Act, B.E. 2530 (1987), in order to be their welfare as well as security whenever resignation or retirement as defined by the Company's regulation, with partly contribute by its employees and another part by the Company at the rate 3 - 7 % on their salaries. The Company has also appointed Finansa Asset Management Company Limited to manage such fund.

The Company and subsidiaries' contributions for the employees provident fund and recorded as expenses in the statements of comprehensive income for the years ended December 31, 2014 and 2013 are as follows :

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Asian Insulators Public Company Limited	1,688,820	1,764,879	1,688,820	1,764,879
AI Engineering Services Company Limited	228,192	207,099	-	-
AI Energy Public Company Limited	1,091,357	185,944	-	-
AI Logistics Company Limited	9,282	15,357	-	-
Total	3,017,651	2,173,279	1,688,820	1,764,879

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.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

29. SEGMENTED INFORMATION

The segments information for the years ended December 31, 2014 and 2013 as follows:

Unit : Thousand Baht									
Consolidated financial statements									
For year ended December 31, 2014									
Group of AI Energy Public Company Limited									
	Sale of Porcelain insulators and component	Construction undertaking	Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Sale of ice cube	Vessel operating	Port services	Total	
Revenues from sales and services	696,965	297,271	4,355,144	133,541	31,449	35,291	1,000	5,550,661	
Cost of sales and services	(440,769)	(222,104)	(4,139,729)	(78,126)	(25,302)	(47,143)	(497)	(4,953,670)	
Gross profit (loss) by segment	256,196	75,167	215,415	55,415	6,147	(11,852)	503	596,991	
Other income								28,760	
Selling expenses								(62,040)	
Administrative expenses								(151,131)	
Finance costs								(27,818)	
Share of loss from investments in associate								(7,102)	
Tax expenses								(52,740)	
Profit for the year								324,920	
Equity holders of the parent								288,192	
Non-controlling interests								36,728	
Property, plant, vessel and equipment - net	652,787	65	850,804		21,585	62,415	443,109	2,030,765	

.....Director
(Narong Thareranavibool)

.....Director
(Thanit Thareranavibool)

Unit : Baht

Consolidated financial statements

For year ended December 31, 2013

Group of AI Energy Public Company Limited

	Sale of Porcelain insulators and component	Construction undertaking	Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Sale of ice cube	Vessel operating	Port services	Total
Revenues from sales and services	819,542	45,824	4,012,198	93,834	27,898	45,663	-	5,044,959
Cost of sales and services	(497,806)	(34,303)	(3,695,562)	(46,739)	(23,534)	(38,862)	-	(4,336,806)
Gross profit (loss) by segment	321,736	11,521	316,636	47,095	4,364	6,801	-	708,153
Other income								23,152
Selling expenses								(69,897)
Administrative expenses								(135,578)
Finance costs								(63,450)
Share of loss from investments in associate								(6,092)
Tax expenses								(192,121)
Profit for the year								264,167
Equity holders of the parent								259,680
Non-controlling interests								4,487
Property, plant, vessel and equipment - net	699,739	101	714,782		21,224	75,350	453,360	1,964,556

.....Director

(Narong Thareranavibool)

.....Director

(Thanit Thareranavibool)

30. COMMITMENT AND CONTINGENT LIABILITIES

Commitments and contingent liabilities as at December 31, 2014 and 2013 comprised:

30.1 The Group had contingent liabilities on bank guarantees in the amount of Baht 309.24 million in year 2014 and amount of Baht 285.23 million in year 2013 issued by banks on behalf of the Group with respect to certain performance bonds required in the normal course of business of the Group.

30.2 Group has contingent liabilities on capital commitments as follows:

	Unit : Million Baht			
	Contracted Balance			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Capital commitments				
Contracted but not provided for				
Machinery accessories and tools	8.17	48.32	3.19	0.35

30.3 AI Engineering Services Company Limited (“the subsidiary”) has outstanding commitments with major subcontractors and the purchase of construction equipment for construction work amount of Baht 1.27 million and Baht 178.22 million, respectively.

30.4 The Company is the guarantor for the repayment of loans from financial institutions for AI Engineering Services Company Limited (“the subsidiary”) amount of Baht 545 million.

In 2013, the Company had withdrawn the guarantee for AI Energy Public Company Limited (“the subsidiary”), AI Logistics Company Limited and AI Ports and Terminals Company Limited, totally Baht 3,025 million. Nevertheless, AI Energy Public Company Limited (“the subsidiary”) has jointly guaranteed all credit facilities.

30.5 The subsidiary received a letter from the Enforcement Department, Office of the Securities and Exchange Commission of Thailand (the SEC), dated January 20, 2016, requesting for the facts about the subsidiary predecessor auditor’s disclaimer of opinion in the subsidiary’s financial statements for the year 2014. The subsidiary’s former management provided a clarification of the facts to the SEC.

