

ASIAN INSULATORS PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL STATEMENTS**

JUNE 30, 2014

518/3 อาคารมณีชาเซ็นเตอร์ นอร์ท ชั้น 7
ถนนเพลินจิต แขวงลุมพินี
เขตปทุมวัน กรุงเทพฯ 10330
โทร./โทรสาร 0-2252-2860, 0-2255-2518
0-2254-1210, 0-2250-0634
0-2254-8386-7
โทรสาร อัดโนมัติ 0-2253-8730
อีเมล virach5183@yahoo.com
เว็บไซต์ http://www.vaaudit.com

V & A

บริษัท สำนักงาน ดร.วิรัช แอนด์ แอสโซซิเอทส์ จำกัด
DR.VIRACH & ASSOCIATES OFFICE CO., LTD.

CERTIFIED PUBLIC ACCOUNTANTS

518/3 Maneeya Center North Building, 7th Floor
Ploenchit Road, Lumpinee District
Khet Patumwan, Bangkok 10330
Tel./Fax 66 (0) 2252-2860, 2255-2518
2254-1210, 2250-0634
2254-8386-7
Auto Fax 66 (0) 2253-8730
Email virach5183@yahoo.com
Website http://www.vaaudit.com

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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

I have reviewed the accompanying consolidated statement of financial position of Asian Insulators Public Company Limited and subsidiaries as at June 30, 2014, the related consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2013, changes in shareholders' equity and cash flows for the six-month period ended June 30, 2014, and the condensed notes to the financial statements, and have also reviewed the separate financial statements of Asian Insulators Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34: Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Basis for qualified conclusion

According to Note 8 to the interim financial statements, the financial statements of the associated company, PPC Asian Insulators Company Limited, for the six-month period ended June 30, 2014, which are applied to record the investment for using the equity method for the interim consolidated financial statements are based on the financial information prepared by its management without reviewing from its auditor. The interim consolidated financial statements as at June 30, 2014, included the investments amount of Baht 20.92 million and share of loss of the associate for the three-month and six-month periods ended June 30, 2014, amount of Baht 0.14 million and Baht 3.47 million, respectively. And I was unable to apply the other reviewing procedures to satisfy in such transaction.

Qualified conclusion

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

C. Aunpitipongsa

(Mr. Chaiyakorn Aunpitipongsa)

Dr. Virach & Associates Office Co., Ltd.

Certified Public Accountant Registration No. 3196

Bangkok: August 14, 2014

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

ASSETS

THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		JUNE 30, 2014	DECEMBER 31, 2013	JUNE 30, 2014	DECEMBER 31, 2013
		UNAUDITED REVIEWED	AUDITED	UNAUDITED REVIEWED	AUDITED
Current Assets					
Cash and cash equivalents	5	197,492	197,837	76,250	117,984
Short-term investments	6	160,259	1,131,519	2,375	919,702
Trade and other receivables	7	560,170	367,627	174,180	92,569
Unbilled receivables		57,360	16,900	-	-
Inventories		1,022,990	507,434	95,246	136,848
Construction contract in progress		-	358	-	-
Oil supplies		4,783	4,821	-	-
Advance payment to subcontractors		2,561	11,459	-	-
Other current assets					
Refundable value added tax		6,941	1,951	-	1,576
Withholding tax		8,004	8,718	-	-
Others		1,808	2,674	159	1,685
Total other current assets		16,753	13,343	159	3,261
Non-current assets classified as held for sale					
		2,034	-	-	-
Total Current Assets		2,024,402	2,251,298	348,210	1,270,364
Non-current Assets					
Investments in associated company	8	20,920	24,393	26,400	26,400
Investments in subsidiaries	9	-	-	862,555	862,555
Other long-term investments					
Fixed deposits with obligation	10	2,000	2,000	-	-
Property, plant, vessel and equipment		2,020,567	1,964,556	675,401	699,739
Intangible assets		6,013	6,895	5,847	6,790
Deferred tax assets	16	4,948	9,372	2,976	4,967
Other non-current assets					
Deposit on assets		9,982	20,696	1,960	150
Others		552	508	322	328
Total other non-current assets		10,534	21,204	2,282	478
Total Non-current Assets		2,064,982	2,028,420	1,575,461	1,600,929
TOTAL ASSETS		4,089,384	4,279,718	1,923,671	2,871,293

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

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

LIABILITIES AND SHAREHOLDERS' EQUITY

		THOUSAND BAHT				
		CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS		
		As at	As at	As at	As at	
		JUNE 30, 2014	DECEMBER 31, 2013	JUNE 30, 2014	DECEMBER 31, 2013	
		UNAUDITED	AUDITED	UNAUDITED	AUDITED	
Notes		REVIEWED		REVIEWED		
Current Liabilities						
Bank overdrafts and short-term loans						
	from financial institutions	11	728,192	143,618	175,000	50,000
	Trade and other payables	12	304,615	133,022	54,638	67,878
	Current portion of long-term loans	13	22,080	32,343	-	-
	Advances received from construction		11,198	31,031	-	-
	Retention payables		2,251	1,515	-	-
	Accrued interest		1,693	677	881	150
	Accrued income tax		7,201	154,736	465	154,341
Other current liabilities						
	Undue value added tax		23,107	12,298	6,614	-
	Undue sale tax		5,396	-	-	-
	Others		1,098	3,478	429	1,838
	Total other current liabilities		29,601	15,776	7,043	1,838
Total Current Liabilities			1,106,831	512,718	238,027	274,207
Non-current Liabilities						
	Long-term loans from financial institutions	13	87,920	56,286	-	-
	Provision for long-term employee benefits		27,782	36,785	14,910	25,021
Total Non-current Liabilities			115,702	93,071	14,910	25,021
TOTAL LIABILITIES			1,222,533	605,789	252,937	299,228

bs

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

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)

