

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
INTERIM FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT ON REVIEW
OF INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2018



ANS Audit Co., Ltd.
100/72, 22nd Floor,
100/2 Vongvanij Building B, Rama 9 Rd.,
Huaykwang, Bangkok 10310, Thailand

Main +66 (0)2 645 0109
Fax +66 (0)2 645 0110
www.ans.co.th

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 June 30, 2018, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2018, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the six-month period ended June 30, 2018, 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 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

Except as mentioned in the Basis for Qualified 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 Qualified Conclusion

As discussed in Note to Financial Statements No. 25.3, 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 (Before restated). 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.

Qualified Conclusion

Except for the possible effect on the interim financial information due to the matters described in the Basis for Qualified Conclusion Paragraph, 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 No. 34, "Interim Financial Reporting".



Vichai Ruchitanont

Certified Public Accountant

Registration Number 4054

ANS Audit Co., Ltd

Bangkok, August 14, 2018

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2018

		Unit : Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
Notes		"REVIEWED"		"REVIEWED"	
Assets					
Current assets					
Cash and cash equivalents		83,957	59,674	77,977	51,658
Current investment	5	266,790	170,418	1,021	470
Trade and other receivables - net	6	86,517	110,808	86,356	110,343
Current portion of receivables under finance lease contracts	7	6,104	8,618	-	-
Inventories - net	8	169,957	152,579	169,957	152,579
Oil supplies	9	433	1,980	-	-
Total current assets		613,758	504,077	335,311	315,050
Non-current assets					
Investments in subsidiaries - net	10	-	-	396,073	396,073
Pledged deposits at financial institutions	11	23,017	23,017	22,617	22,617
Property, plant, vessel and equipment - net	12	1,348,488	1,263,193	1,126,524	1,035,298
Intangible assets - net	13	184	238	184	238
Deferred tax assets - net	20	2,798	5,631	2,798	5,631
Deposit for purchase of assets		23,294	21,527	23,294	21,527
Other non-current assets		11,668	13,333	11,143	12,808
Total non-current assets		1,409,449	1,326,939	1,582,633	1,494,192
Total assets		2,023,207	1,831,016	1,917,944	1,809,242

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2018

		Unit : Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		June 30, 2018	December 31, 2017	June 30, 2018	December 31, 2017
		"UNAUDITED"	"AUDITED"	"UNAUDITED"	"AUDITED"
Notes		"REVIEWED"		"REVIEWED"	
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	14	111,672	80,359	107,987	75,025
Short-term loans from subsidiary	4	-	-	-	100,000
Income tax payables		-	8,204	-	-
Total current liabilities		111,672	88,563	107,987	175,025
Non-current liabilities					
Non-current provisions for employee	15	7,849	10,223	7,222	9,821
Total non-current liabilities		7,849	10,223	7,222	9,821
Total liabilities		119,521	98,786	115,209	184,846
Shareholders' equity					
Authorized share capital					
Common share 5,424,000,000 shares, at Baht 0.25 par value		1,356,000	1,356,000	1,356,000	1,356,000
Issued and paid - up share capital					
Common share 4,520,000,000 shares, at Baht 0.25 par value		-	1,130,000	-	1,130,000
Common share 5,232,291,928 shares, at Baht 0.25 par value	16	1,308,073	-	1,308,073	-
Premium on common stocks		605,114	605,114	605,114	605,114
Retained earnings (deficits)					
Appropriated					
Legal reserve	19	8,226	8,226	8,226	8,226
Unappropriated		(15,384)	(6,963)	(121,853)	(120,145)
Other components of shareholders' equity		(2,343)	(4,147)	3,175	1,201
Total Shareholders' Equity		1,903,686	1,732,230	1,802,735	1,624,396
Total liabilities and shareholders' equity		2,023,207	1,831,016	1,917,944	1,809,242

.....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 JUNE 30, 2018

"UNAUDITED"

"REVIEWED"

