

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
INTERIM FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT ON REVIEW OF
INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2017

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 accompanying consolidated and separate statements of financial position as at June 30, 2017, of Asian Insulators Public Company Limited and its subsidiaries and of Asian Insulators Public Company Limited, respectively, and consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month period ended June 30, 2017, and the related consolidated and separate statements of changes in shareholders' equity, and statements of cash flows for the six-month period ended June 30, 2017, and the condensed notes to the interim financial statements (Interim financial information). 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. As discussed in the Note to Financial Statements No.29.5, the subsidiary received a letter from the Enforcement Department, Office of the Securities and Exchange Commission of Thailand (the SEC), 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 SEC. The subsidiary also sent a letter to request a status update with respect to this matter. The SEC replied by a letter, dated February 28, 2017, that the outcome has not been finalized.

On June 20, 2017, the SEC has filed a criminal complaint against two former directors and executives of the subsidiary in case of the preparation of incorrect financial statements for the year 2014, as the subsidiary auditor had expressed the disclaimer of opinion, with the Department of Special Investigation (DSI) for further legal proceedings.

2. As discussed in the Note to financial statements No.12, the financial statements of PPC Asian Insulator Company Limited, an associated company, as at June 30, 2017, 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, 2017, included an investment of Baht 1.42 million and a share of profit for the three-month and six-month periods ended June 30, 2017 in the amount of Baht 5.19 million and Baht 4.92 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.2 above have significant effect on the interim financial information for the six-month periods ended June 30, 2017. My conclusion is qualified on the interim financial information for the six-month periods ended June 30, 2017.

Qualified Conclusion on the Consolidated Interim Financial Information

Except for the possible effect on the consolidated interim financial information due to the matter described in the Basis for qualified conclusion on the consolidated interim financial information 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".

Vichai Ruchitanont
Certified Public Accountant
Registration Number 4054

ANS Audit Co., Ltd
Bangkok, August 11, 2017

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2017

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
Notes		"REVIEWED"		"REVIEWED"	
ASSETS					
Current assets					
	Cash and cash equivalents	445,348	291,162	52,785	56,060
5	Current investments	347,576	316,473	190,213	283,129
4, 6	Trade and other receivables - net	283,569	457,004	131,151	125,120
7	Current portion of receivables under finance lease contracts	9,941	9,479	-	-
8	Unbilled receivables	68,234	37,067	-	-
9	Inventories - net	305,443	447,342	114,718	123,635
10	Oil supplies	3,183	2,289	-	-
11	Non-current assets held for sale - net	218,923	218,923	-	-
	Total current assets	1,682,217	1,779,739	488,867	587,944
Non-current assets					
12	Investments in associated company - net	1,423	6,346	-	-
13	Investments in subsidiaries	-	-	862,555	862,555
14	Pledged deposits at financial institution	6,869	6,869	-	-
7	Receivables under finance lease contracts - net	3,529	8,618	-	-
15	Property, plant, vessel and equipment - net	1,684,275	1,686,588	564,136	550,133
16	Intangible assets - net	1,660	2,440	1,373	2,253
23	Deferred tax assets	13,779	14,001	5,338	5,699
	Other non-current assets	61,271	20,540	12,419	5,541
	Total non-current assets	1,772,806	1,745,402	1,445,821	1,426,181
	Total assets	3,455,023	3,525,141	1,934,688	2,014,125

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2017

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"		"REVIEWED"	
	Notes				
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	17	70,585	128,000	-	-
Trade and other payables	4, 18	237,367	143,653	66,465	58,147
Cash advance receive from disposal of asset	11	240,000	80,000	-	-
Advance received and deferred construction revenue	8	2,193	3,688	-	-
Income tax payable		4,543	7,835	4,543	4,039
Total current liabilities		554,688	363,176	71,008	62,186
Non-current liabilities					
Employee benefit obligations	19	28,650	29,320	17,506	18,774
Total non-current liabilities		28,650	29,320	17,506	18,774
Total liabilities		583,338	392,496	88,514	80,960

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2017

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		June 30, 2017	December 31, 2016	June 30, 2017	December 31, 2016
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
Notes		"REVIEWED"		"REVIEWED"	
Shareholders' equity					
Authorized share capital					
	Common shares 2,800,000,000 shares at Baht 0.25 each	700,000	700,000	700,000	700,000
Issued and fully paid-up share capital					
	Common shares 2,799,996,084 shares at Baht 0.25 each	699,999	699,999	699,999	699,999
	Premiums on share capital	902,769	902,769	902,769	902,769
Retained earnings (deficits)					
Appropriated					
	Legal reserve	22	70,000	70,000	70,000
	Unappropriated	21	(690,975)	(490,446)	172,151
Other components of shareholders' equity					
Difference on business combination					
	under common control		(3,259)	-	-
	Capital surplus from share premium of subsidiary		360,580	-	-
	Gain on disposal of investment in subsidiaries		861,443	-	-
	Actuarial gains		1,932	1,255	1,255
	Total shareholders' equity of the Company		2,202,489	2,403,018	1,846,174
	Non-controlling interests		669,196	729,627	-
	Total shareholders' equity		2,871,685	3,132,645	1,846,174
	Total liabilities and shareholders' equity		3,455,023	3,525,141	2,014,125

.....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, 2017

"UNAUDITED"
 "REVIEWED"

