

INTERIM FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT ON REVIEW  
OF INTERIM FINANCIAL INFORMATION  
AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
FOR THE THIRD QUARTER ENDED SEPTEMBER 30, 2016

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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 September 30, 2016, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and nine-month period ended September 30, 2016, consolidated and separate statements of changes in shareholders' equity, and consolidated and separate statements of cash flows for the nine-month period ended September 30, 2016, and the condensed notes to the interim financial statements (Interim financial information) of 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 Qualified Conclusion**

1. I am unable to obtain sufficient and appropriate audit evidence regarding the opening balances for the year 2015 for the following reasons:

- 1.1 The predecessor auditor of AI Energy Public Company Limited, in his report dated March 24, 2015, expressed a disclaimer of opinion on the consolidated and separate financial statements for the year ended December 31, 2014 (before restatement), due to the fact that the Company had no effective internal control regarding the cost of sales and inventories, including the misappropriation of asset utilization. As a result, there is no proper information or controls by which to assure the validity and completeness of the manufacturing information and stock movement. This affects the costs of goods sold, inventory balances and related accounts.

According to the above matter, the Management has restated the Company's consolidated and separate financial position as at December 31, 2014 in order to correct the errors as described in Note to Financial Statements No. 28. I am unable to obtain sufficient and appropriate audit evidence for those transactions incurred in 2014 as there was no effective internal control as mentioned above.



- 1.2 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, dated January 20, 2016, requesting for the facts about the Company auditor's disclaimer of opinion in the Company's financial statements for the year 2014. Management provided a clarification of the facts to the Enforcement Department, Office of the Securities and Exchange Commission of Thailand. The Company also sent a letter to request a status update with respect to this matter. The Enforcement Department, Office of the Securities and Exchange Commission of Thailand replied by a letter, dated February 28, 2017, that the outcome has not been finalized.
2. From my audit of the Company's financial statements for the year ended December 31, 2015, the Company's production yield during the period of January to June 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.

Due to results No.1 as mentioned above effect on interim financial information for the nine-month period ended September 30, 2016, My conclusion is qualified the on interim financial information for the nine-month period ended September 30, 2016.

I had expressed a disclaimer of conclusion on the interim financial information for the nine-month period ended September 30, 2015 and had expressed a qualified opinion on the financial position as at December 31, 2015, due to results as mentioned in No.1 and No. 2, above. Therefore, my conclusion is qualified for the possible effect of these matters on the comparability of the previous period's figures to those of this period.

#### **Qualified Conclusion**

Except for the possible effect on the interim financial information due to the matters described in the Basis for Qualified Conclusion Paragraph No.1 and the possible effect on the comparability of the previous period's figures to those of this period as described in the Basis for Qualified Conclusion Paragraph No.1 and No.2, based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting".

#### **Emphasis of Matter**

As discussed in Note to Financial Statements Note 28, the Company's financial statement for the year ended December 31, 2015 has been prepared and issued on March 29, 2016. In the year 2016, the Company retroactively adjusted the accounting error on the financial statements for the year ended December 31, 2015 and as at January 1, 2015.



Vichai Ruchitanont  
Certified Public Accountant  
Registration Number 4054  
ANS Audit Co., Ltd  
Bangkok, February 28, 2017

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2016

Unit : Thousands Baht

	Notes	Consolidated financial statements			Separate financial statements		
		September 30, 2016	December 31, 2015	January 1, 2015	September 30, 2016	December 31, 2015	January 1, 2015
		"UNAUDITED" "REVIEWED"	(RESTATED)	(RESTATED)	"UNAUDITED" "REVIEWED"	(RESTATED)	(RESTATED)
<b>Assets</b>							
<b>Current assets</b>							
Cash and cash equivalents	5	69,058	117,492	189,591	60,283	100,686	176,912
Current investment	6	441	231	89	441	231	89
Trade and other receivables - net	4, 7, 29	144,508	294,434	477,122	140,600	290,631	473,580
Short-term loan to related parties		-	-	-	2,500	-	-
Inventories - net	8, 29	460,279	378,505	434,145	460,134	378,352	434,008
Oil supplies	9	1,716	1,987	2,368	-	-	-
Non-current assets held for sale - net		-	-	2,540	-	-	2,540
<b>Total current assets</b>		<b>676,002</b>	<b>792,649</b>	<b>1,105,855</b>	<b>663,958</b>	<b>769,900</b>	<b>1,087,129</b>
<b>Non-current assets</b>							
Investments in subsidiaries	10	-	-	-	435,073	435,073	435,073
Pledged deposits at financial institution	11	4,369	3,556	2,000	4,369	3,556	2,000
Property, plant, vessel and equipment - net	12, 29	1,366,603	1,388,457	1,377,913	888,001	893,481	850,804
Intangible assets - net	13	195	106	145	195	106	145
Deferred tax assets	20	9,124	10,289	764	9,124	10,289	764
Other non-current assets		14,868	12,705	16,179	14,821	12,658	15,653
<b>Total non-current assets</b>		<b>1,395,159</b>	<b>1,415,113</b>	<b>1,397,001</b>	<b>1,351,583</b>	<b>1,355,163</b>	<b>1,304,439</b>
<b>Total assets</b>		<b>2,071,161</b>	<b>2,207,762</b>	<b>2,502,856</b>	<b>2,015,541</b>	<b>2,125,063</b>	<b>2,391,568</b>

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.....Director  
(Anurag Thararatnavibool)

.....Director  
(Noppol Thararatnavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT SEPTEMBER 30, 2016

