

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 SEPTEMBER 30, 2016

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, 2016, 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, 2016, consolidated and separate statements of changes in shareholders' equity, consolidated and separate statements of cash flows for the nine-month period ended September 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 September 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 September 30, 2016, included an investment of Baht 3.94 million and a share of profit for the three-month and nine-month periods ended September 30, 2016 in the amount of Baht 1.61 million and Baht 0.65 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 nine-month period ended September 30, 2016. My conclusion is qualified on the interim financial information for the nine-month period ended September 30, 2016.

I had expressed a disclaimer of conclusion on the consolidated interim financial information for the nine-month period ended September 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 SEPTEMBER 30, 2016

		Unit: Thousand Baht					
		Consolidated financial statements			Separate financial statements		
		September 30, 2016	December 31, 2015	January 1, 2015	September 30, 2016	December 31, 2015	
		"UNAUDITED"	(RESTATED)	(RESTATED)	"UNAUDITED"	"AUDITED"	
Notes		"REVIEWED"			"REVIEWED"		
ASSETS							
Current assets							
	Cash and cash equivalents	5	147,919	154,714	204,456	74,190	29,358
	Short-term investments	6	223,520	419,180	259,341	182,419	216,343
	Trade and other receivables - net	4, 7, 33	466,833	545,628	636,762	152,223	220,809
	Unbilled receivables	8, 33	77,028	19,667	17,718	-	-
	Inventories - net	9, 33	584,947	464,815	543,629	123,707	86,120
	Oil supplies	10	1,716	1,987	2,368	-	-
	Non-current assets held for sale - net		-	-	2,540	-	-
	Total current assets		1,501,963	1,605,991	1,666,814	532,539	552,630
Non-current assets							
	Investments in associated company - net	11	3,935	4,589	17,291	-	5,400
	Investments in subsidiaries	12	-	-	-	862,555	862,555
	Pledged deposits financial institution	13	4,369	3,556	2,000	-	-
	Property, plant, vessel and equipment - net	14, 33	1,925,712	1,982,449	2,030,765	559,071	593,948
	Intangible assets - net	15	2,988	4,013	5,040	2,793	3,907
	Deferred tax assets	24	15,640	18,081	3,928	6,272	6,285
	Other non-current assets		16,432	14,043	17,056	315	312
	Total non-current assets		1,969,076	2,026,731	2,076,080	1,431,006	1,472,407
	Total assets		3,471,039	3,632,722	3,742,894	1,963,545	2,025,037

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2016

Unit: Thousand Baht

	Notes	Consolidated financial statements			Separate financial statements	
		September 30, 2016	December 31, 2015	January 1, 2015	September 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	176,000	324,034	366,918	-	-
Trade and other payables	4, 17, 33	166,249	163,457	257,864	52,780	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	7,513	9,276	38,850	2,793	5,512
Total current liabilities		349,762	525,026	686,329	55,573	60,027
Non-current liabilities						
Long-term loan from financial institutions - net		-	-	76,880	-	-
Employee benefit obligations	18	35,641	36,564	30,810	20,928	20,710
Total non-current liabilities		35,641	36,564	107,690	20,928	20,710
Total liabilities		385,403	561,590	794,019	76,501	80,737

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

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ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2016

		Unit: Thousand Baht				
		Consolidated financial statements			Separate financial statements	
		September 30, 2016	December 31, 2015	January 1, 2015	September 30, 2016	December 31, 2015
		"UNAUDITED"	(RESTATED)	(RESTATED)	"UNAUDITED"	"AUDITED"
Notes	"REVIEWED"				"REVIEWED"	
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		(540,441)	(524,115)	(467,936)	213,021	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		2,352,989	2,359,233	2,203,597	1,887,044	1,944,300
Non-controlling interests		732,647	711,899	745,278	-	-
Total shareholders' equity		3,085,636	3,071,132	2,948,875	1,887,044	1,944,300
Total liabilities and shareholders' equity		3,471,039	3,632,722	3,742,894	1,963,545	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 SEPTEMBER 30, 2016

"UNAUDITED"
 "REVIEWED"

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2016	2015	2016	2015
	4, 27, 28, 29, 33				
Revenues					
		905,812	1,063,698	181,249	234,004
		7,166	15,309	-	-
		86,712	2,306	-	-
		-	-	-	-
		1,684	6,678	1,853	860
	12	-	-	-	-
		<u>1,001,374</u>	<u>1,087,991</u>	<u>183,102</u>	<u>234,864</u>
Expenses					
		(825,711)	(993,498)	(106,859)	(132,939)
		(5,202)	(14,288)	-	-
		(75,986)	(2,055)	-	-
		-	-	-	-
		(8,583)	(12,187)	(1,599)	(2,008)
		(37,965)	(37,425)	(16,334)	(17,138)
		(1,647)	(3,622)	-	(456)
	11	(1,605)	(522)	-	-
		<u>(956,699)</u>	<u>(1,063,597)</u>	<u>(124,792)</u>	<u>(152,541)</u>
		44,675	24,394	58,310	82,323
	25	(3,043)	(931)	(1,164)	(2,696)
		<u>41,632</u>	<u>23,463</u>	<u>57,146</u>	<u>79,627</u>
		-	-	-	-
		<u>41,632</u>	<u>23,463</u>	<u>57,146</u>	<u>79,627</u>
Profit (loss) attributable to:					
		49,769	44,665	57,146	79,627
		(8,137)	(21,202)	-	-
		<u>41,632</u>	<u>23,463</u>	<u>57,146</u>	<u>79,627</u>
Total comprehensive income (loss) attributable to:					
		49,769	44,665	57,146	79,627
		(8,137)	(21,202)	-	-
		<u>41,632</u>	<u>23,463</u>	<u>57,146</u>	<u>79,627</u>
Earnings per share					
	21	0.02	0.02	0.02	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 NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"
 "REVIEWED"