		Unit : Thousands Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2018	2017	2018	2017
4, 22, 23, 24					
Revenues					
Revenues from sale of goods		352,852	611,816	352,852	611,816
Revenues from production contract		13,572	15,994	13,572	15,994
Revenues from vessel operating		13,683	11,844	-	-
Other incomes		2,117	4,265	1,098	745
Total Revenues		382,224	643,919	367,522	628,555
Expenses					
Cost of sales		(336,713)	(641,030)	(336,713)	(641,030)
Cost of production contract		(10,252)	(14,171)	(10,252)	(14,171)
Cost of vessel operating		(13,581)	(16,343)	-	-
Selling expenses		(1,627)	(2,630)	(1,096)	(2,221)
Administrative expenses		(20,962)	(19,908)	(16,810)	(14,824)
Finance costs		(80)	(666)	(79)	(666)
Total Expenses		(383,215)	(694,748)	(364,950)	(672,912)
Profit (loss) before income tax expenses		(991)	(50,829)	2,572	(44,357)
Tax income (expense)	21	(1,213)	120	(1,213)	120
Profit (loss) for the periods		(2,204)	(50,709)	1,359	(44,237)
Other comprehensive income		-	-	-	-
Total comprehensive income (loss) for the periods		(2,204)	(50,709)	1,359	(44,237)
Profit (Loss) attributable to :					
Equity holders of the parent		(2,204)	(50,709)	1,359	(44,237)
Non-controlling interests		-	-	-	-
		(2,204)	(50,709)	1,359	(44,237)
Total comprehensive income (loss) attributable to :					
Equity holders of the parent		(2,204)	(50,709)	1,359	(44,237)
Non-controlling interests		-	-	-	-
		(2,204)	(50,709)	1,359	(44,237)
Earnings (loss) per share					
Basic earning (loss) per share (Baht)	18	(0.0005)	(0.0112)	0.0003	(0.0098)

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

"UNAUDITED"

"REVIEWED"

		Unit : Thousands Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2018	2017	2018	2017
	4, 22, 23, 24				
Revenues					
Revenues from sale of goods		764,577	1,089,757	764,577	1,089,757
Revenues from production contract		30,223	22,997	30,223	22,997
Revenues from vessel operating		27,366	24,786	-	-
Other incomes		4,570	7,829	2,004	1,439
Total Revenues		826,736	1,145,369	796,804	1,114,193
Expenses					
Cost of sales		(739,056)	(1,195,004)	(739,056)	(1,195,004)
Cost of production contract		(22,399)	(22,840)	(22,399)	(22,840)
Cost of vessel operating		(27,285)	(31,266)	-	-
Selling expenses		(3,438)	(4,669)	(2,454)	(3,877)
Administrative expenses		(40,559)	(39,636)	(32,184)	(28,923)
Finance costs		(80)	(1,556)	(79)	(1,556)
Total Expenses		(832,817)	(1,294,971)	(796,172)	(1,252,200)
Profit (loss) before income tax expenses		(6,081)	(149,602)	632	(138,007)
Tax income (expense)	21	(2,340)	239	(2,340)	239
Loss for the periods		(8,421)	(149,363)	(1,708)	(137,768)
Other comprehensive income (loss) :					
<i>Items that will not be reclassified to profit or loss</i>					
Defined benefit plan actuarial gains	15	2,297	-	2,467	-
Income tax on other comprehensive income relating to items that will not be reclassified	20	(493)	-	(493)	-
Other comprehensive income for the periods net of income tax		1,804	-	1,974	-
Total comprehensive income (loss) for the periods		(6,617)	(149,363)	266	(137,768)
Loss attributable to :					
Equity holders of the parent		(8,421)	(149,363)	(1,708)	(137,768)
Non-controlling interests		-	-	-	-
		(8,421)	(149,363)	(1,708)	(137,768)
Total comprehensive income (loss) attributable to :					
Equity holders of the parent		(6,617)	(149,363)	266	(137,768)
Non-controlling interests		-	-	-	-
		(6,617)	(149,363)	266	(137,768)
Earnings loss per share					
Basic loss per share (Baht)	18	(0.0018)	(0.0330)	(0.0004)	(0.0305)

.....Director

(Thanit Thareratanavibool)

.....Director

(Pimwan Thareratanavibool)

3

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

"UNAUDITED"
"REVIEWED"

Unit : Thousands Baht											
Consolidated financial statements											
Shareholders' equity of the parent											
	Notes	Share capital Issued and paid - up	Premium on common stocks	Appropriated Legal reserve	Retained earnings (deficits)			Shareholders' equity of the parent			
					Unappropriated	Actuarial gain	Difference on business combination under common control	Other components of equity			
								Total other components of equity	Total equity of the parent	Non-controlling interests	Total shareholders' equity
Balance as at January 1, 2018		1,130,000	605,114	8,226	(6,963)	1,078	(5,225)	(4,147)	1,732,230	-	1,732,230
Share capital increased	16	178,073	-	-	-	-	-	-	178,073	-	178,073
Changes in shareholders' equity for the period :											
Total comprehensive income (loss) for the period											
		-	-	-	(8,421)	1,804	-	1,804	(6,617)	-	(6,617)
Balance as at June 30, 2018		1,308,073	605,114	8,226	(15,384)	2,882	(5,225)	(2,343)	1,903,686	-	1,903,686
Balance as at January 1, 2017											
		1,130,000	605,114	8,226	65,318	1,078	(5,225)	(4,147)	1,804,511	-	1,804,511
Changes in shareholders' equity for the period :											
Total comprehensive loss for the period											
		-	-	-	(149,363)	-	-	-	(149,363)	-	(149,363)
Balance as at June 30, 2017		1,130,000	605,114	8,226	(84,045)	1,078	(5,225)	(4,147)	1,655,148	-	1,655,148

