

ASIAN INSULATORS PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL STATEMENTS**

SEPTEMBER 30, 2014

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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 September 30, 2014, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended September 30, 2014, changes in shareholders' equity and cash flows for the nine-month period ended September 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

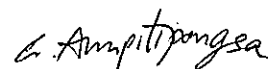
Except as mentioned in the next paragraph, I conducted my review in accordance with the Thai Standard on Review Engagements 2410: Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial statements consists of making inquiries, primarily 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 nine-month period ended September 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 September 30, 2014, included the investments amount of Baht 22.12 million and share of profit (loss) of the associate for the three-month and nine-month periods ended September 30, 2014, amount of Baht 1.20 million and Baht (2.28) 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.



(Mr. Chaikorn Aunpitipongsa)

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
		SEPTEMBER 30, 2014	DECEMBER 31, 2013	SEPTEMBER 30, 2014	DECEMBER 31, 2013
		UNAUDITED REVIEWED	AUDITED	UNAUDITED REVIEWED	AUDITED
Current Assets					
Cash and cash equivalents	5	283,647	197,837	75,593	117,984
Short-term investments	6	214,152	1,131,519	2,416	919,702
Trade and other receivables	7	412,881	367,627	117,222	92,569
Unbilled receivables		8,639	16,900	-	-
Inventories		826,738	507,434	92,943	136,848
Construction contract in progress		-	358	-	-
Oil supplies		2,428	4,821	-	-
Advance payment to subcontractors		1,117	11,459	-	-
Other current assets					
Refundable value added tax		324	1,951	-	1,576
Withholding tax		7,440	8,718	-	-
Others		1,044	2,674	166	1,685
Total other current assets		8,808	13,343	166	3,261
Non-current assets classified as held for sale					
		2,034	-	-	-
Total Current Assets		1,760,444	2,251,298	288,340	1,270,364
Non-current Assets					
Investments in associated company	8	22,117	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		2,017,665	1,964,556	664,540	699,739
Intangible assets		5,526	6,895	5,370	6,790
Deferred tax assets	16	5,754	9,372	3,101	4,967
Other non-current assets					
Deposit on assets		12,949	20,696	489	150
Others		530	508	319	328
Total other non-current assets		13,479	21,204	808	478
Total Non-current Assets		2,066,541	2,028,420	1,562,774	1,600,929
TOTAL ASSETS		3,826,985	4,279,718	1,851,114	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

	Notes	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		SEPTEMBER 30, 2014	DECEMBER 31, 2013	SEPTEMBER 30, 2014	DECEMBER 31, 2013
		UNAUDITED REVIEWED	AUDITED	UNAUDITED REVIEWED	AUDITED
Current Liabilities					
Bank overdrafts and short-term loans					
from financial institutions	11	658,235	143,618	105,000	50,000
Trade and other payables	12	165,469	133,022	47,609	67,878
Current portion of long-term loans	13	22,080	32,343	-	-
Advances received from construction		4,972	31,031	-	-
Retention payables		1,352	1,515	-	-
Accrued interest		976	677	437	150
Accrued income tax		6,791	154,736	141	154,341
Other current liabilities					
Undue value added tax		21,334	12,298	2,968	-
Undue sale tax		1,680	-	-	-
Others		924	3,478	406	1,838
Total other current liabilities		23,938	15,776	3,374	1,838
Total Current Liabilities		883,813	512,718	156,561	274,207
Non-current Liabilities					
Long-term loans from financial institutions	13	82,400	56,286	-	-
Provision for long-term employee benefits		28,254	36,785	15,543	25,021
Total Non-current Liabilities		110,654	93,071	15,543	25,021
TOTAL LIABILITIES		994,467	605,789	172,104	299,228

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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

	Note	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		SEPTEMBER 30, 2014	DECEMBER 31, 2013	SEPTEMBER 30, 2014	DECEMBER 31, 2013
		UNAUDITED REVIEWED	AUDITED	UNAUDITED REVIEWED	AUDITED
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		(776,417)	117,991	226,241	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		1,534,536	2,428,944	1,679,010	2,572,065
Non-controlling interests		1,297,982	1,244,985	-	-
Total Shareholders' Equity		2,832,518	3,673,929	1,679,010	2,572,065
TOTAL LIABILITIES AND					
SHAREHOLDERS' EQUITY		3,826,985	4,279,718	1,851,114	2,871,293

