

INTERIM FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT ON REVIEW
OF INTERIM FINANCIAL INFORMATION
ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
FOR THE THIRD QUARTER ENDED JUNE 30, 2016

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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 June 30, 2016, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month period ended June 30, 2016, consolidated and separate statements of changes in shareholders' equity, consolidated and separate statements of cash flows for the six-month period ended June 30, 2016, 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 Qualified Conclusion 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 Qualified 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 position as at December 31, 2014 in order to correct the errors as described in Note to Financial Statements No.33. I am unable to obtain sufficient and appropriate audit evidence for those transaction incurred in 2014 and there was no effective internal control as mentioned above.

- 1.2 As discussed in the Note to Financial Statements No.30.4, 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 were 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.11, the financial statements of PPC Asian Insulator Company Limited, an associated company, as at June 30, 2016, 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 June 30, 2016, included an investment of Baht 5.54 million and a share of profit for the three-month and six-month periods ended June 30, 2016 in the amount of Baht 0.94 million and Baht 0.95 million, respectively. I am unable to satisfactorily review the appropriateness of the balance of such investment in the associated company.

Since the matter discussed in No.1 and No.3 above have significant effect on the interim financial information for the six-month periods ended June 30, 2016. My conclusion is qualified on the interim financial information for the six-month periods ended June 30, 2016.

I had expressed a disclaimer of conclusion on the consolidated interim financial information for the six -month period ended June 30, 2015, and had expressed a qualified opinion on the consolidated financial position as at December 31, 2015, due to results as mentioned in No.1 and No.2 above. Therefore, my conclusion is qualified for possible effect of these matter on the comparability of the previous period's figures to those of this period.



Qualified Conclusion on the Consolidated Interim Financial Information

Except for the possible effect of the matter described in the Basis for qualified conclusion on the consolidated interim financial information paragraph No.1 and No.3 and the possible effect on the comparability of the previous period's figures to those of this period as described in the Basis for qualified conclusion paragraph No.1 and No.2, based on my review, 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".

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".

Emphasis of Matter

As discussed in Notes to Financial Statements No. 33, the Company's financial statements for the year ended December 31, 2015 had been prepared and issued on March 29, 2016. During the year 2016, the Company retroactively adjusted the accounting errors on the account of the non-controlling interest and the subsidiary retroactively adjusted the accounting errors in the consolidated financial statements for the year ended December 31, 2015 and as at January 1, 2015.



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, 2016

Unit: Thousand Baht

	Notes	Consolidated financial statements			Separate financial statements	
		June 30, 2016	December 31, 2015	January 1, 2015	June 30, 2016	December 31, 2015
		"UNAUDITED" "REVIEWED"	(RESTATED)	(RESTATED)	"UNAUDITED" "REVIEWED"	"AUDITED"
ASSETS						
Current assets						
Cash and cash equivalents	5	274,082	154,714	204,456	68,667	29,358
Short-term investments	6	226,708	419,180	259,341	76,022	216,343
Trade and other receivables - net	4, 7, 33	519,163	545,628	636,762	207,250	220,809
Unbilled receivables	8, 33	127,119	19,667	17,718	-	-
Inventories - net	9, 33	654,975	464,815	543,629	141,857	86,120
Oil supplies	10	1,415	1,987	2,368	-	-
Non-current assets held for sale - net		-	-	2,540	-	-
Total current assets		1,803,462	1,605,991	1,666,814	493,796	552,630
Non-current assets						
Investments in associated company - net	11	5,540	4,589	17,291	-	5,400
Investments in subsidiaries	12	-	-	-	862,555	862,555
Pledged deposits at financial institution	13	3,556	3,556	2,000	-	-
Property, plant, vessel and equipment - net	14, 33	1,941,268	1,982,449	2,030,765	567,832	593,948
Intangible assets - net	15	3,075	4,013	5,040	2,877	3,907
Deferred tax assets	24	15,707	18,081	3,928	6,152	6,285
Other non-current assets		16,629	14,043	17,056	312	312
Total non-current assets		1,985,775	2,026,731	2,076,080	1,439,728	1,472,407
Total assets		3,789,237	3,632,722	3,742,894	1,933,524	2,025,037

.....Director
 (Narong Thareratanavibool)

.....Director
 (Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF FINANCIAL POSITION
 AS AT JUNE 30, 2016

Unit: Thousand Baht

	Notes	Consolidated financial statements			Separate financial statements	
		June 30, 2016	December 31, 2015	January 1, 2015	June 30, 2016	December 31, 2015
		"UNAUDITED" "REVIEWED"	(RESTATED)	(RESTATED)	"UNAUDITED" "REVIEWED"	"AUDITED"
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities						
Bank overdrafts and short-term loans from financial institutions	16	356,000	324,034	366,918	-	-
Trade and other payables	4, 17, 33	347,040	163,457	257,864	80,221	54,515
Current portion of long-term loan from financial institutions		-	-	22,080	-	-
Advance received and deferred construction revenue	8	-	28,259	617	-	-
Income tax payable	33	7,577	9,276	38,850	3,180	5,512
Total current liabilities		710,617	525,026	686,329	83,401	60,027
Non-current liabilities						
Long-term loan from financial institutions - net		-	-	76,880	-	-
Employee benefit obligations	18	34,616	36,564	30,810	20,225	20,710
Total non-current liabilities		34,616	36,564	107,690	20,225	20,710
Total liabilities		745,233	561,590	794,019	103,626	80,737

.....Director
 (Narong Thareratanavibool)

.....Director
 (Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF FINANCIAL POSITION
 AS AT JUNE 30, 2016

Unit: Thousand Baht

	Notes	Consolidated financial statements			Separate financial statements	
		June 30, 2016	December 31, 2015	January 1, 2015	June 30, 2016	December 31, 2015
		"UNAUDITED" "REVIEWED"	(RESTATED)	(RESTATED)	"UNAUDITED" "REVIEWED"	"AUDITED"
Shareholders' equity						
Authorized share capital						
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	700,000	500,000	700,000	700,000
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	699,999	500,000	699,999	699,999
Premiums on share capital		902,769	902,769	902,769	902,769	902,769
Retained earnings (deficits)						
Appropriated						
Legal reserve	23	70,000	61,816	50,000	70,000	61,816
Unappropriated	22, 33	(590,211)	(524,115)	(467,936)	155,875	279,716
Other components of shareholders' equity						
Difference on business combination						
under common control		(3,259)	(3,259)	(3,259)	-	-
Capital surplus from share premium of subsidiary		360,580	360,580	360,580	-	-
Gain on disposal of investment in subsidiaries		861,443	861,443	861,443	-	-
Actuarial gains		1,898	-	-	1,255	-
Total shareholders' equity of the Company		2,303,219	2,359,233	2,203,597	1,829,898	1,944,300
Non-controlling interests	33	740,785	711,899	745,278	-	-
Total shareholders' equity		3,044,004	3,071,132	2,948,875	1,829,898	1,944,300
Total liabilities and shareholders' equity		3,789,237	3,632,722	3,742,894	1,933,524	2,025,037

