

INTERIM FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT ON REVIEW  
OF INTERIM FINANCIAL INFORMATION  
AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
FOR THE FIRST QUARTER ENDED MARCH 31, 2015

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

### **To the Board of Directors and Shareholders of AI Energy Public Company Limited:**

I have reviewed the consolidated and separate statements of financial position as at March 31, 2015 (Restated), and the related consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in shareholders' equity, consolidated and separate statements of cash flows for the three-month period ended March 31, 2015 (Restated), and the condensed notes to the interim financial statements (Interim Financial Information) of AI Energy Public Company Limited and its subsidiaries and of AI Energy Public Company Limited, respectively. The management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

Except as mentioned in the Basis for Disclaimer of Conclusion on Interim Financial Information paragraph, I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Basis for Disclaimer of Conclusion on Interim Financial Information**

1. I did not observe the physical inventory taking as at December 31, 2014 of AI Energy Public Company Limited. I am unable to satisfy myself by mean of other audit procedures on the quantity and valuation of the inventory balances of the Company as at December 31, 2014 in the consolidated and separate statements of financial position of Baht 434.10 million. As a result from brought forward of inventories balance, I am unable to conclude whether there could be any necessary adjustments on the reporting profit in the statements of profit or loss and other comprehensive income, statement of changes in shareholders' equity and statement of cash flows.



2. The predecessor auditor of AI Energy Public Company Limited and subsidiaries disclaimed an opinion on the Company's consolidated and separate financial statements for the year ended December 31, 2014 (Before restated) of AI Energy Public Company Limited and subsidiaries and of AI Energy Public Company Limited respectively according to his report dated March 24, 2015 due to the Company had no effective of internal control regarding to cost of sales and inventories including misappropriation of assets utilization. As a result, information and evidence about the production transaction is not reasonable and the controlling process of taking raw materials and goods in and out of the factory is not proper. This evidence has impact on cost of sales and inventories including other related accounts.

As discussed in Note to Financial Statements No. 25.4, the Company 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 Company predecessor auditor's disclaimer of opinion in the Company's financial statements for the year 2014. The former management provided a clarification of the facts to the SEC.

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

Consequently, the Company's current management had investigated and prepared the new documentations to support the accounting transactions related to above matter No. 2 in order to reflect the financial statements to be accordance with the financial reporting standards and had adjusted the consolidated and separate financial statements for the year ended December 31, 2014 and for the three-month period ended March 31, 2014 as shown in Note to Financial Statements No. 28.

I have audited the evidences supporting the accounting transactions prepared by the Company's current management. However certain supporting evidences are newly prepared. As a result, I am unable to obtain the sufficient appropriate evidence to conclude that the newly prepared supporting evidences represent the evidences supporting the accounting transactions which have been arrived from the normal internal control environment.

Due to the impact of the above matters, I was unable to conclude whether the outstanding balances on the financial statements for the year 2014 have been correctly brought forward to the current year or have been appropriately restated. There might be adjustments which may significantly effected the interim financial statements for the period 2015, or effected on the comparability of the current period's figures and the corresponding figures.

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

Because of the matters described in the Basis for Disclaimer of Conclusion on the Interim Financial Information paragraph have significant effect to the interim financial information, I am unable to draw the conclusion on the accompanying interim consolidated and separate financial information for the three-month period ended March 31, 2015 of AI Energy Public Company Limited and its subsidiaries and of AI Energy Public Company Limited, respectively.



### **Emphasis of Matter**

1. I have ever reported on the review of the consolidated and separate financial statements of AI Energy Public Company Limited for the three-month period ended March 31, 2015 dated February 28, 2017 by disclosing that the Company's production yield during the period of January to March 2015 was significantly lower than normal production yields. I received clarification letters of such events from the Company's Audit Committee, Managing Director, Factory Manager, Accounting and Finance Manager, Quality Control Manager, and Logistics Supervisor on March 28, 2016 which I had not been able to obtain the sufficient evidence to support the appropriateness of such clarification.

As discussed in Note to Financial Statements No. 25.5, the Company engaged the National Metal and Materials Technology Center of the National Science and Technology Development Agency to verify the result on the Company's biodiesel production process to assess the appropriateness of such low production yield and found out that the loosed quantity of oil from the tank washing process are in line with production yield reported by the Company. The loosed quantity of oil from the process resulting in an unusual low production yield may be caused by the imperfect separation of layers. I have tested computation and verified the evidences supporting the related production information and found they are in line with the Management's clarification.

2. As discussed in Note to Financial Statements No. 28, the Company had prepared the financial statements for the three-month period ended March 31, 2015 and published the financial statements on February 28, 2017. In 2018, the Company disclosed the accounting errors in respective of the devaluation of inventories and, therefore, restated the statement of financial position as at March 31, 2015 and statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2015.





#### **Other Matter**

The consolidated and separate statements of financial position as at December 31, 2014 (Before restated), of AI Energy Public Company Limited and its subsidiaries and of AI Energy Public Company Limited respectively, which have been presented herewith for comparative purposes, were audited by another auditor, whose report dated March 24, 2015, expressed a disclaimer of opinion on the consolidated and separate financial statements regarding the inability to obtain the sufficient appropriate audit evidences on the inventory balances.

The consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in shareholders' equity, consolidated and separate statements of cash flows for the three-month period ended March 31, 2014 (Before restated), which have been presented herewith for comparative purposes, were reviewed by another auditor whose report dated May 13, 2014, stated that nothing had come to his attention that caused him to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.