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

	Notes	THOUSAND BAHT			
		CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
REVENUES					
Sales		1,150,393	1,050,389	164,429	261,326
Revenues from production contract		12,474	28,436	-	-
Construction contract		36,021	12,565	-	-
Vessel operating income		6,125	10,173	-	-
Other incomes					
Interest income		126	-	98	103
Dividend income		-	-	19,967	-
Unrealized gain on investments in Open-end Fund		527	1,096	10	19
Gain on disposal of Open-end Fund		328	41	31	-
Rental and services income rendered to related parties		674	661	1,517	1,525
Others		5,074	4,655	304	462
Total other incomes		6,729	6,453	21,927	2,109
Total Revenues		1,211,742	1,108,016	186,356	263,435
EXPENSES					
Cost of sales		1,102,888	867,980	108,340	157,334
Cost of production contract		7,978	14,819	-	-
Cost of construction contract		11,707	9,626	-	-
Cost of vessel operating		13,663	7,286	-	-
Selling expenses		14,989	10,796	1,274	2,040
Administrative expenses		32,502	34,477	16,126	16,608
Directors' remuneration	14	1,451	1,396	850	718
Finance costs		8,440	16,226	1,338	5,385
Total Expenses		1,193,618	962,606	127,928	182,085
Share of profit (loss) from investments in associate		1,197	(1,455)	-	-
Profit before income tax		19,321	143,955	58,428	81,350
Income tax revenues (expenses)	16	(3,626)	12,195	(157)	23,344
Profit for the periods		15,695	156,150	58,271	104,694

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

	THOUSAND BAHT EXCEPT EARNINGS PER SHARE PRESENTED IN BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Other comprehensive income for the periods	-	-	-	-
Total comprehensive income for the periods	15,695	156,150	58,271	104,694
Profit (Loss) Attributable to				
Equity holders of the parent	18,227	155,525	58,271	104,694
Non-controlling interests	(2,532)	625	-	-
	15,695	156,150	58,271	104,694
Earnings per Share of the Parent (Baht)				
Basic Earnings per Share	0.04	0.31	0.11	0.21
Issued and paid-up 500,000,000 common stocks				6

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

THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
REVENUES					
Sales		3,801,257	3,617,851	575,648	665,456
Revenues from production contract		43,699	83,436	-	-
Construction contract		278,489	41,489	-	-
Vessel operating income		26,851	32,240	-	-
Port service		1,000	-	-	-
Other incomes					
Interest income		1,848	542	1,531	5,199
Dividend income	9	-	-	21,964	-
Unrealized gain on investments in Open-end Fund		1,994	3,162	38	53
Gain on disposal of Open-end Fund		3,601	274	2,676	100
Rental and services income rendered to related parties	21.1	2,017	1,958	4,711	4,575
Others		14,191	11,193	2,202	1,366
Total other incomes		23,651	17,129	33,122	11,293
Total Revenues		4,174,947	3,792,145	608,770	676,749
EXPENSES					
Cost of sales		3,496,212	3,105,478	388,295	390,041
Cost of production contract		28,970	39,672	-	-
Cost of construction contract		215,033	30,556	-	-
Cost of vessel operating		39,212	25,309	-	-
Cost of port service		497	-	-	-
Selling expenses		45,930	50,368	4,564	6,968
Administrative expenses		96,309	99,267	50,971	53,311
Directors' remuneration	14	4,192	3,467	2,362	2,104
Loss on disposal of investment in subsidiaries	9	-	-	-	231,336
Finance costs		21,364	49,792	2,895	15,294
Total Expenses	15	3,947,719	3,403,909	449,087	699,054
Share of loss from investments in associate		(2,276)	(7,936)	-	-
Profit (loss) before income tax		224,952	380,300	159,683	(22,305)
Income tax revenues (expenses)	16	(16,388)	9,110	(2,799)	43,975
Profit for the periods		208,564	389,410	156,884	21,670

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

	THOUSAND BAHT EXCEPT EARNINGS PER SHARE PRESENTED IN BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Other comprehensive income for the periods	-	-	-	-
Total comprehensive income for the periods	208,564	389,410	156,884	21,670
Profit Attributable to				
Equity holders of the parent	155,531	387,738	156,884	21,670
Non-controlling interests	53,033	1,672	-	-
	208,564	389,410	156,884	21,670
Earnings per Share of the Parent (Baht)				
Basic Earnings per Share	0.31	0.77	0.31	0.04
Issued and paid-up 500,000,000 common stocks				4