.....Director
 (Narong Thareratanavibool)

.....Director
 (Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2016

"UNAUDITED"
 "REVIEWED"

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2016	2015	2016	2015
	4, 27, 28, 29, 33				
Revenues					
		1,347,354	1,111,100	224,281	223,961
		15,939	11,420	-	-
		123,054	-	-	-
		7,930	2,300	-	-
		3,503	5,438	2,777	1,746
	12	-	-	-	9,984
		<u>1,497,780</u>	<u>1,130,258</u>	<u>227,058</u>	<u>235,691</u>
Expenses					
		(1,175,805)	(1,041,448)	(123,170)	(134,209)
		(13,617)	(8,032)	-	-
		(111,422)	-	-	-
		(7,123)	(5,533)	-	-
		(10,553)	(10,337)	(1,470)	(325)
		(35,899)	(37,281)	(16,810)	(19,602)
		(2,844)	(3,079)	-	(596)
	11	944	(927)	-	-
		<u>(1,356,319)</u>	<u>(1,106,637)</u>	<u>(141,450)</u>	<u>(154,732)</u>
		141,461	23,621	85,608	80,959
	25	(3,879)	(1,237)	(1,365)	(2,214)
		<u>137,582</u>	<u>22,384</u>	<u>84,243</u>	<u>78,745</u>
		-	-	-	-
		<u>137,582</u>	<u>22,384</u>	<u>84,243</u>	<u>78,745</u>
Profit (loss) attributable to:					
		118,580	39,855	84,243	78,745
		19,002	(17,471)	-	-
		<u>137,582</u>	<u>22,384</u>	<u>84,243</u>	<u>78,745</u>
Total comprehensive income (loss) attributable to:					
		118,580	39,855	84,243	78,745
		19,002	(17,471)	-	-
		<u>137,582</u>	<u>22,384</u>	<u>84,243</u>	<u>78,745</u>
Earnings per share					
	21	0.04	0.01	0.03	0.03
		<u>2,799,996,084</u>	<u>2,799,996,084</u>	<u>2,799,996,084</u>	<u>2,799,996,084</u>

.....Director
 (Narong Thareratanavibool)

.....Director
 (Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2016

"UNAUDITED"
 "REVIEWED"

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2016	2015	2016	2015
4, 27, 28, 29, 33					
Revenues					
	Revenue from sales of goods	2,660,008	2,019,264	407,306	307,188
	Revenue from production contract	24,099	18,413	-	-
	Revenue from construction contract	205,380	2,950	-	-
	Revenue from vessel operating	16,224	8,213	-	-
	Other incomes	6,928	11,233	4,406	4,110
	Dividend income	-	-	-	9,984
	Total revenues	2,912,639	2,060,073	411,712	321,282
Expenses					
	Cost of sales	(2,354,402)	(1,933,654)	(230,224)	(189,748)
	Cost of production contract	(20,369)	(13,934)	-	-
	Cost of construction contract	(185,970)	(2,084)	-	-
	Cost of vessel operating	(14,664)	(15,468)	-	-
	Selling expenses	(20,654)	(22,120)	(2,463)	(1,388)
	Administrative expenses	(82,389)	(80,269)	(34,201)	(43,384)
	Finance costs	(5,167)	(7,290)	-	(1,210)
	Loss on impairment of investment in associate	-	-	(5,400)	-
	Share of gain (loss) from investment in associates	951	(5,493)	-	-
	Total expenses	(2,682,664)	(2,080,312)	(272,288)	(235,730)
	Profit (loss) before income tax expenses	229,975	(20,239)	139,424	85,552
	Tax income (Tax expense)	(7,417)	3,470	(3,085)	(2,792)
	Profit (loss) for the periods	222,558	(16,769)	136,339	82,760
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
	Defined benefit plan actuarial gains	2,933	-	1,569	-
	Income tax on other comprehensive income relating to items that will not be reclassified	(623)	-	(314)	-
	Other comprehensive income for the periods - net of income tax	2,310	-	1,255	-
	Total comprehensive income (loss) for the periods	224,868	(16,769)	137,594	82,760
Profit (loss) attributable to:					
	Equity holders of the parent	194,084	15,894	136,339	82,760
	Non-controlling interests	28,474	(32,663)	-	-
		222,558	(16,769)	136,339	82,760
Total comprehensive income (loss) attributable to:					
	Equity holders of the parent	195,982	15,894	137,594	82,760
	Non-controlling interests	28,886	(32,663)	-	-
		224,868	(16,769)	137,594	82,760
Earnings per share					
	Basic earnings per share of the Company (Baht)	0.07	0.01	0.05	0.03
	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 Thareratanavibool)

.....Director
 (Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2016

"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) Appropriated to legal reserve	Unappropriated	Difference on business combination under common control	Capital surplus from share premium of subsidiary	Gain on disposal of investment in subsidiaries	Total other components of shareholders' equity	Total Equity holders of the parent	Non-controlling Interest	Total Shareholders' Equity	Other comprehensive income (loss)	
												Actuarial gains	Income (loss)
	699,999	902,769	61,816	(698,191)	(3,259)	360,580	861,443	1,218,764	2,185,157	888,900	3,074,057		
33	-	-	-	174,076	-	-	-	-	174,076	(177,001)	(2,925)		
	699,999	902,769	61,816	(524,115)	(3,259)	360,580	861,443	1,218,764	2,359,233	711,899	3,071,132		
23	-	-	8,184	(8,184)	-	-	-	-	-	-	-		
22	-	-	-	(251,996)	-	-	-	-	(251,996)	-	(251,996)		
	-	-	-	194,084	-	-	-	1,898	195,982	28,886	224,868		
	699,999	902,769	70,000	(590,211)	(3,259)	360,580	861,443	1,220,662	2,308,219	740,785	3,044,004		
	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		
33	-	-	-	172,118	-	-	-	-	172,118	(178,329)	(6,211)		
	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		
19	199,999	-	-	-	-	-	-	-	199,999	-	199,999		
23	-	-	4,138	(4,138)	-	-	-	-	-	-	-		
22	-	-	-	(222,219)	-	-	-	-	(222,219)	(17)	(222,216)		
	-	-	-	15,894	-	-	-	-	15,894	(32,663)	(16,769)		
	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		