Vichai Ruchitanont

Certified Public Accountant

Registration Number 4054

ANS Audit Co., Ltd

Bangkok, April 26, 2018

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENT OF FINANCIAL POSITION  
AS AT MARCH 31, 2015

		Unit : Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"	(RESTATED)	"REVIEWED"	(RESTATED)
Notes	(RESTATED)	(RESTATED)	(RESTATED)	(RESTATED)	(RESTATED)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5	94,736	189,591	83,857	176,912
Current investment	6	205	89	205	89
Trade and other receivables - net	4, 7, 28	306,441	477,122	293,673	473,580
Inventories - net	8, 28	486,080	434,145	485,964	434,008
Oil supplies	9	1,398	2,368	-	-
Non-current assets held for sale - net	10	100	2,540	100	2,540
Total current assets		888,960	1,105,855	863,799	1,087,129
<b>Non-current assets</b>					
Investments in subsidiaries	11	-	-	435,073	435,073
Pledged deposits at financial institution	12	3,136	2,000	3,136	2,000
Property, plant, vessel and equipment - net	13, 28	1,384,567	1,377,913	865,415	850,804
Intangible assets - net	14	134	145	134	145
Deferred tax assets	20	6,118	764	6,118	764
Other non-current assets		15,466	16,179	15,422	15,653
Total non-current assets		1,409,421	1,397,001	1,325,298	1,304,439
<b>Total assets</b>		<b>2,298,381</b>	<b>2,502,856</b>	<b>2,189,097</b>	<b>2,391,568</b>

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2015

		Unit : Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		March 31, 2015	December 31, 2014	March 31, 2015	December 31, 2014
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
		"REVIEWED"	(RESTATED)	"REVIEWED"	(RESTATED)
		(RESTATED)		(RESTATED)	
		Notes			
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	15	289,904	316,918	180,000	295,016
Trade and other payables	4, 16, 28	182,992	203,115	170,363	199,253
Current portion of long-term loans from financial institutions	17	-	22,080	-	-
Income tax payables	28	28,671	28,671	28,671	28,671
Total current liabilities		501,567	570,784	379,034	522,940
<b>Non-current Liabilities</b>					
Long-term loans from financial institutions - net	17	-	76,880	-	-
Employee benefit obligations	18	12,583	11,932	9,903	9,425
Total non-current liabilities		12,583	88,812	9,903	9,425
Total liabilities		514,150	659,596	388,937	532,365
<b>Shareholders' equity</b>					
<b>Authorized share capital</b>					
Common share 1.130 million shares, Baht 1 par value		1,130,000	1,130,000	1,130,000	1,130,000
<b>Issued and paid - up share capital</b>					
Common share 1.130 million shares, Baht 1 par value		1,130,000	1,130,000	1,130,000	1,130,000
Premium on common stocks		605,114	605,114	605,114	605,114
<b>Retained earnings</b>					
<b>Appropriated</b>					
Legal reserve	19, 28	6,362	6,362	6,362	6,362
Unappropriated	28	47,980	107,009	58,684	117,727
<b>Other components of shareholders' equity</b>					
Difference on business combination under common control		(5,225)	(5,225)	-	-
Total shareholders' equity		1,784,231	1,843,260	1,800,160	1,859,203
<b>Total liabilities and shareholders' equity</b>		<b>2,298,381</b>	<b>2,502,856</b>	<b>2,189,097</b>	<b>2,391,568</b>

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

		Unit : Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		"UNAUDITED"	"UNAUDITED"	"UNAUDITED"	"UNAUDITED"
		"REVIEWED"	"UNREVIEWED"	"REVIEWED"	"UNREVIEWED"
		(RESTATED)	(RESTATED)	(RESTATED)	(RESTATED)
Notes					
4, 22, 23, 24, 28					
<b>Revenues</b>					
Revenues from sales of goods		822,487	1,206,279	815,750	1,382,490
Revenues from production contract		6,993	43,915	6,993	43,915
Revenues from vessel operating		5,913	11,538	-	-
Other incomes		5,750	3,447	3,225	3,411
Total revenues		841,143	1,265,179	825,968	1,429,816
<b>Expenses</b>					
Cost of sales		(858,107)	(1,117,297)	(860,177)	(1,298,489)
Cost of production contract		(5,902)	(30,625)	(5,902)	(30,625)
Cost of vessel operating		(9,935)	(9,182)	-	-
Selling expenses		(10,631)	(12,274)	(10,025)	(11,059)
Administrative expenses		(17,399)	(19,573)	(12,377)	(16,563)
Finance costs		(3,216)	(3,390)	(1,884)	(1,403)
Total expenses		(905,190)	(1,192,341)	(890,365)	(1,358,139)
Profit (loss) before income tax expenses		(64,047)	72,838	(64,397)	71,677
Tax income (Tax expense)	21	5,018	(14,098)	5,354	(14,098)
Profit (loss) for the periods		(59,029)	58,740	(59,043)	57,579
Other comprehensive income (loss) for the periods		-	-	-	-
Total comprehensive income (loss) for the periods		(59,029)	58,740	(59,043)	57,579
Profit (loss) attributable to :					
Equity holders of the parent		(59,029)	58,740	(59,043)	57,579
Non-controlling interests		-	-	-	-
		(59,029)	58,740	(59,043)	57,579
Total comprehensive income (loss) attributable to :					
Equity holders of the parent		(59,029)	58,740	(59,043)	57,579
Non-controlling interests		-	-	-	-
		(59,029)	58,740	(59,043)	57,579
<b>Earnings (loss) per share</b>					
Basic earning (loss) per share					
Basic earnings (loss) attributable per share (Baht)		(0.05)	0.05	(0.05)	0.05
Weighted average number of common shares (share)		1,130,000,000	1,130,000,000	1,130,000,000	1,130,000,000

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)



AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

Unit : Thousands Baht										
Consolidated financial statements										
Shareholders' equity of the parent										
Other components of shareholders' equity										
Difference on business combination under common control										
Total equity of the parent										
Non-controlling interests										
Total shareholders' equity										
Notes	Share capital	Premium on common stocks	Appropriated Legal reserve	Unappropriated						
	Issued and paid - up									

.....Director  
(Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)

**AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015**

Unit : Thousands Baht						
Separate financial statements						
Notes	Share capital Issued and paid - up	Premium on common stocks	Retained earnings		Total shareholders' equity	
			Appropriated Legal reserve	Unappropriated		
<b>"UNAUDITED REVIEWED"</b>						
	1,130,000	605,114	6,515	123,784	1,865,413	
28	-	-	(153)	(6,057)	(6,210)	
	1,130,000	605,114	6,362	117,727	1,859,203	
Balance as at January 1, 2015 (Before restated)						
Correction of accounting error						
	1,130,000	605,114	6,362	117,727	1,859,203	
Balance as at January 1, 2015 (Restated)						
Changes in shareholders' equity for the period :						
Total comprehensive loss for the period (Restated)						
	-	-	-	(59,043)	(59,043)	
	1,130,000	605,114	6,362	58,684	1,800,160	
Balance as at March 31, 2015						
<b>"UNAUDITED UNREVIEWED"</b>						
	1,130,000	605,114	879	16,706	1,752,699	
Balance as at January 1, 2014						
Changes in shareholders' equity for the period :						
Total comprehensive income for the period (Restated)						
28	-	-	-	57,579	57,579	
	1,130,000	605,114	879	74,285	1,810,278	
Balance as at March 31, 2014						

.....Director  
(Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
**STATEMENT OF CASH FLOWS**  
**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015**

	Unit : Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	"UNAUDITED"	"UNAUDITED"	"UNAUDITED"	"UNAUDITED"
	"REVIEWED"	"UNREVIEWED"	"REVIEWED"	"UNREVIEWED"
	(RESTATED)	(RESTATED)	(RESTATED)	(RESTATED)
<b>Cash flows from operating activities</b>				
Profit (loss) before income tax expense	(64,047)	72,838	(64,397)	71,677
Adjustments to reconcile profit before income tax expense				
to cash provided by (used in) operating activities:				
Depreciation	20,102	17,296	11,235	8,917
Amortization of computer softwares	11	8	11	8
Unrealized loss on exchange rate	88	98	88	106
Gain on disposal of assets	(20)	-	-	-
Allowance for devaluation of inventories	62,188	1,854	62,188	1,854
Estimation of employee benefit obligations	650	535	478	432
Interest income	(194)	(17)	(194)	(17)
Finance costs - interest paid	3,216	3,366	1,884	1,403
Amortization of withholding tax	-	78	-	78
Gain from operating activities before changes in				
operating assets and liabilities	21,994	96,056	11,293	84,458
Changes in operating assets - (increase) decrease :				
Trade and other receivables	170,098	(177,789)	179,820	(356,143)
Inventories	(113,153)	(373,367)	(114,144)	41,757
Oil Supplies	-	(435)	-	-
Other non-current asset	323	-	231	-
Non-current assets held for sale	2,440	-	2,440	-
Changes in operating liabilities - increase (decrease)				
Trade and other payables	(19,416)	186,193	(29,040)	176,292
Cash provided by (used in) operating activities	62,286	(269,342)	50,600	(53,636)
Refunded of income tax	62	1,789	-	1,789
Income tax paid	(336)	(396)	-	(396)
Net cash provided by (used in) operating activities	62,012	(267,949)	50,600	(52,243)

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENT OF CASH FLOWS  
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015

Unit : Thousands Baht

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	"UNAUDITED"	"UNAUDITED"	"UNAUDITED"	"UNAUDITED"
	"REVIEWED"	"UNREVIEWED"	"REVIEWED"	"UNREVIEWED"
	(RESTATED)	(RESTATED)	(RESTATED)	(RESTATED)
<b>Cash flows from investing activities</b>				
Increase in restricted deposits at financial institution	(1,136)	-	(1,136)	-
Increase in current investments	(116)	-	(116)	-
Interest received	194	7	194	7
Payment for purchases of building and equipment	(26,777)	(31,263)	(25,847)	(28,308)
Proceeds from disposal of equipment	41	-	-	-
Payment for acquisition of intangible assets	-	(67)	-	(67)
Payment deposit on equipment	-	(3,996)	-	(3,996)
Payment payable from purchases of equipment	-	(6,030)	-	(5,193)
Net cash used in investing activities	(27,794)	(41,349)	(26,905)	(37,557)
<b>Cash flows from financing activities</b>				
Interest paid	(3,099)	(3,533)	(1,734)	(1,312)
Increase (decrease) in bank overdraft and short-term loans				
from financial institutions	(27,014)	393,071	(115,016)	163,907
Payment for long-term loans from financial institutions	(98,960)	(8,709)	-	(3,324)
Net cash provided (used in) financing activities	(129,073)	380,829	(116,750)	159,271
Net Increase (decrease) in cash and cash equivalents	(94,855)	71,531	(93,055)	69,471
Cash and cash equivalents at beginning of the periods	189,591	73,120	176,912	66,680
Cash and cash equivalents at end of the periods	94,736	144,651	83,857	136,151

Additional disclosure items to cash flows statements

Non-cash flows items:

Assets payable for equipment	7,769	4,357	7,769	3,668
Transferred deposit to equipment	-	18,987	-	18,987
Transferred machinery to non-current assets held for sale	-	2,035	-	2,035
Transferred deposit to other non-current assets	-	-	-	9,000

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)



**AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2015 (UNAUDITED) (REVIEWED)**

**1. GENERAL INFORMATION**

AI Energy Public Company Limited (“the Company”) was registered as a company under the Civil and Commercial Code of Thailand on October 4, 2006, and was registered as a public company limited with the Ministry of Commerce on May 9, 2013. The Company was listed on the Market for Alternative Investment (MAI) on January 6, 2014.

The Company’s main businesses are producing and distributing energy product (bio-diesel), vegetable /animal oil and fats.

The Company’s registered office is located at 55/2 Moo 8, Tambol Klongmadua, Amphur Krathum Baen, Samut Sakhon Province.

The Company is a subsidiary of Asian Insulators Public Company Limited which holds 59.59% of the Company's share capital.

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

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

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

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

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

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

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan 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, 2014.

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

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

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

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

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

In the past, the Company and its subsidiaries immediately recognize actuarial gains and losses in profit or loss in the period in which they occur.

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

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

The management of the Group believes that the standard has no any significant impact on the Group financial statements.

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

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

### ***TFRS 13 Fair Value Measurement***

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

Based on the preliminary analysis, the management of the Group believes that this standard has no any significant impact on the Group financial statements.