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

CONSOLIDATED

	THOUSAND BAHT																				
	Shareholders' equity of the parent					Other components of equity					Total shareholders' equity										
	Issued and paid-up share capital	Premium on common stocks	Retained earnings (deficits)	Gain on disposal of investment in subsidiaries	Unappropriated legal reserve	Unappropriated legal reserve	Gain on disposal of investment in subsidiaries	Difference on business combination under common control	Total equity of the parent	Non-controlling interests											
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	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
- from change in investments ratio of subsidiaries																					4,503
Total comprehensive income for the period																					1,672
Dividend payment																					(174,986)
Difference on business combination under common control																					(3,259)
Ending balances as at September 30, 2013	500,000	902,769	50,000	-	293,981	-	-	-	-	-	-	-	(3,259)	1,743,491	16,783	-	-	-	-	1,760,274	
Year 2014																					
Beginning balances as at January 1, 2014	500,000	902,769	50,000	861,443	117,991	-	-	-	-	-	-	-	-	2,428,944	1,244,985	-	-	-	-	3,673,929	
Decrease in non-controlling interests																					(36)
- subsidiary's dividends paid to non-controlling interests																					53,033
Total comprehensive income for the period																					208,564
Dividend payment																					(1,049,939)
Ending balances as at September 30, 2014	500,000	902,769	50,000	861,443	(76,417)	-	-	-	-	-	-	-	(3,259)	1,534,536	1,297,982	-	-	-	-	2,832,518	

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 NINE-MONTH PERIOD ENDED SEPTEMBER 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 income for the period					21,670	-	21,670
Dividend payment	14				(174,986)	-	(174,986)
Ending balances as at September 30, 2013		500,000	902,769	50,000	312,014	-	1,764,783
<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					156,884	-	156,884
Dividend payment	14				(1,049,939)	-	(1,049,939)
Ending balances as at September 30, 2014		500,000	902,769	50,000	226,241	-	1,679,010

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

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (1/3)

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014

THOUSAND BAHT

	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
PROFIT (LOSS) BEFORE INCOME TAX EXPENSES	224,952	380,300	159,683	(22,305)
ADJUSTMENTS TO RECONCILE PROFIT (LOSS) BEFORE INCOME TAX EXPENSES TO NET CASH PROVIDED FROM (USED IN) OPERATION :				
Depreciation	103,782	96,948	50,708	51,684
Amortization of computer softwares	1,450	1,447	1,420	1,436
Gain on equipment disposal	(61)	(685)	(100)	(645)
Unrealized gain on investments in Open-end Fund	(1,994)	(3,162)	(38)	(53)
(Reverse) doubtful debt	(79)	13	-	-
Bad debts	18	-	-	-
(Reverse) loss on diminution of inventories	104,003	(3,663)	-	-
Share of loss from investments in associate	2,276	7,936	-	-
Dividend income	-	-	(21,964)	-
Loss on disposal of investment in subsidiaries	-	-	-	231,336
Unrealized (gain) loss on exchange rates	36	(3)	(2)	6
Long-term employee benefit expenses	2,386	5,470	584	3,146
Interest income	(1,848)	(542)	(1,531)	(5,199)
Interest expenses	18,551	47,114	2,038	14,645
Amortization of withholding tax	78	-	-	-
PROFIT FROM OPERATIONS BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES ITEMS	453,550	531,173	190,798	274,051
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Short-term investments	919,361	(14,324)	917,324	(100)
Trade and other receivables	(45,237)	(34,937)	(24,646)	(24,163)
Unbilled receivables	8,261	9,484	-	-
Inventories	(423,307)	284,321	43,905	(19,644)
Construction contract in progress	358	(228)	-	-
Oil supplies	2,393	444	-	-
Advance payment to subcontractors	10,342	(7,087)	-	-
Other current assets	3,257	93	3,095	(228)
Other non-current assets	(22)	(26)	9	-
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade and other payables	31,878	88,622	(20,231)	695
Unearned revenues from construction	(26,059)	25,931	-	-
Retention payables	(163)	153	-	(2,491)

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 NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2014

