

**AI ENERGY PUBLIC COMPANY LIMITED
AND SUBSIDIARIES**

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL STATEMENTS**

MARCH 31, 2014

518/3 อาคารมณีนิรมิต ชั้น 7
ถนนเพลินจิต แขวงลุมพินี
เขตปทุมวัน กรุงเทพฯ 10330
โทร./โทรสาร 0-2252-2860, 0-2255-2518
0-2254-1210, 0-2250-0634
0-2254-8386-7
โทรสาร อัดโนมัติ 0-2253-8730
อีเมล virach5183@yahoo.com
เว็บไซต์ http://www.vaaudit.com

V & A

บริษัท สำนักงาน ดร.วิรัช แอนด์ แอสโซซิเอตส์ จำกัด
DR.VIRACH & ASSOCIATES OFFICE CO., LTD.

CERTIFIED PUBLIC ACCOUNTANTS

518/3 Maneeeya Center North Building, 7th Floor
Ploenchit Road, Lumpinee District
Khet Patumwan, Bangkok 10330
Tel./Fax 66 (0) 2252-2860, 2255-2518
2254-1210, 2250-0634
2254-8386-7
Auto Fax 66 (0) 2253-8730
Email virach5183@yahoo.com
Website http://www.vaaudit.com

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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

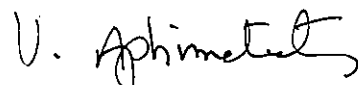
I have reviewed the accompanying consolidated statement of financial position of AI Energy Public Company Limited and subsidiaries as at March 31, 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements, and have also reviewed the separate financial statements of AI Energy Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34: Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410: Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial statements 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.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34: Interim Financial Reporting.



(Dr. Virach Aphimeteetamrong)

Certified Public Accountant Registration No. 1378

Dr. Virach & Associates Office Co., Ltd.

Bangkok: May 13, 2014

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2014

ASSETS

THOUSAND BAHT

	Notes	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		March 31, 2014	DECEMBER 31, 2013	March 31, 2014	DECEMBER 31, 2013
		UNAUDITED REVIEWED	AUDITED	UNAUDITED REVIEWED	AUDITED
Current Assets					
Cash and cash equivalents	5	144,651	73,120	136,151	56,680
Short-term investments		50	50	50	50
Trade and other receivables	6	334,677	273,961	518,859	270,553
Inventories		726,354	370,585	311,100	370,455
Oil supplies		5,256	4,821	-	-
Other current assets		1,475	2,920	1,008	2,689
Non-current assets classified as held for sale		2,035	-	2,035	-
Total Current Assets		1,214,498	725,457	969,203	710,427
Non-current Assets					
Investments in subsidiaries	7	-	-	435,073	435,073
Fixed deposits with obligation	8	2,000	2,000	2,000	2,000
Property, plant, vessel and equipment		1,300,084	1,264,716	754,885	714,782
Intangible assets		164	105	163	104
Deferred tax assets	14	4,704	4,305	4,704	4,305
Other non-current assets					
Withholding tax		5,929	5,611	5,929	5,611
Deposit		5,585	20,576	5,585	29,576
Others		128	128	84	84
Total other non-current assets		11,642	26,315	11,598	35,271
Total Non-current Assets		1,318,594	1,297,441	1,208,423	1,191,535
TOTAL ASSETS		2,533,092	2,022,898	2,177,626	1,901,962

Handwritten mark or signature.

Notes to the interim financial statements form an integral part of these statements.

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2014

LIABILITIES AND SHAREHOLDERS' EQUITY

		THOUSAND BAHT			
		CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		As at	As at	As at	As at
		March 31, 2014	DECEMBER 31, 2013	March 31, 2014	DECEMBER 31, 2013
		UNAUDITED	AUDITED	UNAUDITED	AUDITED
Notes		REVIEWED		REVIEWED	
	Current Liabilities				
	Bank overdrafts and short-term loans				
	from financial institutions	9	486,689	93,618	203,907
	Trade and other payables	10	105,640	63,703	88,452
	Accrued interest		360	527	290
	Current portion of long-term loans	11	31,512	32,343	9,972
	Other current liabilities				
	Revenue Department payable		11,486	12,298	11,227
	Others		685	1,564	625
	Total other current liabilities		12,171	13,862	11,852
	Total Current Liabilities		636,372	204,053	314,473
	Non-current Liabilities				
	Long-term loans	11	48,408	56,286	18,095
	Provision for long-term employee benefits		10,501	9,966	8,302
	Total Non-current Liabilities		58,909	66,252	26,397
	TOTAL LIABILITIES		695,281	270,305	340,870
	Shareholders' Equity				
	Share capital				
	Authorized share capital				
	1,130,000,000 common stocks of Baht 1 par value		1,130,000	1,130,000	1,130,000
	Issued and paid-up share capital				
	1,130,000,000 common stocks at Baht 1 each		1,130,000	1,130,000	1,130,000
	Premium on common stocks		605,114	605,114	605,114
	Retained earnings				
	Appropriated				
	Legal reserve		879	879	879
	Unappropriated		107,043	21,825	100,763
	Other components of shareholders' equity				
	Difference on business combination under common control	7	(5,225)	(5,225)	-
	Total Shareholders' Equity		1,837,811	1,752,593	1,836,756
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,533,092	2,022,898	2,177,626

Notes to the interim financial statements form an integral part of these statements.