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2016	2015	2016	2015
	4, 27, 28, 29, 33				
Revenues					
		3,565,820	3,082,962	588,555	541,192
		31,265	33,722	-	-
		292,092	5,256	-	-
		16,224	8,213	-	-
		8,612	17,911	6,259	4,970
	12	-	-	-	9,984
		<u>3,914,013</u>	<u>3,148,064</u>	<u>594,814</u>	<u>556,146</u>
Expenses					
		(3,172,039)	(2,927,152)	(337,083)	(322,687)
		(25,571)	(28,222)	-	-
		(261,956)	(4,139)	-	-
		(22,738)	(15,468)	-	-
		(29,237)	(34,307)	(4,062)	(3,396)
		(120,354)	(117,694)	(50,535)	(60,522)
		(6,814)	(10,912)	-	(1,666)
	11	-	-	(5,400)	-
	11	(654)	(6,015)	-	-
		<u>(3,639,363)</u>	<u>(3,143,909)</u>	<u>(397,080)</u>	<u>(388,271)</u>
		<u>274,650</u>	<u>4,155</u>	<u>197,734</u>	<u>167,875</u>
	25	(10,460)	2,539	(4,249)	(5,488)
		<u>264,190</u>	<u>6,694</u>	<u>193,485</u>	<u>162,387</u>
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
	18	2,933	-	1,569	-
	24	(623)	-	(314)	-
		<u>2,310</u>	<u>-</u>	<u>1,255</u>	<u>-</u>
		<u>266,500</u>	<u>6,694</u>	<u>194,740</u>	<u>162,387</u>
Profit (loss) attributable to:					
		243,854	60,559	193,485	162,387
		20,336	(53,865)	-	-
		<u>264,190</u>	<u>6,694</u>	<u>193,485</u>	<u>162,387</u>
Total comprehensive income (loss) attributable to:					
		245,752	60,559	194,740	162,387
		20,748	(53,865)	-	-
		<u>266,500</u>	<u>6,694</u>	<u>194,740</u>	<u>162,387</u>
Earnings per share					
	21	0.09	0.02	0.07	0.06
		<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 Thararatnavibool)

.....Director
 (Thanit Thararatnavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 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)			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	Equity holders of the parent	Non-controlling interests	Total Shareholders' Equity	Shareholders' Equity
			Appropriated to legal reserve	Unappropriated	Other comprehensive income (loss)								
33	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	3,074,057	
	-	-	-	174,076	-	-	-	-	174,076	(177,001)	(2,925)	(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	3,071,132	
23	-	-	8,184	(8,184)	-	-	-	-	-	-	-	-	
22	-	-	-	(251,996)	-	-	-	-	(251,996)	-	(251,996)	(251,996)	
	-	-	-	243,854	-	-	-	1,898	245,752	20,748	266,500	266,500	
	699,999	902,769	70,000	(540,441)	(3,259)	360,580	861,443	1,220,642	2,352,989	732,647	3,085,636	3,085,636	
33	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	2,955,086	
	-	-	-	172,118	-	-	-	-	172,118	(178,329)	(6,211)	(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	2,948,875	
19	199,999	-	-	-	-	-	-	-	199,999	-	199,999	199,999	
23	-	-	8,119	(8,119)	-	-	-	-	-	-	-	-	
22	-	-	-	(222,219)	-	-	-	-	(222,219)	(16)	(222,235)	(222,235)	
	-	-	-	60,559	-	-	-	-	60,559	(53,865)	6,694	6,694	
	699,999	902,769	58,119	(637,715)	(3,259)	360,580	861,443	1,218,764	2,241,936	691,397	2,933,333	2,933,333	

.....Director
 (Narong Tharcrainavibool)

.....Director
 (Thanit Tharcrainavibool)

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

	Notes	Unit: Thousand Baht						"UNAUDITED" "REVIEWED"
		Separate financial statements						
		Issued and paid-up share capital	Premiums on share capital	Retained earnings (deficits) Appropriated to legal reserve	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		-	-	-	193,485	1,255	194,740	
Balance as at September 30, 2016		699,999	902,769	70,000	213,021	1,255	1,887,044	
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	-	-	8,119	(8,119)	-	-	
Dividend paid	22	-	-	-	(222,219)	-	(222,219)	
Total comprehensive income for the period		-	-	-	162,387	-	162,387	
Balance as at September 30, 2015		699,999	902,769	58,119	209,485	-	1,870,372	