.....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, 2016

	Notes	Unit: Thousand Baht						"UNAUDITED" "REVIEWED"
		Separate financial statements						
		Issued and paid-up share capital	Premiums on share capital	Retained earnings (deficits)	Unappropriated	Actuarial gains	Total Shareholders' Equity	
Balance as at January 1, 2016		699,999	902,769	61,816	279,716	-	1,944,300	
Changes in shareholders' equity for the period:								
Legal reserve	23	-	-	8,184	(8,184)	-	-	
Dividend paid	22	-	-	-	(251,996)	-	(251,996)	
Total comprehensive income for the period		-	-	-	136,339	1,255	137,594	
Balance as at June 30, 2016		699,999	902,769	70,000	155,875	1,255	1,829,898	
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	19	199,999	-	-	-	-	199,999	
Legal reserve	23	-	-	4,138	(4,138)	-	-	
Dividend paid	22	-	-	-	(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	

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.....Director
 (Narong Thararatnavibool)

.....Director
 (Thanit Thararatnavibool)

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, 2016

"UNAUDITED"

"REVIEWED"

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash Flows from Operating Activities:				
Profit (loss) before income tax expenses	229,975	(20,239)	139,424	85,552
Adjustments to reconcile profit (loss) before income tax expense to cash provided by (used in) operating activities:				
Depreciation	74,382	73,253	31,051	33,166
Amortization of computer softwares	1,055	954	1,030	933
Gain on disposal asset	(276)	(60)	(276)	(39)
Unrealized (gain) loss on investments in Open-end Fund	(426)	(1,869)	254	(165)
Allowance for doubtful accounts	10,726	-	-	-
Allowance for devaluation of inventories	-	8,244	-	-
Loss on impairment of investment in associate	-	-	5,400	-
Share of (gain) loss from investment in associate	(951)	5,493	-	-
Dividend income	-	-	-	(9,984)
Unrealized gain on exchange rates	(659)	(357)	(705)	(328)
Long-term employee benefit expenses	3,040	2,908	1,415	1,524
Interest income	(585)	(462)	(382)	(71)
Interest expenses	5,167	6,020	-	700
Gain from operating activities before changes in operating assets and liabilities	321,448	73,885	177,211	111,288
Operating assets (increase) decrease				
Short-term investments	192,898	17,566	140,067	9,807
Trade and other receivables	5,052	101,671	13,559	(85,020)
Unbilled receivables	(107,452)	(230)	-	-
Inventories	(189,588)	(180,983)	(55,737)	(34,312)
Advance payment to subcontractors	10,928	77	-	-
Withholding tax refundable	-	154	-	-
Other current assets	59	(74)	-	-
Non-current assets classified as held for sale	-	2,440	-	-
Other non-current assets	(1,854)	2,748	-	-

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2016

"UNAUDITED"

"REVIEWED"

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Operating liabilities increased (decrease)				
Trade and other payables	180,429	16,743	24,632	24,567
Advance received from construction and deferred construction revenue	(28,259)	(618)	-	-
Retention payables	1,454	(452)	-	-
Other current liabilities	-	49	-	-
Cash provided by operating activities	385,115	32,976	299,732	26,330
Payment for employee benefit obligations	(2,055)	(24)	(331)	(24)
Paid income tax	(8,872)	(10,641)	(5,598)	(2,396)
Net cash provided by operating activities	374,188	22,311	293,803	23,910
Cash Flows from Investing Activities:				
Increase in fixed deposits with obligation	-	(1,136)	-	-
Interest received	598	462	382	72
Dividend income from investments in subsidiary	-	-	-	9,984
Payment for purchases of assets	(30,468)	(62,708)	(3,235)	(4,274)
Proceeds from disposal of equipment	355	115	355	75
Net cash used in investing activities	(29,515)	(63,267)	(2,498)	5,857
Cash Flows from Financing Activities:				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	31,965	111,877	-	(10,000)
Interest paid	(5,274)	(5,913)	-	(658)
Payment for long-term loans from financial institutions	-	(98,960)	-	-
Dividend payment	(251,996)	(22,220)	(251,996)	(22,220)
Subsidiary's dividend paid to non-controlling interests	-	(17)	-	-
Net cash used in financing activities	(225,305)	(15,233)	(251,996)	(32,878)
Net increase (decrease) in cash and cash equivalents	119,368	(56,189)	39,309	(3,111)
Cash and cash equivalents at beginning of the periods	154,714	204,456	29,358	12,433
Cash and cash equivalents at end of the periods	274,082	148,267	68,667	9,322

Supplemental disclosures of cash flows information

Non-cash transactions consisted of :

Assets payable for plant and equipment	2,930	10,443	1,779	3,279
Increase share 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, 2016 (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 2015), 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, 2015. 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, 2015.

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, 2015.

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

New financial reporting standards

During the period, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, which most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company’s 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, 2015.

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, 2016 and 2015 were as follows:

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
For the three-month periods				
Sales of products and raw materials				
PPC Asian Insulators Co., Ltd.	855	1,045	855	1,045
AI Engineering Services Co., Ltd.	-	-	2,406	-
AI Logistics Co., Ltd.	-	-	-	3,500
AI Ports and Terminals Co., Ltd.	-	-	-	10,195
Sales of hybrid clay				
PPC Asian Insulators Co., Ltd.	25,957	39,045	25,957	39,045
Dividend income				
AI Engineering Services Co., Ltd.	-	-	-	9,984
Other income - rental and services				
PPC Asian Insulators Co., Ltd.	90	723	90	512
AI Engineering Services Co., Ltd.	-	-	316	296
AI Energy Public Co., Ltd.	-	-	235	302
AI Logistics Co., Ltd.	-	-	139	140
AI Ports and Terminals Co., Ltd.	-	-	71	135
Purchase of goods				
Samart Palm Co., Ltd.	-	6,708	-	-
Samart Palm oil Co., Ltd.	4,465	6,688	-	-
Samart Palm Industry Co., Ltd.	16,726	11,808	-	-
Purchases of scrap clay				
PPC Asian Insulators Co., Ltd.	12,947	17,252	12,947	17,252
Purchases of raw materials and consumed supply				
PPC Asian Insulators Co., Ltd.	1	53	1	53