Unit : Thousands Baht

	Notes	Consolidated financial statements			Separate financial statements		
		September 30, 2016	December 31, 2015	January 1, 2015	September 30, 2016	December 31, 2015	January 1, 2015
		"UNAUDITED" "REVIEWED"	(RESTATED)	(RESTATED)	"UNAUDITED" "REVIEWED"	(RESTATED)	(RESTATED)
<b>Liabilities and shareholders' equity</b>							
<b>Current liabilities</b>							
Bank overdrafts and short-term loans from financial institutions	14	176,000	324,035	316,918	130,000	250,000	295,016
Trade and other payables	4, 15, 29	66,017	104,778	203,115	51,717	101,510	199,253
Current portion of long-term loans from financial institutions		-	-	22,080	-	-	-
Income tax payables	29	3,913	3,765	28,671	2,925	2,925	28,671
<b>Total current liabilities</b>		<b>245,930</b>	<b>432,578</b>	<b>570,784</b>	<b>184,642</b>	<b>354,435</b>	<b>522,940</b>
<b>Non-current Liabilities</b>							
Long-term loans from financial institutions - net		-	-	76,880	-	-	-
Employee benefit obligations	16	13,219	14,455	11,932	11,428	11,258	9,425
<b>Total non-current liabilities</b>		<b>13,219</b>	<b>14,455</b>	<b>88,812</b>	<b>11,428</b>	<b>11,258</b>	<b>9,425</b>
<b>Total liabilities</b>		<b>259,149</b>	<b>447,033</b>	<b>659,596</b>	<b>196,070</b>	<b>365,693</b>	<b>532,365</b>
<b>Shareholders' equity</b>							
<b>Authorized share capital</b>							
Common share 5,424,000,000 shares, at Baht 0.25 par value (2014 : Common share 1,130,000,000 shares, Baht 1 par value)	17	1,356,000	1,356,000	1,130,000	1,356,000	1,356,000	1,130,000
<b>Issued and paid - up share capital</b>							
Common share 4,520,000,000 shares, at Baht 0.25 par value (2014 : Common share 1,130,000,000 shares, Baht 1 par value)	17	1,130,000	1,130,000	1,130,000	1,130,000	1,130,000	1,130,000
Premium on common stocks		605,114	605,114	605,114	605,114	605,114	605,114
<b>Retained earnings</b>							
<b>Appropriated</b>							
Legal reserve	19, 29	6,362	6,362	6,362	6,362	6,362	6,362
Unappropriated	29	74,740	24,478	107,009	76,793	17,894	117,727
Other components of shareholders' equity		(4,204)	(5,225)	(5,225)	1,202	-	-
<b>Total shareholders' equity</b>		<b>1,812,012</b>	<b>1,760,729</b>	<b>1,843,260</b>	<b>1,819,471</b>	<b>1,759,370</b>	<b>1,859,203</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,071,161</b>	<b>2,207,762</b>	<b>2,502,856</b>	<b>2,015,541</b>	<b>2,125,063</b>	<b>2,391,568</b>

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.....Director

(Anurag Thareeratanavibool)

.....Director

(Noppol Thareeratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"  
 "REVIEWED"

		Unit : Thousands Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2016	2015	2016	2015
	4, 23, 24, 25				
<b>Revenues</b>					
		724,563	827,656	718,324	821,540
		7,166	15,309	7,166	15,309
		480	8,190	444	6,129
		<u>732,209</u>	<u>851,155</u>	<u>725,934</u>	<u>842,978</u>
<b>Expenses</b>					
		(718,851)	(860,560)	(703,896)	(860,623)
		(5,202)	(14,288)	(5,202)	(14,287)
		(6,979)	(10,179)	(6,614)	(9,789)
		(19,411)	(16,529)	(15,305)	(13,110)
		(1,647)	(3,024)	(1,253)	(2,225)
		<u>(752,090)</u>	<u>(904,580)</u>	<u>(732,270)</u>	<u>(900,034)</u>
		<u>(19,881)</u>	<u>(53,425)</u>	<u>(6,336)</u>	<u>(57,056)</u>
	21	(278)	972	(278)	1,759
		<u>(20,159)</u>	<u>(52,453)</u>	<u>(6,614)</u>	<u>(55,297)</u>
		-	-	-	-
		<u>(20,159)</u>	<u>(52,453)</u>	<u>(6,614)</u>	<u>(55,297)</u>
Loss attributable to :					
		(20,159)	(52,453)	(6,614)	(55,297)
		-	-	-	-
		<u>(20,159)</u>	<u>(52,453)</u>	<u>(6,614)</u>	<u>(55,297)</u>
Total comprehensive loss attributable to :					
		(20,159)	(52,453)	(6,614)	(55,297)
		-	-	-	-
		<u>(20,159)</u>	<u>(52,453)</u>	<u>(6,614)</u>	<u>(55,297)</u>
<b>Loss per share</b>					
Basic loss per share					
		(0.00)	(0.01)	(0.00)	(0.01)
		<u>4,520,000,000</u>	<u>4,520,000,000</u>	<u>4,520,000,000</u>	<u>4,520,000,000</u>

.....Director  
 (Anurag Tharatanavibool)

.....Director  
 (Noppol Tharatanavibool)



AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"  
 "REVIEWED"

		Unit : Thousands Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2016	2015	2016	2015
	4, 23, 24, 25				
<b>Revenues</b>					
		2,980,137	2,534,269	2,961,265	2,513,980
		31,265	33,722	31,265	33,722
		16,224	8,213	-	-
		3,618	20,715	3,514	13,078
		<u>3,031,244</u>	<u>2,596,919</u>	<u>2,996,044</u>	<u>2,560,780</u>
<b>Expenses</b>					
		(2,843,029)	(2,604,465)	(2,828,832)	(2,609,592)
		(25,571)	(28,222)	(25,571)	(28,222)
		(14,664)	(15,468)	-	-
		(25,159)	(30,817)	(23,618)	(29,231)
		(63,514)	(49,273)	(52,961)	(38,244)
		(6,814)	(8,347)	(5,298)	(5,275)
		<u>(2,978,751)</u>	<u>(2,736,592)</u>	<u>(2,936,280)</u>	<u>(2,710,564)</u>
		52,493	(139,673)	59,764	(149,784)
	21	(2,231)	6,407	(865)	8,474
		<u>50,262</u>	<u>(133,266)</u>	<u>58,899</u>	<u>(141,310)</u>
<b>Other comprehensive income :</b>					
<i>Items that will not be reclassified to profit or loss</i>					
	16	1,321	-	1,502	-
	20	(300)	-	(300)	-
		<u>1,021</u>	<u>-</u>	<u>1,202</u>	<u>-</u>
		<u>51,283</u>	<u>(133,266)</u>	<u>60,101</u>	<u>(141,310)</u>
<b>Profit (Loss) attributable to :</b>					
		50,262	(133,266)	58,899	(141,310)
		-	-	-	-
		<u>50,262</u>	<u>(133,266)</u>	<u>58,899</u>	<u>(141,310)</u>
<b>Total comprehensive income (loss) attributable to :</b>					
		51,283	(133,266)	60,101	(141,310)
		-	-	-	-
		<u>51,283</u>	<u>(133,266)</u>	<u>60,101</u>	<u>(141,310)</u>
<b>Earnings (loss) per share</b>					
<b>Basic earning (loss) per share</b>					
		0.01	(0.03)	0.01	(0.03)
		<u>4,520,000,000</u>	<u>4,520,000,000</u>	<u>4,520,000,000</u>	<u>4,520,000,000</u>