.....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 NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"

"REVIEWED"

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash Flows from Operating Activities:				
Profit before income tax expense	274,650	4,155	197,734	167,875
Adjustments to reconcile profit before income tax expense to cash provided by (used in) operating activities:				
Depreciation	111,488	110,893	46,624	50,055
Amortization of computer softwares	1,594	1,465	1,554	1,433
(Gain) loss on equipment disposal	1,197	(63)	(303)	(43)
Unrealized (gain) loss on investments in Open-end Fund	(120)	(2,107)	150	(27)
Allowance for doubtful accounts	10,561	-	-	-
Allowance for devaluation of inventories	29,319	6,168	-	-
Loss on impairment of investment in associate	-	-	5,400	-
Share of loss from investment in associate	654	6,015	-	-
Dividend income	-	-	-	(9,984)
Unrealized (gain) loss on exchange rates	(955)	275	(1,004)	303
Long-term employee benefit expenses	4,066	4,351	2,118	2,286
Interest income	(652)	(495)	(383)	(72)
Interest expenses	6,814	9,229	-	890
Gain from operating activities before changes in operating assets and liabilities	438,616	139,886	251,890	212,716
Operating assets (increase) decrease				
Short-term investments	195,780	(6,915)	33,773	(38,428)
Trade and other receivables	54,690	191,925	68,586	(96,604)
Unbilled receivables	(57,361)	(2,259)	-	-
Inventories	(149,181)	(66,099)	(37,588)	(17,316)
Advance payment to subcontractors	15,874	(15,315)	-	-
Withholding tax refundable	-	365	-	-
Other current assets	59	30	-	-
Non-current assets classified as held for sale	-	2,540	-	-
Other non-current assets	(1,266)	1,877	(3)	-

.....Director

(Narong Thareratanavibool)

.....Director

(Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 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	(4,158)	(30,933)	(2,855)	32,142
Advance received from construction and deferred construction revenue	(28,259)	(617)	-	-
Retention payables	2,577	(451)	-	-
Other current liabilities	-	3	-	-
Cash provided by operating activities	467,371	214,037	313,803	92,510
Payment for employee benefit obligations	(2,056)	(24)	(331)	(24)
Paid income tax	(12,315)	(14,161)	(7,269)	(5,137)
Net cash provided by operating activities	453,000	199,852	306,203	87,349
Cash Flows from Investing Activities:				
Increase in fixed deposits with obligation	(813)	(1,556)	-	-
Interest received	664	495	383	72
Dividend income from investments in subsidiary	-	-	-	9,984
Payment for purchases of assets	(53,183)	(90,110)	(10,141)	(8,874)
Proceeds from disposal of equipment	383	120	383	79
Net cash provided by (used in) investing activities	(52,949)	(91,051)	(9,375)	1,261
Cash Flows from Financing Activities:				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(148,034)	(23,804)	-	(50,000)
Interest expenses paid	(6,816)	(8,900)	-	(733)
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	-	(16)	-	-
Net cash used in financing activities	(406,846)	(153,900)	(251,996)	(72,953)
Net increase (decrease) in cash and cash equivalents	(6,795)	(45,099)	44,832	15,657
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	147,919	159,357	74,190	28,090
Supplemental disclosures of cash flows information				
Non-cash transactions consisted of :				
Assets payable for plant and equipment	3,716	6,011	2,123	2,561
Increase share capital to accommodate the stock dividend	-	199,999	-	199,999

.....Director

(Narong Thareratanavibool)

.....Director

(Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIOD ENDED SEPTEMBER 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)

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 nine-month periods ended September 30, 2016 and 2015 were as follows:

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Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>For the three-month periods</u>				
Sales of products and raw materials				
PPC Asian Insulators Co., Ltd.	243	1,067	243	1,067
AI Logistics Co., Ltd.	-	-	-	3,500
AI Ports and Terminals Co., Ltd.	-	-	-	3,728
Sales of hybrid clay				
PPC Asian Insulators Co., Ltd.	14,064	38,092	14,064	38,092
Dividend income				
AI Engineering Services Co., Ltd.	-	-	-	-
Other income - rental and services				
PPC Asian Insulators Co., Ltd.	90	167	90	167
AI Engineering Services Co., Ltd.	-	-	283	324
AI Energy Public Co., Ltd.	-	-	264	315
AI Logistics Co., Ltd.	-	-	172	149
AI Ports and Terminals Co., Ltd.	-	-	82	152
Purchase of goods				
Samart Palm Co., Ltd.	-	5,454	-	-
Samart Palm oil Co., Ltd.	4,934	6,681	-	-
Samart Palm Industry Co., Ltd.	12,941	9,949	-	-
Purchases of scrap clay				
PPC Asian Insulators Co., Ltd.	6,691	13,826	6,691	13,826
Purchases of raw materials and consumed supply				
PPC Asian Insulators Co., Ltd.	2	5	2	5
AI Energy Public Co., Ltd.	-	-	-	26

