

INTERIM FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT ON REVIEW  
OF INTERIM FINANCIAL INFORMATION

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
FOR THE SECOND QUARTER ENDED JUNE 30, 2015

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## **Independent Auditor's Report on Review of Interim Financial Information**

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

I have reviewed the consolidated and separate statements of financial position as at September 30, 2015, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and nine-month period ended September 30, 2015, consolidated and separate statements of changes in shareholders' equity, consolidated and separate statements of cash flows for the nine-month period ended September 30, 2015, and the condensed notes to the interim financial statements (Interim financial information) of Asian Insulators Public Company Limited and its subsidiaries and of Asian Insulators Public Company Limited, respectively. The management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 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 Basis for disclaimer conclusion on the consolidated interim financial information paragraph and the Basis for qualified conclusion on the separate interim financial information paragraph, I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Basis for Disclaimer Conclusion on the Consolidated Interim Financial Information**

1. I am unable to obtain sufficient and appropriate audit evidence regarding the opening balances for the year 2015 for the following reasons;
  - 1.1 The predecessor auditor of Asian Insulators Public Company Limited, in his report dated March 24, 2015, expressed a disclaimer of opinion on the Company's consolidated financial statement because the predecessor auditor of AI Energy Public Company Limited, its subsidiary, expressed a disclaimer opinion on the consolidated financial statement for the year ended December 31, 2014 (before restatement), due to the fact that the subsidiary had no effective internal control regarding the cost of sales and inventories, including the misappropriation of assets utilization. As a result, there is no proper information or controls by which to assure the validity and completeness of the manufacturing information and stock movement. This affects the costs of goods sold, inventory balances and related accounts.



According to the above matter, the subsidiary's Management has restated the subsidiary's consolidated financial statement as at December 31, 2014 and the consolidated statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2014 in order to correct the errors as described in Note to Financial Statements No.35. I am unable to obtain sufficient and appropriate audit evidence for those transactions incurred in 2014 as there was no effective internal control as mentioned above.

- 1.2 As discussed in the Note to Financial Statements No.32.5, the subsidiary received a letter from the Enforcement Department, Office of the Securities and Exchange Commission of Thailand, dated January 20, 2016, requesting for the facts about the subsidiary auditor's disclaimer of opinion in the subsidiary's financial statements for the year 2014. The subsidiary's management provided a clarification of the facts to the Enforcement Department, Office of the Securities and Exchange Commission of Thailand. The subsidiary also sent a letter to request the status update with respect to this matter. The Enforcement Department, Office of the Securities and Exchange Commission of Thailand replied by a letter, dated February 28, 2017 that the outcome is not yet finalized.
2. From my audit on the subsidiary's financial statements for the year ended December 31, 2015, the subsidiary's production yield during the period of January to June 2015 was significantly lower than normal production yields. I received clarification letters of such events from the subsidiary's Audit Committee, Managing Director, Factory Manager, Accounting and Finance Manager, Quality Control Manager, and Logistics Supervisor.
3. As discussed in the Note to Financial Statements No.12, the financial statements of PPC Asian Insulator Company Limited, an associated company, as at September 30, 2015, used for recording the investment under the equity method in the consolidated financial statement, is based on information from Management which had not been reviewed by an auditor. The Company's consolidated financial statements as at September 30, 2015, included an investment of Baht 11.28 million and a share of loss of the associated company for the three-month and nine-month periods ended September 30, 2015 in the amount of Baht 0.52 million and Baht 6.02 million, respectively. I am unable to satisfactorily review the appropriateness of the balance of such investment in the associated company.

Since the matters discussed in No.1, 2 and 3 above have significant effect on the interim financial information for the nine-month period ended September 30, 2015, I am unable to express a conclusion on the consolidated interim financial information for the nine-month period ended September 30, 2015.

#### **Disclaimer of Conclusion on the Consolidated Interim Financial Information**

Because of the significance of the matters described in the Basis for disclaimer of conclusion, I expressed a disclaimer of conclusion on the accompanying consolidated interim financial information as to whether nothing has come to my attention that causes me to believe that the accompanying consolidated interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting".



### **Basis for Qualified Conclusion on the Separate Interim Financial Information**

As discussed in the Note to financial statements No.12, the financial statements for the nine-month period ended September 30, 2015 of PPC Asian Insulator Company Limited, an associated company, is based on information from Management which had not been reviewed by an auditor. The Company's separate financial statements as at September 30, 2015, included an investment at cost method amounted of Baht 26.40 million. I have not been able to obtain sufficient and appropriate audit evidence about the appropriateness of the investments and the provision for the impairment in the separate financial statement. Accordingly, I was unable to conclude whether any adjustments may have been necessary to these accounts.

### **Qualified Conclusion on the Separate Interim Financial Information**

Except for the possible effect of the matter described in the basis for qualified conclusion on the separate interim financial information, based on my review, nothing has come to my attention that causes me to believe that the accompanying separate interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting".

### **Other Matter**

The consolidated and separate financial statements of financial position as at December 31, 2014 (before restatement), of Asian Insulators Public Company Limited and its subsidiaries were audited by another auditor, whose report dated on March 24, 2015, expressed a disclaimer of opinion on the consolidated interim financial statements regarding the matter discussed in the paragraph 1.1 of Basis for disclaimer conclusion on the consolidated interim financial information and expressed a qualified opinion on the separate financial statements regarding the financial statement of an associated company is based on the management's information which had not been audited by an auditor.

The consolidated and separated statements of profit or loss and other comprehensive income, for the three-month and nine-month period ended September 30, 2014 (before restatement), consolidated and separate statement of changes in shareholders' equity, consolidated and separate statements of cash flows for the nine-month period ended September 30, 2014 (before restatement), were reviewed by another auditor whose report dated November 10, 2014, expressed a qualified conclusion regarding the financial statement of an associated company is based on the management's information which had not been reviewed by an auditor.



Vichai Ruchitanont

Certified Public Accountant

Registration Number 4054

ANS Audit Co., Ltd

Bangkok, February 28, 2017

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2015

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
		"UNAUDITED"	(RESTATED)	"UNAUDITED"	"AUDITED"
Notes		"REVIEWED"		"REVIEWED"	
<b>ASSETS</b>					
Current assets					
Cash and cash equivalents	5	148,267	204,456	9,322	12,433
Short-term investments	6	243,643	259,341	29,967	39,609
Trade and other receivables - net	4, 7, 35	517,835	636,762	222,305	137,286
Unbilled receivables	8, 35	18,470	17,718	-	-
Inventories - net	9, 35	715,075	543,629	143,209	108,897
Oil supplies	10	3,663	2,368	-	-
Non-current assets held for sale - net	11	100	2,540	-	-
Total current assets		1,647,053	1,666,814	404,803	298,225
Non-current assets					
Investments in associated company - net	12	11,798	17,291	26,400	26,400
Investments in subsidiaries	13	-	-	862,555	862,555
Pledged deposits financial institution	14	3,137	2,000	-	-
Property, plant, vessel and equipment - net	15, 35	2,020,145	2,030,765	623,841	652,787
Intangible assets - net	16	4,104	5,040	3,981	4,896
Deferred tax assets	26	11,789	3,928	3,831	3,512
Other non-current assets	35	13,442	17,056	312	312
Total non-current assets		2,064,415	2,076,080	1,520,920	1,550,462
<b>Total assets</b>		<b>3,711,468</b>	<b>3,742,894</b>	<b>1,925,723</b>	<b>1,848,687</b>

.....Director

(Narong Thararatnavibool)

.....Director

(Thanit Thararatnavibool)

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ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2015

Unit: Thousand Baht

	Notes	Consolidated financial statements		Separate financial statements	
		June 30. 2015	December 31. 2014	June 30. 2015	December 31. 2014
		"UNAUDITED"	(RESTATED)	"UNAUDITED"	"AUDITED"
		"REVIEWED"		"REVIEWED"	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	17	478.795	366.918	40.000	50.000
Trade and other payables	4. 18. 35	256.508	257.864	72.805	48.524
Current portion of long-term loans from financial institutions	19	-	22.080	-	-
Advance received and deferred construction revenue	8. 35	-	617	-	-
Income tax payable	35	32.602	38.850	2.987	2.272
Total current liabilities		767.905	686.329	115.792	100.796
<b>Non-current liabilities</b>					
Long-term loans from financial institutions - net	19	-	76.880	-	-
Employee benefit obligations	20	33.694	30.810	19.186	17.686
Total non-current liabilities		33.694	107.690	19.186	17.686
Total liabilities		801.599	794.019	134.978	118.482

.....Director

(Narong Thareratanavibool)

.....Director

(Thanit Thareratanavibool)

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ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2015