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

	Notes	THOUSAND BAHT EXCEPT EARNINGS PER SHARE PRESENTED IN BAHT			
		CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
		2014	2013	2014	2013
REVENUES					
Sales		1,206,279	1,091,455	1,382,490	1,078,377
Revenues from production contract		13,184	22,226	13,184	22,226
Vessel operating income		11,538	14,028	-	-
Other incomes		3,447	829	3,411	642
Total Revenues		1,234,448	1,128,538	1,399,085	1,101,245
EXPENSES					
Cost of sales		1,101,177	1,009,160	1,282,369	996,091
Cost of production contract		9,383	9,600	9,383	9,600
Cost of vessel operating		9,182	11,595	-	-
Selling expenses		12,274	14,973	11,059	14,408
Administrative expenses		13,475	12,038	10,465	10,019
Directors' remuneration	12	678	-	678	-
Finance costs		3,460	16,974	1,473	11,986
Total Expenses	13	1,149,629	1,074,340	1,315,427	1,042,104
Profit before income tax		84,819	54,198	83,658	59,141
Income tax expenses (revenues)	14	(399)	11,958	(399)	11,958
Profit for the periods		85,218	42,240	84,057	47,183
Other comprehensive income (loss) for the periods		-	-	-	-
Total comprehensive income for the periods		85,218	42,240	84,057	47,183
Profit (Loss) Attributable to					
Equity holders of the parent		85,218	47,183	84,057	47,183
Non-controlling interests		-	(4,943)	-	-
		85,218	42,240	84,057	47,183
Earnings per Share of the Parent					
Basic Earnings per Share (Baht)		0.08	0.13	0.07	0.13
The number of common stocks used in computation earnings per share (share)		1,130,000,000	370,000,000	1,130,000,000	370,000,000

Notes to the financial statements form an integral part of these statements.

UNAUDITED

REVIEWED

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

CONSOLIDATED

THOUSAND BAHT

	Shareholders' equity of the parent							Non- controlling interests	Total
	Issued and paid-up share capital	Premium on common stocks	Retained earnings (deficits) Legal reserve	Unappropriated	Difference on business combination under common control	Total equity of the parent			
Year 2013									
Beginning balances as at January 1, 2013 - before restated	370,000	-	-	-	-	(218,233)	-	151,767	181,073
Cumulative effect of the change in accounting policy									
- Income taxes	-	-	-	-	-	41,042	-	41,042	-
Beginning balances as at January 1, 2013 - restated balances	370,000	-	-	-	-	(177,191)	-	192,809	181,073
Total comprehensive income (loss) for the period	-	-	-	-	-	47,183	-	47,183	(4,943)
Ending balances as at March 31, 2013	370,000	-	-	-	-	(130,008)	-	239,992	176,130
Year 2014									
Beginning balances as at January 1, 2014	1,130,000	605,114	879	-	-	21,825	(5,225)	1,752,593	-
Total comprehensive income for the period	-	-	-	-	-	85,218	-	85,218	-
Ending balances as at March 31, 2014	1,130,000	605,114	879	-	-	107,043	(5,225)	1,837,811	-

li

Notes to the interim financial statements form an integral part of these statements.

UNAUDITED

REVIEWED


AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

SEPARATE FINANCIAL STATEMENTS

THOUSAND BAHT

	Note	Issued and paid-up share capital	Retained earnings (deficits)			Other components of shareholders' equity	Total
			Premium on common stocks	Legal reserve	Unappropriated		
<u>Year 2013</u>							
Beginning balances as at January 1, 2013 - before restated		370,000	-	-	(218,233)	-	151,767
Cumulative effect of the change in accounting policy							
- Income taxes	3	-	-	-	41,042	-	41,042
Beginning balances as at January 1, 2013 - restated balances		370,000	-	-	(177,191)	-	192,809
Total comprehensive income for the period		-	-	-	47,183	-	47,183
Ending balances as at March 31, 2013		370,000	-	-	(130,008)	-	239,992
<u>Year 2014</u>							
Beginning balances as at January 1, 2014		1,130,000	605,114	879	16,706	-	1,752,699
Total comprehensive income for the period		-	-	-	84,057	-	84,057
Ending balances as at March 31, 2014		1,130,000	605,114	879	100,763	-	1,836,756

Notes to the interim financial statements form an integral part of these statements.



AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (1/2)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
PROFIT BEFORE INCOME TAX	84,819	54,198	83,658	59,141
ADJUSTMENTS TO RECONCILE PROFIT BEFORE				
INCOME TAX TO NET CASH PROVIDED				
FROM (USED IN) OPERATION :				
Depreciation	17,204	15,605	8,825	7,422
Amortization of computer softwares	8	4	8	3
Unrealized (gain) loss on exchange rates	98	(40)	106	31
Increase (decrease) on provision for diminution in inventory value	1,854	(8,467)	1,854	(8,467)
Long-term employee benefit expenses	535	1,273	432	1,606
Interest income	(17)	-	(17)	-
Interest expenses	3,366	16,892	1,403	11,913
Amortization of withholding tax	78	-	78	-
PROFIT FROM OPERATIONS BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES ITEMS	107,945	79,465	96,347	71,649
(INCREASE) DECREASE IN OPERATING ASSETS ITEMS				
Trade and other receivables	(60,812)	(98,508)	(239,402)	(99,658)
Inventories	(357,623)	361,624	57,501	361,640
Oil supplies	(435)	248	-	-
Other current assets	(344)	(185)	(108)	(150)
INCREASE (DECREASE) IN OPERATING LIABILITIES ITEMS				
Trade and other payables	43,618	(22,992)	33,733	(23,125)
Other current liabilities	(1,691)	4,824	(1,707)	4,829
CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES	(269,342)	324,476	(53,636)	315,185
Income tax refunded	1,789	1,264	1,789	1,264
Income tax expenses paid	(396)	(417)	(396)	(417)
NET CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES	(267,949)	325,323	(52,243)	316,032

Notes to the interim financial statements form an integral part of these statements.

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (2/2)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

	THOUSAND BAHT			
	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest received	7	-	7	-
Increase in fixed deposits with obligation	-	(2,000)	-	(2,000)
Purchase of equipment	(31,263)	(12,045)	(28,308)	(11,737)
Interest payment for equipment installation	-	(248)	-	(248)
Purchase of intangible assets	(67)	-	(67)	-
Payment deposit on equipment	(3,996)	(5,273)	(3,996)	(5,174)
Payment payable from purchase of equipment	(6,030)	(110)	(5,193)	-
NET CASH USED IN INVESTING ACTIVITIES	(41,349)	(19,676)	(37,557)	(19,159)
CASH FLOWS FROM FINANCING ACTIVITIES				
Interest expenses paid	(3,533)	(12,274)	(1,312)	(10,053)
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	393,071	(242,871)	163,907	(252,913)
Increase in short-term loans from related party	-	10,000	-	-
Payment for long-term loans from financial institutions	(8,709)	(41,428)	(3,324)	(11,543)
NET CASH PROVIDED FROM (USED IN) FINANCING ACTIVITIES	380,829	(286,573)	159,271	(274,509)
NET INCREASE IN CASH AND CASH EQUIVALENTS	71,531	19,074	69,471	22,364
CASH AND CASH EQUIVALENTS AS AT JANUARY 1,	73,120	18,841	66,680	15,283
CASH AND CASH EQUIVALENTS AS AT MARCH 31,	144,651	37,915	136,151	37,647

ADDITIONAL DISCLOSURE ITEMS TO CASH FLOWS STATEMENTS

Non-cash flows items :

Assets payable for equipment	4,357	1,470	3,668	1,470
Assets payable for intangible assets	-	401	-	-
Transferred deposit to equipment	18,987	1,905	18,987	1,905
Transferred machinery to non-current assets classified as held for sale	2,035	-	2,035	-
Transferred deposit to other receivables	-	-	9,000	-

Notes to the interim financial statements form an integral part of these statements.

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

MARCH 31, 2014

1. GENERAL INFORMATION

1.1 Company status	(1) A juristic person established under Thai law on October 4, 2006. (2) A subsidiary of Asian Insulators Public Company Limited.
1.2 Company location	55/2 Moo 8, Tambol Klongmadua, Amphur Krathum Baen, Samut Sakhon Province.
1.3 Type of business	1. Producing and distributing fuel oil, energy product, vegetable fats and animal fats. 2. Invested in subsidiaries which operate business according to Note 7 to the interim financial statements.

On May 2, 2013, the Extraordinary General Shareholders' Meeting No. 1/2013 was held and approved the transformation from company limited to public company limited. The Company has registered the transformation to the public company limited with the Ministry of Commerce on May 9, 2013.