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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 nine-month periods				
Sales of products and raw materials				
PPC Asian Insulators Co., Ltd.	1,879	3,067	1,879	3,067
AI Engineering Services Co., Ltd.	-	-	2,778	-
AI Logistics Co., Ltd.	-	-	-	12,250
AI Ports and Terminals Co., Ltd.	-	-	-	17,423
Sales of hybrid clay				
PPC Asian Insulators Co., Ltd.	76,904	117,956	76,904	117,956
Dividend income				
AI Engineering Services Co., Ltd.	-	-	-	9,984
Other income - rental and services				
PPC Asian Insulators Co., Ltd.	270	1,349	270	1,349
AI Engineering Services Co., Ltd.	-	-	911	919
AI Energy Public Co., Ltd.	-	-	741	882
AI Logistics Co., Ltd.	-	-	456	467
AI Ports and Terminals Co., Ltd.	-	-	240	423
Purchase of goods				
Samart Palm Co., Ltd.	3,426	20,867	-	-
Samart Palm oil Co., Ltd.	15,227	22,743	-	-
Samart Palm Industry Co., Ltd.	39,267	32,044	-	-
Purchases of scrap clay				
PPC Asian Insulators Co., Ltd.	36,970	47,212	36,970	47,212
Purchases of raw materials and consumed supply				
PPC Asian Insulators Co., Ltd.	11	59	11	59
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 nine-month periods ended September 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	11,851	13,177	6,279	5,826
Long-term post-employment benefits	474	318	178	144
Total directors and management's remuneration	12,325	13,495	6,457	5,970
<u>For the nine-month periods</u>				
Short-term employee benefits	35,015	35,952	19,118	18,187
Long-term post-employment benefits	1,462	967	532	432
Total directors and management's remuneration	36,477	36,919	19,650	18,619

Significant balances with related parties as at September 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.	16,346	16,821	16,346	16,817
Other receivable				
PPC Asian Insulators Co., Ltd.	130	44	130	44
AI Engineering Services Co., Ltd.	-	-	23	17
AI Logistics Co., Ltd.	-	-	3	3
Trade payable				
PPC Asian Insulators Co., Ltd.	9,692	10,926	9,692	10,903
Other payable				
AI Energy Public Co., Ltd.	-	-	-	14

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

5. CASH AND CASH EQUIVALENTS

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash on hand	651	614	105	105
Deposit at bank - saving	145,168	152,784	73,030	29,106
- current	1,181	413	1,055	147
Fixed deposits due within 3 months	919	903	-	-
Total cash and cash equivalents	147,919	154,714	74,190	29,358

6. SHORT-TERM INVESTMENTS

Short-term investments as at September 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	222,529	416,122	182,139	215,913
Add Allowance for adjustment	550	2,826	280	430
Investment in Open-end Fund-Fair value	223,079	418,948	182,419	216,343
Fixed deposits	441	232	-	-
Total short-term investments	223,520	419,180	182,419	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 September 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	16,346	16,821	16,346	16,817
Trade receivable - state enterprises	259,588	190,094	113,209	187,549
Trade receivable - other	149,515	291,331	15,883	11,494
Post date cheques	16,182	9,805	-	-
Total trade receivables	441,631	508,051	145,438	215,860
Less Allowance for doubtful accounts	(11,809)	(1,248)	-	-
Total trade receivables - net	429,822	506,803	145,438	215,860
Other receivables				
Other receivables	130	2,760	156	64
Prepaid expense	4,485	3,662	3,328	1,739
Deposit for inventories	3,890	2,906	3,216	2,906
Revenue Department receivable	14,042	2,516	85	240
Advance payment to subcontractors	9,677	25,551	-	-
Others	5,093	1,736	-	-
Total other receivables	37,317	39,131	6,785	4,949
Less Allowance for doubtful accounts	(306)	(306)	-	-
Total other receivables - net	37,011	38,825	6,785	4,949
Total trade and other receivables - net	466,833	545,628	152,223	220,809

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

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

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Related parties				
Current	9,073	16,821	9,073	16,817
Overdue				
Within 3 months	7,273	-	7,273	-
Total	16,346	16,821	16,346	16,817
State enterprises				
Current	254,574	183,319	108,195	183,319
Overdue				
Within 3 months	2,602	3,187	2,602	3,187
Over 3 months to 12 months	2,412	3,588	2,412	1,043
Total	259,588	190,094	113,209	187,549
Other				
Current	132,806	284,773	9,885	7,931
Overdue				
Within 3 months	20,817	2,727	5,998	3,563
Over 3 months to 12 months	265	12,388	-	-
Over 12 months	11,809	1,248	-	-
Total	165,697	301,136	15,883	11,494
<u>Less Allowance for doubtful accounts</u>	(11,809)	(1,248)	-	-
Total trade receivables - net	429,822	506,803	145,438	215,860