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
		"UNAUDITED"	(RESTATED)	"UNAUDITED"	"AUDITED"
		"REVIEWED"		"REVIEWED"	
Notes					
	Shareholders' equity				
	Authorized share capital	21			
	Common shares 2,800,000,000 shares at Baht 0.25 each				
	(2014 : Common shares 500,000,000 shares at Baht 1 each)	700.000	500.000	700.000	500.000
	Issued and fully paid-up share capital				
	Common shares 2,799,996,084 shares at Baht 0.25 each				
	(2014 : Common shares 500,000,000 shares at Baht 1 each)	699.999	500.000	699.999	500.000
	Premiums on share capital	902.769	902.769	902.769	902.769
	Retained earnings (deficits)				
	Appropriated				
	Legal reserve	25	54.138	50.000	54.138
	Unappropriated	35	(678.399)	(467.936)	133.839
	277.436				
	Other components of shareholders' equity				
	Difference on business combination				
	under common control	(3.259)	(3.259)	-	-
	Capital surplus from share premium of subsidiary	360.580	360.580	-	-
	Gain on disposal of investment in subsidiaries	861.443	861.443	-	-
	Total shareholders' equity of the company	2,197.271	2,203.597	1,790.745	1,730.205
	Non-controlling interests	35	712.598	745.278	-
	Total shareholders' equity	2,909.869	2,948.875	1,790.745	1,730.205
	Total liabilities and shareholders' equity	3,711.468	3,742.894	1,925.723	1,848.687

.....Director

(Narong Thareratanavibool)

.....Director

(Thanit Thareratanavibool)

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ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2015

"UNAUDITED"

"REVIEWED"

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		(RESTATED)			
Notes					
4, 29, 31, 35					
<b>Revenues</b>					
		1,111,100	1,228,871	223,961	196,765
		11,420	34,483	-	-
		-	131,521	-	-
		2,300	9,188	-	-
		-	1,000	-	-
		5,438	7,387	1,746	3,366
	13	-	-	9,984	-
Total revenues		1,130,258	1,412,450	235,691	200,131
<b>Expenses</b>					
		(1,041,448)	(1,221,798)	(134,209)	(136,114)
		(8,032)	(18,970)	-	-
		-	(110,317)	-	-
		(5,533)	(16,366)	-	-
		-	(497)	-	-
		(10,337)	(16,453)	(325)	(1,131)
		(37,281)	(35,453)	(19,602)	(17,960)
		(3,079)	(8,751)	(596)	(1,087)
	12	(927)	(135)	-	-
Total expenses		(1,106,637)	(1,428,740)	(154,732)	(156,292)
<b>Profit (loss) before income tax expenses</b>		23,621	(16,290)	80,959	43,839
Income tax expenses	27	(1,237)	(8,464)	(2,214)	(489)
<b>Profit (loss) for the periods</b>		22,384	(24,754)	78,745	43,350
Other comprehensive income for the periods		-	-	-	-
<b>Total comprehensive income (loss) for the periods</b>		22,384	(24,754)	78,745	43,350
<b>Profit (loss) attributable to:</b>					
Equity holders of the parent		39,855	(18,494)	78,745	43,350
Non-controlling interests		(17,471)	(6,260)	-	-
		22,384	(24,754)	78,745	43,350
<b>Total comprehensive income (loss) attributable to:</b>					
Equity holders of the parent		39,855	(18,494)	78,745	43,350
Non-controlling interests		(17,471)	(6,260)	-	-
		22,384	(24,754)	78,745	43,350
<b>Earnings (Loss) per share</b>					
23		0.01	(0.01)	0.03	0.02
Basic earnings (loss) per share of the Company (Baht)		2,799,996,084	2,799,996,084	2,799,996,084	2,799,996,084
Weighted average number of ordinary shares (share)					

.....Director

(Narong Thararatnavibool)

.....Director

(Thanit Thararatnavibool)



ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015

"UNAUDITED"

"REVIEWED"

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		(RESTATED)			
Notes					
4, 29, 31, 35					
<b>Revenues</b>					
	Revenue from sales of goods	2,019,264	2,626,650	307,188	386,600
	Revenue from production contract	18,413	78,398	-	-
	Revenue from construction contract	2,950	242,468	-	-
	Revenue from vessel operating	8,213	20,726	-	-
	Revenue from port service	-	1,000	-	-
	Other incomes	11,233	16,922	4,110	9,198
13	Dividend income	-	-	9,984	1,997
	<b>Total revenues</b>	<b>2,060,073</b>	<b>2,986,164</b>	<b>321,282</b>	<b>397,795</b>
<b>Expenses</b>					
	Cost of sales	(1,933,654)	(2,457,782)	(189,748)	(255,336)
	Cost of production contract	(13,934)	(49,595)	-	-
	Cost of construction contract	(2,084)	(203,326)	-	-
	Cost of vessel operating	(15,468)	(25,549)	-	-
	Cost of port service	-	(497)	-	-
	Selling expenses	(22,120)	(30,941)	(1,388)	(3,290)
	Administrative expenses	(80,269)	(75,102)	(43,384)	(36,357)
	Finance costs	(7,290)	(12,792)	(1,210)	(1,557)
12	Share of loss from investment in associates	(5,493)	(3,473)	-	-
	<b>Total expenses</b>	<b>(2,080,312)</b>	<b>(2,859,057)</b>	<b>(235,730)</b>	<b>(296,540)</b>
	<b>Profit (loss) before income tax expenses</b>	<b>(20,239)</b>	<b>127,107</b>	<b>85,552</b>	<b>101,255</b>
27	Tax income (Tax expense)	3,470	(28,429)	(2,792)	(2,642)
	<b>Profit (loss) for the periods</b>	<b>(16,769)</b>	<b>98,678</b>	<b>82,760</b>	<b>98,613</b>
	Other comprehensive income for the periods	-	-	-	-
	<b>Total comprehensive income (loss) for the periods</b>	<b>(16,769)</b>	<b>98,678</b>	<b>82,760</b>	<b>98,613</b>
<b>Profit (loss) attributable to:</b>					
	Equity holders of the parent	15,894	81,177	82,760	98,613
	Non-controlling interests	(32,663)	17,501	-	-
		<b>(16,769)</b>	<b>98,678</b>	<b>82,760</b>	<b>98,613</b>
<b>Total comprehensive income (loss) attributable to:</b>					
	Equity holders of the parent	15,894	81,177	82,760	98,613
	Non-controlling interests	(32,663)	17,501	-	-
		<b>(16,769)</b>	<b>98,678</b>	<b>82,760</b>	<b>98,613</b>
<b>Earnings per share</b>					
23	Basic earnings per share of the Company (Baht)	0.01	0.03	0.03	0.04
	Weighted average number of ordinary shares (share)	2,799,996,084	2,799,996,084	2,799,996,084	2,799,996,084

.....Director  
(Narong Tharatanavibool)

.....Director  
(Thanit Tharatanavibool)

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ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015

"UNAUDITED"  
"REVIEWED"

Unit: Thousand Baht											
Consolidated financial statements											
Equity attributable to equity holders of the parent											
Notes	Issued and paid-up share capital	Premiums on share capital	Retained earnings (deficits)		Other components of shareholders' equity			Total	Equity holders of the parent	Non-controlling interests	Total Shareholders' Equity
			Appropriated to legal reserve	Unappropriated	Difference on combination under common control	Capital surplus from share premium of subsidiary	Gain on disposal of investment in subsidiaries				
	500,000	902,769	50,000	(640,054)	(3,259)	360,580	861,443	1,218,764	2,031,479	923,607	2,955,086
35	-	-	-	172,118	-	-	-	-	172,118	(178,329)	(6,211)
Balance as at January 1, 2015 - before restated	500,000	902,769	50,000	(467,936)	(3,259)	360,580	861,443	1,218,764	2,203,597	745,278	2,948,875
Corrections of accounting error											
Balance as at January 1, 2015 - after restated	500,000	902,769	50,000	(467,936)	(3,259)	360,580	861,443	1,218,764	2,203,597	745,278	2,948,875
Changes in shareholders' equity for the period:											
Increase ordinary shares	21	199,999	-	-	-	-	-	-	199,999	-	199,999
Legal reserve	25	-	4,138	(4,138)	-	-	-	-	-	-	-
Dividend paid	24	-	-	(222,219)	-	-	-	-	(222,219)	(17)	(222,236)
Total comprehensive income (loss) for the period		-	-	15,894	-	-	-	-	15,894	(32,663)	(16,769)
Balance as at June 30, 2015	699,999	902,769	54,138	(678,399)	(3,259)	360,580	861,443	1,218,764	2,197,271	712,598	2,909,869
Balance as at January 1, 2014	500,000	902,769	50,000	293,810	(3,259)	360,580	861,443	1,218,764	2,965,343	708,586	3,673,929
Changes in shareholders' equity for the period:											
Dividend paid	24	-	-	(999,944)	-	-	-	-	(999,944)	(3)	(999,947)
Total comprehensive income for the period (restated)		-	-	81,177	-	-	-	-	81,177	17,501	98,678
Balance as at June 30, 2014	500,000	902,769	50,000	(624,957)	(3,259)	360,580	861,443	1,218,764	2,046,576	726,084	2,772,660

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.....Director  
(Narong Tharatanavibool)

.....Director  
(Thanit Tharatanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015

"UNAUDITED"  
"REVIEWED"

		Unit: Thousand Baht					
		Separate financial statements					
Notes		Issued and paid-up share capital	Premiums on share capital	Retained earnings		other components of shareholders' equity	Total Shareholders' Equity
				Appropriated to legal reserve	Unappropriated		
	Balance as at January 1, 2015	500,000	902,769	50,000	277,436	-	1,730,205
	Changes in shareholders' equity for the period:						
	Increase ordinary shares	199,999	-	-	-	-	199,999
	Legal reserve	-	-	4,138	(4,138)	-	-
	Dividend paid	-	-	-	(222,219)	-	(222,219)
	Total comprehensive income for the period	-	-	-	82,760	-	82,760
	Balance as at June 30, 2015	699,999	902,769	54,138	133,839	-	1,790,745
	Balance as at January 1, 2014	500,000	902,769	50,000	1,119,296	-	2,572,065
	Changes in shareholders' equity for the period:						
	Dividend paid	-	-	-	(999,944)	-	(999,944)
	Total comprehensive income for the period	-	-	-	98,613	-	98,613
	Balance as at June 30, 2014	500,000	902,769	50,000	217,965	-	1,670,734

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.....Director  
(Narong Tharatanavibool)

.....Director  
(Thanit Tharatanavibool)

The accompanying notes are an integral part of the financial statements.