The Company has been listed on the Market for Alternative Investment (mai) on January 6, 2014.

2. BASIS FOR PREPARATION OF INTERIM FINANCIAL STATEMENTS

2.1 These interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34: Interim Financial Reporting issued by the Federation of Accounting Professions and the Notification of the Office of the Securities and Exchange Commission. These interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2013.

2.2 The interim consolidated financial statements included the interim financial statements of AI Energy Public Company Limited and its subsidiaries as follows :

COMPANIES	% HOLDING	
	MARCH 31, 2014	DECEMBER 31, 2013
AI Logistics Company Limited	100.00	100.00
AI Ports and Terminals Company Limited	100.00	100.00

On April 10, 2013, the Company invested in subsidiaries as mentioned in Note 7 to the financial statements, which constitutes a business combination under common control. To be presented herein as if AI Logistics Company Limited and AI Ports and Terminals Company Limited are subsidiaries of the time. Therefore, the Statements of Comprehensive Income for the three-month period ended March 31, 2013, included the results of operations of AI Logistics Company Limited and AI Ports and Terminals Company Limited for the three-month period ended March 31, 2013, without regarding to the date of the acquisition of subsidiaries.

- 2.3 Inter-company balances and significant transactions between the Company and the subsidiaries have been eliminated from the consolidation.
- 2.4 The interim financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- 2.5 These interim financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.
- 2.6 Accounting standards that became effective in the current accounting period

The Company disclosed the accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations, that are effective for fiscal years beginning on or after 1 January 2014, in the notes to financial statements for the year ended 31 December 2013. In addition, during the current period, the Federation of Accounting Professions has issued TAS 36 (revised 2012) Impairment of Assets, that is also effective for fiscal years beginning on or after January 1, 2014.

Management of group companies has assessed the effects of the above accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations, and believes that they do not have a significant impact.

3. CHANGE IN ACCOUNTING POLICY

In year 2013, the Company has adopted accounting policy of deferred tax in accordance with Thai Accounting Standard No. 12: Income Taxes. To adopt this accounting policy, the Company has to restate the financial statements, as if the Company has recorded deferred tax assets or deferred tax liabilities, by adjusted to the beginning deficits of the period in the year 2013, for the consolidated and separate financial statements in amount of Baht 41.04 million.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies and methods of computation used in these interim financial statements are consistent with those applied in the financial statements for the year ended December 31, 2013.

And in 2014, there is the additional accounting policy as follows:

Non-current assets classified as held for sale

Non-current assets classified as held for sale are stated at book value or net fair value, whichever is the lower. The Company set up the provision for diminution in non-current assets classified as held for sale by estimating from the realizable sale value.

5. CASH AND CASH EQUIVALENTS

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Cash	183	146	23	-
Savings account	141,903	75,356	133,567	69,064
Current account	533	(4,406)	529	(4,408)
Fixed deposit	2,032	2,024	2,032	2,024
Total cash and cash equivalents	144,651	73,120	136,151	66,680

6. TRADE AND OTHER RECEIVABLES

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Notes receivable	3,701	5,103	3,701	5,103
Trade accounts receivable				
Classified by aging of receivables as follows:				
Current	292,815	222,915	475,435	222,222
Overdue within 3 months	25,623	37,940	24,995	37,261
Over 3 to 6 months	674	-	501	-
Over 12 months	3,766	3,766	3,766	3,766
Total trade accounts receivable	326,579	269,724	508,398	268,352
<u>Less</u> Allowance for doubtful accounts	(3,766)	(3,766)	(3,766)	(3,766)
Trade accounts receivable-net	322,813	265,958	504,632	264,586
Other receivables	12,170	8,309	14,533	6,273
<u>Less</u> Allowance for doubtful accounts	(306)	(306)	(306)	(306)
Other receivables-net	11,864	8,003	14,227	5,967
Total trade and other receivables-net	334,677	273,961	518,859	270,553

7. INVESTMENTS IN SUBSIDIARIES

THOUSAND BAHT

SUBSIDIARIES	% HOLDING		SEPARATE FINANCIAL STATEMENTS	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
AI Logistics Company Limited	100.00	100.00	82,678	82,678
AI Ports and Terminals Company Limited	100.00	100.00	352,395	352,395
Total Investments in Subsidiaries			435,073	435,073

SUBSIDIARIES	NATURE OF BUSINESS	PAID-UP SHARE CAPITAL (THOUSAND BAHT)		DIVIDEND	
		Mar. 31,14	Dec. 31,13	Mar. 31,14	Mar. 31,13
AI Logistics Company Limited	Local and overseas logistics for passenger, merchandise, parcel and other materials	209,000	209,000	-	-
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	460,000	460,000	-	-

On April 9, 2013, the Ordinary General Shareholders' Meeting of AI Logistics Company Limited was held and approved to increase authorized share capital from Baht 160,000,000 (amount of 16,000,000 shares of Baht 10 par value) to Baht 209,000,000 (amount of 20,900,000 shares of Baht 10 par value), which has registered the capital increase with the Ministry of Commerce on April 10, 2013.