..... 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 September 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	498,724	186,245
<u>Less</u> Value of billing construction	(421,696)	(166,578)
Unbilled receivables	77,028	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 September 30, 2016 and December 31, 2015 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Raw materials	268,654	292,335	79,916	62,342
Work in process	225,599	98,937	28,155	22,439
Finished goods	110,202	62,800	14,414	1,127
Supplies	10,367	11,645	1,778	1,114
Goods in transit	4,168	3,822	4,168	3,822
Total	618,990	469,539	128,431	90,844
<u>Less</u> Allowance for devaluation of inventories	(34,043)	(4,724)	(4,724)	(4,724)
Total inventories - net	584,947	464,815	123,707	86,120

..... Director
(Narong Thararatnavibool)

..... Director
(Thanit Thararatnavibool)

10. OIL SUPPLIES

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

	Unit: Thousand Baht	
	Consolidated financial statements	
	2016	2015
Bunker oil	1,161	1,363
Lubricants	555	624
Total oil supplies	1,716	1,987

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

II. INVESTMENTS IN ASSOCIATED COMPANY - NET

Investments in associated company as at September 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			
		2016	2015	2016	2015	Equity method	2016	2015	Cost method-net	2016	2015
PPC Asian Insulators Company Limited	Producing and distributing electronics insulators and ceramics	25.10	25.10	263	263	3,935	4,589	66,000	66,000		
						-	-	(66,000)	(60,600)		
						3,935	4,589	-	5,400		

Less Provision for diminution in investment

Total investments in associate - net

The consolidated and separate financial statements for the nine-month periods ended September 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 audited by an auditor. The carrying value of the investment in the consolidated financial statements as at September 30, 2016 and December 31, 2015, amounted to Baht 3.94 million and Baht 4.59 million, respectively, representing 0.11% and 0.13% 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 September 30, 2016 and 2015 amounted to Baht 1.61 million and Baht 0.52 million respectively, representing 3.86% and 1.72% of consolidated net profit, respectively and the equity of net loss of the associated company in the consolidated financial statements for the nine-month periods ended September 30, 2016 and 2015 amounted to Baht 0.65 million and Baht 6.02 million respectively, representing 0.25% and 44.66% 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 September 30, 2016, the management of the Company has considered the net realizable value from investments in associate and passed a resolution to set up provision for diminution of investment in associate in separate financial statements

..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

12. INVESTMENTS IN SUBSIDIARY COMPANIES

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

Company	Nature of business	Percentage of investment (%)		Issued share capital		Dividend		
		2016	2015	2016	2015	2016	2015	
		Unit : Million Baht		Unit: Thousand Baht		Separate financial statements		
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 September 30, 2016 and December 31, 2015 consisted of:

		Consolidated financial statements									
		Unit: Thousand Baht									
		Land	Land improvement	Building and improvement	Utility system	Machinery, equipment and instrument	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		-	-	344	35	9,101	6,884	1,153	4,487	34,327	56,331
Transfers in (Transfer out) during period		-	5,178	426	7,999	21,515	-	657	-	(35,775)	-
Disposal/written off during period		-	-	(2,444)	-	(25,841)	-	(98)	(546)	(5)	(28,934)
As at September 30, 2016		357,156	41,349	956,363	65,307	1,418,290	186,206	35,108	94,154	7,869	3,161,802
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		-	1,865	25,332	3,380	64,573	12,193	1,632	2,513	-	111,488
Depreciation - disposal for the period		-	-	(961)	-	(25,756)	-	(91)	(546)	-	(27,354)
As at September 30, 2016		-	18,710	315,773	34,616	643,591	147,751	29,725	39,934	-	1,230,100
Allowances for impairment											
As at December 31, 2015		-	-	-	-	(5,990)	-	-	-	-	(5,990)
As at September 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 September 30, 2016		357,156	22,639	640,590	30,691	768,709	38,455	5,383	54,220	7,869	1,925,712

..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

Unit: Thousand Baht

Separate financial statements

	Land	Land improvement	Building and improvement	Utility system	Machinery, equipment and instrument	Office furniture and equipment	Motor Vehicles	Fixed assets under		Total
								construction and	installation	
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	-	-	-	-	2,052	281	4,487	5,006		11,826
Transfers in (Transfer out) during period	-	-	16	-	8,320	611	-	(8,947)		-
Disposal /written off during period	-	-	-	-	(25,567)	(98)	(546)	(5)		(26,216)
As at September 30, 2016	61,576	14,822	414,148	20,200	643,004	23,001	15,821	310		1,192,882
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	13,672	607	31,447	863	34	-		46,624
Depreciation - disposals for the period	-	-	-	-	(25,500)	(91)	(546)	-		(26,137)
As at September 30, 2016	-	14,822	176,508	19,191	387,436	20,418	9,446	-		627,821
Allowances for impairment										
As at December 31, 2015	-	-	-	-	(5,990)	-	-	-		(5,990)
As at September 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 September 30, 2016	61,576	-	237,640	1,009	249,578	2,583	6,375	310		559,071

..... Director

(Narong Tharetanavibool)

(Thanit Tharetanavibool)