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
For the six-month periods				
Sales of products and raw materials				
PPC Asian Insulators Co., Ltd.	1,636	2,000	1,636	2,000
AI Engineering Services Co., Ltd.	-	-	2,778	-
AI Logistics Co., Ltd.	-	-	-	8,750
AI Ports and Terminals Co., Ltd.	-	-	-	13,695
Sales of hybrid clay				
PPC Asian Insulators Co., Ltd.	62,840	79,864	62,840	79,864
Dividend income				
AI Engineering Services Co., Ltd.	-	-	-	9,984
Other income - rental and services				
PPC Asian Insulators Co., Ltd.	180	1,182	180	1,182
AI Engineering Services Co., Ltd.	-	-	628	595
AI Energy Public Co., Ltd.	-	-	477	567
AI Logistics Co., Ltd.	-	-	284	318
AI Ports and Terminals Co., Ltd.	-	-	158	271
Purchase of goods				
Samart Palm Co., Ltd.	3,426	15,413	-	-
Samart Palm oil Co., Ltd.	10,293	16,062	-	-
Samart Palm Industry Co., Ltd.	26,326	22,095	-	-
Purchases of scrap clay				
PPC Asian Insulators Co., Ltd.	30,279	33,386	30,279	33,386
Purchases of raw materials and consumed supply				
PPC Asian Insulators Co., Ltd.	9	54	9	54
AI Energy Public Co., Ltd.	-	-	94	26

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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, 2016 and 2015 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>For the three-month periods</u>				
Short-term employee benefits	11,604	11,719	6,305	6,307
Long-term post-employment benefits	473	318	177	144
Total directors and management's remuneration	12,077	12,037	6,482	6,451
<u>For the six-month periods</u>				
Short-term employee benefits	23,164	22,775	12,839	12,361
Long-term post-employment benefits	988	649	354	288
Total directors and management's remuneration	24,152	23,424	13,193	12,649

Significant balances with related parties as at June 30, 2016 and December 31, 2015 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade receivable				
PPC Asian Insulators Co., Ltd.	27,158	16,821	27,158	16,817
Other receivable				
PPC Asian Insulators Co., Ltd.	133	44	133	44
AI Engineering Services Co., Ltd.	-	-	24	17
AI Logistics Co., Ltd.	-	-	4	3
Trade payable				
PPC Asian Insulators Co., Ltd.	17,576	10,926	17,576	10,903
Samart Palm Industry Co., Ltd.	1,841	-	-	-
Other payable				
AI Energy Public Co., Ltd.	-	-	-	14

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

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5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at June 30, 2016 and December 31, 2015 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash on hand	622	614	105	105
Deposit at bank - saving	272,223	152,784	68,444	29,106
- current	323	413	118	147
Fixed deposits due within 3 months	914	903	-	-
Total cash and cash equivalents	274,082	154,714	68,667	29,358

6. SHORT-TERM INVESTMENTS

Short-term investments as at June 30, 2016 and December 31, 2015 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Investment in Open-end Fund-Debt securities	225,620	416,122	75,846	215,913
<u>Add</u> Allowance for adjustment	857	2,826	176	430
Investment in Open-end Fund-Fair value	226,477	418,948	76,022	216,343
Fixed deposits	231	232	-	-
Total short-term investments	226,708	419,180	76,022	216,343

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 year were presented in the statement of profit or loss.

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

7. TRADE AND OTHER RECEIVABLES - NET

Trade and other receivables as at June 30, 2016 and December 31, 2015 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade receivables				
Trade receivable - related parties	27,158	16,821	27,158	16,817
Trade receivable - state enterprises	173,256	190,094	154,782	187,549
Trade receivable - other	293,773	291,331	22,158	11,494
Post date cheques	3,210	9,805	-	-
Total trade receivables	497,397	508,051	204,098	215,860
<u>Less</u> Allowance for doubtful accounts	(11,974)	(1,248)	-	-
Total trade receivables - net	485,423	506,803	204,098	215,860
Other receivables				
Other receivables	133	2,760	161	64
Prepaid expense	6,350	3,662	2,892	1,739
Deposit for inventories	809	2,906	-	2,906
Revenue Department receivable	10,507	2,516	99	240
Advance payment to subcontractors	14,623	25,551	-	-
Others	1,624	1,736	-	-
Total other receivables	34,046	39,131	3,152	4,949
<u>Less</u> Allowance for doubtful accounts	(306)	(306)	-	-
Total other receivables - net	33,740	38,825	3,152	4,949
Total trade and other receivables - net	519,163	545,628	207,250	220,809

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

As at June 30, 2016 and December 31, 2015, outstanding balances of trade receivables aged by number of months are as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Related parties				
Current	10,320	16,821	10,320	16,817
Overdue				
Within 3 months	16,838	-	16,838	-
Total	27,158	16,821	27,158	16,817
State enterprises				
Current	157,012	183,319	143,547	183,319
Overdue				
Within 3 months	13,567	3,187	8,558	3,187
Over 3 months to 12 months	2,677	3,588	2,677	1,043
Total	173,256	190,094	154,782	187,549
Other				
Current	271,381	284,773	13,488	7,931
Overdue				
Within 3 months	13,628	2,727	8,670	3,563
Over 3 months to 12 months	-	12,388	-	-
Over 12 months	11,974	1,248	-	-
Total	296,983	301,136	22,158	11,494
Less Allowance for doubtful accounts	(11,974)	(1,248)	-	-
Total trade receivables - net	485,423	506,803	204,098	215,860

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

8. UNBILLED RECEIVABLES / ADVANCE RECEIVED AND DEFERRED CONSTRUCTION REVENUE

Unbilled receivables/advance received and deferred construction revenue as at June 30, 2016 and December 31, 2015 consisted of:

	Unit: Thousand Baht	
	Consolidated financial statements	
	2016	2015
Unbilled receivables		
Contract value	660,859	222,966
Recognition of income by the percentage of completion	412,012	186,245
<u>Less</u> Value of billing construction	(284,893)	(166,578)
Unbilled receivables	127,119	19,667
Advance received and deferred construction revenue		
Contract value	-	437,893
Value of billing construction	-	48,645
<u>Less</u> Recognition of income by the percentage of completion	-	(20,386)
Advance received and deferred construction revenue	-	28,259