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CASH FLOWS  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015

"UNAUDITED"

"REVIEWED"

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(RESTATED)			
<b>Cash Flows from Operating Activities:</b>				
Profit (loss) before income tax expenses	(20,239)	127,107	85,552	101,255
Adjustments to reconcile profit (loss) before income tax expense to cash provided by (used in) operating activities:				
Depreciation	73,253	69,038	33,166	33,696
Amortization of computer softwares	954	963	933	943
Gain on disposal asset	(60)	(4)	(39)	(3)
Unrealized gain on investments in Open-end Fund	(1,869)	(1,467)	(165)	(28)
Allowance for doubtful accounts	-	(61)	-	-
Allowance for devaluation of inventories	8,244	68,246	-	-
Share of loss from investments in associate	5,493	3,473	-	-
Dividend income	-	-	(9,984)	(1,997)
Unrealized (gain) loss on exchange rates	(357)	104	(328)	1
Long-term employee benefit expenses	2,908	1,145	1,524	(49)
Interest income	(462)	(1,722)	(71)	(1,433)
Interest expenses	6,020	10,800	700	1,011
Amortization of withholding tax	-	78	-	-
Gain from operating activities before changes in operating assets and liabilities	73,885	277,700	111,288	133,396
Operating assets (increase) decrease				
Short-term investments	17,566	972,727	9,807	917,355
Trade and other receivables	101,671	(373,177)	(85,020)	(78,509)
Unbilled receivables	(230)	(40,460)	-	-
Inventories	(180,983)	(587,293)	(34,312)	41,602
Construction contract in progress	-	358	-	-
Oil supplies	-	38	-	-
Advance payment to subcontractors	77	8,898	-	-
Withholding tax refundable	154	-	-	-
Other current assets	(74)	-	-	-
Non-current assets classified as held for sale	2,440	-	-	-
Other non-current assets	2,748	(44)	-	6

.....Director  
(Narong Thareratanavibool)

.....Director  
(Thanit Thareratanavibool)

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ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF CASH FLOWS  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015

"UNAUDITED"  
"REVIEWED"

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(RESTATED)			
Operating liabilities increased (decrease)				
Trade and other payables	16,743	443,988	24,567	(7,900)
Advance received from construction and deferred construction revenue	(618)	(19,833)	-	-
Retention payables	(452)	736	-	-
Other current liabilities	49	-	-	-
Provision for long-term employee benefits	-	(10,148)	-	(10,062)
Cash provided by operating activities	32,976	673,490	26,330	995,888
Income tax refunded	-	1,789	-	-
Payment for employee benefit obligations	(24)	-	(24)	-
Paid income tax	(10,641)	(157,026)	(2,396)	(154,527)
Net cash provided by operating activities	22,311	518,253	23,910	841,361
Cash Flows from Investing Activities:				
Increase in fixed deposits with obligation	(1,136)	-	-	-
Interest received	462	1,360	72	1,433
Dividend income from investments in subsidiary	-	-	9,984	1,997
Payment for purchases of assets	(62,708)	(99,410)	(4,274)	(8,244)
Proceeds from disposal of equipment	115	17	75	10
Payment deposit on assets	-	(9,982)	-	(1,960)
Payment payable from purchase of equipment	-	(6,797)	-	(1,107)
Net cash provided by (used in) investing activities	(63,267)	(114,812)	5,857	(7,871)
Cash Flows from Financing Activities:				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	111,877	584,574	(10,000)	125,000
Interest paid	(5,913)	(9,784)	(658)	(280)
Increase in long-term loans from financial institutions	-	110,000	-	-
Payment for long-term loans from financial institutions	(98,960)	(88,629)	-	-
Dividend payment	(22,220)	(999,944)	(22,220)	(999,944)
Subsidiary dividend paid to non-controlling interests	(17)	(3)	-	-
Net cash used in financing activities	(15,233)	(403,786)	(32,878)	(875,224)
Net decrease in cash and cash equivalents	(56,189)	(345)	(3,111)	(41,734)
Cash and cash equivalents at beginning of the periods	204,456	197,837	12,433	117,984
Cash and cash equivalents at end of the periods	148,267	197,492	9,322	76,250
Supplemental disclosures of cash flows information				
Non-cash transactions consisted of:				
Assets payable for plant and equipment	10,443	6,777	3,279	971
Transferred deposit to plant and equipment	-	20,696	-	150
Transferred machinery to non-current assets classified as held for sale	-	2,034	-	-
Increase shared capital to accommodate the stock dividend	199,999	-	199,999	-

.....Director  
(Narong Thararatnavibool)

.....Director  
(Thanit Thararatnavibool)

The accompanying notes are an integral part of the financial statements.

**ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED JUNE 30, 2015 (UNAUDITED) (REVIEWED)**

**1. GENERAL INFORMATION**

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

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

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

**2. BASIS FOR PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS**

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34, Interim Financial Reporting (revised 2014), including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP"), applicable rules and the regulations of the Securities and Exchange Commission.

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

Other than those specified in the notes to the annual and interim financial statements, all other balances presented in these interim financial statements are prepared under the historical cost basis.

The interim financial statements have been prepared to provide information additional to that included in the financial statements for the year ended December 31, 2014. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2014.

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

..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

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

#### **Basis for preparation of the consolidated interim financial statements**

The consolidated interim financial statements, related to the Company and its subsidiary (together referred to as the "Group") are prepared using the same basis as were used for the consolidated financial statements for the year ended December 31, 2014.

There is no change in the structure of the Group during the current period.

#### **Accounting standards that became effective in the current accounting year**

The Federation of Accounting Professions has issued a number of revised and new accounting standards that become effective for fiscal years beginning on or after January 1, 2015. These accounting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of accounting standards. The management of the Company believes they have no any significant impact on the financial statements in the year in which they are adopted. However, some of these accounting standards involve changes to key principles, as discussed below:

##### **TAS 19 (revised 2014) Employee Benefits**

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

In the past, the Company and its subsidiaries immediately recognize actuarial gains and losses in profit or loss in the period in which they occur. The assessment of the management of the Company and its subsidiaries is that when the revised standard is applied in 2015 and the method of recognizing those gains and losses is changed to immediately recognize them in other comprehensive income, there is no impact to financial statements of the Company and subsidiaries.

##### **TFRS 10 Consolidated Financial Statements**

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

The management of the Company and its subsidiaries believes that the standard has no any significant impact on the Company and its subsidiaries' financial statements.

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

## **TFRS 12 Disclosure of Interests in Other Entities**

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

## **TFRS 13 Fair Value Measurement**

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other accounting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

Based on the preliminary analysis, the management of the Company and its subsidiaries believes that this standard has no any significant impact on the Company and its subsidiaries' financial statements.

### **3. SIGNIFICANT ACCOUNTING POLICIES**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2014.

### **4. TRANSACTIONS WITH RELATED PARTIES**

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

Significant transactions between the Company and related parties for the three-month and six-month periods ended June 30, 2015 and 2014 were as follows:

..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)



Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>For the three-month periods</b>				
<b>Sales of products and raw materials</b>				
PPC Asian Insulators Co., Ltd.	1,045	1,402	1,045	1,382
AI Engineering Services Co., Ltd.	-	-	-	2,295
AI Logistics Co., Ltd.	-	-	5,250	-
AI Ports and Terminals Co., Ltd.	-	-	8,445	1,480
<b>Sales of hybrid clay</b>				
PPC Asian Insulators Co., Ltd.	39,045	42,957	39,045	42,957
<b>Dividend income</b>				
AI Engineering Services Co., Ltd.	-	-	9,984	-
<b>Other income - rental and services</b>				
PPC Asian Insulators Co., Ltd.	723	690	512	690
AI Engineering Services Co., Ltd.	-	-	296	311
AI Energy Public Co., Ltd.	-	-	302	308
AI Logistics Co., Ltd.	-	-	140	141
AI Ports and Terminals Co., Ltd.	-	-	135	148
<b>Purchase of goods</b>				
Samart Palm Co., Ltd.	6,708	7,327	-	-
Samart Palm Oil Co., Ltd.	6,688	8,266	-	-
Samart Palm Industry Co., Ltd.	11,808	-	-	-
<b>Purchases of scrap clay</b>				
PPC Asian Insulators Co., Ltd.	17,252	22,361	17,252	22,361
<b>Purchase of raw materials and consumed supply</b>				
PPC Asian Insulators Co., Ltd.	53	1	53	1