THOUSAND BAHT

	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
Other current liabilities	8,162	7,418	1,536	1,694
Provision for long-term employee benefits	(10,917)	-	(10,062)	-
CASH PROVIDED FROM OPERATING ACTIVITIES	931,857	891,037	1,101,728	229,814
Interest expenses paid	(18,252)	(48,023)	(1,751)	(14,492)
Income tax refunded	3,106	2,116	-	-
Income tax expenses paid	(162,621)	(8,676)	(155,133)	(5,724)
NET CASH PROVIDED FROM OPERATING ACTIVITIES	754,090	836,454	944,844	209,598
CASH FLOWS FROM INVESTING ACTIVITIES				
Decrease in short-term loans to related parties	-	-	-	394,000
Interest received	1,861	542	1,531	5,199
Proceeds from disposal of non-current assets classified as held for sale	-	2	-	2
Increase in fixed deposits with obligation	-	(2,000)	-	-
Dividend income from investments in subsidiary	-	-	21,964	-
Purchase of property, plant, vessel and equipment	(130,901)	(103,801)	(14,322)	(31,887)
Interest payment for equipment installation	-	(267)	-	(18)
Proceeds from disposal of equipment	95	798	128	657
Increase in intangible assets	(81)	-	-	-
Payment deposit on assets	(12,949)	(10,161)	(489)	-
Payment payable from purchase of equipment	(6,798)	(5,725)	(1,108)	(1,361)
NET CASH PROVIDED FROM (USED IN) INVESTING ACTIVITIES	(148,773)	(120,612)	7,704	366,592
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	514,617	(317,998)	55,000	105,000
Increase in long-term loans from financial institutions	110,000	-	-	-
Payment for long-term loans from financial institutions	(94,149)	(132,184)	-	(75,000)
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	(1,049,939)	(174,986)	(1,049,939)	(174,986)
Subsidiary dividend paid to non-controlling interests	(36)	-	-	-
Increase in non-controlling interests	-	4,246	-	-
NET CASH USED IN FINANCING ACTIVITIES	(519,507)	(624,181)	(994,939)	(552,926)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	85,810	91,661	(42,391)	23,264
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	197,837	89,272	117,984	57,337
CASH AND CASH EQUIVALENTS AS AT SEPTEMBER 30,	283,647	180,933	75,593	80,601

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

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS (3/3)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 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	7,362	5,538	1,065	3,877
Transferred deposit to plant and equipment	20,696	13,165	150	11,260
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	-	-

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ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

SEPTEMBER 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	
	SEPTEMBER 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	
	SEPTEMBER 30, 2014	DECEMBER 31, 2013
<u>Subsidiaries held by AI Energy Public 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

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30,	December 31,	September 30,	December 31,
	2014	2013	2014	2013
Cash	638	336	125	145
Savings account	277,744	194,609	74,926	117,024
Current account	2,720	867	542	815
Fixed deposit	2,545	2,025	-	-
Total cash and cash equivalents	283,647	197,837	75,593	117,984

6. SHORT-TERM INVESTMENTS

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30,	December 31,	September 30,	December 31,
	2014	2013	2014	2013
Investments in Open-end Fund-Debt securities	212,069	1,129,989	2,378	919,517
<u>Add</u> Allowance for adjustment	1,994	1,480	38	185
Investments in Open-end Fund - fair value	214,063	1,131,469	2,416	919,702
Fixed deposit	89	50	-	-
Total short-term investments	214,152	1,131,519	2,416	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					
	September 30, 2014			December 31, 2013		
	State enterprises	Others	Total	State enterprises	Others	Total
Note receivables	-	7,119	7,119	-	-	-
Trade accounts receivable						
- Current	72,964	237,411	310,375	36,755	245,801	282,556
- Overdue within 3 months	11,781	52,361	64,142	2,540	62,701	65,241
- Over 3 to 6 months	-	-	-	261	-	261
- Over 6 to 12 months	-	532	532	-	-	-
- Over 12 months	-	3,687	3,687	296	3,766	4,062
Total trade accounts receivable	84,745	301,110	385,855	39,852	312,268	352,120
<u>Less</u> Allowance for doubtful accounts	-	(3,687)	(3,687)	-	(3,766)	(3,766)
Total	84,745	297,423	382,168	39,852	308,502	348,354
Retention receivables	15,275	-	15,275	-	-	-
Trade accounts receivable - net	100,020	297,423	397,443	39,852	308,502	348,354
Other receivables	-	15,744	15,744	-	19,579	19,579
<u>Less</u> Allowance for doubtful accounts	-	(306)	(306)	-	(306)	(306)
Other receivable - net	-	15,438	15,438	-	19,273	19,273
Total trade and other receivables - net	100,020	312,861	412,881	39,852	327,775	367,627