On April 9, 2013, the Ordinary General Shareholders' Meeting of AI Ports and Terminals Company Limited was held and approved to increase authorized share capital from Baht 255,000,000 (amount of 25,500,000 shares of Baht 10 par value) to Baht 460,000,000 (amount of 46,000,000 shares of Baht 10 par value), which has registered the capital increase with the Ministry of Commerce on April 10, 2013.

On April 10, 2013, the Company has invested in AI Logistics Company Limited, the common stock of 20.90 million shares amount of Baht 82.68 million, and AI Ports and Terminals Company Limited, the common stock of 46 million shares amount of Baht 352.39 million, to be 100% in shareholding proportion of two companies, total amount of Baht 435.07 million. The book value of net assets as at the date of investing total amount of Baht 429.85 million, part of the purchase price over the book value of net assets of Baht 5.22 million, was presented under shareholders' equity in the consolidated financial statements under the caption "Difference on business combination under common control". The purchase of share from Asian Insulators Public Company Limited, the parent company of the group companies, which is the existing shareholders in AI Logistics Company Limited of 98.42% and AI Ports and Terminals Company Limited of 99.45%. This purchase is considered as a business combination under common control.

The book value of assets and liabilities of AI Logistics Company Limited and AI Ports and Terminals Company Limited at the date of acquisition are as follows.

THOUSAND BAHT

PARTICULARS	AI Logistics Co., Ltd.	AI Ports and Terminals Co., Ltd.	Total
<u>ASSETS</u>			
Cash and cash equivalents	1,109	160	1,269
Trade and other receivables	811	2,733	3,544
Inventories	-	142	142
Oil supplies	2,052	-	2,052
Other current assets	96	7	103
Property, plant, vessel and equipment	85,155	484,775	569,930
Intangible assets	-	3	3
Other non-current assets	20	123	143
Total Assets	89,243	487,943	577,186
<u>LIABILITIES</u>			
Bank overdrafts and short-term loans from financial institutions	(127)	(61,067)	(61,194)
Trade and other payables	(5,183)	(5,309)	(10,492)
Accrued interest	-	(297)	(297)
Current portion of long-term loans	-	(21,540)	(21,540)
Other current liabilities	(49)	(162)	(211)
Long-term loans from financial institutions	-	(51,854)	(51,854)
Provision for long-term employee benefits	(768)	(982)	(1,750)
Total Liabilities	(6,127)	(141,211)	(147,338)
Book value of net assets as at the date of acquisition (April 10, 2013)	83,116	346,732	429,848
Payment for investments in subsidiaries	82,678	352,395	435,073
Difference on business combination under common control	438	(5,663)	(5,225)

8. FIXED DEPOSITS WITH OBLIGATION

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

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

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Bank overdrafts	23,689	3,618	3,907	-
Short-term loans from financial institutions	463,000	90,000	200,000	40,000
Total	486,689	93,618	203,907	40,000

10. TRADE AND OTHER PAYABLES

THOUSAND BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Trade accounts payable	87,246	46,862	71,781	40,973
Accrued expenses	7,484	6,011	6,050	4,878
Assets payable	4,614	6,030	3,925	5,193
Other payable	6,296	4,800	6,696	5,200
Total	105,640	63,703	88,452	56,244

11. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS AND CURRENT PORTION

CREDIT LINE	REPAYMENT CONDITIONS	PRINCIPAL BALANCES (THOUSAND BAHT)	
		Mar.31, 14	Dec.31, 13
Baht 13.75 million started on May 19, 2010 by AI Energy Public Company Limited	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in June 2010 and will be finished within May 2017. - Monthly payment of interest rate at MLR-1.25 per annum. - Interest rate swap contracts to be fixed rate at 6.39% per annum from February 2012 until February 2015.	6,198	6,854
Baht 56.00 million started on September 16, 2011 by AI Energy Public Company Limited	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in October 2011 and will be finished within September 2018. - Monthly payment of interest rate at MLR-1.25 per annum. - Interest rate swap contracts to be fixed rate at 6.40% per annum from February 2012 until February 2015.	21,869	24,527
Long-term loans from financial institutions	Separate financial statements **	28,067	31,391
<u>Less</u> Current portion of long-term loans		(9,972)	(10,863)
Long-term loans from financial institutions-net	Separate financial statements	18,095	20,528
Baht 90 million started on April 3, 2009 by AI Ports and Terminals Company Limited	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in September 2009 and will be finished within August 2016. - Monthly payment of interest rate at MLR per annum. - Interest rate swap contracts to be fixed rate at 7.64% per annum from February 2012 until February 2015.	35,090	38,719
Baht 45 million started on April 28, 2009 by AI Ports and Terminals Company Limited	- The principal will be repaid by monthly under condition and amount as specified in the agreement with the first installment in September 2009 and will be finished within August 2016. - Monthly payment of interest rate at MLR per annum. - Interest rate swap contracts to be fixed rate at 7.64% per annum from February 2012 until February 2015.	16,763	18,519
Total long-term loans from financial institutions	Consolidated (include **)	79,920	88,629
<u>Less</u> Current portion of long-term loans		(31,512)	(32,343)
Long-term loans from financial institutions-net	Consolidated	48,408	56,286