		THOUSAND BAHT			
		CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		JUNE 30, 2014	DECEMBER 31, 2013	JUNE 30, 2014	DECEMBER 31, 2013
		UNAUDITED	AUDITED	UNAUDITED	AUDITED
Note		REVIEWED		REVIEWED	
	Shareholders' Equity				
	Share capital				
	Authorized share capital				
	500,000,000 common stocks of				
	Baht 1 par value	500,000	500,000	500,000	500,000
	Issued and paid-up share capital				
	500,000,000 common stocks at Baht 1 each	500,000	500,000	500,000	500,000
	Additional paid-in capital				
	Premium on common stocks	902,769	902,769	902,769	902,769
	Retained earnings (deficits)				
	Appropriated				
	Legal reserve	50,000	50,000	50,000	50,000
	Unappropriated	(744,649)	117,991	217,965	1,119,296
	Other components of shareholders' equity				
	Gain on disposal of investment				
	in subsidiary	9	861,443	861,443	-
	Difference on business combination under				
	common control	(3,259)	(3,259)	-	-
	Total Equity of the Parent	1,566,304	2,428,944	1,670,734	2,572,065
	Non-controlling interests	1,300,547	1,244,985	-	-
	Total Shareholders' Equity	2,866,851	3,673,929	1,670,734	2,572,065
	TOTAL LIABILITIES AND				
	SHAREHOLDERS' EQUITY	4,089,384	4,279,718	1,923,671	2,871,293

67

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

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2014

	Notes	THOUSAND BAHT			
		CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
REVENUES					
Sales		1,243,170	1,318,376	211,469	234,748
Revenues from production contract		18,041	32,774	-	-
Construction contract		131,521	15,343	-	-
Vessel operating income		9,188	8,039	-	-
Port service		1,000	-	-	-
Other incomes					
Interest income		473	542	202	749
Unrealized gain (loss) on investments in Open-end Fund		673	921	13	(46)
Gain on disposal of Open-end Fund		210	207	-	100
Rental and services income rendered to related parties		690	655	1,598	1,526
Others		5,341	4,780	1,553	81
Total other incomes		7,387	7,105	3,366	2,410
Total Revenues		1,410,307	1,381,637	214,835	237,158
EXPENSES					
Cost of sales		1,163,545	1,130,173	150,818	129,305
Cost of production contract		11,609	15,253	-	-
Cost of construction contract		110,317	9,982	-	-
Cost of vessel operating		16,366	7,541	-	-
Cost of port service		497	-	-	-
Selling expenses		16,453	22,135	1,131	2,634
Administrative expenses		31,106	40,295	17,298	17,646
Directors' remuneration	14	1,213	1,504	662	819
Loss on disposal of investment in subsidiaries	9	-	-	-	231,336
Finance costs		8,813	16,008	1,087	5,351
Total Expenses		1,359,919	1,242,891	170,996	387,091
Share of loss from investments in associate		(135)	(4,170)	-	-
Profit (loss) before income tax		50,253	134,576	43,839	(149,933)
Income tax revenues (expenses)	16	(7,294)	9,602	(489)	21,119
Profit (loss) for the periods		42,959	144,178	43,350	(128,814)

62

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

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2014

	THOUSAND BAHT EXCEPT EARNINGS (LOSS) PER SHARE PRESENTED IN BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Other comprehensive income for the periods	-	-	-	-
Total comprehensive income (loss) for the periods	42,959	144,178	43,350	(128,814)
Profit (Loss) Attributable to				
Equity holders of the parent	21,855	144,031	43,350	(128,814)
Non-controlling interests	21,104	147	-	-
	42,959	144,178	43,350	(128,814)
Earnings (Loss) per Share of the Parent (Baht)				
Basic Earnings (Loss) per Share	0.04	0.28	0.09	(0.26)
Issued and paid-up 500,000,000 common stocks				6

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

		THOUSAND BAHT				
		CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS		
Notes		2014	2013	2014	2013	
REVENUES						
	Sales	2,650,864	2,567,462	411,219	404,130	
	Revenues from production contract	31,225	55,000	-	-	
	Construction contract	242,468	28,924	-	-	
	Vessel operating income	20,726	22,067	-	-	
	Port service	1,000	-	-	-	
	Other incomes					
	Interest income	1,722	542	1,433	5,096	
	Dividend income	-	-	1,997	-	
	Unrealized gain on investments in Open-end Fund	1,467	2,066	28	34	
	Gain on disposal of Open-end Fund	3,273	233	2,645	100	
	Rental and services income rendered to related parties	21.1	1,343	1,297	3,194	3,050
	Others	9,117	6,538	1,898	904	
	Total other incomes	16,922	10,676	11,195	9,184	
	Total Revenues	2,963,205	2,684,129	422,414	413,314	
EXPENSES						
	Cost of sales	2,393,324	2,237,498	279,955	232,707	
	Cost of production contract	20,992	24,853	-	-	
	Cost of construction contract	203,326	20,930	-	-	
	Cost of vessel operating	25,549	18,023	-	-	
	Cost of port service	497	-	-	-	
	Selling expenses	30,941	39,572	3,290	4,928	
	Administrative expenses	63,807	64,790	34,845	36,703	
	Directors' remuneration	14	2,741	2,071	1,512	1,386
	Loss on disposal of investment in subsidiaries	9	-	-	-	231,336
	Finance costs	12,924	33,566	1,557	9,909	
	Total Expenses	15	2,754,101	2,441,303	321,159	516,969
	Share of loss from investments in associate	(3,473)	(6,481)	-	-	
	Profit (loss) before income tax	205,631	236,345	101,255	(103,655)	
	Income tax revenues (expenses)	16	(12,762)	(3,085)	(2,642)	20,631
	Profit (loss) for the periods	192,869	233,260	98,613	(83,024)	