..... Director

Depreciations in the statements of profit or loss for the three-month and nine-month periods ended September 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	34,043	32,692	13,619	13,320
Selling and administrative expenses	3,063	4,948	1,954	3,569
	<u>37,106</u>	<u>37,640</u>	<u>15,573</u>	<u>16,889</u>
<u>For the nine-month periods</u>				
Cost of sale and service	102,006	96,134	40,465	39,105
Selling and administrative expenses	9,482	14,759	6,159	10,950
	<u>111,488</u>	<u>110,893</u>	<u>46,624</u>	<u>50,055</u>

AI Ports and Terminals Company Limited had mortgaged all land, existing and future buildings and structures there as collateral for credit facilities obtained from a financial institution with their net book value as at September 30, 2016 and December 31, 2015, of Baht 410.62 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 September 30, 2016 and December 31, 2015, in the consolidated financial statement totaling approximately Baht 349.75 million and Baht 278.83 million respectively, and separate financial statements totaling approximately Baht 244.38 million and Baht 254.12 million, respectively.

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..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

15. INTANGIBLE ASSETS - NET

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

	Unit : Thousand Baht	
	Computer Software	
	Consolidated	Separate
	financial statements	financial statements
At cost		
As at December 31, 2015	21,273	20,566
Purchases during period	569	440
As at September 30, 2016	21,842	21,006
Accumulated amortisation		
As at December 31, 2015	17,260	16,659
Amortization for the period	1,594	1,554
As at September 30, 2016	18,854	18,213
Net booked value		
As at December 31, 2015	4,013	3,907
As at September 30, 2016	2,988	2,793

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..... Director
(Narong Thareratanavibool)

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(Thanit Thareratanavibool)

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

Bank overdrafts and short-term loans from financial institutions as at September 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	176,000	324,000	-	-
Total bank overdraft and short-term loans from financial institution	176,000	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	1,370	1,870	430	430
Letter fo credit and trust receipt	270	-	-	-
Total	1,707	1,937	442	442

These loans are secured by mortgage land with structure and port 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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(Narong Thareratanavibool)

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(Thanit Thareratanavibool)

17. TRADE AND OTHER PAYABLES

Trade and other payables as at September 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	9,692	10,926	9,692	10,903
Trade payables - others	82,496	94,902	19,128	27,185
Total trade payables	92,188	105,828	28,820	38,088
Other payables				
Payables for purchase of assets	3,716	3,086	2,123	2,370
Other payables	2,607	3,798	-	14
Advances received for goods	2,802	5,978	2,676	1,268
Deposit received in advances	10,000	-	-	-
Accrued bonus	12,664	-	8,164	-
Electricity payable	3,859	5,649	1,394	1,453
Accrued expenses	11,450	10,087	4,827	4,724
Retention	3,760	1,195	-	-
Revenue Department payable	22,147	26,380	4,257	6,057
Others	1,056	1,456	519	541
Total other payables	74,061	57,629	23,960	16,427
Total trade and other payables	166,249	163,457	52,780	54,515

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(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 nine-month periods ended September 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	3,563	3,592	1,801	1,850
Cost of interest	503	759	317	436
Benefit paid during the periods	(2,056)	(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 September 30,	35,641	35,137	20,928	19,948

Principal actuarial assumptions as at September 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 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.

19.2 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 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 were 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
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..... Director
(Thanit Thareratanavibool)

21. BASIC EARNINGS PER SHARE

Basic earnings per share for the three-month and nine-month periods ended September 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)	49,769	44,665	57,146	79,627
Number of ordinary share outstanding				
at beginning for the periods (Thousand shares)	2,799,996	2,000,000	2,799,996	2,000,000
Effect of issuance stock dividend (Thousand shares)	-	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)	0.02	0.02	0.02	0.03

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>For the nine-month periods</u>				
Net profit attributable				
to shareholders of the parent (Thousand Baht)	243,854	60,559	193,485	162,387
Number of ordinary share outstanding				
at beginning for the periods (Thousand shares)	2,799,996	2,000,000	2,799,996	2,000,000
Effect of issuance stock dividend (Thousand shares)	-	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)	0.09	0.02	0.07	0.06

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
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(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 September 30, 2016 and December 31, 2015 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Deferred tax assets	19,669	21,361	6,328	6,285
Deferred tax liabilities	(4,029)	(3,280)	(56)	-
Deferred tax assets - net	15,640	18,081	6,272	6,285

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

	Unit: Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	Other		Other	Other		Other
As at January 1, 2016	Profit (loss)	comprehensive income (loss)	As at September 30, 2016	As at January 1, 2016	Profit (loss)	comprehensive income (loss)
Deferred tax assets						
Allowance for doubtful trade						
accounts receivable	311	(66)	-	245	-	-
Allowance for devaluation of inventories	961	(16)	-	945	-	-
Allowance for impairment of assets	1,198	-	-	1,198	-	-
Provision for long-term employee benefits	6,674	719	(623)	6,770	357	(314)
Tax loss carried forward	12,217	(1,706)	-	10,511	-	-
Total	21,361	(1,069)	(623)	19,669	357	(314)
Deferred tax liability						
Unrealized gain on investments in						
Open-end Fund	(479)	369	-	(110)	(56)	(56)
Depreciation	(2,801)	(1,118)	-	(3,919)	-	-
Total	(3,280)	(749)	-	(4,029)	(56)	(56)
Deferred tax assets - net	18,081	(1,818)	(623)	15,640	301	(314)