.....Director  
 (Anurag Thareratanavibool)

.....Director  
 (Noppol Thareratanavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"  
"REVIEWED"

Unit : Thousands Baht														
Consolidated financial statements														
	Notes	Share capital		Premium on common stocks	Appropriated		Unappropriated	Actuarial gains	Difference on		Total other components of equity	Total equity of the parent	Non-controlling interests	Total shareholders' equity
		Issued and paid - up	Legal reserve		Legal reserve	Unappropriated			business combination under common control	business combination under common control				
Balance as at January 1, 2016 before restated		1,130,000	-	605,114	6,362	6,362	27,403	-	-	(5,225)	(5,225)	1,763,654	-	1,763,654
Corrections of accounting errors	28	-	-	-	-	-	(2,925)	-	-	-	-	(2,925)	-	(2,925)
Balance as at January 1, 2016 after restated		1,130,000	-	605,114	6,362	6,362	24,478	-	-	(5,225)	(5,225)	1,760,729	-	1,760,729
Changes in shareholders' equity for the period :														
Total comprehensive income for the period		-	-	-	-	-	50,262	1,021	1,021	-	1,021	51,283	-	51,283
Balance as at September 30, 2016		1,130,000	-	605,114	6,362	6,362	74,740	1,021	1,021	(5,225)	(4,204)	1,812,012	-	1,812,012
Balance as at January 1, 2015 before restated		1,130,000	-	605,114	6,515	6,515	113,066	-	-	(5,225)	(5,225)	1,849,470	-	1,849,470
Corrections of accounting errors	28	-	-	-	(153)	(153)	(6,057)	-	-	-	-	(6,210)	-	(6,210)
Balance as at January 1, 2015 after restated		1,130,000	-	605,114	6,362	6,362	107,009	-	-	(5,225)	(5,225)	1,843,260	-	1,843,260
Changes in shareholders' equity for the period :														
Total comprehensive loss for the period		-	-	-	-	-	(133,266)	-	-	-	-	(133,266)	-	(133,266)
Balance as at September 30, 2015		1,130,000	-	605,114	6,362	6,362	(26,257)	-	-	(5,225)	(5,225)	1,709,994	-	1,709,994

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.....Director

(Anurag Tharatanavibool)

.....Director

(Noppol Tharatanavibool)



AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"  
"REVIEWED"

		Unit : Thousands Baht										
		Separate financial statements										
Notes	Share capital Issued and paid - up	Premium on common stocks	Retained earnings			Other components of equity			Total shareholders' equity			
			Appropriated	Unappropriated	Actuarial gains	Other comprehensive income (loss)	Actuarial gains	Other comprehensive income (loss)				
	Balance as at January 1, 2016 before restated	1,130,000	605,114	6,362	20,819	-	-	-	-	-	1,762,295	
28	Corrections of accounting errors	-	-	-	(2,925)	-	-	-	-	-	(2,925)	
	Balance as at January 1, 2016 after restated	1,130,000	605,114	6,362	17,894	-	-	-	-	-	1,759,370	
	Changes in shareholders' equity for the period :											
	Total comprehensive income for the period	-	-	-	58,899	-	-	1,202	-	-	60,101	
	Balance as at September 30, 2016	1,130,000	605,114	6,362	76,793	-	-	1,202	-	-	1,819,471	
	Balance as at January 1, 2015 before restated	1,130,000	605,114	6,515	123,784	-	-	-	-	-	1,865,413	
28	Corrections of accounting errors	-	-	(153)	(6,057)	-	-	-	-	-	(6,210)	
	Balance as at January 1, 2015 after restated	1,130,000	605,114	6,362	117,727	-	-	-	-	-	1,859,203	
	Changes in shareholders' equity for the period :											
	Total comprehensive loss for the period	-	-	-	(141,310)	-	-	-	-	-	(141,310)	
	Balance as at September 30, 2015	1,130,000	605,114	6,362	(23,583)	-	-	-	-	-	1,717,893	

.....,Director

(Anurag Thareraianavibool)

.....,Director

(Noppol Thareraianavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF CASH FLOWS  
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"

"REVIEWED"

Unit : Thousands Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Cash flows from operating activities</b>				
Profit (loss) before income tax expense	52,493	(139,673)	59,764	(149,784)
Adjustments to reconcile profit before income tax expense				
to cash provided by (used in) operating activities:				
Depreciation	64,849	60,821	40,824	35,359
Amortization of computer softwares	40	32	40	32
(Gain) loss on write-off of assets	1,500	(20)	1,500	-
Allowance for doubtful accounts	10,560	-	10,560	-
Unrealized (gain) loss on exchange rates	48	(28)	48	(28)
Allowance for devaluation of inventories	29,319	6,168	29,319	6,168
Long-term employee benefit expenses	1,809	1,909	1,931	1,392
Interest income	(269)	(423)	(232)	(423)
Interest expenses	6,814	8,340	5,298	5,275
Gain (loss) from operating activities before changes in				
operating assets and liabilities	167,163	(62,874)	149,052	(102,009)
Changes in operating assets - (increase) decrease :				
Trade and other receivables	141,769	270,851	139,411	271,878
Inventories	(110,823)	(49,372)	(111,102)	(49,632)
Non-current assets held for sale	-	2,540	-	2,540
Other non-current assets	(1,039)	2,279	(1,039)	2,481
Changes in operating liabilities - increase (decrease)				
Trade and other payables	(42,029)	(60,168)	(51,385)	(60,084)
Cash provided by operating activities	155,041	103,256	124,937	65,174
Refunde of income tax	-	365	-	-
Income tax paid	(3,127)	(1,116)	(1,123)	-
Payment for employee benefit obligations	(1,724)	-	(259)	-
Net cash provided by operating activities	150,190	102,505	123,555	65,174