6

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

	THOUSAND BAHT EXCEPT EARNINGS (LOSS) PER SHARE PRESENTED IN BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Other comprehensive income for the periods	-	-	-	-
Total comprehensive income (loss) for the periods	192,869	233,260	98,613	(83,024)
Profit (Loss) Attributable to				
Equity holders of the parent	137,304	232,213	98,613	(83,024)
Non-controlling interests	55,565	1,047	-	-
	192,869	233,260	98,613	(83,024)
Earnings (Loss) per Share of the Parent (Baht)				
Basic Earnings (Loss) per Share	0.27	0.46	0.20	(0.17)
Issued and paid-up 500,000,000 common stocks				6

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

CONSOLIDATED

	THOUSAND BAHT										
	Shareholders' equity of the parent										
	Issued and paid-up share capital	Premium on common stocks	Retained earnings (deficits)			Other components of equity			Total equity of the parent	Non-controlling interests	Total shareholders' equity
Legal reserve			Unappropriated	Gain on disposal of investment in subsidiaries	Gain on disposal of investment in subsidiaries	Difference on business combination under common control					
Year 2013											
Beginning balances as at January 1, 2013 - before restated	500,000	902,769	50,000	32,852	-	-	-	1,485,621	5,542	1,491,163	
Cumulative effect of the change in accounting policy				52,880	-	-	-	52,880	820	53,700	
Restated balances	500,000	902,769	50,000	85,732	-	-	-	1,538,501	6,362	1,544,863	
Increase in non-controlling interests											
- from share purchase from old shareholders				-	-	-	-	-	4,246	4,246	
- from change in investments ratio of subsidiaries				(4,503)	-	-	-	(4,503)	4,503	-	
Total comprehensive income (loss) for the period				232,213	-	-	-	232,213	1,047	233,260	
Dividend payment				(174,986)	-	-	-	(174,986)	-	(174,986)	
Difference on business combination under common control				-	-	-	(3,259)	(3,259)	-	(3,259)	
Ending balances as at June 30, 2013	500,000	902,769	50,000	138,456	-	-	(3,259)	1,587,966	16,158	1,604,124	
Year 2014											
Beginning balances as at January 1, 2014	500,000	902,769	50,000	117,991	861,443	-	(3,259)	2,428,944	1,244,985	3,673,929	
Decrease in non-controlling interests											
- subsidiary's dividends paid to non-controlling interests				-	-	-	-	-	(3)	(3)	
Total comprehensive income for the period				137,304	-	-	-	137,304	55,565	192,869	
Dividend payment				(999,944)	-	-	-	(999,944)	-	(999,944)	
Ending balances as at June 30, 2014	500,000	902,769	50,000	(744,649)	861,443	-	(3,259)	1,566,304	1,300,547	2,866,851	

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

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

SEPARATE FINANCIAL STATEMENTS

THOUSAND BAHT

	Notes	Issued and paid-up share capital	Premium on common stocks	Retained earnings		Other components of equity	Total shareholders' equity
				Legal reserve	Unappropriated		
<u>Year 2013</u>							
Beginning balances as at January 1, 2013 - before restated		500,000	902,769	50,000	461,106	-	1,913,875
Cumulative effect of the change in accounting policy	3				4,224		4,224
Restated balances		500,000	902,769	50,000	465,330	-	1,918,099
Total comprehensive loss for the period					(83,024)	-	(83,024)
Dividend payment	14				(174,986)	-	(174,986)
Ending balances as at June 30, 2013		500,000	902,769	50,000	207,320	-	1,660,089
<u>Year 2014</u>							
Beginning balances as at January 1, 2014		500,000	902,769	50,000	1,119,296	-	2,572,065
Total comprehensive income for the period					98,613	-	98,613
Dividend payment	14				(999,944)	-	(999,944)
Ending balances as at June 30, 2014		500,000	902,769	50,000	217,965	-	1,670,734

h

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (1/3)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
PROFIT (LOSS) BEFORE INCOME TAX EXPENSES	205,631	236,345	101,255	(103,655)
ADJUSTMENTS TO RECONCILE PROFIT (LOSS) BEFORE INCOME TAX EXPENSES TO NET CASH PROVIDED FROM (USED IN) OPERATION :				
Depreciation	68,744	62,652	33,696	33,745
Amortization of computer softwares	963	959	943	952
Gain on equipment disposal	(4)	(474)	(3)	(474)
Unrealized gain on investments in Open-end Fund	(1,467)	(2,066)	(28)	(34)
Doubtful debt	(79)	13	-	-
Bad debts	18	-	-	-
(Reverse) loss on diminution of inventories	68,246	(8,594)	-	-
Share of loss from investments in associate	3,473	6,481	-	-
Dividend income	-	-	(1,997)	-
Loss on disposal of investment in subsidiaries	-	-	-	231,336
Unrealized loss on exchange rates	104	401	1	75
(Reverse) long-term employee benefit expenses	1,145	4,172	(49)	2,458
Interest income	(1,722)	(542)	(1,433)	(5,096)
Interest expenses	10,800	32,225	1,011	9,470
Amortization of withholding tax	78	-	-	-
PROFIT FROM OPERATIONS BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES ITEMS	355,930	331,572	133,396	168,777
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Short-term investments	972,727	2,767	917,355	(100)
Trade and other receivables	(192,228)	(120,366)	(81,611)	(51,709)
Unbilled receivables	(40,460)	9,468	-	-
Inventories	(583,802)	389,654	41,602	(31,957)
Construction contract in progress	358	(88)	-	-
Oil supplies	38	(800)	-	-
Advance payment to subcontractors	8,898	(6,129)	-	-
Other current assets	(4,124)	(2,315)	3,102	(730)
Other non-current assets	(44)	4	6	-
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade and other payables	171,617	973	(13,105)	19,364
Unearned revenues from construction	(19,833)	9,641	-	-
Retention payables	736	155	-	-