On June 20, 2017, the SEC has filed a criminal complaint against two former directors and executives of the subsidiary in case of the preparation of incorrect financial statements for the year 2014 (Before restated), as the subsidiary predecessor auditor had expressed the disclaimer of opinion, with the Department of Special Investigation (DSI) for further legal proceedings.

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

Consequently, the subsidiary's current management had investigated and prepared the new documentations to support the accounting transactions related to above matter of auditor disclaimed an opinion on the Company's financial statements in order to reflect the financial statements to be accordance with the financial reporting standards and had adjusted the consolidated financial statements for the year ended December 31, 2015 as shown in Note to Financial Statements No. 34.

31. DISCLOSURE OF FINANCIAL INSTRUMENTS

The Company and subsidiaries have information relating to financial instruments both in and off statements of financial position as follows:

31.1 Risk from breach of contracts

Due to the contracting party does not follow the requirement in the contract which caused damage to the Company and subsidiaries.

The credit risk with respect to the concentration of trade accounts receivable consists of

- Revenue of the Company and its subsidiaries resulting from sale, production contract, construction contract and vessel operation to few major customers but very high proportion.
- Revenue of the Company and subsidiaries resulting from sale and services to the small business customers has no concentration of credit risk, because they have a large number of customers.

For the financial assets shown in the statement of financial position, the book value of such assets is net from various provisions to be estimated fair value. Such provisions are assumed to be the highest value of risk incurred from breach of contracts.

31.2 Risk relating to interest rate of financial assets and liabilities

Risk from the fluctuation in interest rate may have negative effect to the Company and subsidiaries for the current and the following years. The Company expects that it can manage the contingent risk, due to the Company has set a plan and follow up the situation closely.

31.3 Risk from currency exchange rate

The Company and subsidiaries have risk from the fluctuation of foreign exchange rates, due to some debtors and creditors arisen from the trading in foreign currencies. The Company and subsidiaries will provide the forward exchange contract, in case of Baht currency is highly fluctuated and it is appropriate for the situation.

31.4 Fair value of financial instruments

The following methods and assumptions are used to estimate the fair value of the financial instruments.

- Financial assets shown at book value which are equal to the estimated fair value.
- Financial liabilities shown at book value which are equal to the estimated fair value. Loans carrying interest rates close to the market rate.

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

32. LITIGATION

AI Energy Public Company Limited (subsidiary) was sued by the Official Receiver of Phamola Company Limited for transferring back the trademark “Phamola” to the debtor’s assets and pays the compensation amount of Baht 3.75 million with an interest rate of 7.5% per annum. On June 8, 2016, the Supreme Court has ordered to dismiss the case.

33. CAPITAL MANAGEMENT

The management of the Group has the capital management policy to maintain a strong capital base by emphasis on planning and determining the operating strategies resulting in good business’s performance and sustained good cash flows management. In addition, the Group considers investing in projects which have good rate of return, appropriate working capital management, maintain a strong financial position and appropriate investment structure as to maintain sustained future operations of the business and to maintain shareholders, investors, creditors and others interest’s confidence.

34. CORRECTION OF ACCOUNTING ERROR AND RECLASSIFICATION OF ACCOUNTING TRANSACTIONS

The Company’s financial statement for the years ended December 31, 2014 and 2013 has been prepared and issued on March 24, 2015 and March 5, 2014, respectively. In 2016, the Company disclosed an accounting error in respect of the non-controlling interest. During the year 2017, The subsidiary’s current management had investigated and prepared the new documentations to support the accounting transactions related to the matter of auditor disclaimed an opinion on the subsidiary’s financial statements in order to reflect the financial statements to be accordance with the financial reporting standards and had adjusted the financial statements, therefore, the Company restated the consolidated financial statements for the years ended December 31, 2014 and 2013.

The Company has reclassified some accounting transactions in the financial statement for the year ended December 31, 2013 to conform to the current period presentation, of which no impact net income or shareholders' equity.

These effects for the financial statements for the years ended December 31, 2014 and 2013 are as follows:

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.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