9. INVENTORIES - NET

Inventories as at June 30, 2016 and December 31, 2015 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Raw materials	356,009	292,335	88,328	62,342
Work in process	153,172	98,937	23,509	22,439
Finished goods	125,550	62,800	19,508	1,127
Supplies	11,449	11,645	1,717	1,114
Goods in transit	13,519	3,822	13,519	3,822
Total	659,699	469,539	146,581	90,844
<u>Less</u> Allowance for devaluation of inventories	(4,724)	(4,724)	(4,724)	(4,724)
Total inventories - net	654,975	464,815	141,857	86,120

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

10. OIL SUPPLIES

Oil supplies as at June 30, 2016 and December 31, 2015 consisted of:

	Unit: Thousand Baht	
	Consolidated financial statements	
	2016	2015
Bunker oil	822	1,363
Lubricants	593	624
Total oil supplies	1,415	1,987

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

11. INVESTMENTS IN ASSOCIATED COMPANY - NET

Investments in associated company as at June 30, 2016 and December 31, 2015 consisted of:

Company	Nature of business	Percentage of investment (%)		Unit : Million Baht		Unit: Thousand Baht			
		2016	2015	2016	2015	Consolidated financial statements		Separate financial statements	
				Issued share capital		Equity method	2016	2015	2016
PPC Asian Insulators Company Limited	Producing and distributing electronics insulators and ceramics	25.10	25.10	263	263	5,540	4,589	66,000	66,000
						-	-	(66,000)	(60,600)
						5,540	4,589	-	5,400

The consolidated and separate financial statements for the six-month periods ended June 30, 2016 and 2015, 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 reviewed by an auditor. The carrying value of the investment in the consolidated financial statements as at June 30, 2016 and December 31, 2015, amounted to Baht 5.54 million and Baht 4.59 million, respectively, representing 0.15% and 0.13% of total assets in the consolidated financial statements, respectively.

The equity of net profit (loss) of the associated company in the consolidated financial statements for the three-month periods ended June 30, 2016 and 2015 amounted to Baht 0.94 and Baht (0.93) million, respectively, representing 0.69% and (4.14%) of consolidated net profit, respectively and the equity of net profit (loss) of the associated company in the consolidated financial statements for the six-month periods ended June 30, 2016 and 2015 amounted to Baht 0.95 and Baht (5.49) million, respectively, representing 0.43% and (79.62%) of consolidated net profit, respectively.

The carrying value of the investment in the separate financial statements as at December 31, 2015, amounted to Baht 5.40 million, representing 0.27% of total assets in the separate financial statements.

As at June 30, 2016 the management of the Company has considered the net realizable value from investments in associate and passed a resolution to set up fully provision for diminution of investment in associate in the separate financial statements.

..... Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)

12. INVESTMENTS IN SUBSIDIARY COMPANIES

Investments in subsidiaries as at June 30, 2016 and December 31, 2015, and dividend income from the investment during for the six-month periods ended June 30, 2016 and 2015, consisted of:

Company	Nature of business	Percentage of investment (%)		Issued share capital		Separate financial statements			
		2016	2015	Unit : Million Baht		Cost method		Dividend	
		2016	2015	2016	2015	2016	2015	2016	2015
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
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 vegetable oil and other fuel oil	100.00	100.00	460	460	-	-	-	-
Total investments in subsidiaries						862,555	862,555	-	9,984

13. 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)

14. PROPERTY, PLANT, VESSEL AND EQUIPMENT - NET

Property, plant, vessel and equipment as at June 30, 2016 and December 31, 2015 consisted of:

		Unit: Thousand Baht																		
		Consolidated financial statements																		
		Land		Building and bulisng 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	Land	bulisng improvement	Utility system	Machinery, accessories and tools	Vessel and improvement	Office furniture and equipment	Motor vehicles	Fixed assets under construction and installation	Total								
At cost																				
As at December 31, 2015		357,156	36,171	958,037	57,273	1,413,515	179,322	33,396	90,213	9,322	3,134,405									
Purchases during period		-	-	318	14	6,028	4,242	883	-	21,795	33,280									
Transfers in (Transfer out) during period		-	5,178	426	6,130	12,057	-	25	-	(23,816)	-									
Disposal/written off during period		-	-	-	-	(25,567)	-	(98)	-	(5)	(25,670)									
As at June 30, 2016		357,156	41,349	958,781	63,417	1,406,033	183,564	34,206	90,213	7,296	3,142,015									
Accumulated Depreciation																				
As at December 31, 2015		-	16,845	291,402	31,236	604,774	135,558	28,184	37,967	-	1,145,966									
Depreciation for the period		-	1,198	16,835	2,291	42,733	8,611	1,061	1,653	-	74,382									
Depreciation - disposal for the period		-	-	-	-	(25,500)	-	(91)	-	-	(25,591)									
As at June 30, 2016		-	18,043	308,237	33,527	622,007	144,169	29,154	39,620	-	1,194,757									
Allowances for impairment																				
As at December 31, 2015		-	-	-	-	(5,990)	-	-	-	-	(5,990)									
As at June 30, 2016		-	-	-	-	(5,990)	-	-	-	-	(5,990)									
Book value																				
As at December 31, 2015		357,156	19,326	666,635	26,037	802,751	43,764	5,212	52,246	9,322	1,982,449									
As at June 30, 2016		357,156	23,306	650,544	29,890	778,036	39,395	5,052	50,593	7,296	1,941,268									

..... 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, 2015		61,576	14,822	414,132	20,200	658,199	22,207	11,880	4,256	1,207,272
Purchases during period		-	-	-	-	1,452	247	-	3,315	5,014
Transfers in (Transfer out) during period		-	-	16	-	7,054	25	-	(7,095)	-
Disposal /written off during period		-	-	-	-	(25,567)	(98)	-	(5)	(25,670)
As at June 30, 2016		61,576	14,822	414,148	20,200	641,138	22,381	11,880	471	1,186,616
Accumulated Depreciation										
As at December 31, 2015		-	14,821	162,836	18,584	381,489	19,646	9,958	-	607,334
Depreciation for the period		-	1	9,081	490	20,917	557	5	-	31,051
Depreciation - disposals for the period		-	-	-	-	(25,500)	(91)	-	-	(25,591)
As at June 30, 2016		-	14,822	171,917	19,074	376,906	20,112	9,963	-	612,794
Allowances for impairment										
As at December 31, 2015		-	-	-	-	(5,990)	-	-	-	(5,990)
As at June 30, 2016		-	-	-	-	(5,990)	-	-	-	(5,990)
Book value										
As at December 31, 2015		61,576	1	251,296	1,616	270,720	2,561	1,922	4,256	593,948
As at June 30, 2016		61,576	-	242,231	1,126	258,242	2,269	1,917	471	567,832