9

.....Director
(Thanit Tharatranavibool)

.....Director
(Pimwan Tharatranavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

"UNAUDITED"
"REVIEWED"

Unit : Thousands Baht									
	Notes	Separate financial statements							
		Share capital Issued and paid - up	Premium on common stocks	Appropriated		Unappropriated	Other components of equity		
				Legal reserve	Retained earnings (deficits)		Other comprehensive income	Total shareholders' equity	
Balance as at January 1, 2018		1,130,000	605,114	8,226	(120,145)	1,201		1,624,396	
Share capital increased	16	178,073	-	-	-	-		178,073	
Changes in shareholders' equity for the period :									
Total comprehensive income (loss) for the period		-	-	-	(1,708)	1,974		266	
Balance as at June 30, 2018		1,308,073	605,114	8,226	(121,853)	3,175		1,802,735	
Balance as at January 1, 2017		1,130,000	605,114	8,226	53,296	1,202		1,797,838	
Changes in shareholders' equity for the period :									
Total comprehensive loss for the period		-	-	-	(137,768)	-		(137,768)	
Balance as at June 30, 2017		1,130,000	605,114	8,226	(84,472)	1,202		1,660,070	

8

.....Director
(Thanit Tharatanavibool)

.....Director
(Pinwan Tharatanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

"UNAUDITED"

"REVIEWED"

Unit : Thousands Baht

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit (loss) before income tax expense	(6,081)	(149,602)	632	(138,007)
Adjustments to reconcile profit before income (loss) tax expense				
to cash provided by (used in) operating activities:				
Depreciation	34,947	38,876	29,009	28,699
Amortization of computer softwares	59	44	59	44
Loss on write-off of assets	2,676	2	2,676	2
Reversal allowance for devaluation of inventories	(7,084)	(7,423)	(7,084)	(7,423)
Non-current provisions for employee	895	989	840	942
Interest income	(1,947)	(2,162)	(289)	(791)
Interest expenses	80	1,556	79	1,556
Unrealized loss on exchange rates	-	32	-	32
Gain (Loss) from operating activities before changes in				
operating assets and liabilities	23,545	(117,688)	25,922	(114,946)
Changes in operating assets - (increase) decrease :				
Trade and other receivables	24,290	(1,209)	23,987	(3,213)
Inventories	(10,293)	136,304	(10,293)	136,304
Oil supplies	1,547	(894)	-	-
Deposit for purchase of assets	(1,766)	(33,741)	(1,766)	(33,741)
Other non-current assets	2,664	1,379	2,664	1,883
Changes in operating liabilities - increase				
Trade and other payables	11,745	84,033	13,394	82,105
Cash provided by operating activities	51,732	68,184	53,908	68,392
Income tax paid	(9,203)	(3,498)	(999)	(3,497)
Payment for employee benefit obligations	(972)	(496)	(972)	(496)
Net cash provided by operating activities	41,557	64,190	51,937	64,399

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES
 STATEMENTS OF CASH FLOWS
 FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2018

"UNAUDITED"

"REVIEWED"

Unit : Thousands Baht

Cash flows from investing activities

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Interest received	1,572	1,011	289	791
Increase in current investments	(96,372)	-	(552)	-
Payment for purchases of assets	(103,356)	(19,400)	(103,349)	(19,400)
Proceeds from receive from receivables under finance lease contracts	2,889	5,778	-	-
Cash advance receive from disposal of land, plant and equipment	-	160,000	-	-
Net cash provided by (used in) investing activities	(195,267)	147,389	(103,612)	(18,609)

Cash flows from financing activities

Interest paid	(80)	(1,503)	(79)	(1,503)
Decrease in bank overdraft and short-term loans				
from financial institutions	-	(57,415)	-	(57,415)
Payment for short-term loans from subsidiary	-	-	(100,000)	-
Cash received from increase in share capital	178,073	-	178,073	-
Net cash provided by (used in) financing activities	177,993	(58,918)	77,994	(58,918)

Net increase (decrease) in cash and cash equivalents

Cash and cash equivalents at beginning of the periods

Cash and cash equivalents at end of the periods

	24,283	152,661	26,319	(13,128)
	59,674	227,100	51,658	200,902
	83,957	379,761	77,977	187,774

Additional disclosure items to cash flows statements

Non-cash flows items consist of:

Assets payable for equipment	19,567	3,318	19,567	3,318
------------------------------	--------	-------	--------	-------

.....Director
 (Thanit Thareratanavibool)

.....Director
 (Pimwan Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED JUNE 30, 2018 (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 61.77% and 59.59% of the Company's share capital as at June 30, 2018 and December 31, 2017, respectively.