THOUSAND BAHT

PARTICULARS	SEPARATE FINANCIAL STATEMENTS					
	September 30, 2014			December 31, 2013		
	State enterprises	Others	Total	State enterprises	Others	Total
Trade accounts receivable						
- Current	53,812	26,572	80,384	36,755	17,219	53,974
- Overdue within 3 months	9,894	20,449	30,343	2,540	24,761	27,301
- Over 3 to 6 months	-	-	-	261	-	261
- Over 12 months	-	-	-	296	-	296
Total trade accounts receivable	63,706	47,021	110,727	39,852	41,980	81,832
Other receivables	-	6,495	6,495	-	10,737	10,737
Total trade and other receivables	63,706	53,516	117,222	39,852	52,717	92,569

8. INVESTMENTS IN ASSOCIATE

THOUSAND BAHT

ASSOCIATE	% HOLDING		CONSOLIDATED BY EQUITY METHOD		SEPARATE FINANCIAL STATEMENTS BY COST METHOD	
	Sep. 30, 14	Dec. 31, 13	Sep. 30, 14	Dec. 31, 13	Sep. 30, 14	Dec. 31, 13
	PPC Asian Insulators Company Limited	25.10	25.10	22,117	24,393	66,000
<u>Less</u> Provision for diminution in investment			-	-	(39,600)	(39,600)
Investment in Associate - net			22,117	24,393	26,400	26,400

THOUSAND BAHT

ASSOCIATE	NATURE OF BUSINESS	PAID-UP SHARE CAPITAL		DIVIDEND FOR THE NINE-MONTH PERIODS ENDED	
		Sep. 30, 14	Dec. 31, 13	Sep. 30, 14	Sep. 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 nine-month periods ended September 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	
	Sep. 30, 14	Dec. 31, 13	Sep. 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 NINE-MONTH PERIODS ENDED	
		Sep. 30, 14	Dec. 31, 13	Sep. 30, 14	Sep. 30, 13
AI Engineering Services Company Limited	Undertake construction and install electrical transmission power sub-station and trading electrical equipment	200,000	200,000	21,964	-
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 selling 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 selling shares of AI Energy Public Company Limited, net of the cost of public offering on December 25, 2013, amount of Baht 1,264.96 million. The Company recognized gain on disposal of investment in subsidiary to equity 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	
	September 30,	December 31,	September 30,	December 31,
	2014	2013	2014	2013
Bank overdrafts	3,235	3,618	-	-
Short-term loans from financial institutions	655,000	140,000	105,000	50,000
Total	658,235	143,618	105,000	50,000

12. TRADE AND OTHER PAYABLES

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Trade accounts payable	115,509	84,862	30,795	37,186
Assets payable	9,427	8,863	3,130	3,173
Advance received from customers	10,623	1,906	1,022	1,119
Accrued expenses	29,910	37,391	12,662	26,400
Total trade and other payables	165,469	133,022	47,609	67,878

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

CREDIT LINE	REPAYMENT CONDITIONS	PRINCIPAL BALANCES (THOUSAND BAHT)	
		Sep. 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.	104,480	-

CREDIT LINE	REPAYMENT CONDITIONS	PRINCIPAL BALANCES (THOUSAND BAHT)	
		Sep. 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	104,480	88,629
<u>Less</u> Current portion of long-term loans		(22,080)	(32,343)
Long-term loans from financial institutions-net	Consolidated	82,400	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 ports and terminals 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 August 18, 2014, the Board of Directors' Meeting No. 5/2014 was held and had 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.

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 interim special dividend to the shareholders of 500 million shares at Baht 2.00 per share, amount Baht 1 billion, of which the interim special 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 NINE-MONTH PERIODS ENDED SEPTEMBER 30,	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
(Increase) decrease in change of				
finished goods and work in progress	(55,819)	95,933	29,373	(14,600)
Raw materials and consumables used	3,122,370	2,664,935	244,325	259,243
Construction materials and subcontractors	212,677	29,550	-	-
Vessel operating expenses	19,692	12,360	-	-
Purchase of goods for sale	140,847	135,715	10,163	29,082
Director and management benefit expenses	27,351	19,218	16,079	13,568
Employee benefit expenses	117,239	120,093	57,895	69,399
Depreciation and amortization expenses	105,232	98,395	52,128	53,120
Finance costs	21,364	49,792	2,895	15,294
Loss on disposal of investment in subsidiaries	-	-	-	231,336
(Reverse) loss on diminution in				
inventory value *	104,003	(3,663)	-	-
Other expenses	132,763	181,581	36,229	42,612
Total expenses	3,947,719	3,403,909	449,087	699,054

*(Reverse) loss on diminution in inventory value has been occurred from the subsidiaries recognized the lower of cost over net realizable value of crude palm oil (see also Note 21.1).