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..... Director
(Narong Thararatnavibool)

..... Director
(Thanit Thararatnavibool)

Depreciations in the statements of profit or loss for the three-month and six-month periods ended June 30, 2016 and 2015 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>For the three-month periods</u>				
Cost of sale and service	34,149	31,652	13,373	13,003
Selling and administrative expenses	3,234	4,964	2,123	3,635
	<u>37,383</u>	<u>36,616</u>	<u>15,496</u>	<u>16,638</u>
<u>For the six-month periods</u>				
Cost of sale and service	67,963	63,442	26,846	25,785
Selling and administrative expenses	6,419	9,811	4,205	7,381
	<u>74,382</u>	<u>73,253</u>	<u>31,051</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, 2016 and December 31, 2015, of Baht 412.85 million and Baht 417.25 million, respectively. (Note 16)

The gross carrying amounts of equipment were fully depreciated but these items are still in active use by the Group as at June 30, 2016 and December 31, 2015, in the consolidated financial statement totaling approximately Baht 355.84 million and Baht 278.83 million respectively, and separate financial statements totaling approximately Baht 252.11 million and Baht 254.12 million, respectively.

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

15. INTANGIBLE ASSETS - NET

Intangible assets as at June 30, 2016 and December 31, 2015 consisted of:

	Unit : Thousand Baht	
	Computer Software	
	Consolidated financial statements	Separate financial statements
At cost		
As at December 31, 2015	21,273	20,566
Purchases during period	117	-
As at June 30, 2016	21,390	20,566
Accumulated amortisation		
As at December 31, 2015	17,260	16,659
Amortization for the period	1,055	1,030
As at June 30, 2016	18,315	17,689
Net booked value		
As at December 31, 2015	4,013	3,907
As at June 30, 2016	3,075	2,877

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

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

Bank overdrafts and short-term loans from financial institutions as at June 30, 2016 and December 31, 2015 consisted of:

Unit: Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Bank overdraft	-	34	-	-
short-term loans from financial institution	356,000	324,000	-	-
Total bank overdraft and short-term loans from financial institution	356,000	324,034	-	-

Credit line (Unit: Million Baht)				
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Bank overdraft	67	67	12	12
Promissory notes	1,870	1,870	430	430
Total	1,937	1,937	442	442

These loans are secured by mortgage land with structure and part of a subsidiary (Note 14). 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)

17. TRADE AND OTHER PAYABLES

Trade and other payables as at June 30, 2016 and December 31, 2015 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade payables				
Trade payables - related parties	19,417	10,926	17,576	10,903
Trade payables - others	255,156	94,902	37,376	27,185
Total trade payables	274,573	105,828	54,952	38,088
Other payables				
Payables for purchase of assets	2,929	3,086	1,779	2,370
Other payables	4,795	3,798	-	14
Advances received for goods	6,364	5,978	6,239	1,268
Accrued bonus	8,444	-	5,444	-
Electricity payable	4,628	5,649	1,343	1,453
Accrued expenses	8,904	10,087	3,785	4,724
Retention	2,347	1,195	-	-
Revenue Department payable	32,439	26,380	6,118	6,057
Others	1,617	1,456	561	541
Total other payables	72,467	57,629	25,269	16,427
Total trade and other payables	347,040	163,457	80,221	54,515

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

18. EMPLOYEE BENEFIT OBLIGATIONS

Movement of the present value of employee benefits obligations and employee benefit expenses in the statement of profit or loss and other comprehensive income for the six-month periods ended June 30, 2016 and 2015 were as follows:

	Unit: Thousand Baht			
	Post-employment benefit plan			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Defined benefit obligations at beginning as at January 1,	36,564	30,810	20,710	17,686
Employee benefit expenses in the statements of profit or loss:				
Current service cost	2,677	2,400	1,203	1,234
Cost of interest	363	508	212	290
Benefit paid during the periods	(2,055)	(24)	(331)	(24)
Included in other comprehensive income:				
Actuarial (gains) losses arising from				
Financial assumption changes	(5,617)	-	(2,524)	-
Experience adjustments	2,684	-	955	-
Defined benefit obligations as at June 30,	34,616	33,694	20,225	19,186

Principal actuarial assumptions as at June 30, 2016 and December 31, 2015 (represented by the weighted - average) were as follows:

	Post - employment benefit plan			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Discount rate	1.77 - 2.35% per annum	3.18 - 3.39% per annum	2.22% per annum	3.29% per annum
Future salary increase rate	1.00 - 5.00% per annum	5.00% per annum	1.00 - 5.00% per annum	5.00% per annum
Average staff turnover rate	0 - 33.00% per annum	5.00% per annum	0 - 33.00% per annum	5.00% per annum
Mortality rate	Thai Mortality Ordinary Table of 2008	Thai Mortality Ordinary Table of 2008	Thai Mortality Ordinary Table of 2008	Thai Mortality Ordinary Table of 2008

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

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

19. SHARE CAPITAL

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

1. Approved to amendment in par value of ordinary shares from 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.

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

1. Approved to amendment in par value of ordinary shares from 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 20.

20. 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.

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

21. BASIC EARNINGS PER SHARE

Basic earnings per share for the three-month and six-month periods ended June 30, 2016 and 2015 were calculated as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>For the three-month periods</u>				
Net profit attributable				
to shareholders of the parent (Thousand Baht)	118,580	39,855	84,243	78,745
Number of ordinary share outstanding				
at beginning for the periods (Thousand share)	2,799,996	2,000,000	2,799,996	2,000,000
Effect of issuance stock dividend	-	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)	0.04	0.01	0.03	0.03

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>For the six-month periods</u>				
Net profit attributable				
to shareholders of the parent (Thousand Baht)	194,084	15,894	136,339	82,760
Number of ordinary share outstanding				
at beginning for the periods (Thousand share)	2,799,996	2,000,000	2,799,996	2,000,000
Effect of issuance stock dividend	-	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)	0.07	0.01	0.05	0.03

22. DIVIDEND PAYMENT

The 2016 Annual General Meeting of Shareholders of the Company held on April 29, 2016, passed a resolution to pay dividend for the year 2015 of Baht 0.09 per share for a total amount of Baht 252 million from the separate financial statements' retained earnings after deduction of legal reserves and exempt from income tax, according to the BOI Certificate No. 1478 (2)/2553. The dividend was paid on May 27, 2016.