## **3. SIGNIFICANT ACCOUNTING POLICIES**

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

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

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at agreed prices on market value or, where no market value exists, at contractually agreed prices.



Significant transactions between the Company and related parties for the three-month periods ended March 31, 2015 and 2014 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Sales of finished goods</b>				
Asian Insulators Public Company Limited	24	1	24	1
AI Ports and Terminals Company Limited	-	-	-	143
<b>Sale of raw materials</b>				
AI Ports and Terminals Company Limited	-	-	-	182,979
<b>Purchase of goods</b>				
Asian Insulators Public Company Limited	8,750	-	-	-
AI Ports and Terminals Company Limited	-	-	-	3,290
Samart Palm Company Limited	8,705	4,497	8,705	1,987
Samart Palm Oil Company Limited	9,374	4,547	9,374	3,780
Samart Palm Industry Company Limited	10,287	-	10,287	-
<b>Rental and Service</b>				
AI Ports and Terminals Company Limited	-	-	12,600	9,000
<b>Transportation expenses</b>				
AI Logistics Company Limited	-	-	-	3,600
AI Ports and Terminals Company Limited	-	-	7,328	-
<b>Administrative expenses</b>				
Asian Insulators Public Company Limited	540	620	265	322





## Directors and management's remuneration

Directors and management's remuneration for the three-month periods ended March 31, 2015 and 2014 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Short-term employee benefits	4,057	3,753	3,214	3,043
Long-term post-employment benefits	170	81	90	61
Total directors and management's remuneration	4,227	3,834	3,304	3,104

Significant balance with related parties as at March 31, 2015 and December 31, 2014, were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Trade receivables</b>				
Asian Insulators Public Company Limited	26	47	26	47
AI Ports and Terminals Company Limited	-	-	-	25
AI Engineering Services Company Limited	-	4	-	4
<b>Other receivables</b>				
Related person	23,855	23,855	23,855	23,855
<b>Trade payables</b>				
Asian Insulators Public Company Limited	7,490	1	-	-
AI Ports and Terminals Company Limited	-	-	884	2,611
Samart Palm Company Limited	733	-	733	-
Samart Palm Oil Company Limited	347	-	347	-
Samart Palm Industry Company Limited	638	1,682	638	1,682
<b>Other payables</b>				
Asian Insulators Public Company Limited	4	40	-	39
AI Engineering Services Company Limited	-	399	-	399

## Syndicated credit facilities with subsidiaries

As at March 31, 2015 and December 31, 2014, the Company had syndicated credit facilities with subsidiaries from financial institutions totaling Baht 500 million. These credit facilities are secured by the Company with its subsidiaries, and by pledge of fixed deposits, mortgage of land and structures and machinery of the subsidiaries.

.....Director  
(Thanit Tharateratanavibool)

.....Director  
(Pimwan Tharateratanavibool)

## 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at March 31, 2015 and December 31, 2014 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cash in hand	479	470	325	300
Deposit at bank - savings	82,221	186,507	82,191	174,027
- current	10,730	63	35	34
Fixed deposits due within 3 months	1,306	2,551	1,306	2,551
Total cash and cash equivalents	94,736	189,591	83,857	176,912

## 6. CURRENT INVESTMENT

Current investment as at March 31, 2015 and December 31, 2014 consisted of:

	Unit : Thousand Baht	
	Consolidated/Separate financial statements	
	2015	2014
Fixed deposits	205	89
Total current investment	205	89

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## 7. TRADE AND OTHER RECEIVABLES - NET

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

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade receivables				
Trade receivable - related parties	26	51	26	76
Trade receivable - others	268,108	442,681	257,603	441,743
Post dated cheques	12,591	7,348	12,591	7,348
Total trade receivables	280,725	450,080	270,220	449,167
<u>Less</u> Allowance for doubtful accounts	(3,334)	(3,334)	(3,334)	(3,334)
Total trade receivables - net	277,391	446,746	266,886	445,833
Other receivables				
Other receivable - related person	23,855	23,855	23,855	23,855
Prepaid interest	44	553	44	552
Prepaid insurance	1,940	3,502	1,080	1,754
Revenue Department receivable	219	352	-	-
Undue input tax	1,398	918	1,285	802
Tax card	397	397	397	397
Others	1,503	1,105	432	693
Total other receivables	29,356	30,682	27,093	28,053
<u>Less</u> Allowance for doubtful accounts	(306)	(306)	(306)	(306)
Total other receivables - net	29,050	30,376	26,787	27,747
Total trade and other receivables - net	306,441	477,122	293,673	473,580

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As at March 31, 2015 and December 31, 2014, aging analysis for trade accounts receivable were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Related parties</b>				
Current	26	51	26	76
<b>Total</b>	<b>26</b>	<b>51</b>	<b>26</b>	<b>76</b>
<b>Othes</b>				
Current	182,727	399,959	172,222	399,021
Over due				
Within 3 months	91,057	46,736	91,057	46,736
Over 3 months to 12 months	3,581	-	3,581	-
Over 12 months	3,334	3,334	3,334	3,334
<b>Total</b>	<b>280,699</b>	<b>450,029</b>	<b>270,194</b>	<b>449,091</b>
<u>Less</u> Allowance for doubtful accounts	(3,334)	(3,334)	(3,334)	(3,334)
<b>Total trade receivables - net</b>	<b>277,391</b>	<b>446,746</b>	<b>266,886</b>	<b>445,833</b>

## 8. INVENTORIES - NET

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

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Raw materials and chemicals	280,889	276,730	280,889	276,730
Work in process	148,162	74,550	148,162	74,550
Finished goods	107,338	69,408	107,222	69,271
Supplies	12,000	13,577	12,000	13,577
<b>Total inventories</b>	<b>548,389</b>	<b>434,265</b>	<b>548,273</b>	<b>434,128</b>
<u>Less</u> Allowance for devaluation of inventories	(62,309)	(120)	(62,309)	(120)
<b>Total inventories - net</b>	<b>486,080</b>	<b>434,145</b>	<b>485,964</b>	<b>434,008</b>