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

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (2/3)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Other current liabilities	13,825	539	5,205	(1,006)
Provision for long-term employee benefits	(10,148)	-	(10,062)	-
CASH PROVIDED FROM OPERATING ACTIVITIES	673,490	615,075	995,888	102,639
Interest expenses paid	(9,784)	(33,099)	(280)	(9,109)
Income tax refunded	1,789	2,116	-	-
Income tax expenses paid	(157,026)	(7,298)	(154,527)	(5,668)
NET CASH PROVIDED FROM OPERATING ACTIVITIES	508,469	576,794	841,081	87,862
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease in short-term loans to related parties	-	-	-	374,000
Interest received	1,360	542	1,433	5,084
Proceeds from disposal of non-current assets classified as held for sale	-	2	-	2
Increase in fixed deposits with obligation	-	(2,008)	-	-
Dividend income from investments in subsidiary	-	-	1,997	-
Purchase of property, plant, vessel and equipment	(99,329)	(51,808)	(8,244)	(30,246)
Interest payment for equipment installation	-	(267)	-	(18)
Proceeds from disposal of equipment	17	475	10	475
Increase in intangible assets	(81)	-	-	-
Payment deposit on assets	(9,982)	(5,750)	(1,960)	-
Payment payable from purchase of equipment	(6,797)	(5,725)	(1,107)	(1,361)
NET CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES	(114,812)	(64,539)	(7,871)	347,936
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	584,574	(282,669)	125,000	155,000
Increase in long-term loans from financial institutions	110,000	-	-	-
Payment for long-term loans from financial institutions	(88,629)	(99,306)	-	(50,000)
Proceeds from disposal of investment in subsidiaries	-	-	-	431,814
Purchase of increase share capital in subsidiaries	-	-	-	(839,754)
Difference on business combination under common control	-	(3,259)	-	-
Dividend payment	(999,944)	(174,986)	(999,944)	(174,986)
Subsidiary dividend paid to non-controlling interests	(3)	-	-	-
Increase in non-controlling interests	-	4,246	-	-
NET CASH USED IN FINANCING ACTIVITIES	(394,002)	(555,974)	(874,944)	(477,926)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(345)	(43,719)	(41,734)	(42,128)
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	197,837	89,272	117,984	57,337
CASH AND CASH EQUIVALENTS AS AT JUNE 30,	197,492	45,553	76,250	15,209

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

b

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (3/3)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

THOUSAND BAHT

	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS				
Non-cash flows items consist of :				
Assets payable for plant and equipment	6,777	18,981	971	9,250
Transferred deposit to plant and equipment	20,696	5,605	150	3,700
Transferred machinery to non-current assets classified as held for sale	2,034	-	-	-
Increase in non-controlling interests from change in investments ratio of parent company in subsidiaries	-	4,503	-	-

b

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

JUNE 30, 2014

1. GENERAL INFORMATION

1.1 Company status	A juristic person established under Thai law and listed on the Stock Exchange of Thailand.
1.2 Company location	254 Serithai Road, Kwaeng Kannayao, Khet Kannayao, Bangkok.
Factory location	99 Moo 2, Asia Highway Road, Km. 70-71 Tambol Banmor, Amphur Promburi, Singburi Province.
1.3 Type of business	1. Producing and selling porcelain insulators and electrical equipment. 2. Invested in associate and subsidiary companies which operate business according to Notes 8 and 9 to the interim financial statements.

2. BASIS FOR PREPARATION OF INTERIM FINANCIAL STATEMENTS

2.1 These interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34: Interim Financial Reporting issued by the Federation of Accounting Professions and the Notification of the Office of the Securities and Exchange Commission. These interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2013.

2.2 The interim consolidated financial statements included the interim financial statements of Asian Insulators Public Company Limited and its subsidiaries and its equity in associate as follows :

COMPANIES	% HOLDING	
	JUNE 30, 2014	DECEMBER 31, 2013
<u>Associate</u>		
PPC Asian Insulators Company Limited	25.10	25.10
<u>Subsidiaries directly held by the Company</u>		
AI Engineering Services Company Limited	99.84	99.84
AI Energy Public Company Limited	59.59	59.59

COMPANIES	% HOLDING	
	JUNE 30, 2014	DECEMBER 31, 2013
<u>Subsidiaries held by AI Energy Public</u>		
<u>Company Limited</u>		
AI Logistics Company Limited	100.00	100.00
AI Ports and Terminals Company Limited	100.00	100.00

- 2.3 Inter-company balances and significant transactions between the Company and the subsidiaries have been eliminated from the consolidation.
- 2.4 The interim financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- 2.5 These interim financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.
- 2.6 Accounting standards that became effective in the current accounting period

The Company and subsidiaries disclosed the accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations that are effective for fiscal years beginning on or after January 1, 2014, in the notes to financial statements for the year ended December 31, 2013. In addition, during the current period, the Federation of Accounting Professions has issued TAS 36 (revised 2012) Impairment of Assets that is also effective for fiscal years beginning on or after January 1, 2014.

Management of group companies has assessed the effects of the above accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations, and believes that they do not have a significant impact.

3. 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.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies and methods of computation used in these interim financial statements are consistent with those applied in the financial statements for the year ended December 31, 2013.