16. INCOME TAX

Corporate income taxes of the Company and subsidiaries for the three-month and nine-month periods ended September 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 percent 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:

FOR PERIODS ENDED SEPTEMBER 30,	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
<u>For the three-month periods</u>				
The corporate income tax for the periods	4,432	66	282	-
Amortisation of temporary differences assets/liabilities on temporary differences	(806)	(12,261)	(125)	(23,344)
Income tax expenses (revenues)	3,626	(12,195)	157	(23,344)
<u>For the nine-month periods</u>				
The corporate income tax for the periods	12,770	953	933	-
Amortisation of temporary differences assets/liabilities on temporary differences	3,618	(10,063)	1,866	(43,975)
Income tax expenses (revenues)	16,388	(9,110)	2,799	(43,975)

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

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	Sep. 30, 14	Dec. 31, 13	Sep. 30, 14	Dec. 31, 13
Accumulated temporary differences in the statements of income				
Unrealized gain on investments in Open-end Fund	(1,994)	(1,480)	(38)	(185)
Allowance for doubtful trade accounts receivable	3,993	4,072	-	-
Provision for diminution in inventories	819	-	-	-
Calculate depreciation difference from tax rate	(10,701)	-	-	-
Provision for long-term employee benefits	25,849	32,665	15,543	23,941
Tax deficits	10,802	9,580	-	-
Total	28,768	44,837	15,505	23,756
Temporary differences in the retained earnings				
Provision for long-term employee benefits	-	2,025	-	1,080
Total	28,768	46,862	15,505	24,836
Deferred tax assets calculated from tax rate of 20%	5,754	9,372	3,101	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			
	September 30, 2014		December 31, 2013		September 30, 2014		December 31, 2013	
	Foreign currency	Converted to Baht	Foreign currencies	Converted to Baht	Foreign currency	Converted to Baht	Foreign currencies	Converted to Baht
Assets								
USD	230.62	7,432.86	150.42	4,915.48	32.32	1,041.58	8.86	289.52
Liabilities								
- Portion due within one year								
USD	61.34	1,994.50	192.15	6,331.31	9.46	307.73	80.76	2,660.99
SGD	-	-	2.83	128.26	-	-	2.83	128.26
Total		1,994.50		6,459.57		307.73		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
	2777(1)/2556	Not yet implemented	Producing biodiesel	-
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, 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.</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, 1922(1)/2553 and 2777(1)/2556.</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. 1025/254, 1922(1)/2553 and 2777(1)/2556.</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 :

CONSOLIDATED	FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 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	578,300	278,489	3,199,730	43,699	23,227	26,851	1,000	4,151,296
Cost of sales and services	(387,317)	(215,033)	(3,089,766)	(28,970)	(19,129)	(39,212)	(497)	(3,779,924)
Gross profit (loss) by segment	190,983	63,456	109,964	14,729	4,098	(12,361)	503	371,372
Non-allocation expenses								(146,431)
Profit from operation								224,941
Other income								23,651
Finance costs								(21,364)
Share of loss from investments in associate								(2,276)
Income tax expenses								(16,388)
Profit for the period								208,564
Profit attributable to Equity holders of the parent								155,531
Non-controlling interests								53,033
Property, plant, vessel and equipment-net	664,540	72	817,505	67,250	21,622	446,676		2,017,665

THOUSAND BAHT

CONSOLIDATED		FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 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	674,856	41,489	2,922,929	83,436	20,066	32,240	-	3,775,016	
Cost of sales and services	(389,397)	(30,556)	(2,698,379)	(39,672)	(17,702)	(25,309)	-	(3,201,015)	
Gross profit by segment	285,459	10,933	224,550	43,764	2,364	6,931	-	574,001	
Non-allocation expenses								(153,102)	
Profit from operation								420,899	
Other income								17,129	
Finance costs								(49,792)	
Share of loss from investments in associate								(7,936)	
Income tax revenues								9,110	
Profit for the period								389,410	
Profit attributable to									
Equity holders of the parent								387,738	
Non-controlling interests								1,672	
Property, plant, vessel and equipment-net	711,651	80	679,993		20,934	76,847	457,264	1,946,769	