The significant conditions under loan contract of group companies and the financial institutions are summarized as follows:

- The loan contract enables the Company and subsidiaries to settle some or total loan by prior written notation at minimum 15 working days before the settlement date with the fee of prepayment at the rate 2 per cent of the settlement amount.

- The Company and subsidiaries will not decrease their authorized capital or merging with other juristic persons, or setting up or investing in other juristic persons for substitute operation, or joint operation with other juristic persons for whatever reason, unless obtaining a prior written notation of approval from the lender.

- No dividend payment, whether interim or annual, or any compensation benefits to the shareholders, whether any one or all, and whether in any or any means, unless the lender that such operations do not affect the ability of the borrower to repay the debt.

- The Company and subsidiaries agreed to transfer their rights, duty and any benefits according to the agreement including various relative collaterals according to the agreement to the creditors by providing the letter of consent for them.

- The Company and subsidiaries will maintain the ratio of debt to equity not exceeding 2 : 1.

- The Company will maintain the debt coverage ratio at minimum ratio of 1.2 : 1 of Baht 200 million and 1.5 : 1 of Baht 56 million.

- The subsidiaries will maintain the debt coverage ratio at minimum ratio of 1.2 : 1.

The Company has mortgaged its lands with structures and machineries as collateral for loans with jointly guaranteed by the share certificates of directors and directors.

The subsidiaries have mortgaged its land, plant, port and terminal with structure and machinery as collateral for loans with jointly guaranteed by the Company.

Long-term loans due within one year were shown under current liabilities.

12. DIRECTORS' REMUNERATION

On March 24, 2014, the Ordinary General Shareholders' Meeting for 2014 was held and approved to pay the directors' remuneration for 2014 at the maximum of Baht 2.50 million.

On April 9, 2013, the Ordinary General Shareholders' Meeting for 2013 was held and approved to pay the directors' remuneration for 2013 at the maximum of Baht 1.54 million.

On May 2, 2013, the Extraordinary General Shareholders' Meeting No. 1/2013 has resolved the directors' remuneration for 2013 to pay the maximum of Baht 2.20 million, which has been approved by the Ordinary General Shareholders' Meeting on April 9, 2013.

13. EXPENSES BY NATURE

THOUSAND BAHT

FOR THE THREE-MONTH PERIODS ENDED MARCH 31,	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	2014	2013	2014	2013
(Increase) decrease in change of finished goods and work in progress	(208,452)	136,475	(208,488)	136,491
Raw materials and consumables used	1,163,297	834,481	1,162,527	834,533
Purchase of goods for sale	110,977	12,730	297,390	6,585
Vessel operating expenses	3,616	6,251	-	-
Management benefit expenses	3,402	974	3,043	756
Employee benefit expenses	17,166	17,164	13,890	13,394
Depreciation and amortization expenses	17,212	15,609	8,833	7,425
Finance costs	3,460	16,974	1,473	11,986
Other expenses	38,951	33,682	36,759	30,934
Total expenses	1,149,629	1,074,340	1,315,427	1,042,104

14. INCOME TAX

Corporate income taxes of the Company and subsidiaries for the three-month periods ended March 31, 2014 and 2013 were calculated from the accounting profit (loss), adjusted with other revenues and some expenses which are exempted from income tax or being disallowable expenses in tax computation purposes and the adjusted net loss brought forward under Revenue Code not exceeding 5 accounting years prior to the current year.

The non-BOI business, the income tax computation of the Company and subsidiaries were calculated at the rate of 20 per cent.

The BOI business, the income tax computation was calculated according to the promotional privileges which are granted (see also Note 16).