Unit: Thousand Baht

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
	4, 26, 28				
Revenues					
Revenue from sales of goods		830,231	1,347,354	218,416	224,281
Revenue from production contract		15,993	15,939	-	-
Revenue from construction contract		38,313	123,054	-	-
Revenue from vessel operating		11,844	7,930	-	-
Other incomes		6,326	3,503	2,337	2,777
Total revenues		902,707	1,497,780	220,753	227,058
Expenses					
Cost of sales		(769,722)	(1,175,805)	(128,568)	(123,170)
Cost of production contract		(14,171)	(13,617)	-	-
Cost of construction contract		(40,334)	(111,422)	-	-
Cost of vessel operating		(16,343)	(7,123)	-	-
Selling expenses		(4,511)	(10,553)	(1,851)	(1,470)
Administrative expenses		(37,482)	(35,899)	(15,743)	(16,810)
Finance costs		(665)	(2,844)	-	-
Share of gain (loss) from investment in associates	12	(5,185)	944	-	-
Total expenses		(888,413)	(1,356,319)	(146,162)	(141,450)
Profit before tax income tax expenses		14,294	141,461	74,591	85,608
Tax expenses	24	(1,819)	(3,879)	(1,852)	(1,365)
Profit for the periods		12,475	137,582	72,739	84,243
Other comprehensive income		-	-	-	-
Total comprehensive income for the periods		12,475	137,582	72,739	84,243
Profit (loss) attributable to					
Equity holders of the Company		32,968	118,580	72,739	84,243
Non-controlling interests		(20,493)	19,002	-	-
		12,475	137,582	72,739	84,243
Total comprehensive income (loss) attributable to					
Equity holders of the Company		32,968	118,580	72,739	84,243
Non-controlling interests		(20,493)	19,002	-	-
		12,475	137,582	72,739	84,243
Earnings per share					
Basic earnings per share of the Company		0.01	0.04	0.03	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 PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017

"UNAUDITED"

"REVIEWED"

		Unit: Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2017	2016	2017	2016
	4, 26, 28				
Revenues					
		1,531,007	2,660,008	441,255	407,306
		22,997	24,099	-	-
		73,812	205,380	-	-
		24,786	16,224	-	-
		12,744	6,928	5,335	4,406
	13, 21	-	-	14,976	-
		<u>1,665,346</u>	<u>2,912,639</u>	<u>461,566</u>	<u>411,712</u>
Expenses					
		(1,447,741)	(2,354,402)	(252,737)	(230,224)
		(22,840)	(20,369)	-	-
		(73,824)	(185,970)	-	-
		(31,266)	(14,664)	-	-
		(8,556)	(20,654)	(3,785)	(2,463)
		(78,692)	(82,389)	(35,011)	(34,201)
		(1,555)	(5,167)	-	-
		-	-	-	(5,400)
	12	(4,923)	951	-	-
		<u>(1,669,397)</u>	<u>(2,682,664)</u>	<u>(291,533)</u>	<u>(272,288)</u>
		(4,051)	229,975	170,033	139,424
	24	(4,889)	(7,417)	(5,028)	(3,085)
		<u>(8,940)</u>	<u>222,558</u>	<u>165,005</u>	<u>136,339</u>
Other comprehensive income:					
Items that will not be reclassified to profit or loss					
	19	-	2,933	-	1,569
		-	(623)	-	(314)
		-	2,310	-	1,255
		<u>(8,940)</u>	<u>224,868</u>	<u>165,005</u>	<u>137,594</u>
Profit (loss) attributable to					
		51,467	194,084	165,005	136,339
		(60,407)	28,474	-	-
		<u>(8,940)</u>	<u>222,558</u>	<u>165,005</u>	<u>136,339</u>
Total comprehensive income (loss) attributable to					
		51,467	195,982	165,005	137,594
		(60,407)	28,886	-	-
		<u>(8,940)</u>	<u>224,868</u>	<u>165,005</u>	<u>137,594</u>
Earnings per share					
		0.02	0.07	0.06	0.05
		<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 Tharatanavibool)

.....Director
 (Thanit Tharatanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY
 FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017

	Unit: Thousand Baht							"UNAUDITED" "REVIEWED"
	Separate financial statements							
	Notes	Issued and paid-up share capital	Premiums on share capital	Retained earnings (deficits)		Total other components of shareholders' equity		
Appropriated to legal reserve				Unappropriated	Other comprehensive income	Actuarial gains		
Balance as at January 1, 2017		699,999	902,769	70,000	259,142	1,255	1,933,165	
Changes in shareholders' equity for the period:								
Dividend paid	21	-	-	-	(251,996)	-	(251,996)	
Total comprehensive income for the period		-	-	-	165,005	-	165,005	
Balance as at June 30, 2017		699,999	902,769	70,000	172,151	1,255	1,846,174	
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	22	-	-	8,184	(8,184)	-	-	
Dividend paid	21	-	-	-	(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	

.....Director
 (Narong Thararatnavibool)

.....Director
 (Thanit Thararatnavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2017

"UNAUDITED"

"REVIEWED"