Unit : Baht

	Consolidated financial statements				Separate financial statement				
	Before adjusted and before new reclassification	The first adjusted	The second adjusted	After adjusted and before new reclassification	Reclassification	After adjusted and after new reclassification	Before reclassification	Reclassification	After reclassification
Statement of financial position as at December 2014									
Current assets									
Trade and other receivables - net	569,434,824	82,473,490	-	651,908,314	(15,145,944)	636,762,370	136,610,609	675,177	137,285,786
Unbilled receivables	46,294	-	-	46,294	17,671,982	17,718,276	-	-	-
Inventories - net	580,705,079	(47,532,583)	9,869,422	543,041,918	588,100	543,630,018	108,897,222	-	108,897,222
Construction contracts in progress	588,100	-	-	588,100	(588,100)	-	-	-	-
Advance payment to subcontractors	76,680	-	-	76,680	(76,680)	-	-	-	-
Other current assets	2,449,358	-	-	2,449,358	(2,449,358)	-	163,770	(163,770)	-
Non-current assets									
Property, plant, vessel and equipment - net	2,031,313,012	(548,110)	-	2,030,764,902	-	2,030,764,902	652,787,291	-	652,787,291
Other non-current assets	17,055,411	-	-	17,055,411	-	17,055,411	823,299	(511,407)	311,892
Current liabilities									
Trade and other payables	(175,800,667)	(45,903,297)	-	(221,703,964)	(36,160,282)	(257,864,246)	(43,219,513)	(5,304,416)	(48,523,929)
Accrued interest	(489,142)	-	-	(489,142)	489,142	-	(156,027)	156,027	-
Retention payables	(650,315)	-	-	(650,315)	650,315	-	-	-	-
Income tax payable	(34,281,256)	(1,644,483)	(2,925,189)	(38,850,928)	-	(38,850,928)	(2,272,041)	-	(2,272,041)
Other current liabilities	(35,020,825)	-	-	(35,020,825)	35,020,825	-	(5,148,389)	5,148,389	-
Shareholders' equity									
Non-controlling interests	(923,607,087)	-	178,328,740	(745,278,347)	-	(745,278,347)	-	-	-
(Retained earnings) deficits increase (decrease)	640,054,469	13,154,983	(185,272,973)	467,936,479	-	467,936,479	(277,436,687)	-	(277,436,687)

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.....Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

Unit : Baht

	Consolidated financial statements				Separate financial statement			
	Before adjusted and before new reclassification	The first adjusted	The second adjusted	After adjusted and before new reclassification	Reclassification	Before reclassification	Reclassification	After reclassification
Statements of comprehensive income								
For the year ended December 31, 2014								
Revenues from sale of goods	5,083,181,178	55,745,130	405,140	5,139,331,448	(55,773,897)	750,086,327	(55,773,897)	694,312,430
Revenues from production contract	54,469,397	84,861,342	(5,789,415)	133,541,324	-	-	-	-
Other incomes	28,760,500	-	-	28,760,500	-	33,946,555	(21,964,643)	11,981,912
Dividend income	-	-	-	-	-	-	21,964,643	21,964,643
Cost of sales	(4,577,093,415)	(96,252,893)	18,545,412	(4,654,800,896)	49,000,938	(490,747,972)	49,000,938	(441,747,034)
Cost of production contract	(37,155,419)	(43,538,050)	2,567,269	(78,126,200)	-	-	-	-
Administrative expenses	(134,215,097)	(8,892,713)	(9,292,299)	(152,400,109)	1,269,559	(67,769,777)	3,699,559	(64,070,218)
Director's remuneration	(5,503,400)	-	-	(5,503,400)	5,503,400	(3,073,400)	3,073,400	-
Tax expense	(48,170,477)	(1,483,537)	(3,086,136)	(52,740,150)	-	(4,658,733)	-	(4,658,733)
Profit for the years decrease	331,130,957	(9,560,721)	3,349,971	324,920,207	-	208,080,020	-	208,080,020

.....Director

(Narong Thararatnavibool)

..... Director

(Thanit Thararatnavibool)

Unit : Baht

	Consolidated financial statements				Separate financial statements		
	Before adjusted and reclassification	The first adjusted	Reclassification	After adjusted and reclassification	Before reclassification	Reclassification	After reclassification
Statement of financial position as at December 2014							
Current assets							
Trade and other receivables - net	367,627,190	-	16,233,801	383,860,991	92,568,659	3,411,063	95,979,722
Unbilled receivables	16,900,201	-	(14,601,472)	2,298,729	-	-	-
Inventories - net	507,433,510	-	357,476	507,790,986	-	-	-
Construction contracts in progress	357,476	-	(357,476)	-	-	-	-
Advance payment to subcontractors	11,458,933	-	(11,458,933)	-	-	-	-
Other current assets	4,624,868	-	(4,624,868)	-	3,261,063	(3,261,063)	-
Non-current assets							
Other Non-current assets	29,922,289	-	(150,000)	29,772,289	477,592	(150,000)	327,592
Current liabilities							
Trade and other payables	(133,021,677)	-	(17,967,866)	(150,989,543)	(67,878,116)	(1,987,692)	(69,865,808)
Advance received from construction and deferred construction revenue	(31,030,585)	-	14,601,472	(16,429,113)	-	-	-
Retention payables	(1,514,843)	-	1,514,843	-	-	-	-
Income tax payable	(676,568)	-	676,568	-	(150,000)	150,000	-
Other current liabilities	(15,776,455)	-	15,776,455	-	(1,837,692)	1,837,692	-
Shareholders' equity							
Non-controlling interests	(884,404,550)	175,818,861	-	(708,585,689)	-	-	-
Retained earnings increase	(117,991,298)	(175,818,861)	-	(293,810,159)	(1,119,295,497)	-	(1,119,295,497)