.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)



## 9. OIL SUPPLIES

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

	Unit : Thousand Baht	
	Consolidated financial statements	
	2015	2014
Bunker oil	557	1,725
Lubricants	841	643
Total oil supplies	1,398	2,368

## 10. NON-CURRENT ASSETS HELD FOR SALE - NET

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

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

# 11. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at March 31, 2015 and December 31, 2014 consisted of:

Company	Nature of business	Percentage of Holding (%)		Paid-up share capital (Million Baht)		Unit : Thousand Baht	
		2015	2014	2015	2014	Cost Method	
						2015	2014
AI Logistics Company Limited	Local and overseas logistics for passenger, merchandise, parcel and other materials	100.00	100.00	209	209	82,678	82,678
AI Ports and Terminals Company Limited	(1) Servicing port (2) Producing and distributing ice cube (3) Trading electrical equipment vegetable fat and other fuel oil	100.00	100.00	460	460	352,395	352,395
Total investments in subsidiaries						435,073	435,073

# 12. PLEDGED DEPOSITS AT FINANCIAL INSTITUTION

The Company has pledged fixed deposits at bank as collateral for the issuance of bank guarantee (Note 25.1).

.....Director  
(Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)

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

Property, Plant, Vessel and Equipment as at March 31, 2015 and December 31, 2014 consisted of:

Unit : Thousand Baht											
Consolidated financial statements											
		Land	Land improvement	Building and building improvement	Utility systems	Machinery accessories and tools	Vessel and improvement	Office furniture and equipment	Motor vehicles	Fixed assets under construction and installation	Total
Cost											
As at December 31, 2014		295,580	2,948	522,436	35,476	666,396	179,322	9,938	74,632	42,517	1,829,245
Purchases during the period		-	-	394	-	3,109	-	67	-	23,207	26,777
Disposals / written-off during the period		-	-	-	-	(357)	-	(295)	-	-	(652)
As at March 31, 2015		295,580	2,948	522,830	35,476	669,148	179,322	9,710	74,632	65,724	1,855,370
Accumulated depreciation											
As at December 31, 2014		-	507	113,401	10,111	181,680	118,002	6,543	21,088	-	451,332
Depreciation for the period		-	79	3,910	606	9,830	4,621	241	815	-	20,102
Written-off during the period		-	-	-	-	(336)	-	(295)	-	-	(631)
As at March 31, 2015		-	586	117,311	10,717	191,174	122,623	6,489	21,903	-	470,803
Net book value											
As at December 31, 2014		295,580	2,441	409,035	25,365	484,716	61,320	3,395	53,544	42,517	1,377,913
As at March 31, 2015		295,580	2,362	405,519	24,759	477,974	56,699	3,221	52,729	65,724	1,384,567

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.....Director  
((Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)

Unit : Thousand Baht

	Separate financial statements														
	Land		Building and improvement		Utility systems		Machinery accessories and tools		Office furniture and equipment		Motor vehicles		Fixed assets under construction and installation		Total
Cost	Land	improvement	Land	improvement	Building and building	improvement	Utility systems	Machinery accessories and tools	Office furniture and equipment	Motor vehicles	Fixed assets under construction and installation	Total			
As at December 31, 2014	157,136	2,697		152,409		35,462	595,684	6,426		72,594	42,517	1,064,925			
Purchases during the period	-	-	394	-	-	-	2,178	67	-	-	23,207	25,846			
Disposals / written-off during the period	-	-	-	-	-	-	-	-	-	-	-	-			
As at March 31, 2015	157,136	2,697		152,803		35,462	597,862	6,493		72,594	65,724	1,090,771			
Accumulated depreciation															
As at December 31, 2014	-	338		35,694		10,104	144,833	3,466		19,686	-	214,121			
Depreciation for the period	-	67		1,401		605	8,176	213		773	-	11,235			
As at March 31, 2015	-	405		37,095		10,709	153,009	3,679		20,459	-	225,356			
Net book value															
As at December 31, 2014	157,136	2,359		116,715		25,358	450,851	2,960		52,908	42,517	850,804			
As at March 31, 2015	157,136	2,292		115,708		24,753	444,853	2,814		52,135	65,724	865,415			

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.....Director  
((Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)



Depreciations in the statements of profit or loss for the three-month periods ended March 31 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cost of sales and services	19,007	16,173	10,217	8,016
Selling and administrative expenses	1,095	1,122	1,018	930
	20,102	17,295	11,235	8,946

The subsidiary has mortgaged land, buildings and port with banks as collateral for credit facilities obtained from a financial institution (Note 4,15). The loan agreement contains various obligations such as the benefits from the insurance policy are transferred to the lender, etc.

The gross carrying amounts of equipment were fully depreciated but these items are still in active use by the Group as at March 31, 2015 and December 31, 2014, in the consolidate financial statement totaling approximately Baht 20.72 million and Baht 9.61 million respectively, and in the separate financial statements totaling approximately Baht 12.11 million and Baht 9.61 million, respectively.

#### 14. INTANGIBLE ASSETS - NET

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

	Unit : Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
<b>Cost</b>		
As at December 31, 2014	391	311
As at March 31, 2015	391	311
<b>Accumulative amortization</b>		
As at December 31, 2014	(246)	(166)
Amortization for the period	(11)	(11)
As at March 31, 2015	(257)	(177)
<b>Net book value</b>		
As at December 31, 2014	145	145
As at March 31, 2015	134	134

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

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

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Bank overdrafts	2,904	1,918	-	16
Promissory notes	287,000	315,000	180,000	295,000
Total	289,904	316,918	180,000	295,016

	Credit facilities (Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Bank overdrafts	50,000	40,000	15,000	5,000
Promissory notes	900,000	900,000	900,000	900,000
Total	950,000	940,000	915,000	905,000

During the first quarter of year 2015, the subsidiary has drawn down the promissory note to repayment all long-term loans (Note 17).

Bank overdrafts and short-term loans from financial institutions are secured by mortgage land with structure and port of a subsidiary. Under the terms of loan contract, the subsidiary cannot pledge its machinery, equipment and port as collateral for other loan (Note 13).