Income taxes expenses (revenues) recognized in income statements consist:

THOUSAND BAHT

FOR THE THREE-MONTH PERIODS ENDED MARCH 31,	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	2014	2013
The corporate income tax for the periods	-	-
Deferred taxes from temporary differences	(399)	11,958
Income tax expenses (revenues)	(399)	11,958

As at March 31, 2014 and December 31, 2013, the deferred tax assets arose from the following temporary differences:

THOUSAND BAHT

PARTICULARS	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	March 31, 2014	December 31, 2013
Accumulated temporary differences in the statements of income		
Allowance for doubtful debt	4,072	4,072
Provision for diminution in inventories	1,854	-
Provision for long-term employee benefits	8,302	6,706
Tax deficits not exceeding 5 accounting years	9,290	9,580
Total	23,518	20,358
Temporary differences in the retained earnings		
Provision for long-term employee benefits	-	1,164
Total	23,518	21,522
Deferred tax assets calculated from tax rate of 20%	4,704	4,305

15. FOREIGN CURRENCY TRANSACTIONS

The Company and subsidiaries have outstanding assets and liabilities denominated in foreign currencies which are not covered by any hedging as follows:

UNIT: THOUSAND

PARTICULARS	CONSOLIDATED				SEPARATE FINANCIAL STATEMENTS			
	March 31, 2014		December 31, 2013		March 31, 2014		December 31, 2013	
	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht	Foreign currencies	Converted to Baht
<u>Assets</u>								
USD	200.31	6,471.14	141.56	4,625.95	200.24	6,468.79	141.49	4,623.58
<u>Liabilities</u>								
USD	119.15	3,881.92	111.39	3,670.32	-	-	-	-

16. PROMOTIONAL PRIVILEGES

The Company and subsidiaries were granted promotional certificates by virtue of the Investment Promotion Act, B.E. 2520 (1977) as follows:

Companies	1. Promotional certificates Nos.	2. Effective dates	3. To promote investment in business of	4. Expiry dates according to items 5.1 and 5.2
AI Energy Public Co., Ltd.	1922(1)/2553	October 1, 2013	Producing biodiesel	September 30, 2021
AI Logistics Co., Ltd.	2029(2)/2549 1434(2)/2550	June 27, 2006 June 11, 2007	Ship transportation Ship transportation	June 26, 2014 June 10, 2015
AI Ports and Terminals Co., Ltd.	1373(2)/2552 1374(2)/2552	July 1, 2009 August 6, 2009	Ports and terminals service Ports and terminals service	June 30, 2017 August 5, 2017
5. Important privileges which are granted :				
5.1 Exemption from corporate income tax on net profit of promotional operation for 8 years. Whereby the promotional certificates No. 2029(2)/2549, 1434(2)/2550, 1373(2)/2552 and 1374(2)/2552 have limited amount for corporate income tax exemption at maximum of Baht 66.26 million, Baht 107.00 million, Baht 303.49 million and Baht 200.00 million, respectively.				
5.2 Exemption from income tax on dividend from promoted business which was exempted from corporate income tax as 5.1 through out the promotional period of all promotional certificates.				
5.3 Allowance for reduction the corporate income tax from promotional net profit at 50% of normal rate since the exemption is expired as 5.1 for 5 years especially for promotional certificate No. 1922(1)/2553.				
5.4 Allowance for double deduction of annual expenses of public utilities (electricity, water supply and transportation), commencing from the generating revenues date for 10 years of promotional certificate No. 1922(1)/2553.				
5.5 Allowance to deduct the annual loss incurred during the income tax exemption period as 5.1 from the net profit since the expiry dates within 5 years, by which can be deducted from net profit of any year or several years of all promotional certificates.				

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

17. COMMITMENT AND CONTINGENT LIABILITIES

17.1 The Company and subsidiaries have commitment and contingent liabilities as follows:

MILLION BAHT

PARTICULARS	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
Letters of guarantee issued by commercial banks	5.14	5.14	2.64	2.64

17.2 As at March 31, 2014 and December 31, 2013, the Company has capital expenditure commitment for the purchase of machinery and equipment contract amount Baht 12.96 million and 47.97 million, respectively.

17.3 The Company has signed management inventory contract amount 15 tanks at 23/1 Moo 7 Thajeen District, Amphoe Mueang, Samutsakhon amount 5 tanks and at 1/9 Moo 1 Tambon Had Sairee, Amphoe Mueang Chumphon, Chumphon amount 10 tanks by having contract period for the year, commencing from April 1, 2014 to March 31, 2015. The Company has to pay service fee amount of Baht 2 million per month.