5. CASH AND CASH EQUIVALENTS

PARTICULARS	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Cash	431	336	145	145
Savings account	193,085	194,609	75,575	117,024
Current account	1,439	867	530	815
Fixed deposit	2,537	2,025	-	-
Total cash and cash equivalents	197,492	197,837	76,250	117,984

6. SHORT-TERM INVESTMENTS

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Investments in Open-end Fund-Debt securities	158,742	1,129,989	2,347	919,517
<u>Add</u> Allowance for adjustment	1,467	1,480	28	185
Investments in Open-end Fund - fair value	160,209	1,131,469	2,375	919,702
Fixed deposit	50	50	-	-
Total short-term investments	160,259	1,131,519	2,375	919,702

Investments in Open-end Fund are trading securities. The unrealized gain from difference between fair value and cost is shown as allowance for investment adjustment in Open-end Fund. Gains on investments in Open-end Fund incurred during the period were duly presented in the statements of comprehensive income.

7. TRADE AND OTHER RECEIVABLES

THOUSAND BAHT

PARTICULARS	CONSOLIDATED					
	June 30, 2014			December 31, 2013		
	State enterprises	Others	Total	State enterprises	Others	Total
Note receivables	-	6,683	6,683	-	-	-
Trade accounts receivable						
- Current	181,478	276,622	458,100	36,755	245,801	282,556
- Overdue within 3 months	1,245	55,330	56,575	2,540	62,701	65,241
- Over 3 to 6 months	341	20	361	261	-	261
- Over 6 to 12 months	434	584	1,018	-	-	-
- Over 12 months	-	3,687	3,687	296	3,766	4,062
Total trade accounts receivable	183,498	342,926	526,424	39,852	312,268	352,120
<u>Less</u> Allowance for doubtful accounts	-	(3,687)	(3,687)	-	(3,766)	(3,766)
Total	183,498	339,239	522,737	39,852	308,502	348,354
Retention receivables	20,201	-	20,201	-	-	-
Trade accounts receivable - net	203,699	339,239	542,938	39,852	308,502	348,354
Other receivables	-	17,538	17,538	-	19,579	19,579
<u>Less</u> Allowance for doubtful accounts	-	(306)	(306)	-	(306)	(306)
Other receivable - net	-	17,232	17,232	-	19,273	19,273
Total trade and other receivables - net	203,699	356,471	560,170	39,852	327,775	367,627

THOUSAND BAHT

PARTICULARS	SEPARATE FINANCIAL STATEMENTS					
	June 30, 2014			December 31, 2013		
	State enterprises	Others	Total	State enterprises	Others	Total
Trade accounts receivable						
- Current	108,656	28,414	137,070	36,755	17,219	53,974
- Overdue within 3 months	1,245	26,380	27,625	2,540	24,761	27,301
- Over 3 to 6 months	341	-	341	261	-	261
- Over 6 to 12 months	434	-	434	-	-	-
- Over 12 months	-	-	-	296	-	296
Total trade accounts receivable	110,676	54,794	165,470	39,852	41,980	81,832
Other receivables	-	8,710	8,710	-	10,737	10,737
Total trade and other receivables	110,676	63,504	174,180	39,852	52,717	92,569

8. INVESTMENTS IN ASSOCIATE

THOUSAND BAHT

ASSOCIATE	% HOLDING		CONSOLIDATED BY EQUITY METHOD		SEPARATE FINANCIAL STATEMENTS BY COST METHOD	
	Jun. 30, 14	Dec. 31, 13	Jun. 30, 14	Dec. 31, 13	Jun. 30, 14	Dec. 31, 13
PPC Asian Insulators Company Limited	25.10	25.10	20,920	24,393	66,000	66,000
<u>Less</u> Provision for diminution in investment			-	-	(39,600)	(39,600)
Investment in Associate - net			20,920	24,393	26,400	26,400

THOUSAND BAHT

ASSOCIATE	NATURE OF BUSINESS	PAID-UP SHARE CAPITAL		DIVIDEND FOR THE SIX-MONTH PERIODS ENDED	
		Jun. 30, 14	Dec. 31, 13	Jun. 30, 14	Jun. 30, 13
PPC Asian Insulators Company Limited	Producing and distributing electronics insulators	263,000	263,000	-	-

The financial statements of PPC Asian Insulators Company Limited for the six-month periods ended June 30, 2014 and 2013, applied for recording the investments for using the equity method in the interim consolidated financial statements are based on the information prepared by its management without reviewing from the auditor. Due to it is not necessary for such associate's management to use those reviewed interim financial statements.

9. INVESTMENTS IN SUBSIDIARIES

THOUSAND BAHT

SUBSIDIARIES	% HOLDING		SEPARATE FINANCIAL STATEMENTS	
	Jun. 30, 14	Dec. 31, 13	Jun. 30, 14	Dec. 31, 13
AI Engineering Services Company Limited	99.84	99.84	197,000	197,000
AI Energy Public Company Limited	59.59	59.59	665,555	665,555
Total Investments in Subsidiaries			862,555	862,555

THOUSAND BAHT

SUBSIDIARIES	NATURE OF BUSINESS	PAID-UP SHARE CAPITAL		DIVIDEND FOR THE SIX-MONTH PERIODS ENDED	
		Jun. 30, 14	Dec. 31, 13	Jun. 30, 14	Jun. 30, 13
AI Engineering Services Company Limited	Undertake construction and install electrical transmission power sub-station and trading electrical equipment	200,000	200,000	1,997	-
AI Energy Public Company Limited	Producing and distributing biodiesel, vegetable oil and other fuel oil	1,130,000	1,130,000	-	-
AI Logistics Company Limited (Subsidiary of AI Energy Public Company Limited)	Local and overseas logistics for passenger, merchandise, parcel and other materials	209,000	209,000	-	-
AI Ports and Terminals Company Limited (Subsidiary of AI Energy Public Company Limited)	Producing and distributing ice, servicing port and trading electrical equipment vegetable oil and other fuel oil	460,000	460,000	-	-

In April 2013, the swap shares by sale common stocks of AI Logistics Company Limited and AI Ports and Terminals Company Limited to AI Energy Company Limited. The Company has recognized loss on disposal of investment in subsidiaries in the statement of comprehensive income for the separate financial statements amount of Baht 231.34 million.