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from operating activities				
Profit (loss) before income tax expenses	(4,051)	229,975	170,033	139,424
Adjustments to reconcile profit (loss) to cash provided by (used in)				
operating activities:				
Depreciation	70,437	74,382	31,550	31,051
Amortization of computer softwares	928	1,055	884	1,030
Gain on disposal asset	(92)	(276)	(94)	(276)
Unrealized (gain) loss on investments in Open-end Fund	(1,518)	(426)	(592)	254
Allowance for doubtful accounts	-	10,726	-	-
Reversal for devaluation of inventories	(7,423)	-	-	-
Loss on impairment of investment in associate	-	-	-	5,400
Share of (gain) loss from investment in associate	4,923	(951)	-	-
Dividend income	-	-	(14,976)	-
Unrealized (gain) loss on exchange rates	770	(659)	738	(705)
Estimation of employee benefit obligations	2,468	3,040	1,375	1,415
Interest income	(2,162)	(585)	-	(382)
Interest expenses	1,555	5,167	-	-
Gain from operating activities before changes				
in operating assets and liabilities	65,835	321,448	188,918	177,211
Changes in operating assets - (increase) decrease				
Current investments	(29,585)	192,898	93,508	140,067
Trade and other receivables	172,807	16,039	(6,032)	13,559
Unbilled receivables	(31,168)	(107,452)	-	-
Inventories	148,428	(189,588)	8,917	(55,737)
Other non-current assets	(39,262)	(1,854)	(6,879)	-

.....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, 2017

"UNAUDITED"

"REVIEWED"

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Changes in operating liabilities - increase (decrease)				
Trade and other payables	87,640	181,883	6,510	24,632
Advance received and deferred construction revenue	(1,495)	(28,259)	-	-
Cash provided by operating activities	373,200	385,115	284,942	299,732
Payment for employee benefit obligations	(3,138)	(2,055)	(2,643)	(331)
Interest paid	(7,933)	(8,872)	(4,162)	(5,598)
Net cash provided by operating activities	362,129	374,188	278,137	293,803
Cash flows from investing activities				
Interest received	1,011	598	-	382
Dividend income from investments in subsidiary	-	-	14,976	-
Payment for purchases of assets	(64,342)	(30,468)	(44,941)	(3,235)
Proceeds from disposal of equipment	549	355	549	355
Proceeds from receivables under finance lease contracts	5,778	-	-	-
Cash advance receive from disposal of asset	160,000	-	-	-
Net cash provided by (used in) investing activities	102,996	(29,515)	(29,416)	(2,498)
Cash flows from financing activities				
Increase in bank overdrafts and				
short-term loans from financial institutions	(57,415)	31,965	-	-
Interest paid	(1,504)	(5,274)	-	-
Dividend payment	(251,996)	(251,996)	(251,996)	(251,996)
Subsidiary's dividend paid to non-controlling interests	(24)	-	-	-
Net cash used in financing activities	(310,939)	(225,305)	(251,996)	(251,996)
Net increase (decrease) in cash and cash equivalents	154,186	119,368	(3,275)	39,309
Cash and cash equivalents at beginning of the periods	291,162	154,714	56,060	29,358
Cash and cash equivalents at end of the periods	445,348	274,082	52,785	68,667
Supplemental disclosures of cash flows information				
Non-cash transactions consisted of:				
Assets payable for plant and equipment	4,387	2,930	1,070	1,779

.....Director
(Narong Thareratanavibool)

.....Director
(Thanit Thareratanavibool)

ASIAN INSULATORS PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED JUNE 30, 2017 (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 FINANCIAL STATEMENTS

The interim financial statements have been prepared in accordance with Thai Accounting Standard No. 34 (Revised 2016), Interim Financial Reporting.

The interim financial statements consist of primary financial information (i.e. statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in shareholders’ equity, and statement of cash flows). The Company has chosen to present the interim financial statements in a format consistent with the annual financial statements, in compliance with Thai Accounting Standard No. 1, Presentation of Financial Statements. The notes to the interim financial statements are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

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 convenience only, for 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.

The interim financial statements have been prepared to provide information in addition to that included in the financial statements for the year ended December 31, 2016. 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, 2016.

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.

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 subsidiaries (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, 2016.

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

NEW FINANCIAL REPORTING STANDARDS

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company and those of its subsidiaries.

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, 2016.

4. TRANSACTIONS WITH THE 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, 2017 and 2016 were as follows:

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>For the three-month periods</u>				
Sales of products and raw materials				
PPC Asian Insulators Co., Ltd.	694	855	694	855
AI Engineering Services Co., Ltd.	-	-	-	2,406
Sales of hybrid clay				
PPC Asian Insulators Co., Ltd.	23,168	25,957	23,168	25,957
Other income - rental and services				
PPC Asian Insulators Co., Ltd.	142	90	142	90
AI Engineering Services Co., Ltd.	-	-	338	316
AI Energy Public Co., Ltd.	-	-	317	235
AI Logistics Co., Ltd.	-	-	201	139
AI Ports and Terminals Co., Ltd.	-	-	54	71
Purchase of goods				
Samart Palm oil Co., Ltd.	-	4,465	-	-
Samart Palm Industry Co., Ltd.	7,665	16,726	-	-
Purchases of scrap clay				
PPC Asian Insulators Co., Ltd.	9,456	12,947	9,456	12,947
Purchases of raw materials and consumed supply				
PPC Asian Insulators Co., Ltd.	-	1	-	1