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

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.

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 May 7, 2015.

23. 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.

24. DEFERRED TAX

Deferred tax as at June 30, 2016 and December 31, 2015 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Deferred tax assets	19,424	21,361	6,188	6,285
Deferred tax liabilities	(3,717)	(3,280)	(36)	-
Deferred tax assets - net	15,707	18,081	6,152	6,285

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

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, 2016	Profit (loss)	Other comprehensive income (loss)	As at June 30, 2016	As at January 1, 2016	Profit (loss)	Other comprehensive income (loss)
Deferred tax assets							
Allowance for doubtful trade							
accounts receivable	311	(33)	-	278	-	-	-
Allowance for devaluation of inventories	961	(16)	-	945	945	-	945
Allowance for impairment of assets	1,198	-	-	1,198	1,198	-	1,198
Provision for long-term employee benefits	6,674	441	(623)	6,492	4,142	217	(314)
Tax loss carried forward	12,217	(1,706)	-	10,511	-	-	-
Total	21,361	(1,314)	(623)	19,424	6,285	217	(314)
Deferred tax liability							
Unrealized gain on investments in							
Open-end Fund	(479)	308	-	(171)	-	(36)	(36)
Depreciation	(2,801)	(745)	-	(3,546)	-	-	-
Total	(3,280)	(437)	-	(3,717)	-	(36)	(36)
Deferred tax assets - net	18,081	(1,751)	(623)	15,707	6,285	181	(314)
							6,152

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..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

Unit: Thousand Baht

	Consolidated financial statements				Separate financial statements			
	As at January 1, 2015		As at June 30, 2015		As at January 1, 2015		As at June 30, 2015	
	Profit (loss)	comprehensive income (loss)	Profit (loss)	comprehensive income (loss)	Profit (loss)	comprehensive income (loss)	Profit (loss)	comprehensive income (loss)
Deferred tax assets								
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	-	3,837
Tax loss carried forward	-	6,872	-	6,872	-	-	-	-
Total	6,799	7,050	-	13,849	3,537	300	-	3,837
Deferred tax liability								
Unrealized gain on investments in Open-end Fund	(611)	605	-	(6)	(25)	19	-	(6)
Depreciation	(2,260)	206	-	(2,054)	-	-	-	-
Total	(2,871)	811	-	(2,060)	(25)	19	-	(6)
Deferred tax assets - net	3,928	7,861	-	11,789	3,512	319	-	3,831

As at June 30, 2016 and December 31, 2015 the Subsidiary had the deferred tax asset for the carry forward of unrecorded tax losses of separate financial statements Baht 15.06 million and Baht 10.54 million, respectively. The Subsidiary's management believes that it is probable that future taxable profit will be not available against which the unused tax losses can be utilized

..... Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)

25. INCOME TAX EXPENSES

Income tax expenses the three-month and six-month periods ended June 30, 2016 and 2015 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>For the three-month periods</u>				
Current tax expense				
Current periods	(3,310)	(3,012)	(1,453)	(2,397)
Deferred tax expense				
Movement in temporary differences	(569)	1,775	88	183
Total	(3,879)	(1,237)	(1,365)	(2,214)
<u>For the six-month periods</u>				
Current tax expense				
Current periods	(5,666)	(4,391)	(3,266)	(3,111)
Deferred tax expense				
Movement in temporary differences	(1,751)	7,861	181	319
Total	(7,417)	3,470	(3,085)	(2,792)

Income tax reduction

According to Royal Decree No. 577 B.E. 2557, dated November 10, 2014, the corporate income tax rate continued at 20 % on net profit for the accounting periods beginning on January 1, 2015 to December 31, 2015. The Act of Legislation amended Revenue Code No.42 B.E. 2559, dated March 3, 2016, grants the corporate income tax rate 20% on net profit for the accounting periods beginning on January 1, 2016 onwards.

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

26. FOREIGN CURRENCY TRANSACTIONS

As at June 30, 2016 and December 31, 2015, the Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies which are not covered by any hedging as follows:

(Unit: Thousand)

Particulars	Consolidated financial statements				Separate financial statements			
	2016		2015		2016		2015	
	Foreign Currencies	Converted to Baht	Foreign Currencies	Converted to Baht	Foreign Currencies	Converted to Baht	Foreign Currencies	Converted to Baht
Assets								
USD	21.64	757.65	11.78	423.39	21.51	753.03	11.65	418.66
Total		757.65		423.39		753.03		418.66
Liabilities								
USD	290.38	10,262.90	193.00	6,996.98	290.38	10,262.90	193.00	6,996.98
EUR	388.32	15,313.55	24.90	991.00	388.32	15,313.55	24.90	991.00
Total		25,576.45		7,987.98		25,576.45		7,987.98

27. 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, 2016 and 2015, as follows:

	Unit: Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	Promoted Activities	Non-promoted Activities	Total	Promoted Activities	Non-promoted Activities	Total
For the three-month period ended June 30, 2016						
Revenue from sales of goods	965,623	381,731	1,347,354	167,656	56,625	224,281
Revenue from production contract	-	15,939	15,939	-	-	-
Revenue from construction contract	-	123,054	123,054	-	-	-
Revenue from vessel opening	-	7,930	7,930	-	-	-
Other incomes	-	3,503	3,503	-	2,777	2,777
Total	965,623	532,157	1,497,780	167,656	59,402	227,058
For the three-month period ended June 30, 2015						
Revenue from sales of goods	860,919	250,181	1,111,100	170,024	53,937	223,961
Revenue from production contract	-	11,420	11,420	-	-	-
Revenue from vessel opening	2,300	-	2,300	-	-	-
Other incomes	-	5,438	5,438	-	1,746	1,746
Dividend income	-	-	-	-	9,984	9,984
Total	863,219	267,039	1,130,258	170,024	65,667	235,691

..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

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Unit: Thousand Baht

	Consolidated financial statements			Separate financial statements		
	Promoted	Non-promoted	Total	Promoted	Non-promoted	Total
	Activities	Activities	Activities	Activities	Activities	Activities
For the six-month period ended June 30, 2016						
Revenue from sales of goods	1,975,224	684,784	2,660,008	294,785	112,521	407,306
Revenue from production contract	-	24,099	24,099	-	-	-
Revenue from construction contract	-	205,380	205,380	-	-	-
Revenue from vessel operating	-	16,224	16,224	-	-	-
Other incomes	-	6,928	6,928	-	4,406	4,406
Total	1,975,224	937,415	2,912,639	294,785	116,927	411,712
For the six-month period ended June 30, 2015						
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
Total	1,325,960	734,113	2,060,073	202,688	118,594	321,282