In May 2013, AI Energy Company Limited has transformed from Company Limited to Public Company Limited and has changed the par value from initial Baht 10 to be Baht 1 par value. And increase the authorized share capital of 170,000,000 shares to be authorized share capital 1,130,000,000 shares at Baht 1 par value.

After restructuring, AI Energy Public Company Limited has listed its shares on Market for Alternative Investment (mai) with Initial Public Offering of 445,000,000 shares with the price Baht 4.75 per share consist of :

1. Pre-emptive right of the Company's shareholders to subscribe for shares of AI Energy Public Company Limited amount 275,000,000 shares, offering of shares on December 21-22, 2013.
2. Newly issued common stock of AI Energy Public Company Limited amount 170,000,000 shares, offering of shares on December 23-24, 2013.

The Company has proceeded from sale shares of AI Energy Public Company Limited, net of the cost of distribution on December 25, 2013, amount of Baht 1,264.96 million. The Company recognized gain on disposal of investment in subsidiary to shareholders of the parent for the consolidated financial statements amount of Baht 861.44 million and recognized in the statement of comprehensive income for the separate financial statements amount of Baht 993.15 million.

As at December 31, 2013, the Company has investment in AI Energy Public Company Limited total 673,354,060 shares to be 59.59% in shareholding proportion.

10. FIXED DEPOSITS WITH OBLIGATION

The subsidiary has pledged fixed deposit at bank as collateral for the issuance of bank guarantee for the work retention.

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

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Bank overdrafts	192	3,618	-	-
Short-term loans from financial institutions	728,000	140,000	175,000	50,000
Total	728,192	143,618	175,000	50,000

12. TRADE AND OTHER PAYABLES

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Trade accounts payable	256,461	84,862	39,499	37,186
Assets payable	8,843	8,863	3,037	3,173
Advance received from customers	14,001	1,906	1,798	1,119
Accrued expenses	25,310	37,391	10,304	26,400
Total trade and other payables	304,615	133,022	54,638	67,878

13. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS AND CURRENT PORTION

CREDIT LINE	REPAYMENT CONDITIONS	PRINCIPAL BALANCES (THOUSAND BAHT)	
		Jun. 30, 14	Dec. 31, 13
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 rate 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
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 rate at MLR per annum. - Interest rate swap contracts to be fixed rate at 7.64% per annum from February 2012 until February 2015.	-	18,519
Baht 110 million started on June 30, 2014 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.	110,000	-

CREDIT LINE	REPAYMENT CONDITIONS	PRINCIPAL BALANCES (THOUSAND BAHT)	
		Jun. 30, 14	Dec. 31, 13
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 annum from February 2012 until February 2015.	-	6,854
Baht 56 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
Long-term loans from financial institutions	Consolidated	110,000	88,629
Less Current portion of long-term loans		(22,080)	(32,343)
Long-term loans from financial institutions-net	Consolidated	87,920	56,286

During quarter 2/2014, AI Energy Public Company Limited and AI Ports and Terminals Company Limited have made repayment the principal before due date of contract, and have to pay the fee of prepayment and the different of interest rate according to interest rate swap contracts.

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

- Will not create any obligation to the machinery and equipment in the port and terminal (Negative Pledge).
- 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.
- Will maintain the ratio of debt to equity not exceeding 2 : 1 including loan from director as part of capital.
- Will maintain the debt coverage ratio at minimum ratio of 1.25 : 1

Long-term loans of subsidiary have collateral by mortgaging land with structure and port and terminal of AI Ports and Terminals Company Limited, and jointly guaranteed by AI Energy Public Company Limited.

Long-term loans due within one year were shown under current liabilities.

14. DIVIDEND PAYMENT AND DIRECTORS' REMUNERATION

On March 26, 2014, the Ordinary General Shareholders' Meeting for 2014 of the Company was held and approved a resolution to pay dividend for 2014 from the BOI business operating result of year 2013 and special dividend to the shareholders of 500 million shares at Baht 2.00 per share, amount Baht 1 billion, of which the interim dividend was duly paid on March 17, 2014. The Meeting also approved to pay the directors' remuneration for 2014 at the maximum of Baht 3.50 million.

On March 24, 2014, the Ordinary General Shareholders' Meeting for 2014 of AI Energy Public Company Limited was held and has resolution to change the directors' remuneration for 2014 to the maximum of Baht 2.50 million.

On April 10, 2013, the Ordinary General Shareholders' Meeting for 2013 of the Company was held and approved 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. The Meeting also approved to pay the directors' remuneration for 2013 at the maximum of Baht 2.80 million.

On April 9, 2013, the Ordinary General Shareholders' Meeting for 2013 of AI Energy Public Company Limited was held and has approved to pay the directors' remuneration for 2013 at the maximum of Baht 1.54 million. Later on May 2, 2013, the Extraordinary General Shareholders' Meeting No. 1/2013 was held and has resolution to change the directors' remuneration for 2013 to the maximum of Baht 2.20 million, which has been approved by the Ordinary General Shareholders' Meeting on April 9, 2013.