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## 16. TRADE AND OTHER PAYABLES

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

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Trade payables				
Trade payables - related parties	9,208	1,683	2,602	4,293
Trade payables - other	64,913	80,307	61,577	75,889
Total trade payables	74,121	81,990	64,179	80,182
Other payables				
Advances received from goods	28,551	17,504	28,551	17,504
Retention	1,831	1,731	1,831	1,731
Revenue Department payable	57,510	72,287	56,693	71,340
Electricity payable	3,119	4,129	3,119	4,129
Accrued expenses	5,148	6,108	3,650	5,192
Payables for purchase of assets	7,769	11,371	7,769	11,371
Others payables	4,943	7,995	4,571	7,804
Total other payables	108,871	121,125	106,184	119,071
Total trade and other payables	182,992	203,115	170,363	199,253

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

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

		Unit : Thousand Baht	
		Consolidated financial statements	
Credit line	Repayment conditions	2015	2014
Baht 110 million	- The principal will be repaid by monthly under condition and		
Started on June 30, 2014	amount as specified in the agreement with the first installment		
by AI Ports and Terminals	in July 2014 and will be finished within June 2019.		
Company Limited	- Monthly payment of interest rate at MLR-1 per annum.	-	98,960
Total long-term loans from financial institutions		-	98,960
<u>Less</u> Current portion of long - term loans		-	(22,080)
Long-term loans from financial institutions-net		-	76,880

During the first quarter of year 2015, the subsidiary has drawn down the promissory note to repayment all long-term loans prior to maturity in amount of Baht 97.12 million (Note 15).

## 18. EMPLOYEE BENEFIT OBLIGATIONS

Movement of the present value of employee benefit obligation and employee benefit expenses in the statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2015 and 2014 were as follows:

		Unit : Thousand Baht			
		Post - employment benefit plan			
		Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Defined benefit obligations at beginning as at January 1,		11,932	9,966	9,425	7,870
Employee benefit expenses in the statements of					
Profit or loss :					
Current service cost		551	451	398	365
Cost of interest		100	83	80	67
Defined benefit obligations at March 31,		12,583	10,500	9,903	8,302

Principal actuarial assumptions at the appraisal report date are as follows:

Particulars	Consolidated financial statements	Separate financial statements
Discount rate	3.18 - 3.38% per annum	3.38 % per annum
Future salary increase rate	5.00 % per annum	5.00 % per annum
Average staff turnover rate	0 - 15.00 % per annum	0 - 15.00 % per annum

.....Director  
(Thanit Thareratanavibool)

..... Director  
(Pimwan Thareratanavibool)



## 19. 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.

## 20. DEFERRED TAX

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

	Unit : Thousand Baht	
	Consolidated/Separate financial statements	
	2015	2014
Deferred tax assets	8,126	3,024
Deferred tax liabilities	(2,008)	(2,260)
Deferred tax assets - net	6,118	764

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

	Unit : Thousand Baht		
	Consolidated/Separate financial statements		
	As at January 1, 2015	Profit (loss)	As at March 31, 2015
<b>Deferred tax assets</b>			
Allowance for doubtful accounts	728	-	728
Allowance for devaluation of inventories	24	2,046	2,070
Allowance on decline in value of non-current assets held for sale	387	(387)	-
Provision for long-term employee benefits	1,885	96	1,981
Tax loss carries forward	-	3,347	3,347
Total	3,024	5,102	8,126
<b>Deferred tax liabilities</b>			
Depreciation	(2,260)	252	(2,008)
Total	(2,260)	252	(2,008)
Deferred tax assets - net	764	5,354	6,118

	Unit : Thousand Baht		
	Consolidated/Separate financial statements		
	As at January 1, 2014	Profit (loss)	As at March 31, 2014
<b>Deferred tax assets</b>			
Allowance for doubtful accounts	814	-	814
Allowance for devaluation of inventories	-	371	371
Provision for long-term employee benefits	1,574	86	1,660
Tax loss carries forward	1,917	(58)	1,859
<b>Total</b>	<b>4,305</b>	<b>399</b>	<b>4,704</b>

As at March 31, 2015 the Company had the deferred tax asset for the carry forward of unused tax losses in financial statements Baht 3.35 million. The Company's management believe that it is probable that future taxable profit will be available against which the unused tax losses can be utilized.

## 21. INCOME TAX EXPENSES

Income tax expenses for the three-month periods ended March 31, 2015 and 2014 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Current tax expense</b>				
Current periods	(336)	(14,497)	-	(14,497)
<b>Deferred tax expense</b>				
Movements in temporary differences	5,354	399	5,354	399
<b>Total tax revenue ( tax expense )</b>	<b>5,018</b>	<b>(14,098)</b>	<b>5,354</b>	<b>(14,098)</b>

### Income tax reduction

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

## 22. PROMOTIONAL PRIVILEGES

The Company and subsidiaries were granted promotional certificates by virtue of the 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 certificates.



.....Director  
(Thanit Thareratanavibool)

..... Director  
(Pimwan Thareratanavibool)

The Company and subsidiaries have revenues 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 periods ended March 31, 2015 and 2014 as follows:

	Unit : Thousand Baht					
	Consolidated financial statements			Separate financial statements		
	Promoted Activities	Non-promoted Activities	Total	Promoted Activities	Non-promoted Activities	Total
<b>For the three-month period ended March 31, 2015</b>						
Revenues from sale of goods	424,166	398,321	822,487	424,165	391,585	815,750
Revenues from production contract	-	6,993	6,993	-	6,993	6,993
Revenues from vessel operating	5,913	-	5,913	-	-	-
Other incomes	-	5,750	5,750	-	3,225	3,225
Total	430,079	411,064	841,143	424,165	401,803	825,968
<b>For the three-month period ended March 31, 2014</b>						
Revenues from sales of goods	1,206,279	-	1,206,279	-	1,382,490	1,382,490
Revenues from production contract	43,915	-	43,915	-	43,915	43,915
Revenues from vessel operating	-	11,538	11,538	-	-	-
Other incomes	3,447	-	3,447	-	3,411	3,411
Total	1,253,641	11,538	1,265,179	-	1,429,816	1,429,816