..... Director

(Narong Thareerataniyabool)

..... Director

(Thanit Thareerataniyabool)

28. PROVIDENT FUND

The Company and subsidiaries' contributions for the employees provident fund and recorded as expenses in the statements of profit or loss for the three-month and six-month periods ended June 30, 2016 and 2015 were as follows :

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>For the three-month periods</u>				
Asian Insulators Public Company Limited	462	449	462	449
AI Engineering Services Company Limited	53	61	-	-
AI Energy Public Company Limited	346	340	-	-
AI Logistics Company Limited	6	6	-	-
Total	867	856	462	449
<u>For the six-month periods</u>				
Asian Insulators Public Company Limited	926	897	926	897
AI Engineering Services Company Limited	107	121	-	-
AI Energy Public Company Limited	694	675	-	-
AI Logistics Company Limited	12	12	-	-
Total	1,739	1,705	926	897

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

29. SEGMENT INFORMATION

The segment information for the three-month and six-month periods ended June 30, 2016 and 2015 is as follows:

		Unit: Thousand Baht							
		Consolidated financial statements							
		For the three-month period ended June 30, 2016							
		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
Revenue from sales and services		221,875	123,054	1,118,779	15,939	6,700	7,930	-	1,494,277
Cost of sales and services		(123,171)	(111,422)	(1,047,110)	(13,617)	(5,524)	(7,123)	-	(1,307,967)
Gross profit by segment		98,704	11,632	71,669	2,322	1,176	807	-	186,310
Other income									3,503
Selling expenses									(10,553)
Administrative expenses									(35,899)
Finance costs									(2,844)
Share of gain from investments in associate									944
Income tax expenses									(3,879)
Profit for the period									137,582
Equity holders of the parent									118,580
Non-controlling interests									19,002
Property, plant, vessel and equipment - net		567,832	43	890,430		20,874	40,586	421,503	1,941,268

..... Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)

Unit: Thousand Baht

Consolidated financial statements								
For the six-month period ended June 30, 2016								
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
Revenue from sales and services	404,528	205,380	2,242,846	24,099	12,634	16,224	-	2,905,711
Cost of sales and services	(230,225)	(185,970)	(2,112,847)	(20,369)	(11,330)	(14,664)	-	(2,575,405)
Gross profit by segment	174,303	19,410	129,999	3,730	1,304	1,560	-	330,306
Other income								6,928
Selling expenses								(20,654)
Administrative expenses								(82,389)
Finance costs								(5,167)
Share of gain from investments in associate								951
Income tax expenses								(7,417)
Profit for the period								222,558
Equity holders of the parent								194,084
Non-controlling interests								28,474
Property, plant, vessel and equipment - net	567,832	43	890,430	20,874	40,586	421,503		1,941,268

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..... Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)

Unit: Thousand Baht

Consolidated financial statements

For the three-month period ended June 30, 2015

Group of A.I 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
Revenue 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
Revenue 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 expenses								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

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..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

30. COMMITMENT AND CONTINGENT LIABILITIES

30.1 As at June 30, 2016 and December 31, 2015, the Company and subsidiaries have commitment and contingent liabilities were as follows:

Unit: Million Baht

Particulars	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Letters of guarantee issued by commercial bank	274.98	253.34	123.09	101.43

30.2 As at June 30, 2016 and December 31, 2015, the Company and subsidiaries have capital expenditure commitment were as follows:

Unit: Million Baht

Particulars	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
The purchase of machinery and equipment	8.77	9.36	6.55	0.75

30.3 As at June 30, 2016 and December 31, 2015, the Company is the guarantor for the repayment of loans from financial institutions to AI Engineering Services Company Limited amount of Baht 545 million.

30.4 The subsidiary received a letter from the Enforcement Department, the Office of the Securities and Exchange Commission of Thailand, dated January 20, 2016, requesting facts about the subsidiary's auditor expressed a disclaimer opinion in the subsidiary's financial statements for the year 2014. Which, 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. Currently, the Enforcement Department, the Office of the Securities and Exchange Commission of Thailand replied by a letter, dated February 28, 2017 that the outcome is not yet finalized.

30.5 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.

31. 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)

32. 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.

33. CORRECTION OF ACCOUNTING ERROR AND RECLASSIFICATION OF ACCOUNTING TRANSACTIONS

The Company's financial statements for the years ended December 31, 2015 and 2014 had been prepared and issued on March 29, 2016 and March 24, 2015, respectively. During the year 2016, the Company retroactively adjusted the accounting errors on the account of the non-controlling interest and the subsidiary retroactively adjusted the accounting errors in the consolidated financial statements for the year ended December 31, 2015 and as at January 1, 2015.

The effects to the consolidated financial position as at December 31, 2015 and January 1, 2015, presented herewith for comparative proposes, are as follows:

	Unit: Thousand Baht			
	Consolidated financial statements			
	Before adjustment and reclassifications	Adjustment	Reclassifications	After adjustment and reclassifications
Statement of financial position as at December 31, 2015				
Current assets				
Unbilled receivables	1,417	-	18,250	19,667
Non-current assets				
Retentions	18,250	-	(18,250)	-
Current liabilities				
Income tax payable	(6,351)	(2,925)	-	(9,276)
Shareholders'equity				
Non-controlling interests	(888,900)	177,001	-	(711,899)
Deficits	(698,191)	174,076	-	(524,115)

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

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	
Current assets						
Trade and other receivables - net	569,435	82,473	-	651,908	(15,146)	636,762
Unbilled receivables	46	-	-	46	17,672	17,718
Inventories - net	580,705	(47,533)	9,869	543,041	588	543,629
Construction contracts in progress	588	-	-	588	(588)	-
Advance payment to subcontractors	77	-	-	77	(77)	-
Other current assets	2,449	-	-	2,449	(2,449)	-
Non-Current assets						
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 adjustment and reclassifications	The first adjustment	The second adjustment	After adjustment and before reclassifications	After adjustment and reclassifications
Statements of financial position as at January 1, 2015 (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)	-

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..... Director
(Narong Thararatnavibool)

..... Director
(Thanit Thararatnavibool)

34. EVENTS AFTER THE REPORTING PERIOD

- 34.1 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.
- 34.2 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
- 34.3 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.

35. APPROVAL OF INTERIM FINANCIAL STATEMENT

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)