.....Director  
 (Anurag Thararatnavibool)

.....Director  
 (Noppol Thararatnavibool)

AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
 STATEMENTS OF CASH FLOWS  
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016

"UNAUDITED"

"REVIEWED"

Unit : Thousands Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Cash flows from investing activities</b>				
Increase in restricted deposits at financial institution	(813)	(1,556)	(813)	(1,556)
Increase in current investments	(210)	(143)	(210)	(143)
Short-term loan to related parties	-	-	(2,500)	-
Interest received	281	423	245	423
Payment for purchases of assets	(43,031)	(81,236)	(35,382)	(79,894)
Proceeds from disposal of equipment	-	41	-	-
Net cash used in investing activities	(43,773)	(82,471)	(38,660)	(81,170)
<b>Cash flows from financing activities</b>				
Interest paid	(6,816)	(8,584)	(5,298)	(5,484)
Increase (decrease) in bank overdraft and short-term loans				
from financial institutions	(148,035)	26,196	(120,000)	(35,016)
Payment for long-term loans from financial institutions	-	(98,960)	-	-
Net cash used in financing activities	(154,851)	(81,348)	(125,298)	(40,500)
Net decrease in cash and cash equivalents	(48,434)	(61,314)	(40,403)	(56,496)
Cash and cash equivalents at beginning of the periods	117,492	189,591	100,686	176,912
Cash and cash equivalents at end of the periods	69,058	128,277	60,283	120,416
<b>Additional disclosure items to cash flows statements</b>				
Non-cash flows items consist of :				
Assets payable for equipment	1,592	3,450	1,592	3,450

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.....Director  
 (Anurag Thareratanavibool)

.....Director  
 (Noppol Thareratanavibool)

**AI ENERGY PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016 (UNAUDITED) (REVIEWED)**

**1. GENERAL INFORMATION**

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 2015), including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”), applicable rules and the regulations of the Securities and Exchange Commission.

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

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

The interim financial statements have been prepared to provide information additional to that included in the financial statements for the year ended December 31, 2015. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2015.

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

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.....Director  
(Anurag Thareratanavibool)

.....Director  
(Noppol Thareratanavibool)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

**Basis for preparation of the consolidated interim financial statements**

The consolidated interim financial statements, related to the Company and its subsidiary (together referred to as the “Group”) are prepared using the same basis as were used for the consolidated financial statements for the year ended December 31, 2015.

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

**New financial reporting standards**

During the period, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, which most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company’s financial statements.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2015.

**4. TRANSACTIONS WITH RELATED PARTIES**

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

.....Director  
(Anurag Thareratanavibool)

.....Director  
(Noppol Thareratanavibool)

Significant transactions between the Company and related parties for the three-month and nine-month periods ended September 30, 2016 and 2015 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>For the three-month periods</b>				
<b>Sale of finished goods</b>				
AI Logistics Company Limited	-	-	-	840
<b>Purchase of goods</b>				
Asian Insulators Public Company Limited	-	7,228	-	-
Samart Palm Company Limited	-	5,454	-	5,454
Samart Palm Oil Company Limited	4,934	6,681	4,934	6,681
Samart Palm Industry Company Limited	12,941	9,949	12,941	9,949
<b>Rental and Service</b>				
AI Ports and Terminals Company Limited	-	-	4,200	12,600
<b>Transportation expenses</b>				
AI Logistics Company Limited	-	-	-	11,456
AI Ports and Terminals Company Limited	-	-	-	532
<b>Administrative expenses</b>				
Asian Insulators Public Company Limited	518	663	264	361

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.....Director  
(Anurag Thareratanavibool)

.....Director  
(Noppol Thareratanavibool)

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>For the nine-month periods</b>				
<b>Sale of finished goods</b>				
Asian Insulators Public Company Limited	94	24	94	24
AI Logistics Company Limited	-	-	-	840
<b>Purchase of goods</b>				
Asian Insulators Public Company Limited	-	29,673	-	-
Samart Palm Company Limited	3,426	20,867	3,426	20,867
Samart Palm Oil Company Limited	15,227	22,743	15,227	22,743
Samart Palm Industry Company Limited	39,267	32,044	39,267	32,044
<b>Rental and Service</b>				
AI Ports and Terminals Company Limited	-	-	29,400	37,800
<b>Transportation expenses</b>				
AI Logistics Company Limited	-	-	13,318	19,850
AI Ports and Terminals Company Limited	-	-	296	10,542
<b>Administrative expenses</b>				
Asian Insulators Public Company Limited	1,437	1,779	741	930

**Directors and management's remuneration**

Directors and management's remuneration for the three-month and nine-month periods ended September 30, 2016 and 2015 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>For the three-month periods</b>				
Short-term employee benefits	4,568	5,185	3,706	4,343
Long-term post-employment benefits	274	158	254	77
Total directors and management's remuneration	4,842	5,343	3,960	4,420
<b>For the nine-month periods</b>				
Short-term employee benefits	12,885	13,709	10,305	11,183
Long-term post-employment benefits	866	485	760	245
Total directors and management's remuneration	13,751	14,194	11,065	11,428

.....Director  
(Anurag Thareratanavibool)

.....Director  
(Noppol Thareratanavibool)

Significant balances with related parties as at September 30, 2016 and December 31, 2015, were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Trade receivables</b>				
Asian Insulators Public Company Limited	-	14	-	14
AI Ports and Terminals Company Limited	-	-	-	22
AI Engineering Services Company Limited	-	4	-	4
PPC Asian Insulators Company Limited	-	4	-	4
<b>Other receivables</b>				
AI Ports and Terminals Company Limited	-	-	1	-
<b>Short-term loan to related parties</b>				
AI Ports and Terminals Company Limited	-	-	2,500	-
<b>Trade payables</b>				
Asian Insulators Public Company Limited	1	1	-	-
AI Ports and Terminals Company Limited	-	-	-	55
AI Logistics Company Limited	-	-	-	2,288
<b>Other payables</b>				
Asian Insulators Public Company Limited	2	2	-	-

**Syndicated credit facilities with subsidiaries**

As at September 30, 2016 and December 31, 2015, 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.