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.....Director  
(Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)



### 23. PROVIDENT FUND

The Company and subsidiary's contributions for the employees' provident fund and recorded as expenses in the statements of profit or loss for the three-month periods ended March 31, 2015 and 2014 were as follows :

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
AI Energy Public Company Limited	335	192	335	192
AI Logistic Company Limited	6	2	-	-
Total	341	194	335	192



## 24. SEGMENTS INFORMATION

The segments information for the three-month periods ended March 31, 2015 and 2014 were as follows:

	Unit : Thousand Baht				
	Consolidated financial statements				
	For the three-month period ended March 31, 2015				
	Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Sale of ice cube	Vessel operating	Port services
Revenues from sales and services	815,750	6,993	6,737	5,913	-
Cost of sales and services	(852,264)	(5,902)	(5,843)	(9,935)	-
Gross profit (loss) by segment	(36,514)	1,091	894	(4,022)	-
Other income					5,750
Selling expenses					(10,631)
Administrative expenses					(17,399)
Finance costs					(3,216)
Tax income					5,018
Loss for the period					(59,029)
Property, plant, vessel and equipment-net	865,414		21,466	58,192	439,495
					1,384,567

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.....Director  
(Thanit Thareratanavibool)

.....Director  
(Pimwan Thareratanavibool)

Unit : Thousand Baht

Consolidated financial statements					
For the three-month period ended March 31, 2014					
	Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Sale of ice cube	Vessel operating	Port services
					Total
Revenues from sales and services	1,199,367	43,915	6,912	11,538	-
Cost of sales and services	(1,112,167)	(30,625)	(5,130)	(9,182)	-
Gross profit by segment	87,200	13,290	1,782	2,356	-
Other income					104,628
Selling expenses					3,447
Administrative expenses					(12,274)
Finance costs					(19,573)
Tax expenses					(3,390)
Profit for the period					(14,098)
					58,740
Property, plant, vessel and equipment-net	754,885		21,118	74,463	449,618
					1,300,084

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.....Director  
(Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)

## 25. COMMITMENT AND CONTINGENT LIABILITIES

25.1 As at March 31, 2015 and December 31, 2014, the Company and subsidiaries have commitment and contingent liabilities as follows:

Unit : Million Baht

Particulars	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Letters of guarantee issued by commercial banks	5.64	5.64	3.14	3.14

25.2 As at March 31, 2015 and December 31, 2014, the Company and subsidiaries have capital expenditure commitment were as follows:

Unit : Million Baht

Particulars	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
The purchase of machinery and equipment	14.26	4.99	14.26	4.62

25.3 The Company has entered a lease contract of 15 tanks, comprise 5 tanks at 23/1 Moo 7 Thajeen District, Amphoe Mueang, Samutsakhon and 10 tanks at 1/9 Moo 1 Tambon Had Sairee, Amphoe Mueang Chumphon, Chumphon. The lease period was 12 months, commencing from January 1, 2015 to December 31, 2015. The Company has to pay monthly rental amount of Baht 4.20 million per month.

25.4 The Company received a letter from the Enforcement Department, Office of the Securities and Exchange Commission of Thailand (SEC), dated January 20, 2016, requesting for the facts about the Company predecessor auditor's disclaimer of opinion in the Company's financial statements for the year 2014. The former management provided a clarification of the facts to the SEC.

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

Consequently, the Company's current management had investigated and prepared the new documentations to support the accounting transactions related to above matter of auditor disclaimed an opinion on the Company's financial statements in order to reflect the financial statements to be accordance with the financial reporting standards and had adjusted the consolidated and separate financial statements for the year ended December 31, 2014 as shown in Note to Financial Statements No. 28.

25.5 The Company's production yield during the period of January to March 2015 was significantly lower than normal production yields. The Company engaged the National Metal and Materials Technology Center of the National Science and Technology Development Agency to verify the result on the Company's biodiesel production process to assess the appropriateness of such low production yield and found out that the loosed quantity of oil from the tank washing process are in line with production yield reported by the Company. The loosed quantity of oil from the process resulting in an unusual low production yield may be caused by the imperfect separation of layers.

.....Director  
(Thanit Thareratanavibool)

..... Director  
(Pimwan Thareratanavibool)



## 26. LITIGATION

The Company was 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.

## 27. 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.

## 28. CORRECTION OF ACCOUNTING ERROR AND RECLASSIFICATIONS OF TRANSACTIONS

The Company had prepared the financial statements for the three-month period ended March 31, 2015 and published the financial statements on February 28, 2017. In 2018, the Company disclosed the accounting errors in respective of the devaluation of inventories and, therefore, restated the statement of financial position as at March 31, 2015 and statement of profit or loss and other comprehensive income for the three-month period ended March 31, 2015.

The Company’s consolidated financial statements for the three-month period ended March 31, 2014 and for the year ended December 31, 2015 had been prepared and issued on May 13, 2014 and March 24, 2015, respectively During the year 2017, the Company’s current management had investigated and prepared the new documentations to support the accounting transactions related to the matter of auditor disclaimed opinion of the Company’s financial statements in order to reflect the financial statements to be accordance with the financial reporting standards and had adjusted the financial statements, therefore, restated the financial statements for the three-month periods ended March 31, 2014 and for the year ended December 31, 2014 of which impact the statement of financial position and the statement of profit and loss and other comprehensive income.

Certain accounts in the statement of financial position as at December 31, 2014 and statements of profit and loss and other comprehensive income for the three-month periods ended March 31, 2014 have been reclassified to conform to the current year presentation, of which no impact net income or shareholders’ equity.