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
For the six-month periods				
Sales of products and raw materials				
PPC Asian Insulators Co., Ltd.	1,226	1,636	1,226	1,636
AI Engineering Services Co., Ltd.	-	-	3	2,778
Sales of hybrid clay				
PPC Asian Insulators Co., Ltd.	49,153	62,840	49,153	62,840
Dividend income				
AI Engineering Services Co., Ltd.	-	-	14,976	-
Other income - rental and services				
PPC Asian Insulators Co., Ltd.	268	180	268	180
AI Engineering Services Co., Ltd.	-	-	671	628
AI Energy Public Co., Ltd.	-	-	600	477
AI Logistics Co., Ltd.	-	-	352	284
AI Ports and Terminals Co., Ltd.	-	-	116	158
Purchase of goods				
Samart Palm Co., Ltd.	-	3,426	-	-
Samart Palm oil Co., Ltd.	-	10,293	-	-
Samart Palm Industry Co., Ltd.	15,982	26,326	-	-
Purchases of scrap clay				
PPC Asian Insulators Co., Ltd.	19,253	30,279	19,253	30,279
Purchases of raw materials and consumed supply				
PPC Asian Insulators Co., Ltd.	-	9	-	9
AI Energy Public Co., Ltd.	-	-	-	94

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

Management's remuneration

Management's remuneration for the three-month and six-month periods ended June 30, 2017 and 2016 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>For the three-month periods</u>				
Short-term employee benefits	11,491	11,604	6,044	6,305
Long-term post-employment benefits	215	473	99	177
Total management's remuneration	11,706	12,077	6,143	6,482
<u>For the six-month periods</u>				
Short-term employee benefits	22,457	23,164	12,264	12,839
Long-term post-employment benefits	452	988	220	354
Total management's remuneration	22,909	24,152	12,484	13,193

Significant balances with related parties as at June 30, 2017 and December 31, 2016 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Trade receivable				
PPC Asian Insulators Co., Ltd.	29,879	27,824	29,879	27,824
AI Engineering Services Co., Ltd.	-	-	-	926
Other receivable				
PPC Asian Insulators Co., Ltd.	101	102	101	102
AI Engineering Services Co., Ltd.	-	-	23	20
AI Logistics Co., Ltd.	-	-	3	2
Trade payable				
PPC Asian Insulators Co., Ltd.	17,618	19,201	17,618	19,201
Smart Palm Industry Co., Ltd.	1,808	-	-	-

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

5. CURRENT INVESTMENTS

Current investments as at June 30, 2017 and December 31, 2016 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Saparate financial statements	
	2017	2016	2017	2016
Investment in Open-end Fund-Debt securities	344,680	314,721	188,685	282,139
<u>Add Allowance for adjustment</u>	<u>2,455</u>	<u>1,311</u>	<u>1,528</u>	<u>990</u>
Investment in Open-end Fund-Fair value	347,135	316,032	190,213	283,129
Fixed deposits	441	441	-	-
Total current investments	347,576	316,473	190,213	283,129

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

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

6. TRADE AND OTHER RECEIVABLES - NET

Trade and other receivables as at June 30, 2017 and December 31, 2016 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Trade receivables				
Trade receivable - related parties	29,879	27,824	29,879	28,750
Trade receivable - state enterprises	87,239	260,322	87,239	86,681
Trade receivables - others	148,058	136,609	9,323	6,258
Post date cheques	9,220	13,033	-	-
Total trade receivables	274,396	437,788	126,441	121,689
Less Allowance for doubtful accounts	(8,328)	(8,328)	-	-
Total trade receivables - net	266,068	429,460	126,441	121,689
Other receivables				
Other receivables - related parties	101	102	127	124
Prepaid expense	6,162	5,859	3,137	1,752
Deposit for inventories	1,507	3,693	1,137	1,468
Revenue Department receivable	5,309	13,834	309	87
Advance payment to subcontractors	3,840	3,780	-	-
Others	888	582	-	-
Total other receivables	17,807	27,850	4,710	3,431
Less Allowance for doubtful accounts	(306)	(306)	-	-
Total other receivables - net	17,501	27,544	4,710	3,431
Total trade and other receivables - net	283,569	457,004	131,151	125,120

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

As at June 30, 2017 and December 31, 2016, outstanding balances of trade receivables aged by number of months were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Related parties				
Current	15,005	10,452	15,005	11,378
Overdue				
Within 3 months	14,874	17,372	14,874	17,372
Total	29,879	27,824	29,879	28,750
State enterprises				
Current	78,889	246,475	78,889	83,451
Overdue				
Within 3 months	7,555	1,108	7,555	1,108
Over 3 months to 12 months	677	12,739	677	2,122
Over 12 months	118	-	118	-
Total	87,239	260,322	87,239	86,681
Others				
Current	146,458	135,556	7,685	2,541
Overdue				
Within 3 months	2,492	5,758	1,638	3,717
Over 12 months	8,328	8,328	-	-
Total	157,278	149,642	9,323	6,258
<u>Less</u> Allowance for doubtful accounts	(8,328)	(8,328)	-	-
Total trade receivables - net	266,068	429,460	126,441	121,689

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

7. RECEIVABLE UNDER FINANCE LEASE CONTRACTS - NET

Receivable under finance lease contracts as at June 30, 2017 and December 31, 2016 consisted of:

	Unit: Thousand Baht	
	Consolidated financial statements	
	2017	2016
Due within one year		
Value of minimum lease payment receivable	11,556	11,556
Deferred revenue - finance lease	(1,615)	(2,077)
Present value of minimum lease payment receivable	<u>9,941</u>	<u>9,479</u>
Due over one year but with five years		
Value of minimum lease payment receivable	3,852	9,630
Deferred revenue - finance lease	(323)	(1,012)
Present value of minimum lease payment receivable	<u>3,529</u>	<u>8,618</u>

As at June 30, 2017 and December 31, 2016, AI Logistics Company Limited (“the subsidiary”) had receivable under finance lease contracts for hire-purchase Vessel with the 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 the subsidiary when last installment is paid. (Profit on sales of assets under finance lease contract and interest income from finance lease contract had been recorded in the other income)

..... 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, 2017 and December 31, 2016 consisted of:

	Unit: Thousand Baht	
	Consolidated financial statements	
	2017	2016
Unbilled receivables		
Contract value	470,179	381,544
Recognition of income by the percentage of completion	423,585	322,353
<u>Less</u> Value of billing construction	(355,351)	(285,286)
Total	68,234	37,067
Advance received and deferred construction revenue		
Contract value	34,507	45,488
Value of billing construction	5,035	4,497
<u>Less</u> Recognition of income by the percentage of completion	(2,842)	(809)
Total	2,193	3,688

9. INVENTORIES - NET

Inventories as at June 30, 2017 and December 31, 2016 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Raw materials and chemicals	160,302	199,013	74,899	69,129
Work in process	86,461	143,191	28,241	23,496
Finished goods	65,286	108,822	13,474	26,326
Supplies	6,740	10,347	1,511	1,353
Goods in transit	1,317	8,055	1,317	8,055
Total inventories	320,106	469,428	119,442	128,359
<u>Less</u> Allowance for devaluation of inventories	(14,663)	(22,086)	(4,724)	(4,724)
Total inventories - net	305,443	447,342	114,718	123,635

..... Director
(Narong Thararatnavibool)

..... Director
(Thanit Thararatnavibool)

10. OIL SUPPLIES

Oil supplies as at June 30, 2017 and December 31, 2016 consisted of:

	Unit: Thousand Baht	
	Consolidated financial statements	
	2017	2016
Bunker oil	2,651	1,796
Lubricants	532	493
Total oil supplies	3,183	2,289

11. NON-CURRENT ASSETS HELD FOR SALE - NET

Non-current assets held for sale as at June 30, 2017 and December 31, 2016 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements			
	2016	Transfers in	Transfers out	2017
Non-current assets held for sale	267,936	-	-	267,936
<u>Less Accumulated depreciation</u>	<u>(49,013)</u>	-	-	<u>(49,013)</u>
Non-current assets held for sale - net	218,923	-	-	218,923

On November 3, 2016, AI Ports and Terminals Company Limited (“the subsidiary”) made contracts for sale of land, buildings and machineries with a company for the selling amount of Bath 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. As at June 30, 2017, the subsidiary had received the amount of Baht 240 million which is shown under current liabilities.

The subsidiary also made a rental agreement of land, buildings and machineries with a company for the period of 9 months from November 21, 2016 to June 20, 2017 for rental fee of Bath 0.50 million per month.

The subsidiary received all payments and transferred of ownership to the buyer in July 2017.

..... Director
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..... Director
(Thanit Thareratanavibool)

12. INVESTMENTS IN ASSOCIATED COMPANY - NET

Investments in associated company as at June 30, 2017 and December 31, 2016 consisted of:

Company	Nature of business	Percentage of investment (%)		Unit: Million Baht		Unit: Thousand Baht			
		2017	2016	2017	2016	Consolidated financial statements		Separate financial statements	
				Issued share capital		Equity method	2017	2016	Cost method
PPC Asian Insulators Company Limited	Producing and distributing electronics insulators and ceramic	25.10	25.10	263	263	1,423	6,346	66,000	66,000
						-	-	(66,000)	(66,000)
						1,423	6,346	-	-

The consolidated and separate financial statements for the six-month periods ended June 30, 2017 and December 31, 2016, 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, 2017 and December 31, 2016, amounted to Baht 1.42 million and Baht 6.35 million, respectively, representing 0.04% and 0.18% of total assets in the consolidated financial statements, respectively.

The equity of net gain (loss) of the associated company in the consolidated financial statements for the three-month periods ended June 30, 2017 and 2016, amounted to Baht (5.19) million and Baht 0.94 million, respectively, representing (41.56%) and 0.69% of consolidated net profit, respectively and the equity of net gain (loss) of the associated company in the consolidated financial statements for the six-month periods ended June 30, 2017 and 2016 amounted to Baht (4.92) and Baht 0.95 million, respectively, representing 55.07% and 0.43% of consolidated net profit(loss), respectively.

As at June 30, 2017, 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)

13. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at June 30, 2017 and December 31, 2016, and dividend income from the investment during for the six-month periods ended June 30, 2017 and 2016, consisted of:

Company	Nature of business	Percentage of investment (%)		Unit : Million Baht		Unit: Thousand Baht				
		2017	2016	2017	2016	Separate financial statements		Dividend		
				Issued share capital		Cost method	2017		2016	
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	14,976	-	-
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	14,976	-	-

14. PLEDGED DEPOSITS AT FINANCIAL INSTITUTION

AI Energy Public Company Limited (“the subsidiary”) has pledged fixed deposit at bank as collateral for the issuance of bank guarantee.

..... Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)

15. PROPERTY, PLANT, VESSEL AND EQUIPMENT - NET

Property, plant, vessel and equipment as at June 30, 2017 consisted of:

	Unit: Thousands Baht	
	Consolidated financial statements	Separate financial statements
Book value as at January 1, 2017	1,686,588	550,133
Additions/Transfers in during the period (Cost)	133,564	91,257
Disposals/Transfers out during the period (Book value)	(65,440)	(45,704)
Depreciation charge for the period	(70,437)	(31,550)
Book value as at June 30, 2017	1,684,275	564,136

Depreciations in the statements of profit or loss for the three-month and six-month periods ended June 30, 2017 and 2016 consisted of:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>For the three-month periods</u>				
Cost of sale and service	30,131	34,149	13,837	13,373
Selling and administrative expenses	5,552	3,234	2,013	2,123
	35,683	37,383	15,850	15,496
<u>For the six-month periods</u>				
Cost of sale and service	59,129	67,963	27,288	26,846
Selling and administrative expenses	11,308	6,419	4,262	4,205
	70,437	74,382	31,550	31,051

The gross carrying amounts of equipment were fully depreciated but these items are still in active use by the Group as at June 30, 2017 and December 31, 2016, in the consolidated financial statement totaling approximately Baht 400 million and Baht 284.72 million respectively, and separate financial statements totaling approximately Baht 253.41 million and Baht 243.68 million, respectively.

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

16. INTANGIBLE ASSETS - NET

Intangible assets as at June 30, 2017 and December 31, 2016 consisted of:

	Unit: Thousands Baht	
	Consolidated financial statements	Separate financial statements
Book value as at January 1, 2017	2,440	2,253
Additions/Transfers in during the period (Cost)	148	4
Amortization for the period	(928)	(884)
Book value as at June 30, 2017	1,660	1,373

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

Bank overdrafts and short-term loans from financial institutions as at June 30, 2017 and December 31, 2016 consisted of:

	Unit : Thousand Baht	
	Consolidated financial statements	
	2017	2016
Promissory notes	37,000	128,000
Trust receipt	33,585	-
Total	70,585	128,000

	Credit line (Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Bank overdrafts	32,000	32,000	12,000	12,000
Promissory notes	1,370,000	1,370,000	430,000	430,000
Letter of credit and trust receipt	270,000	270,000	-	-
Total	1,672,000	1,672,000	442,000	442,000

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

18. TRADE AND OTHER PAYABLES

Trade and other payables as at June 30, 2017 and December 31, 2016 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Trade payables				
Trade payables - related parties	19,426	19,201	17,618	19,201
Trade payables - others	163,253	60,638	28,871	21,326
Total trade payables	182,679	79,839	46,489	40,527
Other payables				
Payables for purchase of assets	4,387	8,527	1,070	1,316
Other payables	3,740	3,290	678	326
Advances received for goods	4,124	4,602	3,999	4,477
Accrued bonus	10,003	-	6,209	-
Electricity payable	5,233	4,099	1,349	1,477
Accrued expenses	8,936	11,122	4,684	4,938
Retention	5,534	4,487	-	-
Revenue Department payables	12,731	27,687	1,987	5,086
Total other payables	54,688	63,814	19,976	17,620
Total trade and other payables	237,367	143,653	66,465	58,147

..... Director
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..... Director
(Thanit Thareratanavibool)

19. EMPLOYEE BENEFIT OBLIGATIONS

Movement of the present value of employee benefits obligation for the six-month periods ended June 30, 2017 and 2016 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statement	
	2017	2016	2017	2016
Employee benefit at beginning of periods	29,320	36,564	18,774	20,710
Included in profit or loss:				
Current service cost	2,158	2,677	1,178	1,203
Interest cost	310	363	197	212
Included in other comprehensive income:				
Actuarial (gains) losses arising from				
Financial assumptions changes	-	(5,618)	-	(2,524)
Experience adjustments	-	2,685	-	955
Benefit paid during the periods	(3,138)	(2,055)	(2,643)	(331)
Employee benefit obligations at end of periods	28,650	34,616	17,506	20,225

Employee benefit expenses in profit or loss for the three-month and six-month periods ended June 30, 2017 and 2016 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statement	
	2017	2016	2017	2016
<u>For the three-month periods</u>				
Cost of sales	823	919	547	576
Selling expenses	20	86	-	-
Administrative expenses	374	509	130	131
Total employee benefit expenses	1,217	1,514	677	707
<u>For the six-month periods</u>				
Cost of sales	1,689	1,782	1,115	1,152
Selling expenses	136	173	-	-
Administrative expenses	643	1,085	260	263
Total employee benefit expenses	2,468	3,040	1,375	1,415

..... Director
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..... Director
(Thanit Thareratanavibool)

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

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

Principal actuarial assumptions as at June 30, 2017 and December 31, 2016 (represented by the weighted-average) were as follows:

	(Percentage (%)/annum)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Discount rate	1.77 - 2.35	1.77 - 2.35	2.22	2.22
Salary increases rate	0.00 - 5.00	0.00 - 5.00	1.00 - 5.00	1.00 - 5.00
Mortality rate	100% of Thai Mortality Ordinary Tables of 2008		100% of Thai Mortality Ordinary Tables of 2008	
Turnover rate				
Under 31 years old	0 - 33	0 - 33	33	33
31 - 40 years old	0 - 14	0 - 14	14	14
41 - 50 years old	0 - 7	0 - 7	5	5
Above 50 years old	0	0	0	0

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. DIVIDEND PAYMENT

The 2017 Annual General Meeting of Shareholders of the Company held on April 28, 2017, passed a resolution to pay dividend for the year 2016 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 22, 2017.