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..... Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)

Unit: Thousand Baht

	Consolidated financial statements				Separate financial statements			
	Other		Other		Other		Other	
	As at January 1, 2015	Profit (loss)	comprehensive income (loss)	As at September 30, 2015	As at January 1, 2015	Profit (loss)	comprehensive income (loss)	As at September 30, 2015
Deferred tax assets								
Allowance for doubtful trade								
accounts receivable	728	(417)	-	311	-	-	-	-
Allowance for devaluation of inventories	24	877	-	901	-	-	-	-
Allowance for diminution in non-current								
assets held for sale	387	(387)	-	-	-	-	-	-
Provision for long-term employee benefits	5,660	761	-	6,421	3,537	452	-	3,989
Tax loss carried forward	-	9,540	-	9,540	-	-	-	-
Total	6,799	10,374	-	17,173	3,537	452	-	3,989
Deferred tax liability								
Unrealized gain on investments in								
Open-end Fund	(611)	581	-	(30)	(25)	(5)	-	(30)
Depreciation	(2,260)	(414)	-	(2,674)	-	-	-	-
Total	(2,871)	167	-	(2,704)	(25)	(5)	-	(30)
Deferred tax assets - net	3,928	10,541	-	14,469	3,512	447	-	3,959

As at September 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 12.59 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 Thararatnavibool)

..... Director
(Thanit Thararatnavibool)

25. INCOME TAX EXPENSES

Income tax expenses the three-month and nine-month periods ended September 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	(2,976)	(3,611)	(1,284)	(2,824)
Deferred tax expense				
Movement in temporary differences	(67)	2,680	120	128
Total	(3,043)	(931)	(1,164)	(2,696)
<u>For the nine-month periods</u>				
Current tax expense				
Current periods	(8,642)	(8,002)	(4,550)	(5,935)
Deferred tax expense				
Movement in temporary differences	(1,818)	10,541	301	447
Total	(10,460)	2,539	(4,249)	(5,488)
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
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26. FOREIGN CURRENCY TRANSACTIONS

As at September 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 were 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	747.00	11.78	423.39	21.51	742.45	11.65	418.66
Total		747.00		423.39		742.45		418.66
Liabilities								
USD	27.50	959.08	193.00	6,996.98	27.50	959.08	193.00	6,996.98
EUR	164.92	6,478.28	24.90	991.00	164.92	6,478.28	24.90	991.00
Total		7,437.36		7,987.98		7,437.36		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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(Narong Tharatanavibool)

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(Thanit Tharatanavibool)

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 nine-month periods ended September 30, 2016 and 2015, were 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 September 30, 2016						
Revenue from sales of goods	683,197	222,615	905,812	146,636	34,613	181,249
Revenue from production contract	-	7,166	7,166	-	-	-
Revenue from construction contract	-	86,712	86,712	-	-	-
Other incomes	-	1,684	1,684	-	1,853	1,853
Total	683,197	318,177	1,001,374	146,636	36,466	183,102
For the three-month period ended September 30, 2015						
Revenue from sales of goods	726,359	337,339	1,063,698	180,312	53,692	234,004
Revenue from production contract	-	15,309	15,309	-	-	-
Revenue from construction contract	-	2,306	2,306	-	-	-
Other incomes	-	6,678	6,678	-	860	860
Total	726,359	361,632	1,087,991	180,312	54,552	234,864

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..... Director
(Thanit Tharatanavibool)

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 nine-month periods ended September 30, 2016						
Revenue from sales of goods	2,658,421	907,399	3,565,820	441,421	147,134	588,555
Revenue from production contract	-	31,265	31,265	-	-	-
Revenue from construction contract	-	292,092	292,092	-	-	-
Revenue from vessel operating	-	16,224	16,224	-	-	-
Other incomes	-	8,612	8,612	-	6,259	6,259
Total	2,658,421	1,255,592	3,914,013	441,421	153,393	594,814
For the nine-month periods ended September 30, 2015						
Revenue from sales of goods	2,044,106	1,038,856	3,082,962	383,000	158,192	541,192
Revenue from production contract	-	33,722	33,722	-	-	-
Revenue from construction contract	-	5,256	5,256	-	-	-
Revenue from vessel operating	8,213	-	8,213	-	-	-
Other incomes	-	17,911	17,911	-	4,970	4,970
Dividend income	-	-	-	-	9,984	9,984
Total	2,052,319	1,095,745	3,148,064	383,000	173,146	556,146

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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 nine-month periods ended September 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	469	453	469	453
AI Engineering Services Company Limited	53	59	-	-
AI Energy Public Company Limited	346	339	-	-
AI Logistics Company Limited	6	6	-	-
Total	874	857	469	453
<u>For the nine-month periods</u>				
Asian Insulators Public Company Limited	1,395	1,350	1,395	1,350
AI Engineering Services Company Limited	160	180	-	-
AI Energy Public Company Limited	1,040	1,014	-	-
AI Logistics Company Limited	19	18	-	-
Total	2,614	2,562	1,395	1,350