The correction of accounting error and reclassifications of transactions are as follows:

	Unit : Thousand Baht		
	Consolidated financial statements		
	Before new adjusted	new adjusted	After new adjusted
<b>Statement of financial position as at March 31, 2015</b>			
<b>Current assets</b>			
Inventories - net	507,520	(21,440)	486,080
<b>Shareholders' equity</b>			
Retained earnings decrease	69,420	(21,440)	47,980
<b>Statement of profit or loss and other comprehensive income</b>			
<b>for the three-month period ended March 31, 2015</b>			
Cost of sales	(836,667)	(21,440)	(858,107)
Loss for the period increase	(37,589)	(21,440)	(59,029)

	Unit : Thousand Baht		
	Separate financial statements		
	Before new adjusted	new adjusted	After new adjusted
<b>Statement of financial position as at March 31, 2015</b>			
<b>Current assets</b>			
Inventories - net	507,404	(21,440)	485,964
<b>Shareholders' equity</b>			
Retained earnings decrease	80,124	(21,440)	58,684
<b>Statement of profit or loss and other comprehensive income</b>			
<b>for the three-month period ended March 31, 2015</b>			
Cost of sales	(838,737)	(21,440)	(860,177)
Loss for the period increase	(37,603)	(21,440)	(59,043)



.....Director  
(Thanit Thareratanavibool)

..... Director  
(Pimwan Thareratanavibool)

Unit : Thousand Baht

	Consolidated financial statements				
	Before adjusted and before new reclassification	The first adjusted	The second adjusted	After adjusted and before new reclassification	After adjusted and after new reclassification
<b>Current assets</b>					
Trade and other receivables - net	392,778	82,474	-	475,252	1,870
Inventories - net	471,808	(47,533)	9,870	434,145	-
Other current assets	1,870	-	-	1,870	(1,870)
<b>Non-Current assets</b>					
Property, plant, vessel and equipment - net	1,378,462	(549)	-	1,377,913	-
<b>Current liabilities</b>					
Trade and other payables	(128,514)	(45,903)	-	(174,417)	(28,698)
Income tax payable	(24,101)	(1,644)	(2,925)	(28,670)	-
Other current liabilities	(28,698)	-	-	(28,698)	28,698
<b>Shareholders' equity</b>					
Legal reserve	(6,515)	153	-	(6,362)	-
Retained earnings (increase) decrease	(113,066)	13,002	(6,945)	(107,009)	-

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Statement of financial position as at December 31, 2014

.....Director  
(Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)

Unit : Thousand Baht

Consolidated financial statements					
	Before adjusted and before new reclassification	The first adjusted	The second adjusted	After adjusted and before new reclassification	After adjusted and after new reclassification
<b>Revenues</b>					
Revenues from production contract	13,184	36,839	(6,108)	43,915	43,915
<b>Expenses</b>					
Cost of sales	(1,101,177)	(37,139)	21,019	(1,117,297)	(1,117,297)
Cost of production contract	(9,383)	(7,452)	(13,790)	(30,625)	(30,625)
Administrative expenses	(13,475)	(4,737)	(613)	(18,825)	(19,573)
Directors' remuneration	(678)	-	-	(678)	-
Finance costs	(3,460)	-	-	(3,460)	(3,390)
Tax income (expenses)	399	(14,174)	(323)	(14,098)	(14,098)
Profit for the period decrease	85,218	(26,663)	185	58,740	58,740

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**Statement of profit or loss and other comprehensive income  
for the three-month period ended March 31, 2014**

.....Director  
(Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)

Unit : Thousand Baht

	Separate financial statements				
	Before adjusted and before new reclassification	The first adjusted	The second adjusted	After adjusted and before new reclassification	After adjusted and after new reclassification
<b>Current assets</b>					
Trade and other receivables - net	389,909	82,473	-	472,382	1,198
Inventories - net	471,671	(47,533)	9,870	434,008	-
Other current assets	1,198	-	-	1,198	(1,198)
<b>Non-Current assets</b>					
Property, plant, vessel and equipment - net	851,352	(548)	-	850,804	-
<b>Current liabilities</b>					
Trade and other payables	(125,634)	(45,903)	-	(171,537)	(27,716)
Income tax payable	(24,101)	(1,644)	(2,925)	(28,670)	-
Other current liabilities	(27,716)	-	-	(27,716)	27,716
<b>Shareholders' equity</b>					
Legal reserve	(6,515)	153	-	(6,362)	-
Retained earnings decrease	(123,784)	13,002	(6,945)	(117,727)	-

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Statement of financial position as at December 31, 2014

.....Director  
(Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)

Unit : Thousand Baht

	Separate financial statements			
	Before adjusted and before new reclassification	The first adjusted	The second adjusted	After adjusted and before new reclassification
				After adjusted and after new reclassification
<b>Statement of profit or loss and other comprehensive income</b>				
<b>for the three-month period ended March 31, 2014</b>				
<b>Revenues</b>				
Revenues from production contract	13,184	36,839	(6,108)	43,915
				-
<b>Expenses</b>				
Cost of sales	(1,282,369)	(37,139)	21,019	(1,298,489)
Cost of production contract	(9,383)	(7,452)	(13,790)	(30,625)
Administrative expenses	(10,465)	(4,737)	(613)	(15,815)
Directors' remuneration	(678)	-	-	(678)
Finance costs	(1,473)	-	-	70
Tax income (expenses)	399	(14,174)	(323)	(14,098)
Profit for the period decrease	84,057	(26,663)	185	57,579
				-

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.....Director  
(Thanit Tharatanavibool)

.....Director  
(Pimwan Tharatanavibool)



## 29. EVENTS AFTER THE REPORTING PERIOD

- 29.1 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.
- 29.2 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.
- 29.3 At October 24, 2016, the Company made a 5-year contract with a company for manufacturing edible oil products and allowed the use of "Pamola" trademark.
- 29.4 The Company had prepared and published the consolidated and separate financial statements for the year 2017, 2016 and 2015 which had been audited by the auditor according to the auditor's reports dated February 27, 2018, February 28, 2017 and March 29, 2016 respectively. The contents of the events after the reporting period, therefore, have been included in such financial statements.

## 30. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved to issue by the Company's Board of Directors on April 26, 2018.



.....Director  
(Thanit Thareratanavibool)

..... Director  
(Pimwan Thareratanavibool)