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b><u>For the six-month periods</u></b>				
<b>Sales of products and raw materials</b>				
PPC Asian Insulators Co., Ltd.	2,000	2,327	2,000	2,307
AI Engineering Services Co., Ltd.	-	-	-	10,228
AI Logistics Co., Ltd.	-	-	8,750	-
AI Ports and Terminals Co., Ltd.	-	-	13,695	1,480
<b>Sales of hybrid clay</b>				
PPC Asian Insulators Co., Ltd.	79,864	86,028	79,864	86,028
<b>Dividend income</b>				
AI Engineering Services Co., Ltd.	-	-	9,984	1,997
<b>Other income - rental and services</b>				
PPC Asian Insulators Co., Ltd.	1,182	1,343	1,182	1,343
AI Engineering Services Co., Ltd.	-	-	595	628
AI Energy Public Co., Ltd.	-	-	567	630
AI Logistics Co., Ltd.	-	-	318	296
AI Ports and Terminals Co., Ltd.	-	-	271	297
<b>Purchase of goods</b>				
Samart Palm Co., Ltd.	15,413	11,824	-	-
Samart Palm Oil Co., Ltd.	16,062	12,813	-	-
Samart Palm Industry Co., Ltd.	22,095	-	-	-
<b>Purchases of scrap clay</b>				
PPC Asian Insulators Co., Ltd.	33,386	44,354	33,386	44,354
<b>Purchase of raw materials and consumed supply</b>				
PPC Asian Insulators Co., Ltd.	54	1	54	1
AI Energy Public Co., Ltd.	-	-	26	1

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

## Directors and management's remuneration

Directors and management's remuneration for the three-month and six-month periods ended June 30, 2015 and 2014 consisted of:

Unit: Thousand Baht			
Consolidated financial statements		Separate financial statements	
2015	2014	2015	2014
<b><u>For the three-month periods</u></b>			
Short-term employee benefits	11,719	10,325	5,520
Long-term post-employment benefits	318	271	126
Total directors and management's remuneration	12,037	6,451	5,646
<b><u>For the six-month periods</u></b>			
Short-term employee benefits	22,775	21,724	12,252
Long-term post-employment benefits	649	555	303
Total directors and management's remuneration	23,424	12,649	12,555

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

Significant balances with related parties as at June 30, 2015 and December 31, 2014, were as follows:

		Unit: Thousand Baht	
		Consolidated financial statements	Separate financial statements
		2015	2014
		2015	2014
<b>Trade receivable</b>			
PPC Asian Insulators Co., Ltd.	42,221	35,043	42,221
AI Logistics Co., Ltd.	-	-	5,618
AI Ports and Terminals Co., Ltd.	-	-	1,872
<b>Other receivable</b>			
PPC Asian Insulators Co., Ltd.	147	547	147
AI Engineering Services Co., Ltd.	-	-	19
AI Logistics Co., Ltd.	-	-	3
Related person	23,855	23,855	-
<b>Trade payable</b>			
PPC Asian Insulators Co., Ltd.	25,784	20,528	25,784
Samart Palm Co., Ltd.	690	-	-
Samart Palm Oil Co., Ltd.	688	-	-
Samart Industry Co., Ltd.	724	1,681	-
<b>Other payable</b>			
AI Energy Public Co., Ltd.	-	-	-

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

## 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at June 30, 2015 and December 31, 2014 were as follow:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash on hand	617	605	105	105
Deposit at bank - saving	146,105	200,703	9,071	11,786
- current	233	597	146	542
Fixed deposits due within 3 months	1,312	2,551	-	-
Total cash and cash equivalents	148,267	204,456	9,322	12,433

## 6. SHORT-TERM INVESTMENTS

Short-term investments as at June 30, 2015 and December 31, 2014 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Investment in Open-end Fund-Debt securities	241,507	256,196	29,739	39,484
<u>Add</u> Allowance for adjustment	1,932	3,056	228	125
Investment in Open-end Fund-Fair value	243,439	259,252	29,967	39,609
Fixed deposits	204	89	-	-
Total short-term investments	243,643	259,341	29,967	39,609

Investments in the Open-end Fund are trading securities. The unrealized profits from the difference between fair value and cost are shown as allowance for adjustment investment in the Open-end Fund. Profits from investments in the Open-end Fund during the period were presented in the statements profit and loss.

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## 7. TRADE AND OTHER RECEIVABLES - NET

Trade and other receivables as at June 30, 2015 and December 31, 2014 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade receivables				
Trade receivable - related parties	42,221	35,043	49,711	35,043
Trade receivable - state enterprises	167,561	110,568	165,870	88,707
Trade receivables - other	267,217	453,292	1,651	10,559
Post date cheques	6,503	7,348	-	-
Total trade receivables	483,502	606,251	217,232	134,309
<u>Less</u> Allowance for doubtful accounts	(1,248)	(3,334)	-	-
Total trade receivables - net	482,254	602,917	217,232	134,309
Other receivables				
Other receivables - related person	23,855	23,855	-	-
Other receivables	147	547	169	562
Prepaid expense	5,994	6,541	2,822	1,740
Deposit for inventories	1,810	511	1,810	511
Revenue Department receivable	1,375	931	272	164
Advance payment to subcontractors	-	76	-	-
Others	2,706	1,690	-	-
Total other receivables	35,887	34,151	5,073	2,977
<u>Less</u> Allowance for doubtful accounts	(306)	(306)	-	-
Total other receivables - net	35,581	33,845	5,073	2,977
Total trade and other receivables - net	517,835	636,762	222,305	137,286

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

As at June 30, 2015 and December 31, 2014 outstanding balances of trade receivables aged by number of month are as follows:

Unit: Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Related parties</b>				
Current	20,791	14,930	24,536	14,930
Overdue				
Within 3 months	21,430	20,113	25,175	20,113
Total	42,221	35,043	49,711	35,043
<b>State enterprises</b>				
Current	167,561	109,821	165,870	87,960
Overdue				
Within 3 months	-	747	-	747
Total	167,561	110,568	165,870	88,707
<b>Other</b>				
Current	248,166	410,451	1,165	10,440
Overdue				
Within 3 months	9,309	46,855	486	119
Over 3 months to 6 months	14,997	-	-	-
Over 12 months	1,248	3,334	-	-
Total	273,720	460,640	1,651	10,559
<u>Less</u> Allowance for doubtful accounts	(1,248)	(3,334)	-	-
Total trade receivables - net	482,254	602,917	217,232	134,309

..... Director  
(Narong Thararatnavibool)

..... Director  
(Thanit Thararatnavibool)

## 8. UNBILLED RECEIVABLES/ADVANCE RECEIVED AND DEFERRED CONSTRUCTION REVENUE

Unbilled receivables/advance received and deferred construction revenue as at June 30, 2015 and December 31, 2014 consisted of:

Unit: Thousand Baht	
Consolidated financial statements	
	2015
	2014
Unbilled receivables	
Contract value	180,675
Recognition of income by the percentage of completion	180,675
<u>Less</u> Value of billing construction	(162,205)
Unbilled receivables	18,470
Advance received and deferred construction revenue	
Contract value	-
Value of billing construction	-
<u>Less</u> Recognition of income by the percentage of completion	-
Advance received and deferred construction revenue	-

## 9. INVENTORIES - NET

Inventories as at June 30, 2015 and December 31, 2014 consisted of:

Unit: Thousand Baht			
Consolidated financial statements		Separate financial statements	
	2015	2014	
	2015	2014	
Raw materials	472,498	349,285	88,475
Work in process	155,308	99,498	25,859
Finished goods	72,196	75,030	18,632
Supplies	14,520	14,657	1,326
Goods in transit	8,917	5,279	8,917
Total	723,439	543,749	143,209
<u>Less</u> Allowance for devaluation of inventories	(8,364)	(120)	-
Total inventories - net	715,075	543,629	143,209

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)



# 10. OIL SUPPLIES

Oil supplies as at June 30, 2015 and December 31, 2014 consisted of:

	Unit: Thousand Baht	
	Consolidated financial statements	
	2015	2014
Bunker oil	2,995	1,725
Lubricants	668	643
Total oil supplies	3,663	2,368

# 11. NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale as at June 30, 2015 and December 31, 2014 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements			
	2014	Increase	(Decrease)	2015
Non-current assets held for sale	4,475	-	(2,440)	2,035
<u>Less</u> Allowance for diminution in value	(1,935)	-	-	(1,935)
Non-current assets held for sale - net	2,540	-	(2,440)	100

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## 12. INVESTMENTS IN ASSOCIATED COMPANY - NET

Investments in associated company as at June 30, 2015 and December 31, 2014 consisted of:

Company	Nature of business	Unit: Thousand Baht	
		Consolidated	
		financial statements	
		Separate	
		Unit: Million Baht	
		Issued share capital	
		Percentage of investment (%)	
		2015	2014
		Equity method	
		2015	2014
		Cost method	
		2015	2014
PPC Asian Insulators	Producing and distributing		
Company Limited	electronics insulators	263	263
Less Provision for diminution	and ceramics	11,798	17,291
in investment			
Total investments in associate - net		-	(39,600)
		11,798	17,291
		26,400	26,400

The consolidated and separate financial statements for the six-month periods ended June 30, 2015 and 2014 of Asian Insulators Public Company Limited and its subsidiaries, and of Asian Insulators Public Company Limited respectively, included an investment in the associated company based on financial statements of the associated company which had not been review by an auditor. The carrying value of the investment in the consolidated financial statements as at June 30, 2015 and December 31, 2014, amounted to Baht 11.80 million and Baht 17.29 million, respectively, representing 0.32% and 0.46% of total assets in the consolidated financial statements, respectively.