**5. CASH AND CASH EQUIVALENTS**

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

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash in hand	506	460	350	300
Deposit at bank - savings	67,537	116,033	58,978	99,446
- current	96	96	36	37
Fixed deposits due within 3 months	919	903	919	903
<b>Total cash and cash equivalents</b>	<b>69,058</b>	<b>117,492</b>	<b>60,283</b>	<b>100,686</b>

.....Director  
(Anurag Thareratanavibool)

.....Director  
(Noppol Thareratanavibool)



## 6. CURRENT INVESTMENT

Current investment as at September 30, 2016 and December 31, 2015 consisted of:

	Unit : Thousand Baht	
	Consolidated/Separate financial statements	
	2016	2015
Fixed deposits	441	231
Total current investment	441	231

## 7. TRADE AND OTHER RECEIVABLES - NET

Trade and other receivables as at September 30, 2016 and December 31, 2015 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade receivables				
Trade receivable - related parties	-	22	-	44
Trade receivable - others	133,633	279,837	132,819	278,896
Post date cheques	16,182	9,805	16,182	9,805
Total trade receivables	149,815	289,664	149,001	288,745
<u>Less</u> Allowance for doubtful accounts	(11,809)	(1,248)	(11,809)	(1,248)
Total trade receivables - net	138,006	288,416	137,192	287,497
Other receivables				
Prepaid interest	62	222	62	222
Prepaid insurance	4,394	3,305	2,066	1,647
Prepaid expense	243	-	-	-
Advance deposit	674	-	674	-
Revenue Department receivable	443	866	-	-
Undue input tax	356	475	276	380
Tax card	-	471	-	471
Others	636	985	636	720
Total other receivables	6,808	6,324	3,714	3,440
<u>Less</u> Allowance for doubtful accounts	(306)	(306)	(306)	(306)
Total other receivables - net	6,502	6,018	3,408	3,134
Total trade and other receivables - net	144,508	294,434	140,600	290,631

.....Director

(Anurag Thareratanavibool)

.....Director

(Noppol Thareratanavibool)

As at September 30, 2016 and December 31, 2015, aging analysis for trade accounts receivable were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Related parties</b>				
Current	-	22	-	44
<b>Total</b>	-	22	-	44
<b>Others</b>				
Current	122,921	273,279	122,139	272,338
Over due				
Within 3 months	14,819	2,727	14,787	2,727
Over 3 months to 12 months	266	12,388	266	12,388
Over 12 months	11,809	1,248	11,809	1,248
<b>Total</b>	149,815	289,642	149,001	288,701
<u>Less</u> Allowance for doubtful accounts	(11,809)	(1,248)	(11,809)	(1,248)
<b>Total Trade receivables - net</b>	<b>138,006</b>	<b>288,416</b>	<b>137,192</b>	<b>287,497</b>

## 8. INVENTORIES - NET

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

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Raw materials and chemicals	188,738	229,994	188,738	229,994
Work in process	196,484	76,308	196,484	76,308
Finished goods	95,788	61,672	95,643	61,519
Supplies	8,588	10,531	8,588	10,531
<b>Total inventories</b>	<b>489,598</b>	<b>378,505</b>	<b>489,453</b>	<b>378,352</b>
<u>Less</u> Allowance for devaluation of inventories	(29,319)	-	(29,319)	-
<b>Total inventories - net</b>	<b>460,279</b>	<b>378,505</b>	<b>460,134</b>	<b>378,352</b>

.....Director  
(Anurag Thareratanavibool)

.....Director  
(Noppol Thareratanavibool)

## 9. OIL SUPPLIES

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

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

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.....Director  
(Anurag Thareratanavibool)

.....Director  
(Noppol Thareratanavibool)

#### 10. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries as at September 30, 2016 and December 31, 2015 consisted of:

Company	Nature of business	Percentage of Holding (%)		Paid-up share capital (Million Baht)		Unit : Thousand Baht	
		2016	2015	2016	2015	2016	2015
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 distributing ice cube (3) Trading electrical equipment	100.00	100.00	460	460	352,395	352,395
Total investments in subsidiaries	vegetable oil and other fuel oil					435,073	435,073

#### 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  
(Anurag Tharetanavibool)

.....Director  
(Noppol Tharetanavibool)

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

Property, Plant, Vessel and Equipment as at September 30, 2016 and December 31, 2015 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	Total
<b>Cost</b>										
As at December 31, 2015	295,580	21,349	543,906	37,072	754,764	179,321	9,863	74,718	5,066	1,921,639
Purchases during the period	-	-	343	35	7,049	6,885	862	-	29,321	44,495
Transfers in (out) during the period	-	5,177	410	7,999	13,194	-	46	-	(26,826)	-
Disposals / written-off during the period	-	-	(2,443)	-	(274)	-	-	-	-	(2,717)
As at September 30, 2016	295,580	26,526	542,216	45,106	774,733	186,206	10,771	74,718	7,561	1,963,417
<b>Accumulated depreciation</b>										
As at December 31, 2015	-	2,023	128,568	12,650	222,775	135,558	7,214	24,394	-	533,182
Depreciation for the period	-	1,865	11,661	2,772	33,112	12,193	767	2,479	-	64,849
Written-off during the period	-	-	(961)	-	(256)	-	-	-	-	(1,217)
As at September 30, 2016	-	3,888	139,268	15,422	255,631	147,751	7,981	26,873	-	596,814
<b>Net book value</b>										
As at December 31, 2015	295,580	19,326	415,338	24,422	531,989	43,763	2,649	50,324	5,066	1,388,457
As at September 30, 2016	295,580	22,638	402,948	29,684	519,102	38,455	2,790	47,845	7,561	1,366,603