2. BASIS FOR PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

The interim financial statements have been prepared in accordance with Thai Accounting Standard No. 34 (Revised 2017), Interim Financial Reporting.

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

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

The interim financial statements have been prepared to provide information in addition to that included in the financial statements for the year ended December 31, 2017. 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, 2017.

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, 2017.

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

New financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the 2nd quarter of 2018, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after January 1, 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries’ financial statements.

(b) Financial reporting standard that will become effective in the future

During the 2nd quarter of 2018, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal years beginning on or after January 1, 2019. Key principles of this standard are summarised below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

At present, the management of the Company and its subsidiaries is evaluating the impact of this standard to the financial statements in the year when it is adopted.

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, 2017.



.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

4. TRANSACTIONS WITH THE RELATED PARTIES

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at 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 and six-month periods ended June 30, 2018 and 2017 were as follows:

		Unit : Thousand Baht			
		Consolidated financial statements		Separate financial statements	
Pricing policies		2018	2017	2018	2017
For the three-month periods					
Purchase of goods					
Samart Palm Industry Company	Market value	-	7,665	-	7,665
Administrative expenses					
Asian Insulators Public Company	Mutually	532	573	258	317
For the six-month periods					
Purchase of goods					
Samart Palm Industry Company	Market value	-	15,982	-	15,982
Administrative expenses					
Asian Insulators Public Company	Mutually	924	1,069	510	600

Directors and management's remuneration

Directors and management's remuneration for the three-month and six-month periods ended June 30, 2018 and 2017 consisted of:

		Unit : Thousand Baht			
		Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
For the three-month periods					
Short-term employee benefits		4,201	4,392	3,696	3,659
Long-term post-employment benefits		87	83	68	61
Total directors and management's remuneration		4,288	4,475	3,764	3,720
For the six-month periods					
Short-term employee benefits		8,635	8,082	7,624	6,616
Long-term post-employment benefits		234	165	197	121
Total directors and management's remuneration		8,869	8,247	7,821	6,737

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

Significant balances with related parties as at June 30, 2018 and December 31, 2017 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Loans from related parties				
AI Ports and Terminals Company Limited	-	-	-	100,000

As at December 31, 2017, the Company has short-term loan from the subsidiary company, AI Ports and Terminals Company Limited. The company issued promissory notes in the amount of Baht 100 million, with an interest rate of 2.84% per annum, due on June 30, 2018.

5. CURRENT INVESTMENT

Current investment as at June 30, 2018 and December 31, 2017 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Open-end Fund-Debt securities - at cost	264,000	169,000	-	-
Add unrealized gain on investment revaluation	1,769	948	-	-
Open-end Fund-Debt securities - net	265,769	169,948	-	-
Fixed deposits	1,021	470	1,021	470
Total current investment	266,790	170,418	1,021	470

Q

6. TRADE AND OTHER RECEIVABLES – NET

Trade and other receivables as at June 30, 2018 and December 31, 2017 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade receivables				
Trade receivable - others	90,982	116,663	90,982	116,663
Total trade receivables	90,982	116,663	90,982	116,663
<u>Less</u> Allowance for doubtful accounts	(8,328)	(8,328)	(8,328)	(8,328)
Total trade receivables - net	82,654	108,335	82,654	108,335
Other receivables				
Prepaid insurance	2,318	1,112	2,308	1,112
Prepaid expenses	260	746	139	428
Revenue Department receivable	16	8	-	-
Undue input tax	267	299	253	299
Advances	741	-	741	-
Others	567	614	567	475
Total other receivables	4,169	2,779	4,008	2,314
<u>Less</u> Allowance for doubtful accounts	(306)	(306)	(306)	(306)
Total other receivables - net	3,863	2,473	3,702	2,008
Total trade and other receivables - net	86,517	110,808	86,356	110,343

As at June 30, 2018 and December 31, 2017 outstanding balances of trade receivable aged by number of months were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Others				
Current	77,570	105,169	77,570	105,169
Overdue				
Within 3 months	5,084	3,166	5,084	3,166
Over 12 months	8,328	8,328	8,328	8,328
Total	90,982	116,663	90,982	116,663
<u>Less</u> Allowance for doubtful accounts	(8,328)	(8,328)	(8,328)	(8,328)
Total trade receivables - net	82,654	108,335	82,654	108,335

.....Director
(Thanit Thararatnavibool)