The equity of net loss of the associated company in the consolidated financial statements for the three-month periods ended June 30, 2015 and 2014, amounted to Baht (0.93) million and Baht (0.14) million respectively, representing (4.14%) and (0.55%) of consolidated net profit (loss), respectively and the equity of net loss of the associated company in the consolidated financial statements for the six-month periods ended June 30, 2015 and 2014, amounted to Baht (5.49) million and Baht (3.47) million respectively, representing (32.76%) and (3.52%) of consolidated net profit (loss), respectively.

The carrying value of the investment in the separate financial statements as at June 30, 2015 and December 31, 2014, amounted to Baht 26.40 million, 1.37% and 1.43%, respectively, of total assets in the separate financial statements.

..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

### 13. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at June 30, 2015 and December 31, 2014, and dividend income from the investment during the six-month periods ended June 30, 2015 and 2014, consisted of:

Company	Nature of business	Percentage of investment (%)		Unit: Million Baht		Unit: Thousand Baht			
		2015	2014	Issued share capital		Separate financial statements		Dividend	
				2015	2014	Cost method			
Subsidiaries directly held by the Company									
AI Engineering Services Company Limited	Undertake construction and install electrical transmission power sub-station and trading electrical equipment	99.84	99.84	200	200	197,000	197,000	9,984	21,965
AI Energy Public Company Limited	Producing and distributing biodiesel, vegetable oil and other fuel oil	59.59	59.59	1,130	1,130	665,555	665,555	-	-
Subsidiaries held by AI Energy Public Company Limited									
AI Logistics Company Limited	Local and overseas logistics for passenger, merchandise, parcel and other materials	100.00	100.00	209	209	-	-	-	-
AI Ports and Terminals Company Limited	(1) Servicing port (2) Producing and distributing ice cube (3) Trading electrical equipment	100.00	100.00	460	460	-	-	-	-
Total investments in subsidiaries									
						862,555	862,555	9,984	21,965

### 14. PLEDGED DEPOSITS AT FINANCIAL INSTITUTION

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

..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

# 15. PROPERTY, PLANT, VESSEL AND EQUIPMENT - NET

Property, plant, vessel and equipment as at June 30, 2015 and December 31, 2014 consisted of:

Unit: Thousand Baht										
Consolidated financial statements										
	Land		Building and building improvement	Utility system	Machinery, accessories and tools	Vessel and improvement	Office furniture and equipment	Motor vehicles	Fixed assets under construction and installation	Total
	Land	improvement								
At cost										
As at December 31, 2014	357,156	17,769	936,507	54,991	1,313,561	179,322	33,868	90,128	47,751	3,031,053
Purchases during period	-	-	394	319	8,336	-	265	-	53,375	62,689
Transfers in (Transfer out) during period	-	17,955	4,465	366	16,830	-	-	-	(39,616)	-
Disposal /written off during period	-	-	-	-	(1,701)	-	(328)	-	-	(2,029)
As at June 30, 2015	357,156	35,724	941,366	55,676	1,337,026	179,322	33,805	90,128	61,510	3,091,713
Accumulated Depreciation										
As at December 31, 2014	-	15,325	257,975	27,474	518,967	118,002	28,226	34,319	-	1,000,288
Depreciation for the period	-	447	16,599	1,813	42,640	8,919	927	1,908	-	73,253
Depreciation - disposals for the period	-	-	-	-	(1,645)	-	(328)	-	-	(1,973)
As at June 30, 2015	-	15,772	274,574	29,287	559,962	126,921	28,825	36,227	-	1,071,568
Book value										
As at December 31, 2014	357,156	2,444	678,532	27,517	794,594	61,320	5,642	55,809	47,751	2,030,765
As at June 30, 2015	357,156	19,952	666,792	26,389	777,064	52,401	4,980	53,901	61,510	2,020,145

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....., Director

(Narong Tharatanavibool)

....., Director

(Thanit Tharatanavibool)

Unit: Thousand Baht

Separate financial statements									
	Land	Land improvement	Building and building improvement	Utility system	Machinery, accessories and tools	Office furniture and equipment	Motor vehicles	Fixed assets under construction and installation	Total
At cost									
As at December 31, 2014	61,576	14,822	414,071	19,516	646,614	22,603	11,880	5,233	1,196,315
Purchases during period	-	-	-	319	2,585	167	-	1,185	4,256
Transfers in (Transfer out) during period	-	-	-	366	995	-	-	(1,361)	-
Disposal /written off during period	-	-	-	-	(1,344)	(32)	-	-	(1,376)
As at June 30, 2015	61,576	14,822	414,071	20,201	648,850	22,738	11,880	5,057	1,199,195
Accumulated Depreciation									
As at December 31, 2014	-	14,818	144,577	17,360	336,796	20,361	9,616	-	543,528
Depreciation for the period	-	2	9,053	593	22,806	444	268	-	33,166
Depreciation - disposals for the period	-	-	-	-	(1,308)	(32)	-	-	(1,340)
As at June 30, 2015	-	14,820	153,630	17,953	358,294	20,773	9,884	-	575,354
Book value									
As at December 31, 2014	61,576	4	269,494	2,156	309,818	2,242	2,264	5,233	652,787
As at June 30, 2015	61,576	2	260,441	2,248	290,556	1,965	1,996	5,057	623,841

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..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

Depreciations in the statements of profit or loss for the three-month and six-month periods ended June 30, 2015 and 2014 were as follows:

Unit: Thousand Baht			
Consolidated financial statements		Separate financial statements	
2015	2014	2015	2014
<b><u>For the three-month periods</u></b>			
Cost of sale and service	31,652	29,720	13,003
Selling and administrative expenses	4,964	5,190	3,635
	<u>36,616</u>	<u>34,910</u>	<u>16,638</u>
<b><u>For the six-month periods</u></b>			
Cost of sale and service	63,442	58,439	25,785
Selling and administrative expenses	9,811	10,606	7,381
	<u>73,253</u>	<u>69,045</u>	<u>33,166</u>

AI Ports and Terminals Company Limited had mortgaged all land, existing and future buildings and structures thereon as collateral for credit facilities obtained from a financial institution with their net book value as at June 30, 2015 and December 31, 2014 of Baht 421.72 million and Baht 426.44 million, respectively. (Note 19)

The gross carrying amounts of equipment were fully depreciated but these items are still in active use by the Group as at June 30, 2015 and December 31, 2014, in the consolidate financial statement totaling approximately Baht 271.53 million and Baht 260.75 million respectively, and separate financial statements totaling approximately Baht 245.33 million and Baht 245.78 million, respectively.

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## 16. INTANGIBLE ASSETS - NET

Intangible assets as at June 30, 2015 and December 31, 2014 consisted of:

		Unit: Thousand Baht	
		Computer Software	
		Consolidated	Separate
		financial statements	financial statements
<b>At cost</b>			
As at December 31, 2014		24,512	23,811
Purchases during period		18	18
Disposal during period		(4,211)	(4,211)
As at June 30, 2015		20,319	19,618
<b>Accumulated amortisation</b>			
As at December 31, 2014		19,472	18,915
Amortization for the period		954	933
Disposals for the period		(4,211)	(4,211)
As at June 30, 2015		16,215	15,637
<b>Net booked value</b>			
As at December 31, 2014		5,040	4,896
As at June 30, 2015		4,104	3,981

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

Bank overdrafts and short-term loans from financial institutions as at June 30, 2015 and December 31, 2014 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Bank overdraft	1,795	1,918	-	-
Short-term loans from financial institutions	477,000	365,000	40,000	50,000
Total bank overdraft and short-term loans from financial institutions	478,795	366,918	40,000	50,000

	Credit line (Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Bank overdraft	67	67	12	12
Promissory notes	1,870	1,870	430	430
Total	1,937	1,937	442	442

During of year 2015, the subsidiary has drawn down the promissory note to repayment all long-term loan (Note 19).

These loans are secured by mortgage land with structure and port of a subsidiary (Note 15). Under the terms of loan contract, the Company cannot pledge its assets as collateral for other loan.

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)



## 18. TRADE AND OTHER PAYABLES

Trade and other payables as at June 30, 2015 and December 31, 2014 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade payables				
Trade payables - related parties	27,886	22,209	25,784	20,528
Trade payables - others	99,489	96,381	22,181	12,153
Total trade payables	127,375	118,590	47,965	32,681
Other payables				
Payables for purchase of assets	10,443	16,437	3,279	5,066
Other payables	7,297	7,414	-	47
Advances received for goods	19,774	18,662	3,169	1,157
Electricity payable	5,601	5,265	1,509	1,137
Accrued expenses	15,905	9,591	9,251	2,939
Retention	2,482	2,381	-	-
Revenue Department payable	67,484	78,943	7,632	5,149
Others	147	581	-	348
Total other payables	129,133	139,274	24,840	15,843
Total trade and other payables	256,508	257,864	72,805	48,524

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## 19. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS - NET

Long-term loans from financial institutions as at June 30, 2015 and December 31, 2014 consisted of:

		Unit: Thousand Baht	
		Consolidated financial statements	
Credit line	Repaymant conditions	2015	2014
Baht 110 million	- 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.		
started on June 30, 2014			
by AI Ports and Terminals			
Company Limited	- Monthly payment of interest rate at MLR-1 per annum.	-	98,960
Total long-term loans from financial institutions		-	98,960
<u>Less</u> Current portion of long-term loans		-	(22,080)
Long-term loans from financial institutions - net		-	76,880

During the second quarter of year 2015, the subsidiary has drawn down the promissory note to repayment all long-term loans prior to maturity in amount of Baht 97.12 million (Note 17).