The Board of Directors' Meeting No.1/2017 held on March 2, 2017 of AI Engineering Services Company Limited, ("the subsidiary") passed a resolution to pay dividends from the operation for the year 2016 to the shareholders of 20 million shares at Baht 0.75 per share, amount Baht 15 million. The 2017 Annual General Shareholders' Meeting held on April 27, 2017, passed a resolution to pay such dividends. The dividend was paid on March 28, 2017.

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.

22. 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 after deducting the accumulated loss brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

23. DEFERRED TAX

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

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statements	
	As at January 1,	Profit	As at June 30,	Profit
	2017	(Loss)	2017	(Loss)
			As at January 1,	As at June 30,
			2017	2017
Deferred tax assets				
Allowance for doubtful trade accounts receivable	149	-	149	-
Allowance for devaluation of inventories	945	-	945	-
Allowance for impairment of assets	1,198	-	1,198	-
Provision for long-term employee benefits	5,751	(144)	5,607	(253)
Tax loss carries forward	10,511	-	10,511	-
Total	18,554	(144)	18,410	(253)
Deferred tax liability				
Unrealized gain on investments in Open-end Fund	(262)	(229)	(491)	(198)
Depreciation	(4,291)	151	(4,140)	-
Total	(4,553)	(78)	(4,631)	(108)
Deferred tax assets - net	14,001	(222)	13,779	(361)

As at June 30, 2017 and December 31, 2016, AI Energy Public Company Limited (“the subsidiary”) had the deferred tax asset for the carry forward of unused tax losses in financial statements Baht 10.51 million. The Company’s management believe 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)

24. INCOME TAX EXPENSE

Income tax expense the three-month and six-month periods ended June 30, 2017 and 2016 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>For the three-month periods</u>				
Current tax expense				
Current periods	(1,978)	(3,310)	(1,978)	(1,453)
Deferred tax expense				
Movement in temporary differences	159	(569)	126	88
Total	<u>(1,819)</u>	<u>(3,879)</u>	<u>(1,852)</u>	<u>(1,365)</u>
<u>For the six-month periods</u>				
Current tax expense				
Current periods	(4,667)	(5,666)	(4,667)	(3,266)
Deferred tax expense				
Movement in temporary differences	(222)	(1,751)	(361)	181
Total	<u>(4,889)</u>	<u>(7,417)</u>	<u>(5,028)</u>	<u>(3,085)</u>

Income tax reduction

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.

..... Director
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..... Director
(Thanit Thareratanavibool)

25. FOREIGN CURRENCY TRANSACTIONS

As at June 30, 2017 and December 31, 2016, 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			
	2017		2016		2017		2016	
	Foreign Currencies	Converted to Baht	Foreign Currencies	Converted to Baht	Foreign Currencies	Converted to Baht	Foreign Currencies	Converted to Baht
Assets								
USD	29.88	1,010.26	21.64	771.72	29.74	1,005.68	21.51	767.01
Total		1,010.26		771.72		1,005.68		767.01
Liabilities								
USD	235.28	8,034.29	378.23	13,943.81	193.64	6,612.48	323.09	11,632.08
EUR	164.00	6,430.88	-	-	164.00	6,430.88	-	-
Total		14,465.17		13,943.81		13,043.36		11,632.08

26. 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.

..... 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, 2017 and 2016 was 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 31, 2017						
Revenue from sales of goods	640,160	190,071	830,231	175,611	42,805	218,416
Revenue from production contract	-	15,993	15,993	-	-	-
Revenue from construction contract	-	38,313	38,313	-	-	-
Revenue from vessel operating	-	11,844	11,844	-	-	-
Other incomes	-	6,326	6,326	-	2,337	2,337
Total	640,160	262,547	902,707	175,611	45,142	220,753
For the three-month period ended June 31, 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 operating	-	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

..... Director
(Narong Thararatnavibool)

..... Director
(Thanit Thararatnavibool)

Unit: Thousand Baht

	Consolidated financial statements			Separate financial statements		
	Promoted	Non-promoted	Total	Promoted	Non-promoted	Total
	Activities	Activities		Activities	Activities	
For the six-month period ended June 31, 2017						
Revenue from sales of goods	1,283,371	247,636	1,531,007	354,785	86,470	441,255
Revenue from production contract	-	22,997	22,997	-	-	-
Revenue from construction contract	-	73,812	73,812	-	-	-
Revenue from vessel operating	-	24,786	24,786	-	-	-
Other incomes	-	12,744	12,744	-	5,335	5,335
Dividend income	-	-	-	-	14,976	14,976
Total	1,283,371	381,975	1,665,346	354,785	106,781	461,566
For the six-month period ended June 31, 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

..... Director
(Narong Thararatnavibool)

..... Director
(Thanit Thararatnavibool)