.....Director
(Pimwan Thararatnavibool)

7. RECEIVABLES UNDER FINANCE LEASE CONTRACTS - NET

Receivables under finance lease contracts as at June 30, 2018 and December 31, 2017 consisted of:

	Unit : Thousand Baht	
	Consolidated financial statements	
	2018	2017
Due within one year		
Value of minimum lease payment receivable	6,741	9,630
Deferred revenue - finance lease	(637)	(1,012)
Present value of minimum lease payment receivable	6,104	8,618

As at June 30, 2018 and December 31, 2017, AI Logistics Company Limited ("the subsidiary") had receivable under finance lease contracts for hire-purchase of Vessel with a local company. These agreements are repayable in 24 equal monthly installments up to the year 2018. The ownership of assets purchased under hire-purchase agreements will be transferred to the subsidiary when last installment is paid. (interest income from finance lease contract had been recorded in the other income)

8. INVENTORIES – NET

Inventories as at June 30, 2018 and December 31, 2017 consisted of:

	Unit : Thousand Baht	
	Consolidated/Separate financial statements	
	2018	2017
Raw materials and chemicals	100,583	50,611
Work in process	42,283	54,887
Finished goods	21,886	50,169
Supplies	6,746	5,538
Total inventories	171,498	161,205
<u>Less</u> Allowance for devaluation of inventories	(1,541)	(8,626)
Total inventories - net	169,957	152,579

Q

9. OIL SUPPLIES

Oil supplies as at June 30, 2018 and December 31, 2017 consisted of:

	Unit : Thousand Baht	
	Consolidated financial statements	
	2018	2017
Bunker oil	170	1,558
Lubricants	263	422
Total oil supplies	433	1,980



.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

10. INVESTMENTS IN SUBSIDIARIES-NET

Investments in subsidiaries as at June 30, 2018 and December 31, 2017 consisted of:

Company	Nature of business	Percentage of Holding (%)		Paid-up share capital (Million Baht)		Unit : Thousand Baht	
		2018	2017	2018	2017	2018	2017
						Cost Method	
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 * At present temporarily halted main business operation and in the process of preparing a business plan.	100.00	100.00	460	460	352,395	352,395
Total						435,073	435,073
Less Allowance for impairment of investments						(39,000)	(39,000)
Total investments in subsidiaries - net						396,073	396,073

11. 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)

12. PROPERTY, PLANT, VESSEL AND EQUIPMENT – NET

Property, Plant, Vessel and Equipment as at June 30, 2018 were as follows:

	Unit: Thousands Baht	
	Consolidated financial statements	Separate financial statements
Book value as at January 1, 2018	1,263,193	1,035,298
Additions/Transfers in during the period (Cost)	125,687	125,680
Disposals/Transfers out during the period (Book value)	(5,445)	(5,445)
Depreciation charge for the period	(34,947)	(29,009)
Book value as at June 30, 2018	1,348,488	1,126,524

Depreciations in the statements of profit or loss for the three-month and six-month periods ended June 30, 2018 and 2017 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
For the three-month periods				
Cost of sales and services	14,146	16,170	13,609	13,864
Selling and administrative expenses	3,450	3,534	1,007	1,030
	<u>17,596</u>	<u>19,704</u>	<u>14,616</u>	<u>14,894</u>
For the six-month periods				
Cost of sales and services	28,076	31,841	27,009	26,643
Selling and administrative expenses	6,871	7,035	2,000	2,056
	<u>34,947</u>	<u>38,876</u>	<u>29,009</u>	<u>28,699</u>

As at June 30, 2018 and December 31, 2017 interest incurred on loans used for a Purify Glycerin project of Company totaling to Baht 2.82 million and Baht 1.67 million, respectively, have been capitalized as part of cost of construction in process.

The gross carrying amounts of assets were fully depreciated but these items are still in active use by the Company and subsidiaries as at June 30, 2018 and December 31, 2017, in the consolidate financial statement totaling approximately Baht 152.37 million and Baht 148.03 million respectively, and in the separate financial statements totaling approximately Baht 34.61 million and Baht 30.32 million, respectively.