## 20. EMPLOYEE BENEFIT OBLIGATIONS

Movement of the present value of employee benefits obligations and employee benefit expenses in the statements of profit or loss for the six-month periods ended June 30, 2015 and 2014 were as follows:

		Unit: Thousand Baht			
		Post-employment benefit plan			
		Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Defined benefit obligations at beginning as at January 1,		30,810	36,785	17,686	25,021
Employee benefit expenses in the the statement of					
profit or loss :					
Current service cost		2,400	903	1,234	1,075
Cost of interest		508	167	290	236
Benefit paid during the periods		(24)	-	(24)	(11,422)
Defined benefit obligations as at June 30,		33,694	37,855	19,186	14,910

## 21. SHARE CAPITAL

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

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

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

1. Approved to amendment in par value of ordinary shares from Baht 1 per share to Baht 0.25 per share. After the changing of par value, the subsidiary has the ordinary shares of 4,520 million shares.
2. Approved to increase in registered share capital of AI Energy Public Company Limited from Baht 1,130 million (4,520 million shares at Baht 0.25 par value) to be Baht 1,356 million (5,424 million shares at Baht 0.25 par value) AI Energy Public Company Limited registered its increased share capital for allocate to support the warrant No. 1. (AIE-W1) with the Ministry of Commerce on July 6, 2015 as described in Note 22.

## 22. WARRANTS

Warrants AIE-W1

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

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

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

## 23. BASIC EARNINGS PER SHARE

Basic earnings per share for the three-month and six-month periods ended June 30, 2015 and 2014 were calculated as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b><u>For the three-month periods</u></b>				
Net profit attributable				
to shareholders of the parent (Thousand Baht)	39,855	(18,494)	78,745	43,350
Number of ordinary share outstanding				
at beginning for the periods (Thousand shares)	2,000,000	2,000,000	2,000,000	2,000,000
Effect of issuance stock dividend (Thousand shares)	799,996	799,996	799,996	799,996
Weighted average number of ordinary shares				
outstanding during the periods (Basic)	2,799,996	2,799,996	2,799,996	2,799,996
Basic earnings per share (Baht)	0.01	(0.01)	0.03	0.02
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b><u>For the six-month periods</u></b>				
Net profit attributable				
to shareholders of the parent (Thousand Baht)	15,894	81,177	82,760	98,613
Number of ordinary share outstanding				
at beginning for the periods (Thousand shares)	2,000,000	2,000,000	2,000,000	2,000,000
Effect of issuance stock dividend (Thousand shares)	799,996	799,996	799,996	799,996
Weighted average number of ordinary shares				
outstanding during the periods (Basic)	2,799,996	2,799,996	2,799,996	2,799,996
Basic earnings per share (Baht)	0.01	0.03	0.03	0.04

## 24. DIVIDEND PAYMENT

The 2015 Annual General Meeting of Shareholders of the Company held on April 21, 2015, passed a resolution to pay dividend to the shareholders at Baht 0.11 per share, comprise of stock dividend to shareholders considered from the payout ratio of 5 existing ordinary shares for 2 shares dividend which shall not exceed than 800 million shares at a par value of Baht 0.25 per share or shall be equivalent at Baht 0.10 per share and cash dividends to shareholders at Baht 0.01 per share amounting Baht 22.22 million. The dividend was paid on May 20, 2015.

..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

The 2015 Annual General Meeting of Shareholders of AI Engineering Services Company Limited held on April 30, 2015, passed a resolution to pay dividends from the operation for six-month periods ended from July 1 - December 31, 2014 to the shareholders of 20 million shares at Baht 0.50 per share, amount Baht 10 million. The dividend was paid on July 7, 2015.

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

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

## 25. LEGAL RESERVE

Legal reserve is set up under the Public Limited Companies Act B.E. 2535. The Company is required to set aside to a statutory reserve at least 5 percent of its net income, until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

## 26. DEFERRED TAX

Deferred tax as at June 30, 2015 and December 31, 2014 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Deferred tax assets	13,849	6,799	3,837	3,537
Deferred tax liabilities	(2,060)	(2,871)	(6)	(25)
Deferred tax assets - net	11,789	3,928	3,831	3,512

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

Unit: Thousand Baht					
	Consolidated financial statements		Separate financial statements		
	As at January 1,	Profit	As at June 30,	As at January 1,	Profit
	2015	(Loss)	2015	2015	(Loss)
<b>Deferred tax assets</b>					
Allowance for doubtful trade accounts receivable	728	(417)	311	-	-
Allowance for devaluation of inventories	24	474	498	-	-
Allowance for diminution in non-current assets held for sale	387	(387)	-	-	-
Provision for long-term employee benefits	5,660	508	6,168	3,537	300
Tax loss carried forward	-	6,872	6,872	-	-
<b>Total</b>	<b>6,799</b>	<b>7,050</b>	<b>13,849</b>	<b>3,537</b>	<b>300</b>
<b>Deferred tax liability</b>					
Unrealized gain on investments in Open-end Fund	(611)	605	(6)	(25)	19
Depreciation	(2,260)	206	(2,054)	-	-
<b>Total</b>	<b>(2,871)</b>	<b>811</b>	<b>(2,060)</b>	<b>(25)</b>	<b>19</b>
<b>Deferred tax assets - net</b>	<b>3,928</b>	<b>7,861</b>	<b>11,789</b>	<b>3,512</b>	<b>319</b>
					<b>3,831</b>

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)

Unit: Thousand Baht

	Consolidated financial statements			Separate financial statements		
	As at January 1,	Profit	As at June 30,	As at January 1,	Profit	As at June 30,
	2014	(Loss)	2014	2014	(Loss)	2014
<b>Deferred tax assets</b>						
Allowance for doubtful trade accounts receivable	814	(15)	799	-	-	-
Allowance for devaluation of inventories	-	-	-	-	-	-
Provision for long-term employee benefits	6,533	(1,437)	5,096	4,788	(1,806)	2,982
Tax loss carried forward	1,916	(575)	1,341	-	-	-
<b>Temporary differences in the retained earnings</b>						
Provision for long-term employee benefits	405	(405)	-	216	(216)	-
Total	9,668	(2,432)	7,236	5,004	(2,022)	2,982
<b>Deferred tax liability</b>						
Unrealized gain on investments in Open-end Fund	(296)	3	(293)	(37)	31	(6)
Depreciation	-	(1,995)	(1,995)	-	-	-
Total	(296)	(1,992)	(2,288)	(37)	31	(6)
Deferred tax assets - net	9,372	(4,424)	4,948	4,967	(1,991)	2,976

As at June 30, 2015 the Subsidiary had the deferred tax asset for the carry forward of unrecorded tax losses of separate financial statements Baht 6.87 million. The Subsidiary's management believes that it is probable that future taxable profit will be available against which the unused tax losses can be utilized.

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..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

## 27. INCOME TAX EXPENSES

Income tax expenses for the three-month and six-month periods ended June 30, 2015 and 2014 were as follows:

		Unit: Thousand Baht	
		Consolidated financial statements	Separate financial statements
		2015	2014
<u>For the three-month periods</u>			
<b>Current tax expense</b>			
Current periods		(3,012)	(5,202)
			(2,398)
			(184)
<b>Deferred tax expense</b>			
Movement in temporary differences		1,775	(3,262)
			184
			(305)
Total		(1,237)	(8,464)
		(2,214)	(489)
<u>For the six-month periods</u>			
<b>Current tax expense</b>			
Current periods		(4,391)	(24,005)
			(3,111)
			(651)
<b>Deferred tax expense</b>			
Movement in temporary differences		7,861	(4,424)
			319
			(1,991)
Total		3,470	(28,429)
		(2,792)	(2,642)

### Income tax reduction

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

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## 28. FOREIGN CURRENCY TRANSACTIONS

As at June 30, 2015 and December 31, 2014, the Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies which are not covered by any hedging were as follows:

(Unit: Thousand)

Particulars	Consolidated financial statements				Separate financial statements			
	2015		2014		2015		2014	
	Foreign Currencies	Converted to Baht	Foreign Currencies	Converted to Baht	Foreign Currencies	Converted to Baht	Foreign Currencies	Converted to Baht
Assets								
USD	12.91	434.03	361.01	12,186.65	12.78	429.60	2.27	74.62
Total		434.03		12,186.65		429.60		74.62
Liabilities								
USD	364.19	12,355.63	170.73	5,653.42	364.19	12,355.63	170.48	5,645.14
Total		12,355.63		5,653.42		12,355.63		5,645.14

## 29. PROMOTIONAL PRIVILEGES

The Company and three subsidiaries have received promotional Privileges of Investment Promotion Act, B.E. 2520 (1977)

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

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

The Company and subsidiaries have revenue from sales of goods, vessel operating, port and terminal service revenues from local and overseas which are granted the promotional certificates for the three-month and six-month periods ended June 30, 2015 and 2014, as follows:

	Unit: Thousand Baht				
	Consolidated financial statements		Separate financial statements		
	Promoted Activities	Non-promoted Activities	Total	Promoted Activities	Non-promoted Activities
<b>For the three-month period ended June 30, 2015</b>					
Revenue from sales of goods	860,919	250,181	1,111,100	170,024	53,937
Revenue from production contract	-	11,420	11,420	-	-
Revenue from vessel operating	2,300	-	2,300	-	-
Other incomes	-	5,438	5,438	-	1,746
Dividend income	-	-	-	-	9,984
Total	863,219	267,039	1,130,258	170,024	65,667
<b>For the three-month period ended June 30, 2014</b>					
Revenue from sales of goods	149,075	1,079,802	1,228,877	149,075	47,690
Revenue from production contract	-	34,483	34,483	-	-
Revenue from construction contract	-	131,521	131,521	-	-
Revenue from vessel operating	9,188	-	9,188	-	-
Revenue from port service	1,000	-	1,000	-	-
Other incomes	-	7,381	7,381	-	3,366
Total	159,263	1,253,187	1,412,450	149,075	51,056

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..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

Unit: Thousand Baht

	Consolidated financial statements			Separate financial statements		
	Promoted	Non-promoted		Promoted	Non-promoted	
	Activities	Activities	Total	Activities	Activities	Total
<b>For the six-month period ended June 30, 2015</b>						
Revenue from sales of goods	1,317,747	701,517	2,019,264	202,688	104,500	307,188
Revenue from production contract	-	18,413	18,413	-	-	-
Revenue from construction contract	-	2,950	2,950	-	-	-
Revenue from vessel operating	8,213	-	8,213	-	-	-
Other incomes	-	11,233	11,233	-	4,110	4,110
Dividend income	-	-	-	-	9,984	9,984
<b>Total</b>	<b>1,325,960</b>	<b>734,113</b>	<b>2,060,073</b>	<b>202,688</b>	<b>118,594</b>	<b>321,282</b>
<b>For the six-month period ended June 30, 2014</b>						
Revenue from sales of goods	287,488	2,339,162	2,626,650	287,488	99,112	386,600
Revenue from production contract	-	78,398	78,398	-	-	-
Revenue from construction contract	-	242,468	242,468	-	-	-
Revenue from vessel operating	20,726	-	20,726	-	-	-
Revenue from port service	1,000	-	1,000	-	-	-
Other incomes	-	16,922	16,922	-	9,198	9,198
Dividend income	-	-	-	-	1,997	1,997
<b>Total</b>	<b>309,214</b>	<b>2,676,950</b>	<b>2,986,164</b>	<b>287,488</b>	<b>110,307</b>	<b>397,795</b>

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..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

### 30. PROVIDENT FUND

The Company and subsidiaries' contributions for the employees provident fund and recorded as expenses in the statements of profit and loss for the three-month and six-month periods ended June 30, 2015 and 2014 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b><u>For the three-month periods</u></b>				
Asian Insulators Public Company Limited	449	412	449	412
AI Engineering Services Company Limited	61	57	-	-
AI Energy Public Company Limited	340	312	-	-
AI Logistics Company Limited	6	2	-	-
Total	856	783	449	412
<b><u>For the six-month periods</u></b>				
Asian Insulators Public Company Limited	897	856	897	856
AI Engineering Services Company Limited	121	113	-	-
AI Energy Public Company Limited	675	487	-	-
AI Logistics Company Limited	12	3	-	-
Total	1,705	1,459	897	856

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### 31. SEGMENT INFORMATION

The segment information for the three-month and six-month periods ended June 30, 2015 and 2014 is as follows:

Unit: Thousand Baht									
Consolidated financial statements									
For the three-month period ended June 30, 2015									
Group of AI Energy Public Company Limited									
	Sale of porcelain insulators and component	Construction undertaking	Sale of biodiesel and vegetable oil and by product	Contract of refind crude palm oil	Sale of ice cube	Vessel operating	Port services	Total	
Revenues from sales and services	226,974	-	876,691	11,420	7,435	2,300	-	1,124,820	
Cost of sales and services	(134,209)	-	(901,121)	(8,032)	(6,118)	(5,533)	-	(1,055,013)	
Gross profit (loss) by segment	92,765	-	(24,430)	3,388	1,317	(3,233)	-	69,807	
Other income								5,438	
Selling expenses								(10,337)	
Administrative expenses								(37,281)	
Finance costs								(3,079)	
Share of loss from investments in associate								(927)	
Income tax expenses								(1,237)	
Profit for the period								22,384	
Equity holders of the parent								39,855	
Non-controlling interests								(17,471)	
Property, plant, vessel and equipment - net	623,841	54	885,012		21,316	53,787	436,136	2,020,146	

..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

Unit: Thousand Baht

Consolidated financial statements

For the six-month period ended June 30, 2015

Group of AI Energy Public Company Limited

	Sale of porcelain insulators and component	Construction undertaking	Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Sale of ice cube	Vessel operating	Port services	Total
Revenues from sales and services	312,675	2,950	1,692,416	18,413	14,173	8,213	-	2,048,840
Cost of sales and services	(189,748)	(2,084)	(1,731,944)	(13,934)	(11,962)	(15,468)	-	(1,965,140)
Gross profit (loss) by segment	122,927	866	(39,528)	4,479	2,211	(7,255)	-	83,700
Other income								11,233
Selling expenses								(22,120)
Administrative expenses								(80,269)
Finance costs								(7,290)
Share of loss from investments in associate								(5,493)
Income tax revenue								3,470
Loss for the period								(16,769)
Equity holders of the parent								15,894
Non-controlling interests								(32,663)
Property, plant, vessel and equipment - net	623,841	54	885,012		21,316	53,787	436,136	2,020,146

2

..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

Unit: Thousand Baht

Consolidated financial statements									
For the three-month period ended June 30, 2014									
Group of AI Energy Public Company Limited									
	Sale of porcelain insulators and component	Construction undertaking	Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Sale of ice cube	Vessel operating	Port services	Total	
Revenues from sales and services	187,395	131,521	1,033,346	34,483	8,130	9,188	1,000	1,405,063	
Cost of sales and services	(125,755)	(110,317)	(1,088,702)	(18,970)	(7,341)	(16,366)	(497)	(1,367,948)	
Gross profit (loss) by segment	61,640	21,204	(55,356)	15,513	789	(7,178)	503	37,115	
Other income								7,387	
Selling expenses								(16,453)	
Administrative expenses								(35,453)	
Finance costs								(8,751)	
Share of loss from investments in associate								(135)	
Income tax expenses								(8,464)	
Profit for the period								(24,754)	
Equity holders of the parent								(18,494)	
Non-controlling interests								(6,260)	
Property, plant, vessel and equipment - net	675,401	81	802,933		20,997	70,783	450,417	2,020,612	

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..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

Unit: Thousand Baht

Consolidated financial statements							
For the six-month period ended June 30, 2014							
Group of AI Energy Public Company Limited							
	Sale of porcelain insulators and component	Construction undertaking	Sale of biodiesel and vegetable oil and by product	Contract of refind crude palm oil	Sale of ice cube	Vessel operating	Port services
Revenues from sales and services	388,811	242,468	2,216,290	84,905	15,042	20,726	1,000
Cost of sales and services	(254,358)	(203,326)	(2,210,415)	(30,133)	(12,471)	(25,549)	(497)
Gross profit (loss) by segment	134,453	39,142	5,875	54,772	2,571	(4,823)	503
Other income							232,493
Selling expenses							16,922
Administrative expenses							(30,941)
Finance costs							(75,102)
Share of loss from investments in associate							(12,792)
Income tax expenses							(3,473)
Profit for the period							(28,429)
Equity holders of the parent							98,678
Non-controlling interests							81,177
Property, plant, vessel and equipment - net	675,401	81	802,933		20,997	70,783	450,417
							17,501
							2,020,612

2

..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)



### 32. COMMITMENT AND CONTINGENT LIABILITIES

32.1 As at June 30, 2015 and December 31, 2014, the Company and subsidiaries have commitment and contingent liabilities were as follows:

Unit: Million Baht

Particulars	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Letters of guarantee issued by commercial bank	251.33	309.24	90.24	76.98

32.2 As at June 30, 2015 and December 31, 2014, the Company and subsidiaries have capital expenditure commitment were as follows:

Unit: Million Baht

Particulars	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
The purchase of machinery and equipment	25.13	8.17	8.42	3.19

32.3 As at June 30, 2015 and December 31, 2014, the Company is the guarantor for the repayment of loans from financial institutions for AI Engineering Services Company Limited amount of Baht 545 million.

32.4 The subsidiary has entered a lease contract of 15 tanks, comprise 5 tanks at 23/1 Moo 7 Thajeen District, Amphoe Mueang, Samutsakhon and 10 tanks at 1/9 Moo 1 Tambon Had Sairee, Amphoe Mueang Chumphon, Chumphon. The lease period was 12 months, commencing from January 1, 2016 to December 31, 2016. The Subsidiary has to pay monthly rental amount of Baht 4.20 million per month.

32.5 The subsidiary received a letter from the Enforcement Department, Office of the Securities and Exchange Commission of Thailand, dated January 20, 2016, requesting for the facts about the subsidiary auditor's disclaimer of opinion in the subsidiary's financial statements for the year 2014. The subsidiary's management provided a clarification of the facts to the Enforcement Department, Office of the Securities and Exchange Commission of Thailand. The subsidiary also sent a letter to request the status update with respect to this matter. The Enforcement Department, Office of the Securities and Exchange Commission of Thailand replied by a letter, dated February 28, 2017 that the outcome has not yet finalized.