27. PROVIDENT FUND

The Company and subsidiary' 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, 2017 and 2016 were as follows:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>For the three-month periods</u>				
Asian Insulators Public Company Limited	434	462	434	462
AI Engineering Services Company Limited	45	53	-	-
AI Energy Public Company Limited	341	346	-	-
AI Logistics Company Limited	7	6	-	-
Total	827	867	434	462
<u>For the six-month periods</u>				
Asian Insulators Public Company Limited	900	926	900	926
AI Engineering Services Company Limited	98	107	-	-
AI Energy Public Company Limited	651	694	-	-
AI Logistics Company Limited	13	12	-	-
Total	1,662	1,739	900	926

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

28. SEGMENT INFORMATION

The segmented information for the three-month and six-month periods ended June 30, 2017 and 2016 was as follows:

		Consolidated financial statements					
		For the three-month period ended June 30, 2017					
		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	Vessel operating Port services	Total
Revenues from sales and services		218,416	38,313	611,815	15,993	11,844	896,381
Cost of sales and services		(128,568)	(40,334)	(641,154)	(14,171)	(16,343)	(840,570)
Gross profit (loss) by segment		89,848	(2,021)	(29,339)	1,822	(4,499)	55,811
Other income							6,326
Selling expenses							(4,511)
Administrative expenses							(37,482)
Finance costs							(665)
Share of loss from investments in associate							(5,185)
Income tax expenses							(1,819)
Profit for the period							12,475
Equity holders of the parent							32,968
Non-controlling interests							(20,493)

..... Director
(Narong Thararatnavibool)

..... Director
(Thanit Thararatnavibool)

Unit: Thousand Baht

Consolidated financial statements						
For the six-month period ended June 30, 2017						
Group of A1 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	Vessel operating	Port services Total
Revenues from sales and services	441,251	73,812	1,089,756	22,997	24,786	1,652,602
Cost of sales and services	(252,737)	(73,824)	(1,195,004)	(22,840)	(31,266)	(1,575,671)
Gross profit (loss) by segment	188,514	(12)	(105,248)	157	(6,480)	76,931
Other income						12,744
Selling expenses						(8,556)
Administrative expenses						(78,692)
Finance costs						(1,555)
Share of loss from investments in associate						(4,923)
Income tax expenses						(4,889)
Loss for the period						(8,940)
Equity holders of the parent						51,467
Non-controlling interests						(60,407)
Property, plant, vessel and equipment - net	564,135	22	890,406		18,567	211,145
						1,684,275

..... Director
(Narong Thararatnavibool)

..... Director
(Thanit Thararatnavibool)

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	Vassel 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

..... 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 refined 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

..... Director

(Narong Tharatanavibool)

..... Director

(Thanit Tharatanavibool)

29. COMMITMENT AND CONTINGENT LIABILITIES

Commitment and contingent liabilities as at June 30, 2017 and December 31, 2016 were as follows:

29.1 The Group has contingent liabilities on bank guarantees amount to Baht 307.48 million and Euro 3.51 million in year 2017 and amount to Baht 144.61 million and Euro 4.39 million in year 2016, issued by banks on behalf of the Group with respect to certain performance bonds required in the normal course of business of the Group.

29.2 Group has contingent liabilities on capital commitments were as follows:

	Unit: Thousand Baht			
	Contracted Balance			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Capital commitments				
Contracted but not provided for				
Utility systems	13,585	53,949	11,599	46,151
Machinery, accessories and tools	48,878	7,956	29,188	5,361
Total	62,463	61,905	40,787	51,512

29.3 AI Engineering Services Company Limited (“the subsidiary”) has outstanding commitments with major subcontractors and the purchase of construction equipment for construction work amount of Baht 14.51 million and Baht 80.88 million, respectively.

29.4 The Company is the guarantor for the repayment of loans from financial institutions for AI Engineering Services Company Limited (“the subsidiary”) amount of Baht 545 million.

29.5 AI Energy Public Company Limited (“the subsidiary”) received a letter from the Enforcement Department, Office of the Securities and Exchange Commission of Thailand (the SEC), 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 SEC. The subsidiary also sent a letter to request a status update with respect to this matter. The SEC replied by a letter, dated February 28, 2017, that the outcome has not been finalized.

On June 20, 2017, the SEC has filed a criminal complaint against two former directors and executives of the subsidiary in case of the preparation of incorrect financial statements for the year 2014, as the subsidiary auditor had expressed the disclaimer of opinion, with the Department of Special Investigation (DSI) for further legal proceedings.

29.6 At October 24, 2016, AI Energy Public Company Limited (“the subsidiary”) made a 5-year contract with a company for manufacturing edible oil products and allowed the use of “Pamola” trademark.

..... Director
(Narong Thareratanavibool)

..... Director
(Thanit Thareratanavibool)

30. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors' Meeting No. 3/2017 held on August 11, 2017, passed a resolution to pay dividends from the operation for six-month periods ended from January 1 - June 30, 2017, at the rate of Baht 0.05 per share for a total amount of Baht 140 million from the net profit of the separate financial statement. The dividend will be exempt from income tax, according to the BOI Certificate No. 1478 (2)/2553 at the rate of Baht 0.04 per share for a total amount of Baht 112 million, and shall be paid from the profit that is subject to the corporate income tax at the rate of 20%, of Baht 0.01 per share for a total amount of Baht 28 million. The dividends will be paid on September 8, 2017.

31. 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.

32. APPROVAL OF INTERIM FINANCIAL STATEMENT

These interim financial statements have been approved to issue by the Company's Board of Directors on August 11, 2017

..... Director
(Narong Tharatanavibool)

..... Director
(Thanit Tharatanavibool)