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

13. INTANGIBLE ASSETS - NET

Intangible assets as at June 30, 2018 were as follows:

	Unit: Thousands Baht
	Consolidated/Separate financial statements
Book value as at January 1, 2018	238
Additions in during the period (Cost)	5
Amortization for the period	(59)
Book value as at June 30, 2018	184

14. TRADE AND OTHER PAYABLES

Trade and other payables as at June 30, 2018 and December 31, 2017 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade payables				
Trade payables - others	69,192	38,793	66,192	34,688
Total trade payables	69,192	38,793	66,192	34,688
Other payables				
Others payables	2,782	4,406	2,782	4,405
Advances received for goods	4,315	3	4,315	3
Accrued bonus	2,754	12	2,411	12
Retention	1,936	1,032	1,936	1,032
Revenue Department payable	5,545	7,129	5,489	7,075
Electricity payable	2,625	2,999	2,625	2,999
Accrued expenses	2,417	7,386	2,131	6,216
Payables for purchase of assets	19,567	17,998	19,567	17,998
Others	539	601	539	597
Total other payables	42,480	41,566	41,795	40,337
Total trade and other payables	111,672	80,359	107,987	75,025

Q

15. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Movement of the present value of non-current provisions for employee benefits for the six-month periods ended June 30, 2018 and 2017 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statement	
	2018	2017	2018	2017
Non-current provisions for employee				
benefit at beginning of periods	10,223	9,006	9,821	8,441
Included in profit or loss:				
Current service cost	816	895	765	853
Interest cost	79	94	75	89
Included in other comprehensive income:				
Actuarial gain arising from				
Financial assumptions changes	(1,377)	-	(1,471)	-
Experience adjustments	(920)	-	(996)	-
Benefit paid during the periods	(972)	(496)	(972)	(496)
Non-current provisions for employee				
benefit at end of periods	7,849	9,499	7,222	8,887

Q

Employee benefit expenses in profit or loss for the three-month and six-month periods ended June 30, 2018 and 2017 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statement	
	2018	2017	2018	2017
<u>For the three-month periods</u>				
Cost of sales	271	276	271	276
Selling expenses	1	67	1	67
Administrative expenses	149	146	121	116
Total employee benefit expenses	421	489	393	459
<u>For the six-month periods</u>				
Cost of sales	536	574	536	574
Selling expenses	2	136	2	136
Administrative expenses	357	279	302	232
Total employee benefit expenses	895	989	840	942

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

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

Principal actuarial assumptions as at June 30, 2018 and December 31, 2017 (represented by the weighted-average) were as follows:

	(Percentage (%)/annum)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Discount rate	2.16 - 2.94	1.77 - 2.35	2.16	2.22
Salary increases rate	0 - 5.00	0 - 5.00	1.5 - 5.00	5.00
Mortality rate	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2008	100% of Thai Mortality Ordinary Tables of 2017	100% of Thai Mortality Ordinary Tables of 2008
Turnover rate Monthly employees				
Under 31 years old	22.00 - 40.00	9.00	22.00 - 40.00	9.00
31 - 40 years old	16.00 - 28.00	12.00	16.00 - 28.00	12.00
41 - 50 years old	5.00	2.00	5.00	2.00
Above 51 years old	0.00	0.00	0.00	0.00

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

16. SHARE CAPITAL

Reconciliation of issued and paid-up share capital.

	Number of shares (Thousand shares)	Paid-up share capital (Thousand Baht)	Premium on share capital (Thousand Baht)	Registration date with the Ministry of Commerce
Balance as at January 1, 2018	4,520,000	1,130,000	605,114	
Warrants				
- AIE - W1 No. 1	712,292	178,073	-	June 6, 2018
Balance as at June 30, 2018	<u>5,232,292</u>	<u>1,308,073</u>	<u>605,114</u>	

17. WARRANTS

Warrants AIE-W1

On April 21, 2015, the Annual General Meeting of the Company's shareholders passed a resolution to issue and allocate of stock warrant for rights to purchase ordinary shares of (AIE-W1) for the existing shareholders, not exceeding 904 million units (allocate 1 purchase ordinary share: 1 stock warrant unit). Details of the issue are as follows:

Type	:	In named certificate form and transferable
Price per unit of warrant	:	Baht 0.00
Exercise ratio	:	1 warrant to 5 ordinary shares
Exercise price	:	Baht 0.25 per share
Exercise date	:	The first exercise date is December 30, 2016 and the last exercise date is May 7, 2018
Issuance date of warrants	:	May 8, 2015
Maturity of warrants	:	3 years from the issuance date.

During the second quarter of year 2018, the warrant holders exercised 712.29 million units of AIE-W1 warrants to purchase 712.29 ordinary million shares at Baht 0.25 each in the amount of Baht 178.07 million. The Company recorded as a result of the exercise of such warrants, presenting it under shareholders' equity in the statement of financial position.