15. EXPENSES BY NATURE

FOR THE SIX-MONTH PERIODS ENDED JUNE 30,	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
(Increase) decrease in change of finished goods and work in progress	(40,012)	124,576	33,062	(23,917)
Raw materials and consumables used	1,912,248	1,853,593	168,757	162,449
Construction materials and subcontractors	201,564	20,469	-	-
Vessel operating expenses	12,740	9,592	-	-
Purchase of goods for sale	322,189	123,408	8,921	17,031
Director and management benefit expenses	18,027	12,444	10,657	9,013
Employee benefit expenses	78,391	84,447	38,380	47,214
Depreciation and amortization expenses	69,707	63,611	34,639	34,697
Finance costs	12,924	33,566	1,557	9,909
Loss on disposal of investment in subsidiaries	-	-	-	231,336
(Reverse) loss on diminution in inventory value	68,246	(8,594)	-	-
Other expenses	98,077	124,191	25,186	29,237
Total expenses	2,754,101	2,441,303	321,159	516,969

16. INCOME TAX

Corporate income taxes of the Company and subsidiaries for the three-month and six-month periods ended June 30, 2014 and 2013 were calculated from the accounting profit (loss), adjusted with other revenues and some expenses which are exempted from income tax or being disallowable expenses in tax computation purposes and the adjusted net loss brought forward under Revenue Code not exceeding 5 accounting years prior to the current year.

The non-BOI business, the income tax computation of the Company and subsidiaries were calculated at the rate of 20 per cent for years 2014 and 2013.

The BOI business, the income tax computation was calculated according to the promotional privileges which are granted (see also Note 18).

Income tax expenses (revenues) recognized in income statement consist:

THOUSAND BAHT

FOR PERIODS ENDED JUNE 30,	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
<u>For the three-month periods</u>				
The corporate income tax for the periods	4,041	(489)	184	(842)
Amortisation of temporary differences assets/liabilities on temporary differences	3,253	(9,113)	305	(20,277)
Income tax expenses (revenues)	7,294	(9,602)	489	(21,119)
<u>For the six-month periods</u>				
The corporate income tax for the periods	8,338	887	651	-
Amortisation of temporary differences assets/liabilities on temporary differences	4,424	2,198	1,991	(20,631)
Income tax expenses (revenues)	12,762	3,085	2,642	(20,631)

As at June 30, 2014 and December 31, 2013, the deferred tax assets/liabilities arose from the following temporary differences:

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	Jun. 30, 14	Dec. 31, 13	Jun. 30, 14	Dec. 31, 13
Accumulated temporary differences in the statements of income				
Unrealized gain on investments in Open-end Fund	(1,467)	(1,480)	(28)	(185)
Allowance for doubtful trade accounts receivable	3,993	4,072	-	-
Calculate depreciation difference from tax rate	(9,974)	-	-	-
Provision for long-term employee benefits	25,480	32,665	14,910	23,941
Tax deficits	6,707	9,580	-	-
Total	24,739	44,837	14,882	23,756
Temporary differences in the retained earnings				
Provision for long-term employee benefits	-	2,025	-	1,080
Total	24,739	46,862	14,882	24,836
Deferred tax assets calculated from tax rate of 20%	4,948	9,372	2,976	4,967

17. FOREIGN CURRENCY TRANSACTIONS

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				SEPARATE FINANCIAL STATEMENTS			
	June 30, 2014		December 31, 2013		June 30, 2014		December 31, 2013	
	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht
<u>Assets</u>								
USD	259.14	8,373.22	150.42	4,915.48	11.80	381.27	8.86	289.52
<u>Liabilities</u>								
- Portion due within one year								
USD	233.85	7,628.53	192.15	6,331.31	11.46	373.58	80.76	2,660.99
EUR	2.92	130.14	2.83	128.26	2.92	130.14	2.83	128.26
Total		7,758.67		6,459.57		503.72		2,789.25

18. 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
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	June 30, 2017
	1374(2)/2552	August 7, 2009	Ports and terminals service	August 6, 2017
<p>5. Important privileges which are granted :</p> <p>5.1 Exemption from corporate income tax on net profit of promotional operation for 8 years. Whereby the promotional certificates No. 1115(2)/2548, 1116(2)/2549, 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 66.26 million, Baht 107.00 million, Baht 303.49 million and Baht 200.00 million, respectively.</p> <p>5.2 Exemption from income tax on dividend from promoted business which was exempted from corporate income tax as 5.1 through out the promotional period of all promotional certificates.</p> <p>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 and 1922(1)/2553.</p> <p>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 and 1922(1)/2553.</p> <p>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.</p>				

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

19. FINANCIAL INFORMATION BY SEGMENT

The information by segment is as follows :

THOUSAND BAHT

CONSOLIDATED	FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014							Total
	GROUP OF AI ENERGY PUBLIC COMPANY LIMITED							
	Sale of electrical equipment	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	
Revenues from sales and services	413,430	242,468	2,222,392	31,225	15,042	20,726	1,000	2,946,283
Cost of sales and services	(278,977)	(203,326)	(2,101,876)	(20,992)	(12,471)	(25,549)	(497)	(2,643,688)
Gross profit (loss) by segment	134,453	39,142	120,516	10,233	2,571	(4,823)	503	302,595
Non-allocation expenses								(97,489)
Profit from operation								205,106
Other income								16,922
Finance costs								(12,924)
Share of loss from investments in associate								(3,473)
Income tax expenses								(12,762)
Profit for the period								192,869
Profit attributable to								
Equity holders of the parent								137,304
Non-controlling interests								55,565
Property, plant, vessel and equipment-net	675,401	81	802,888		20,997	70,783	450,417	2,020,567

CONSOLIDATED	FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2013							Total
	GROUP OF AI ENERGY PUBLIC COMPANY LIMITED							
	Sale of electrical equipment	Construction undertaking	Sale of biodiesel and vegetable oil and by product	Production contract of biodiesel	Sale of ice cube	Vessel operating	Port services	
Revenues from sales and services	409,400	28,924	2,144,752	55,000	13,310	22,067	-	2,673,453
Cost of sales and services	(232,582)	(20,930)	(1,992,858)	(24,853)	(12,058)	(18,023)	-	(2,301,304)
Gross profit by segment	176,818	7,994	151,894	30,147	1,252	4,044	-	372,149
Non-allocation expenses								(106,433)
Profit from operation								265,716
Other income								10,676
Finance costs								(33,566)
Share of loss from investments in associate								(6,481)
Income tax expenses								(3,085)
Profit for the period								233,260
Profit attributable to								
Equity holders of the parent								232,213
Non-controlling interests								1,047
Property, plant, vessel and equipment-net	725,254	199	647,348		20,378	81,144	460,744	1,935,067

20. COMMITMENT AND CONTINGENT LIABILITIES

The Company and subsidiaries have commitment and contingent liabilities as follows:

MILLION BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Letters of guarantee issued by commercial banks	181.09	285.23	88.87	125.94

The subsidiaries have mortgaged land, plant, port and terminals with structure to commercial banks as commitment.