18. FINANCIAL INFORMATION BY SEGMENT

THOUSAND BAHT						
CONSOLIDATED	Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Sale of ice cube	Vessel operating	Port services	Total
FOR THE THREE-MONTH PERIOD ENDED						
MARCH 31, 2014						
Revenues from sales and services	1,199,367	13,184	6,912	11,538	-	1,231,001
Cost of sales and services	(1,096,047)	(9,383)	(5,130)	(9,182)	-	(1,119,742)
Gross profit by segment	103,320	3,801	1,782	2,356	-	111,259
Non-allocation expenses						(26,427)
Profit from operation						84,832
Other income						3,447
Finance costs						(3,460)
Income tax expenses						399
Profit for the period						85,218
Property, plant, vessel and equipment-net	754,885		21,118	74,463	449,618	1,300,084

THOUSAND BAHT

CONSOLIDATED FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2013	Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Sale of insulators component	Sale of ice cube	Port services	Vessel operating	Total
Revenues from sales and services	1,070,040	22,226	14,949	6,466	14,028	-	1,127,709
Cost of sales and services	(991,602)	(9,600)	(11,729)	(5,829)	(11,595)	-	(1,030,355)
Gross profit by segment	78,438	12,626	3,220	637	2,433	-	97,354
Non-allocation expenses							(27,011)
Profit from operation							70,343
Other income							829
Finance costs							(16,974)
Income tax expenses							(11,958)
Profit for the period							42,240
Property, plant, vessel and equipment-net	637,814		-	20,258	85,156	464,516	1,207,744

19. TRANSACTIONS WITH RELATED PARTIES

The Company has certain accounting transactions with related parties under the following relationship:

RELATED PARTIES	RELATIONSHIP
Asian Insulators Public Company Limited	Parent of the Company
AI Logistics Company Limited	Subsidiary of the Company
AI Ports and Terminals Company Limited	Subsidiary of the Company
AI Engineering Services Company Limited	Subsidiary of Asian Insulators Public Company Limited
Palm Tara Company Limited	Director is relative of the directors of the Company
Samart Palm Company Limited	Director is relative of the directors of the Company
Samart Palm oil Company Limited	Director is relative of the directors of the Company

The significant transactions with related parties are as follows:

19.1. Sales and expenses with related parties for the three-month periods ended March 31,

THOUSAND BAHT

RELATED TRANSACTION IN STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
Sales of products				
Asian Insulators Public Company Limited	1	20	1	20
AI Ports and Terminals Company Limited	-	-	143	112
Sales of raw material				
AI Ports and Terminals Company Limited	-	-	182,979	-
Purchases good				
Asian Insulators Public Company Limited	-	11,729	-	6,475
AI Ports and Terminals Company Limited	-	-	3,290	3,900
Samart Palm Company Limited	4,497	6,059	1,987	6,059
Samart Palm oil Company Limited	4,547	5,663	3,780	5,663
Palm Tara Company Limited	13,063	-	10,180	-
Rental and services expenses				
AI Ports and Terminals Company Limited	-	-	9,000	-
Transportation expenses				
AI Logistics Company Limited	-	-	3,600	5,600

THOUSAND BAHT

PARTICULARS IN STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	March	March	March	March
	31, 2014	31, 2013	31, 2014	31, 2013
Administrative expenses				
Asian Insulators Public Company Limited	620	534	322	278
Interest expenses to related party				
Asian Insulators Public Company Limited	-	4,347	-	1,572

The inter-transactions are in accordance with general normal trading conditions or the mutual agreement.

19.2 Balances of receivable and payable from sales, purchase and service rendered to related parties

THOUSAND BAHT

PARTICULARS IN STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED		SEPARATE FINANCIAL STATEMENTS	
	March	December	March	December
	31, 2014	31, 2013	31, 2014	31, 2013
Related parties receivable				
Asian Insulators Public Company Limited	-	24	-	24
AI Ports and Terminals Company Limited	-	-	183,038	63
Deposit				
AI Ports and Terminals Company Limited	-	-	9,000	9,000
Palm Tara Company Limited	4,997	-	-	-
Fixed assets under installation				
AI Engineering Services Company Limited	399	-	399	-
Related parties payable				
Asian Insulators Public Company Limited	4	108	-	105
AI Logistics Company Limited	-	-	400	400
AI Ports and Terminals Company Limited	-	-	3,520	-
AI Engineering Services Company Limited	427	-	427	-
Samart Palm Company Limited	2,858	359	348	359
Samart Palm oil Company Limited	1,093	391	326	391
Palm Tara Company Limited	697	-	696	-
Accrued expenses				
Asian Insulators Public Company Limited	2	826	-	-

20. LITIGATION

The Company was sued by the Official Receiver of Phamola Company Limited for transferring back the trademark "Phamola" 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 August 9, 2012, the Central Bankruptcy Court has ordered to dismiss the case. At present, the case is under consideration of the Supreme Court.

The management of the Company is confident that no significant losses will be incurred as a result therefore no provision for possible liabilities has been made in the financial statements.

21. FINANCIAL STATEMENTS APPROVAL

These interim financial statements are duly approved by the Company's directors on May 13, 2014.