Q

18. BASIC EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share for the three-month and six-month periods ended June 30, 2018 and 2017 were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<u>For the three-month periods</u>				
Net profit (loss) attributable to shareholders				
of the parent (Thousand Baht)	(2,204)	(50,709)	1,359	(44,237)
Number of ordinary share outstanding				
at beginning of periods (Share)	4,520,000,000	4,520,000,000	4,520,000,000	4,520,000,000
Effect of conversion warrants to shares capital	195,684,596	-	195,684,596	-
Weighted average number of ordinary shares				
outstanding during the periods (basic)	4,715,684,596	4,520,000,000	4,715,684,596	4,520,000,000
Basic earnings (loss) per share (Baht)	(0.0005)	(0.0112)	0.0003	(0.0098)
<u>For the six-month periods</u>				
Loss attributable to shareholders				
of the parent (Thousand Baht)	(8,421)	(149,363)	(1,708)	(137,768)
Number of ordinary share outstanding				
at beginning of periods (Share)	4,520,000,000	4,520,000,000	4,520,000,000	4,520,000,000
Effect of conversion warrants to shares capital	98,382,863	-	98,382,863	-
Weighted average number of ordinary shares				
outstanding during the periods (basic)	4,618,382,863	4,520,000,000	4,618,382,863	4,520,000,000
Basic loss per share (Baht)	(0.0018)	(0.0330)	(0.0004)	(0.0305)

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

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

20. DEFERRED TAX

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, 2018	Loss	comprehensive loss	As at June 30, 2018
Deferred tax assets				
Allowance for doubtful accounts	149	-	-	149
Non-current provision for employee benefits	1,964	(26)	(493)	1,445
Tax loss carries forward	8,127	(2,219)	-	5,908
Total	10,240	(2,245)	(493)	7,502
Deferred tax liabilities				
Depreciation	(4,609)	(95)	-	(4,704)
Total	(4,609)	(95)	-	(4,704)
Deferred tax assets - net	5,631	(2,340)	(493)	2,798

As at June 30, 2018 and December 31, 2017 the Company had deferred tax assets for the carrying forward of unused tax losses of Baht 5.91 million and Baht 8.13 million, respectively. The Company's management believes that it is probable that future taxable profit will be available against the unused tax losses.

21. INCOME TAX EXPENSE

Income tax expenses for the three-month and six-month periods ended June 30, 2018 and 2017 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
For the three-month periods				
Current tax expense				
Current periods	-	-	-	-
Deferred tax expense				
Movements in temporary differences	(1,213)	120	(1,213)	120
Total	(1,213)	120	(1,213)	120
For the six-month periods				
Current tax expense				
Current periods	-	-	-	-
Deferred tax expense				
Movements in temporary differences	(2,340)	239	(2,340)	239
Total	(2,340)	239	(2,340)	239

Income tax reduction

The Act of Legislation amended Revenue Code No.42 B.E. 2559, dated March 3, 2016, grants the corporate income tax rate 20% on net profit for the accounting periods beginning on January 1, 2016 onwards.

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 and six-month periods ended June 30, 2018 and 2017 was as follows:

	Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements		
	Promoted Activities	Non-promoted Activities	Total	Promoted Activities	Non-promoted Activities
For the three-month period ended June 30, 2018					
Revenues from sale of goods	331,505	21,347	352,852	331,505	21,347
Revenues from production contract	-	13,572	13,572	-	13,572
Revenues from vessel operating	-	13,683	13,683	-	-
Other incomes	-	2,117	2,117	-	1,098
Total	331,505	50,719	382,224	331,505	36,017
For the three-month period ended June 30, 2017					
Revenues from sale of goods	464,549	147,267	611,816	464,549	147,267
Revenues from production contract	-	15,994	15,994	-	15,994
Revenues from vessel operating	-	11,844	11,844	-	-
Other incomes	-	4,265	4,265	-	745
Total	464,549	179,370	643,919	464,549	164,006

Q

.....Director
(Thanit Tharatanavibool)

..... Director
(Pimwan Tharatanavibool)

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements		
	Promoted	Non-promoted	Promoted	Non-promoted	Total
	Activities	Activities	Activities	Activities	
For the six-month period ended June 30, 2018					
Revenues from sale of goods	729,433	35,144	729,433	35,144	764,577
Revenues from production contract	-	30,223	-	30,223	30,223
Revenues from vessel operating	-	27,366	-	-	-
Other incomes	-	4,570	-	2,004	2,004
Total	729,433	97,303	729,433	67,371	796,804

For the six-month period ended June 30, 2017

Revenues from sale of goods	928,637	161,120	928,637	161,120	1,089,757
Revenues from production contract	-	22,997	-	22,997	22,997
Revenues from vessel operating	-	24,786	-	-	-
Other incomes	-	7,829	-	1,439	1,439
Total	928,637	216,732	928,637	185,556	1,114,193

Q

.....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 and six-month periods ended June 30, 2018 and 2017 were as follows :