20. COMMITMENT AND CONTINGENT LIABILITIES

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

MILLION BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Letters of guarantee issued by commercial banks	285.73	285.23	83.62	125.94

The subsidiaries have mortgaged land, plant, ports 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 nine-month periods ended September 30,

THOUSAND BAHT

RELATED TRANSACTION IN STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013
Sales of products and raw materials				
PPC Asian Insulators Co., Ltd.	3,378	2,713	3,358	2,713
AI Engineering Services Co., Ltd.	-	-	10,228	-
AI Energy Public Co., Ltd.	-	-	-	7,400
AI Ports and Terminals Co., Ltd.	-	-	2,960	26,159
Sales of hybrid clay				
PPC Asian Insulators Co., Ltd.	159,589	123,896	159,589	123,896
Dividend income				
AI Engineering Services Co., Ltd.	-	-	21,964	-
Other income - rental				
PPC Asian Insulators Co., Ltd.	929	929	929	929
AI Engineering Services Co., Ltd.	-	-	342	342
AI Logistics Co., Ltd.	-	-	76	76
Other income - services				
PPC Asian Insulators Co., Ltd.	1,088	1,029	1,088	1,029
AI Engineering Services Co., Ltd.	-	-	597	561
AI Energy Public Co., Ltd.	-	-	894	834
AI Logistics Co., Ltd.	-	-	360	349
AI Ports and Terminals Co., Ltd.	-	-	425	455
Other income - interest income				
AI Energy Public Co., Ltd.	-	-	-	1,844
AI Logistics Co., Ltd.	-	-	-	598
AI Ports and Terminals Co., Ltd.	-	-	-	2,458
Purchases of scrap clay				
PPC Asian Insulators Co., Ltd.	99,951	67,955	99,951	67,955
Purchase of goods, raw materials and consumed supply				
PPC Asian Insulators Co., Ltd.	20	1	20	1
AI Energy Public Co., Ltd.	-	-	1	22
Samart Palm Co., Ltd.	15,142	17,860	-	-
Samart Palm Oil Co., Ltd.	16,811	16,187	-	-

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.

The consolidated financial statements included trading of crude palm oil between its subsidiaries as follows :

AI Energy Public Company Limited had sold crude palm oil-grade A at average cost on the purchasing date and crude palm oil-grade B at average cost plus to AI Ports and Terminals Company Limited, and appointed AI Ports and Terminals Company Limited to manage these crude palm oil for the Company.

Later on AI Energy Public Company Limited has made contract of purchase agreement with AI Ports and Terminals Company Limited in term of average cost price of crude palm oil plus Baht 0.16 per kilogram.

As at September 30, 2014, AI Ports and Terminals Company Limited has cost of crude palm oil amount of Baht 525.46 million, which is higher than net realizable value amount of Baht 103.18 million, and had recognized loss on diminution in inventory value in consolidated financial statements for the nine-month period ended September 30, 2014 (See also Note 15).

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

RELATED TRANSACTIONS IN STATEMENT OF FINANCIAL POSITION	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Trade accounts receivable				
PPC Asian Insulators Co., Ltd.	35,624	35,923	35,624	35,923
AI Engineering Services Co., Ltd.	-	-	-	1,980
Other receivable				
PPC Asian Insulators Co., Ltd.	3,524	8,233	3,524	8,233
AI Engineering Services Co., Ltd.	-	-	13	12
AI Energy Public Co., Ltd.	-	-	-	105
AI Logistics Co., Ltd.	-	-	3	2
AI Ports and Terminals Co., Ltd.	-	-	-	1

THOUSAND BAHT

RELATED TRANSACTIONS IN STATEMENT OF FINANCIAL POSITION	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	September 30, 2014	December 31, 2013	September 30, 2014	December 31, 2013
Electrical system installation and supervising construction of factory				
AI Engineering Services Co., Ltd.	-	-	-	5,978
Trade accounts payable				
PPC Asian Insulators Co., Ltd.	22,087	24,654	22,087	24,654
Samart Palm Co., Ltd.	1,379	359	-	-
Samart Palm Oil Co., Ltd.	2,086	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 November 10, 2014.