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.....Director

(Anurag Tharatanavibool)

.....Director

(Noppol Tharatanavibool)

Unit : Thousand Baht

	Separate financial statements							Total	
	Land	Land improvement	Building and building improvement	Utility systems	Machinery accessories and tools	Office furniture and equipment	Motor vehicles		Fixed assets under construction and installation
<b>Cost</b>									
As at December 31, 2015	157,136	21,099	173,879	37,059	683,170	6,637	72,594	4,716	1,156,290
Purchases during the period	-	-	343	35	6,874	817	-	28,775	36,844
Transfers in (out) during the period	-	5,177	410	7,999	13,194	46	-	(26,826)	-
Disposals / written-off during the period	-	-	(2,443)	-	(274)	-	-	-	(2,717)
As at September 30, 2016	157,136	26,276	172,189	45,093	702,964	7,500	72,594	6,665	1,190,417
<b>Accumulated depreciation</b>									
As at December 31, 2015	-	1,805	41,678	12,639	179,543	4,324	22,820	-	262,809
Depreciation for the period	-	1,833	5,030	2,771	28,165	685	2,340	-	40,824
Written-off during the period	-	-	(961)	-	(256)	-	-	-	(1,217)
As at September 30, 2016	-	3,638	45,747	15,410	207,452	5,009	25,160	-	302,416
<b>Net book value</b>									
As at December 31, 2015	157,136	19,294	132,201	24,420	503,627	2,313	49,774	4,716	893,481
As at September 30, 2016	157,136	22,638	126,442	29,683	495,512	2,491	47,434	6,665	888,001

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.....Director

(Anurag Tharatanavibool)

(Noppol Tharatanavibool)

.....Director

Depreciations in the statements of profit or loss for the three-month and nine-month periods ended September 30 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>For the three-month periods</b>				
Cost of sales and services	20,424	19,372	12,945	11,120
Selling and administrative expenses	1,104	1,374	1,034	1,298
	<u>21,528</u>	<u>20,746</u>	<u>13,979</u>	<u>12,418</u>

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>For the nine-month periods</b>				
Cost of sales and services	61,542	57,029	37,721	31,795
Selling and administrative expenses	3,307	3,792	3,103	3,564
	<u>64,849</u>	<u>60,821</u>	<u>40,824</u>	<u>35,359</u>

The subsidiary has mortgaged land, buildings and port with banks as collateral for credit facilities obtained from a financial institution (Note 4,14). 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 September 30, 2016 and December 31, 2015, in the consolidate financial statement totaling approximately Baht 99.99 million and Baht 28.36 million respectively, and in the separate financial statements totaling approximately Baht 22.97 million and Baht 14.67 million, respectively.

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### 13. INTANGIBLE ASSETS - NET

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

	Unit : Thousand Baht	
	Consolidated financial statements	Separate financial statements
<b>Cost</b>		
As at December 31, 2015	395	316
Purchases during the period	129	129
As at September 30, 2016	524	445
<b>Accumulated amortization</b>		
As at December 31, 2015	289	210
Amortization for the period	40	40
As at September 30, 2016	329	250
<b>Net book value</b>		
As at December 31, 2015	106	106
As at September 30, 2016	195	195

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

Bank overdrafts and short-term loans from financial institutions as at September 30, 2016 and December 31, 2015 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Bank overdrafts	-	35	-	-
Promissory notes	176,000	324,000	130,000	250,000
Total	176,000	324,035	130,000	250,000

	Credit facilities (Unit : Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Bank overdrafts	50,000	50,000	15,000	15,000
Promissory notes	900,000	900,000	900,000	900,000
Letter of credit and trust receipt	270,000	-	270,000	-
Total	1,220,000	950,000	1,185,000	915,000

These loans are secured by mortgage land with structure and part of a subsidiary. Under the terms of loan contract, the subsidiary cannot pledge its machinery, equipment and part as collateral for other loan (Note 12).

.....Director

(Anurag Thareratanavibool)

.....Director

(Noppol Thareratanavibool)



## 15. TRADE AND OTHER PAYABLES

Trade and other payables as at September 30, 2016 and December 31, 2015 consisted of:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade payables				
Trade payables - related parties	1	1	-	2,343
Trade payables - other	29,636	64,671	27,616	60,956
Total trade payables	29,637	64,672	27,616	63,299
Other payables				
Advances received for goods	125	4,709	125	4,709
Deposits received in advance	10,000	-	-	-
Retention	936	948	936	948
Revenue Department payable	8,005	19,990	7,968	19,596
Accrued bonus	4,500	-	4,500	-
Electricity payable	2,467	4,197	2,466	4,197
Accrued expenses	5,611	4,833	3,503	3,357
Payables for purchase of assets	1,592	716	1,592	716
Others payables	3,144	4,713	3,011	4,688
Total other payables	36,380	40,106	24,101	38,211
Total trade and other payables	66,017	104,778	51,717	101,510

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.....Director  
(Anurag Thareratanavibool)

.....Director  
(Noppol Thareratanavibool)

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

	Unit : Thousand Baht			
	Post - employment benefit plan			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Defined benefit obligations at beginning as at January 1,	14,455	11,932	11,258	9,425
Employee benefit expenses in the statements of profit or loss :				
Current service cost	1,647	1,616	1,771	1,159
Cost of interest	162	293	160	232
Benefit paid during the periods	(1,724)	-	(259)	-
Included in other comprehensive income :				
Actuarial (gain) loss arising from				
Financial assumptions changes	(2,947)	-	(2,468)	-
Experience adjustments	1,626	-	966	-
Defined benefit obligations at September 30,	13,219	13,841	11,428	10,816

Principal actuarial assumptions as at September 30, 2016 and December 31, 2015 (represented by the weighted - averages) consisted of:

	Post - employment benefit plan			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Discount rate	1.77 - 2.35% per annum	3.18 - 3.38% per annum	2.22% per annum	3.38% per annum
Future salary increase rate	5.00% per annum	5.00% per annum	5.00% per annum	5.00% per annum
Average staff turnover rate	12.00% per annum	15.00% per annum	12.00% per annum	15.00% per annum
Mortality rate	Thai Mortality Ordinary Table of 2008	Thai Mortality Ordinary Table of 2008	Thai Mortality Ordinary Table of 2008	Thai Mortality Ordinary Table of 2008

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

.....Director  
(Anurag Thareratanavibool)

.....Director  
(Noppol Thareratanavibool)

## 17. SHARE CAPITAL

The 2015 Annual General Meeting of Shareholders held on April 21, 2015, passed the resolutions as follows:

- Approved to amendment in par value of ordinary shares from 1 Baht per share to 0.25 Baht per share. After the changing of par value, the Company has the ordinary shares of 4,520 million shares.
- Approved to increase in registered share capital of the Company from Baht 1,130 million (4,520 million shares at Baht 0.25 par value) to be Baht 1,356 million (5,424 million shares at Baht 0.25 par value). The Company registered its increased share capital for allocate to support the warrant No. 1. (AIE-W1) with the Ministry of Commerce on July 6, 2015 as described in Note 18.

## 18. 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 904,000,000 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.

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

	Unit : Thousand Baht	
	Consolidated/Separate financial statements	
	2016	2015
Deferred tax assets	13,043	13,090
Deferred tax liabilities	(3,919)	(2,801)
Deferred tax assets - net	9,124	10,289

.....Director  
(Anurag Thareratanavibool)

.....Director  
(Noppol Thareratanavibool)

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	Profit (loss)	Other	As at September
	1, 2016		comprehensive	30, 2016
		loss		
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	311	(65)	-	246
Allowance for devaluation of inventories	16	(16)	-	-
Provision for long-term employee benefits	2,252	334	(300)	2,286
Tax loss carries forward up to five fiscal years	10,511	-	-	10,511
<b>Total</b>	<b>13,090</b>	<b>253</b>	<b>(300)</b>	<b>13,043</b>
<b>Deferred tax liabilities</b>				
Depreciation	(2,801)	(1,118)	-	(3,919)
<b>Total</b>	<b>(2,801)</b>	<b>(1,118)</b>	<b>-</b>	<b>(3,919)</b>
Deferred tax assets - net	10,289	(865)	(300)	9,124

	Unit : Thousand Baht			
	Consolidated/Separate financial statements			
	As at January	Profit (loss)	Other	As at September
	1, 2015		comprehensive	30, 2015
		income (loss)		
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	728	(417)	-	311
Allowance for devaluation of inventories	24	877	-	901
Allowance on decline in value of non-current assets held for sale	387	(387)	-	-
Provision for long-term employee benefits	1,885	278	-	2,163
Tax loss carries forward	-	8,537	-	8,537
<b>Total</b>	<b>3,024</b>	<b>8,888</b>	<b>-</b>	<b>11,912</b>
<b>Deferred tax liabilities</b>				
Depreciation	(2,260)	(414)	-	(2,674)
<b>Total</b>	<b>(2,260)</b>	<b>(414)</b>	<b>-</b>	<b>(2,674)</b>
Deferred tax assets - net	764	8,474	-	9,238

As at September 30, 2016 and December 31, 2015 the Company had the deferred tax asset for the carry forward of unused tax losses in financial statements Baht 10.51 million. The Company's management believe that it is probable that future taxable profit will be not available against which the unused tax losses can be utilized.

.....Director  
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.....Director  
(Noppol Thareratanavibool)

## 21. INCOME TAX EXPENSES

Income tax expenses for the three-month and nine-month periods ended September 30, 2016 and 2015 were as follows:

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>For the three-month periods</b>				
<b>Current tax expense</b>				
Current periods	-	(787)	-	-
<b>Deferred tax expense</b>				
Movements in temporary differences	(278)	1,759	(278)	1,759
<b>Total</b>	<b>(278)</b>	<b>972</b>	<b>(278)</b>	<b>1,759</b>
<b>For the nine-month periods</b>				
<b>Current tax expense</b>				
Current periods	(1,366)	(2,067)	-	-
<b>Deferred tax expense</b>				
Movements in temporary differences	(865)	8,474	(865)	8,474
<b>Total</b>	<b>(2,231)</b>	<b>6,407</b>	<b>(865)</b>	<b>8,474</b>

### Income tax reduction

According to Royal Decree No. 577 B.E. 2557, dated November 10, 2014, the corporate income tax rate continued at 20 % on net profit for the accounting periods beginning on January 1, 2015 to December 31, 2015. The Act of Legislation amended Revenue Code No.42 B.E. 2559, dated March 3, 2016, grants the corporate income tax rate 20% on net profit for the accounting periods beginning on January 1, 2016 onwards.

## 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.

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.....Director  
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.....Director  
(Noppol Tharatanavibool)

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 nine-month periods ended September 30, 2016 and 2015 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 September 30, 2016</b>						
Revenues from sale of goods	536,562	188,001	724,563	536,562	181,762	718,324
Revenues from production contract	-	7,166	7,166	-	7,166	7,166
Other incomes	-	480	480	-	444	444
Total	536,562	195,647	732,209	536,562	189,372	725,934
<b>For the three-month period ended September 30, 2015</b>						
Revenues from sale of goods	546,048	281,608	827,656	546,048	275,492	821,540
Revenues from production contract	-	15,309	15,309	-	15,309	15,309
Other incomes	-	8,190	8,190	-	6,129	6,129
Total	546,048	305,107	851,155	546,048	296,930	842,978

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.....Director  
(Anurag Tharatanavibool)

.....Director  
(Noppol Tharatanavibool)