Unit : Thousand Baht				
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
For the three-month periods				
AI Energy Public Company Limited	376	341	376	341
AI Logistic Company Limited	7	6	-	-
Total	383	347	376	341
For the six-month periods				
AI Energy Public Company Limited	714	651	714	651
AI Logistic Company Limited	14	13	-	-
Total	728	664	714	651

Q

.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)

24. SEGMENTS INFORMATION

The segments information for the three-month and six-month periods ended June 30, 2018 and 2017 was as follows:

Unit : Thousand Baht					
Consolidated financial statements					
For the three-month period ended June 30, 2018					
	Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Vessel operating	Port services	Total
Revenues from sales and services	352,852	13,572	13,683	-	380,107
Cost of sales and services	(336,713)	(10,252)	(13,581)	-	(360,546)
Gross profit by segment	16,139	3,320	102	-	19,561
Other income					2,117
Selling expenses					(1,627)
Administrative expenses					(20,962)
Finance costs					(80)
Tax expenses					(1,213)
Loss for the period					(2,204)

Q

.....Director
(Thanit Tharatanavibool)

.....Director
(Pimwan Tharatanavibool)

Unit : Thousand Baht

Consolidated financial statements

For the six-month period ended June 30, 2018

	Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Vessel operating	Port services	Total
Revenues from sales and services	764,577	30,223	27,366	-	822,166
Cost of sales and services	(739,056)	(22,399)	(27,285)	-	(788,740)
Gross profit by segment	25,521	7,824	81	-	33,426
Other income					4,570
Selling expenses					(3,438)
Administrative expenses					(40,559)
Finance costs					(80)
Tax expenses					(2,340)
Loss for the period					(8,421)
Property, plant, vessel and equipment-net	1,126,524		20,925	201,039	1,348,488

2

.....Director
(Thanit Tharatanavibool)

.....Director
(Pimwan Tharatanavibool)

Unit : Thousand Baht

Consolidated financial statements					
For the three-month period ended June 30, 2017					
	Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Vessel operating	Port services	Total
Revenues from sales and services	611,816	15,994	11,844	-	639,654
Cost of sales and services	(641,030)	(14,171)	(16,343)	-	(671,544)
Gross profit (loss) by segment	(29,214)	1,823	(4,499)	-	(31,890)
Other income					4,265
Selling expenses					(2,630)
Administrative expenses					(19,908)
Finance costs					(666)
Tax income					120
Loss for the period					(50,709)

Q

.....Director
(Thanit Tharatanavibool)

.....Director
(Pimwan Tharatanavibool)

Unit : Thousand Baht					
Consolidated financial statements					
For the six-month period ended June 30, 2017					
	Sale of biodiesel and vegetable oil and by product	Contract of refine crude palm oil	Vessel operating	Port services	Total
Revenues from sales and services	1,089,757	22,997	24,786	-	1,137,540
Cost of sales and services	(1,195,004)	(22,840)	(31,266)	-	(1,249,110)
Gross profit (loss) by segment	(105,247)	157	(6,480)	-	(111,570)
Other income					7,829
Selling expenses					(4,669)
Administrative expenses					(39,636)
Finance costs					(1,556)
Tax income					239
Loss for the period					(149,363)
Property, plant, vessel and equipment - net	890,406		18,567	211,145	1,120,118

Q

.....Director
(Thanit Tharatanavibool)

.....Director
(Pimwan Tharatanavibool)

25. COMMITMENT AND CONTINGENT LIABILITIES

Commitments and contingent liabilities as at June 30, 2018 and December 31, 2017 were as follows:

25.1 The Group had contingent liabilities on bank guarantees in the amount of Baht 23.02 million issued by banks on behalf of the Group with respect to certain performance bonds required in the normal course of business of the Group.

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

	Contracted Balance	
	Consolidated/Separate financial statements	
	2018	2017
Capital commitments		
Contracted but not provided for		
work in process - building and utility systems (Unit :Thousand Baht)	23,026	31,011
work in process - machinery (Unit :Thousand Baht)	98,556	67,856
work in process - machinery (Unit ::Thousand Euro)	-	146

25.3 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 (Before restated). 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.

25.4 At October 24, 2016, the Company entered into a 5-year contract with a company for production services on edible oil products and granting the use of "Pamola" trademark. On May 15, 2018, both parties agreed to terminate the contract since the counterparty can not comply with the conditions stated in the contract.

25.5 The Company had overdrafts and short-term loans credit facilities with two local commercial bank totaling amount of Baht 505 million. The Company has a commitment under the conditions of this loan agreement.

26. 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.

27. APPROVAL OF INTERIM FINANCIAL STATEMENT

These interim financial statements have been approved to issue by the Company's Board of Directors on August 14, 2018.



.....Director
(Thanit Thareratanavibool)

.....Director
(Pimwan Thareratanavibool)