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(Narong Thareratanavibool)

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(Thanit Thareratanavibool)

29. SEGMENT INFORMATION

The segment information for the three-month and nine-month periods ended September 30, 2016 and 2015 were as follows:

		Unit: Thousand Baht							
		Consolidated financial statements							
		For the three-month period ended September 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		181,249	86,712	718,325	7,166	6,238	-	-	999,690
Cost of sales and services		(106,859)	(75,986)	(705,569)	(5,202)	(5,209)	(8,074)	-	(906,899)
Gross profit (loss) by segment		74,390	10,726	12,756	1,964	1,029	(8,074)	-	92,791
Other income									1,684
Selling expenses									(8,583)
Administrative expenses									(37,965)
Finance costs									(1,647)
Share of loss from investments in associate									(1,605)
Income tax expenses									(3,043)
Profit for the period									41,632
Equity holders of the parent									49,769
Non-controlling interests									(8,137)
Property, plant, vessel and equipment - net		559,071	38	888,001	20,749	40,087	417,766		1,925,712

..... Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)

Unit: Thousand Baht

Consolidated financial statements							
For the nine-month period ended September 30, 2016							
Group of AI Energy Public Company Limited							
	Sale of biodiesel and vegetable oil and by product	Contract of refined crude palm oil	Sale of ice cube	Vessel operating	Port services	Total	
Revenue from sales and services	585,777	292,092	2,961,171	31,265	18,872	16,224	3,905,401
Cost of sales and services	(337,083)	(261,956)	(2,818,416)	(25,571)	(16,540)	(22,738)	(3,482,304)
Gross profit (loss) by segment	248,694	30,136	142,755	5,694	2,332	(6,514)	423,097
Other income							8,612
Selling expenses							(29,237)
Administrative expenses							(120,354)
Finance costs							(6,814)
Share of loss from investments in associate							(654)
Income tax expenses							(10,460)
Profit for the period							264,190
Equity holders of the parent							243,854
Non-controlling interests							20,336
Property, plant, vessel and equipment - net	559,071	38	888,001	20,749	40,087	417,766	1,925,712

..... Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)

Unit: Thousand Baht

Consolidated financial statements

For the three-month period ended September 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 refined crude palm oil	Sale of ice cube	Vessel operating	Port services	Total
Revenue from sales and services	236,042	2,306	820,700	15,309	6,956	-	-	1,081,313
Cost of sales and services	(132,939)	(2,055)	(854,559)	(14,288)	(6,000)	-	-	(1,009,841)
Gross profit (loss) by segment	103,103	251	(33,859)	1,021	956	-	-	71,472
Other income								6,678
Selling expenses								(12,187)
Administrative expenses								(37,425)
Finance costs								(3,622)
Share of loss from investments in associate								(522)
Income tax expenses								(931)
Profit for the period								23,463
Equity holders of the parent								44,665
Non-controlling interests								(21,202)
Property, plant, vessel and equipment - net	610,604	49	895,334		21,184	49,383	432,401	2,008,955

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..... Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)

Unit: Thousand Baht

Consolidated financial statements								
For the nine-month period ended September 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 refined crude palm oil	Sale of ice cube	Vessel operating	Port services	Total
Revenue from sales and services	548,717	5,256	2,513,116	33,722	21,129	8,213	-	3,130,153
Cost of sales and services	(322,687)	(4,139)	(2,586,503)	(28,222)	(17,962)	(15,468)	-	(2,974,981)
Gross profit (loss) by segment	226,030	1,117	(73,387)	5,500	3,167	(7,255)	-	155,172
Other income								17,911
Selling expenses								(34,307)
Administrative expenses								(117,694)
Finance costs								(10,912)
Share of loss from investments in associate								(6,015)
Income tax expenses								2,539
Profit for the period								6,694
Equity holders of the parent								60,559
Non-controlling interests								(53,865)
Property, plant, vessel and equipment - net	610,604	49	895,334		21,184	49,383	432,401	2,008,955

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..... Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)

30. COMMITMENT AND CONTINGENT LIABILITIES

30.1 As at September 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	340.08	253.34	160.50	101.43

30.2 As at September 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	27.36	9.36	10.54	0.75

30.3 As at September 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.

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.

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.

..... Director

(Narong Thareratanavibool)

..... Director

(Thanit Thareratanavibool)

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)

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..... 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
Statements of financial position as at January 1, 2015					
Current assets					
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	(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	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)	(257,864)
Accrued interest expenses	(489)	-	-	(489)	489	-
Retention payables	(650)	-	-	(650)	650	-
Income tax payable	(34,281)	(1,644)	(2,925)	(38,850)	-	(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)	-	(745,278)
Deficits decrease	(640,054)	(13,155)	185,273	(467,936)	-	(467,936)

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..... Director

(Thanit Thareratanavibool)

..... Director

(Narong Thareratanavibool)

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.

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)