### 33. LITIGATION

AI Energy Public Company Limited ("the subsidiary") was sued by the Official Receiver of Pamola 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 June 8, 2016, the Supreme Court has ordered to dismiss the case.

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

#### **34. CAPITAL MANAGEMENT**

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

#### **35. CORRECTION OF ACCOUNTING ERROR AND RECLASSIFICATION OF ACCOUNTING TRANSACTIONS**

The Company's consolidated financial statements for the three-month and six-month period ended June 30, 2014 and for the year ended December 31, 2015 had been prepared and issued on August 14, 2014 and March 24, 2015, respectively. During the year 2015, the subsidiary retroactively adjusted the accounting errors in the consolidated financial statements for the three-month and six-month period ended June 30, 2014 and for the year ended December 31, 2014.

The Company has reclassified some accounting transactions in the separate statements of financial position as at December 31, 2014 and the separate statements of profit or loss and other comprehensive income for the three-month and six-month period ended June 30, 2014 to conform to the current period presentation, of which no impact net income or shareholders' equity.

The correction of accounting error and reclassifications of accounting transaction were as follows:

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Unit : Thousand Baht

	Consolidated financial statements				
	Before adjustment and reclassifications	The first adjustment	The second adjustment	After adjustment and before reclassifications	After adjustment and reclassifications
<b>Statements of financial position as at December 31, 2014</b>					
<b>Current assets</b>					
Trade and other receivables - net	569,435	82,473	-	651,908	636,762
Unbilled receivables	46	-	-	46	17,718
Inventories - net	580,705	(47,533)	9,869	543,041	543,629
Construction contracts in progress	588	-	-	588	-
Advance payment to subcontractors	77	-	-	77	-
Other current assets	2,449	-	-	2,449	-
<b>Non-Current assets</b>					
Property, plant, vessel and equipment - net	2,031,313	(548)	-	2,030,765	2,030,765

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..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

Unit: Thousand Baht

Consolidated financial statements					
	Before	After adjustment			After adjustment and reclassifications
	adjustment and reclassifications	The first adjustment	The second adjustment	and before reclassifications	
Statements of financial position as at December 31, 2014 (Continue)					
Current liabilities					
Trade and other payables	(175,801)	(45,903)	-	(221,704)	(36,160)
Accrued interest expenses	(489)	-	-	(489)	489
Retention payables	(650)	-	-	(650)	650
Income tax payable	(34,281)	(1,644)	(2,925)	(38,850)	-
Revenue Department payable	(33,247)	-	-	(33,247)	33,247
Other	(1,774)	-	-	(1,774)	1,774
Shareholders' equity					
Non-controlling interests	(923,607)	-	178,329	(745,278)	-
Deficits decrease	(640,054)	(13,155)	185,273	(467,936)	-
					(745,278)
					(467,936)

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..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

Unit: Thousand Baht

	Consolidated financial statements			
	Before adjustment and reclassifications	The first adjustment	The second adjustment	After adjustment and before reclassifications
				After adjustment and reclassifications
<b>Statements of profit or loss for the three-month period ended June 30, 2014</b>				
<b>Revenues</b>				
Revenue from sales of goods	1,243,170	-	405	1,243,575
Revenue from production contract	18,041	16,841	(399)	34,483
<b>Expenses</b>				
Cost of sales	(1,163,545)	(33,212)	(39,745)	(1,236,502)
Cost of production contract	(11,609)	(2,868)	(4,493)	(18,970)
Selling expenses	(16,453)	-	-	(16,453)
Administrative expenses	(31,106)	(127)	(2,945)	(34,178)
Management's remuneration	(1,213)	-	-	(1,213)
Finance costs	(8,813)	-	-	(8,813)
Income tax expenses	(7,294)	(10,137)	8,967	(8,464)
Profit for the period decrease	42,959	(29,503)	(38,210)	(24,754)

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..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

Unit: Thousand Baht

	Consolidated financial statements			
	Before adjustment and reclassifications	The first adjustment	The second adjustment	After adjustment and before reclassifications
				After adjustment and reclassifications
<b>Statements of profit or loss for the six-month period ended June 30, 2014</b>				
<b>Revenues</b>				
Revenue from sales of goods	2,650,864	-	405	2,651,269
Revenue from production contract	31,225	53,680	(6,507)	78,398
<b>Expenses</b>				
Cost of sales	(2,393,324)	(70,351)	(18,726)	(2,482,401)
Cost of production contract	(20,992)	(10,320)	(18,283)	(49,595)
Selling expenses	(30,941)	-	-	(30,941)
Administrative expenses	(63,807)	(4,864)	(3,558)	(72,229)
Management's remuneration	(2,741)	-	-	(2,741)
Finance costs	(12,924)	-	-	(12,924)
Income tax expenses	(12,762)	(24,311)	8,644	(28,429)
Profit for the period decrease	192,869	(56,166)	(38,025)	98,678

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..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

Unit: Thousand Baht				
	Consolidated financial statements			
	Before adjustment and reclassifications	Adjustment	After adjustment and before reclassifications	After adjustment and reclassifications
<b>Statements of cash flows for the six-month period ended June 30, 2014</b>				
<b>Cash Flows from Operating Activities</b>				
Depreciation	68,744	294	69,038	69,038
Trade and other receivables	(192,228)	(176,825)	(369,053)	(373,177)
Inventories	(583,802)	(3,491)	(587,293)	(587,293)
Other current assets	(4,124)	-	(4,124)	-
Trade and other payables	171,617	258,546	430,163	443,988
Other current liabilities	13,825	-	13,825	-
		<u>78,524</u>	<u>13,825</u>	<u>-</u>
		<u><u>78,524</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

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..... Director  
(Narong Tharatanavibool)

..... Director  
(Thanit Tharatanavibool)

Unit: Thousand Baht

	Separate financial statements		
	Before		After
	reclassifications	Reclassifications	reclassifications
<b>Statements of financial position as at December 31, 2014</b>			
<b>Current assets</b>			
Trade and other receivables - net	136,610	676	137,286
Other currnt assets	164	(164)	-
<b>Non-Current assets</b>			
Other non-currnt assets	824	(512)	312
<b>Current liabilities</b>			
Trade and other payables	(43,220)	(5,304)	(48,524)
Accrued interest expenses	(156)	156	-
Revenue Department payable	(4,727)	4,727	-
Other	(421)	421	-

Unit: Thousand Baht

	Separate financial statements		
	Before		After
	reclassifications	Reclassifications	reclassifications
<b>Statements of profit or loss for the three-month period ended June 30, 2014</b>			
<b>Revenues</b>			
Revenue from sales of goods	211,469	34,534	246,003
Other incomes	3,366	3,994	7,360
Dividend income	-	(3,994)	(3,994)
<b>Expenses</b>			
Cost of sales	(150,818)	(34,534)	(185,352)
Administrative expenses	(17,298)	2,362	(14,936)
Management's remuneration	(662)	(2,362)	(3,024)

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..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)



Unit: Thousand Baht			
Separate financial statements			
	Before reclassifications	Reclassifications	After reclassifications
<b>Statements of profit or loss for the six-month period ended June 30, 2014</b>			
<b>Revenues</b>			
Revenue from sales of goods	411,219	(24,619)	386,600
Other incomes	11,195	(1,997)	9,198
Dividend income	-	1,997	1,997
<b>Expenses</b>			
Cost of sales	(279,955)	24,619	(255,336)
Administrative expenses	(34,845)	(1,512)	(36,357)
Management's remuneration	(1,512)	1,512	-

Unit: Thousand Baht

Separate financial statements			
	Before reclassifications	Reclassifications	After reclassifications
<b>Statements of cash flows for the six-month period ended June 30, 2014</b>			
<b>Cash Flows from Operating Activities</b>			
Trade and other receivables	(81,611)	3,102	(78,509)
Other current assets	3,102	(3,102)	-
Trade and other payables	(13,105)	5,205	(7,900)
Other current liabilities	5,205	(5,205)	-

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

### 36. EVENTS AFTER THE REPORTING PERIOD

36.1 At November 3, 2016, the subsidiary made contracts for sale of land, buildings and machineries with a company for the amount of Baht 390 million. The subsidiary will receive monthly installment from July 2016 to June 2017. The transfer of ownership will take place once the full amount is paid. The subsidiary also made a rental agreement of land, buildings and machineries with such company for the period of 9 months from November 21, 2016 to June 20, 2017 for rental fee of Baht 0.5 million per month.

36.2 At November 1, 2016, the subsidiary made finance lease contracts for hire-purchase Vessel with a company. These agreements are repayable in 24 equal monthly installments up to the year 2018. The ownership of assets purchased under hire-purchase agreements will be transferred to buyer when last installment is paid

36.3 At October 24, 2016, the Subsidiary made a 5-year contract with a company for manufacturing edible oil products and allowed the use of "Pamola" trademark.

### 37. FINANCIAL STATEMENTS APPROVAL

These interim financial statements have been approved to issue by the Company's Board of Directors on February 28, 2017.

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..... Director  
(Narong Thareratanavibool)

..... Director  
(Thanit Thareratanavibool)