.....Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

Unit : Baht

	Consolidated financial statements		Separate financial statements	
	Before reclassification	Reclassification	After reclassification	Before reclassification
				After reclassification
Revenues from sale of goods	4,859,637,987	(25,047,928)	4,834,590,059	808,491,670
Other incomes	-	-	-	775,708,591.00
Gain on disposal of investment in subsidiaries	-	-	-	-
Cost of sales	(4,216,901,813)	25,047,928	(4,191,853,885)	(498,449,753)
Administrative expenses	(130,710,177)	(4,868,100)	(135,578,277)	(69,559,370)
Director's remuneration	(4,868,100)	4,868,100	-	(2,983,200)

783,443,742
13,901,914.00
761,806,677
761,806,677
18,026,244
4,038,484
2,983,200

**Statements of comprehensive income
For the year ended December 31, 2013**

Revenues from sale of goods
Other incomes
Gain on disposal of investment in subsidiaries
Cost of sales
Administrative expenses
Director's remuneration

.....Director
(Narong Thararatnavibool)

..... Director
(Thanit Thararatnavibool)

35. CHANGE IN ACCOUNTING POLICY

In year 2013, the Company and subsidiaries have adopted accounting policy of deferred tax in accordance with Thai Accounting Standard No. 12: Income Taxes. To adopt this accounting policy, the Company and subsidiaries have to restate the financial statements, as if the Company and subsidiaries have recorded deferred tax assets or deferred tax liabilities by adjusted to the beginning retained earnings of the period in the year 2013, for the consolidated financial statements in the equity holders of the parent amount of Baht 52.88 million, the non-controlling interests amount of Baht 0.82 million, and for the separate financial statements in amount of Baht 4.22 million.

36. EVENTS AFTER THE REPORTING PERIOD

36.1 The 2015 Annual General Meeting of Shareholders held on April 21, 2015 of the Company, passed the resolutions as follows:

1. Approved to amendment in par value of ordinary shares from 1 Baht per share to 0.25 Baht per share. After the changing of par value, the Company has the ordinary shares of 2,000 million shares.
2. Approved to increase in registered share capital of the Company from Baht 500 million (2,000 million shares at Baht 0.25 par value) to be Baht 700 million (2,800 million shares at Baht 0.25 par value). The Company registered its increased share capital to accommodate the stock dividend with the Ministry of Commerce on April 29, 2015.

36.2 The 2015 Annual General Meeting of Shareholders held on April 21, 2015 of AI Energy Public Company Limited, passed the resolutions as follows:

1. Approved to amendment in par value of ordinary shares from 1 Baht per share to 0.25 Baht per share. After the changing of par value, the subsidiary has the ordinary shares of 4,520 million shares.
2. Approved to increase in registered share capital of AI Energy Public Company Limited from Baht 1,130 million (4,520 million shares at Baht 0.25 par value) to be Baht 1,356 million (5,424 million shares at Baht 0.25 par value). AI Energy Public Company Limited registered its increased share capital for allocate to support the warrant No. 1. (AIE-W1) with the Ministry of Commerce on July 6, 2015 as described in Note 36.3.

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

36.3 On April 21, 2015, the 2015 Annual General Meeting of the Company's shareholders passed a resolution to issue and allocate of stock warrant for rights to purchase ordinary shares of (AIE-W1) for the existing shareholders, not exceeding 904 million units (allocate 1 purchase ordinary share: 1 stock warrant unit) . Details of the issue are as follows:

Type	:	In named certificate form and transferable
Price per unit of warrant	:	Baht 0.00
Exercise ratio	:	1 warrant to 5 ordinary shares
Exercise price	:	Baht 0.25 per share
Exercise date	:	The first exercise date is December 30, 2016 and the last exercise date is May 7, 2018
Issuance date of warrants	:	May 8, 2015
Maturity of warrants	:	3 years from the issuance date.

36.4 The Company and the subsidiary had prepared and published the consolidated and separate financial statements for the year 2017, 2016 and 2015 which had been audited by the auditor according to the auditor's reports dated February 27, 2018, February 28, 2017 and March 29, 2016 respectively. The contents of the events after the reporting period, therefore, have been included in such financial statements.

37. FINANCIAL STATEMENTS APPROVAL

These financial statements have been approved by the Company's Board of Directors on April 26, 2018.

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)