The Company is the guarantor of debt payment for loans from financial institutions for AI Engineering Services Company Limited amount of Baht 545 million.

21. TRANSACTIONS WITH RELATED PARTIES

The Company has certain accounting transactions with related parties under the following relationship:

RELATED PARTIES	RELATIONSHIP
1. Associate	
PPC Asian Insulators Company Limited	See also Note 8
2. Subsidiaries	
AI Engineering Services Company Limited	See also Note 9
AI Energy Public Company Limited	See also Note 9
AI Logistics Company Limited	See also Note 9
AI Ports and Terminals Company Limited	See also Note 9
3. Related companies	
Samart Palm Company Limited	Director is relative of the directors of the Company
Samart Palm Oil Company Limited	Director is relative of the directors of the Company

The significant transactions with related parties are as follows:

21.1 Sales and services rendered, other income and expenses with related parties for the six-month periods ended June 30,

THOUSAND BAHT

RELATED TRANSACTION IN STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	June 30, 2014	June 30, 2013	June 30, 2014	June 30, 2013
Sales of products and raw materials				
PPC Asian Insulators Co., Ltd.	2,327	1,562	2,307	1,562
AI Engineering Services Co., Ltd.	-	-	10,228	-
AI Energy Public Co., Ltd.	-	-	-	7,400
AI Ports and Terminals Co., Ltd.	-	-	1,480	11,729
Sales of hybrid clay				
PPC Asian Insulators Co., Ltd.	110,647	69,600	110,647	69,600
Dividend income				
AI Engineering Services Co., Ltd.	-	-	1,997	-
Other income - rental				
PPC Asian Insulators Co., Ltd.	619	619	619	619
AI Engineering Services Co., Ltd.	-	-	228	228
AI Logistics Co., Ltd.	-	-	51	50
Other income - services				
PPC Asian Insulators Co., Ltd.	724	678	724	678
AI Engineering Services Co., Ltd.	-	-	400	378
AI Energy Public Co., Ltd.	-	-	630	557
AI Logistics Co., Ltd.	-	-	245	237
AI Ports and Terminals Co., Ltd.	-	-	297	303
Other income - interest income				
AI Energy Public Co., Ltd.	-	-	-	1,741
AI Logistics Co., Ltd.	-	-	-	598
AI Ports and Terminals Co., Ltd.	-	-	-	2,458
Purchases of scrap clay				
PPC Asian Insulators Co., Ltd.	68,973	36,837	68,973	36,837
Purchase of goods, raw materials and consumed supply				
PPC Asian Insulators Co., Ltd.	1	1	1	1
AI Energy Public Co., Ltd.	-	-	1	20
Samart Palm Co., Ltd.	11,824	10,417	-	-
Samart Palm Oil Co., Ltd.	12,813	8,746	-	-

The inter-transactions are in accordance with general normal trading conditions or the mutual agreement.

Sale of hybrid clay and repurchase of scrap clay with PPC Asian Insulators Company Limited are under the mutual agreement as the Company has to repurchase the scrap clay under the agreed price and condition.

21.2 Balances of receivable, payable and accrued income from sales, purchase and service rendered to related parties

THOUSAND BAHT

RELATED TRANSACTIONS IN STATEMENT OF FINANCIAL POSITION	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	June 30, 2014	December 31, 2013	June 30, 2014	December 31, 2013
Trade accounts receivable				
PPC Asian Insulators Co., Ltd.	45,941	35,923	45,919	35,923
AI Engineering Services Co., Ltd.	-	-	-	1,980
AI Ports and Terminals Co., Ltd.	-	-	1,584	-
Other receivable				
PPC Asian Insulators Co., Ltd.	6,252	8,233	6,252	8,233
AI Engineering Services Co., Ltd.	-	-	31	12
AI Energy Public Co., Ltd.	-	-	-	105
AI Logistics Co., Ltd.	-	-	3	2
AI Ports and Terminals Co., Ltd.	-	-	-	1
Electrical system installation and supervising construction of factory				
AI Engineering Services Co., Ltd.	-	-	-	5,978
Trade accounts payable				
PPC Asian Insulators Co., Ltd.	28,140	24,654	28,140	24,654
Samart Palm Co., Ltd.	997	359	-	-
Samart Palm Oil Co., Ltd.	1,009	391	-	-
Other payable				
AI Energy Public Co., Ltd.	-	-	-	24

22. LITIGATION

AI Energy Public Company Limited (subsidiary) was sued by the Official Receiver of Phamola Company Limited for transferring back the trademark "Pamola" to the debtor's assets and pays the compensation amount of Baht 3.75 million with an interest rate of 7.50% per annum. On August 9, 2012, the Central Bankruptcy Court has ordered to dismiss the case. At present, the case is under consideration of the Supreme Court.

The management of subsidiary is confident that no significant losses will be incurred as a result therefore no provision for possible liabilities has been made in the financial statements.

23. FINANCIAL STATEMENTS APPROVAL

These interim financial statements are duly approved by the Company's directors on August 14, 2014.