Unit : Thousand Baht

	Consolidated financial statements		Separate financial statements		
	Promoted	Non-promoted	Promoted	Non-promoted	
	Activities	Activities	Activities	Activities	
		Total	Total	Total	
<b>For the nine-month period ended September 30, 2016</b>					
Revenues from sale of goods	2,219,873	760,264	2,980,137	2,219,873	741,392
Revenues from production contract	-	31,265	31,265	-	31,265
Revenues from vessel operating	-	16,224	16,224	-	-
Other incomes	-	3,618	3,618	-	3,514
<b>Total</b>	<b>2,219,873</b>	<b>811,371</b>	<b>3,031,244</b>	<b>2,219,873</b>	<b>776,171</b>
					<b>2,996,044</b>

**For the nine-month period ended September 30, 2016**

Revenues from sale of goods	2,219,873	760,264	2,980,137	2,219,873	741,392	2,961,265
Revenues from production contract	-	31,265	31,265	-	31,265	31,265
Revenues from vessel operating	-	16,224	16,224	-	-	-
Other incomes	-	3,618	3,618	-	3,514	3,514
<b>Total</b>	<b>2,219,873</b>	<b>811,371</b>	<b>3,031,244</b>	<b>2,219,873</b>	<b>776,171</b>	<b>2,996,044</b>

**For the nine-month period ended September 30, 2015**

Revenues from sale of goods	1,661,106	873,163	2,534,269	1,661,106	852,874	2,513,980
Revenues from production contract	-	33,722	33,722	-	33,722	33,722
Revenues from vessel operating	8,213	-	8,213	-	-	-
Other incomes	-	20,715	20,715	-	13,078	13,078
<b>Total</b>	<b>1,669,319</b>	<b>927,600</b>	<b>2,596,919</b>	<b>1,661,106</b>	<b>899,674</b>	<b>2,560,780</b>

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

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>For the three-month periods</b>				
AI Energy Public Company Limited	346	339	346	339
AI Logistic Company Limited	6	6	-	-
Total	352	345	346	339

	Unit : Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>For the nine-month periods</b>				
AI Energy Public Company Limited	1,040	1,014	1,040	1,014
AI Logistic Company Limited	19	18	-	-
Total	1,059	1,032	1,040	1,014

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## 24. SEGMENTS INFORMATION

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

Unit : Thousand Baht						
Consolidated financial statements						
For the three-month period ended September 30, 2016						
	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	718,324	7,166	6,239	-	-	731,729
Cost of sales and services	(713,642)	(5,202)	(5,209)	-	-	(724,053)
Gross profit by segment	4,682	1,964	1,030	-	-	7,676
Other income						480
Selling expenses						(6,979)
Administrative expenses						(19,411)
Finance costs						(1,647)
Tax expenses						(278)
Loss for the period						(20,159)
Property, plant, vessel and equipment-net	888,001		20,749	40,088	417,765	1,366,603

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.....Director  
(Noppol Tharatanavibool)

Unit : Thousand Baht

Consolidated financial statements

For the nine-month period ended September 30, 2016

	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	2,961,265	31,265	18,872	16,224	-	3,027,626
Cost of sales and services	(2,826,490)	(25,571)	(16,539)	(14,664)	-	(2,883,264)
Gross profit by segment	134,775	5,694	2,333	1,560	-	144,362
Other income						3,618
Selling expenses						(25,159)
Administrative expenses						(63,514)
Finance costs						(6,814)
Tax expenses						(2,231)
Profit for the period						50,262
Property, plant, vessel and equipment-net	888,001		20,749	40,088	417,765	1,366,603

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.....Director  
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.....Director  
(Noppol Thareratanavibool)

Unit : Thousand Baht

Consolidated financial statements

For the three-month period ended September 30, 2015

	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	820,700	15,309	6,956	-	-	842,965
Cost of sales and services	(854,560)	(14,288)	(6,000)	-	-	(874,848)
Gross profit (loss) by segment	(33,860)	1,021	956	-	-	(31,883)
Other income						8,190
Selling expenses						(10,179)
Administrative expenses						(16,529)
Finance costs						(3,024)
Tax income						972
Loss for the period						(52,453)
Property, plant, vessel and equipment-net	895,334		21,184	49,383	432,401	1,398,302

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(Noppol Tharatanavibool)

Unit : Thousand Baht

Consolidated financial statements

For the nine-month period ended September 30, 2015

	Contract of refine crude palm oil	Sale of ice cube	Vessel operating	Port services	Total
Sale of biodiesel and vegetable oil and by product	2,513,140	21,129	8,213	-	2,576,204
Revenues from sales and services	(2,586,503)	(17,962)	(15,468)	-	(2,648,155)
Cost of sales and services	(73,363)	3,167	(7,255)	-	(71,951)
Gross profit (loss) by segment					20,715
Other income					(30,817)
Selling expenses					(49,273)
Administrative expenses					(8,347)
Finance costs					6,407
Tax income					(133,266)
Loss for the period	895,334	21,184	49,383	432,401	1,398,302
Property, plant, vessel and equipment-net					

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(Noppol Tharatanavibool)

## 25. COMMITMENT AND CONTINGENT LIABILITIES

25.1. As at September 30, 2016 and December 31, 2015, the Company and subsidiaries have commitment and contingent liabilities as follows:

Unit : Million Baht

Particulars	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Letters of guarantee issued by commercial banks	6.87	6.06	4.37	3.56

25.2. As at September 30, 2016 and December 31, 2015, the Company and subsidiaries have capital expenditure commitment as follows:

Unit : Million Baht

Particulars	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
The purchase of machinery and equipment contract	16.30	8.60	16.30	8.60

25.3. The Company received a letter from the Enforcement Department, Office of the Securities and Exchange Commission of Thailand, dated January 20, 2016, requesting facts about the Company auditor's disclaimer of opinion in the Company's financial statements for the year 2014. Management provided a clarification of the facts to the Enforcement Department, Office of the Securities and Exchange Commission of Thailand. The Company also sent a letter to request a status update with respect to this matter. The Enforcement Department, Office of the Securities and Exchange Commission of Thailand replied by a letter, dated February 28, 2017, that the outcome has not been finalized.

## 26. LITIGATION

The Company was sued by the Official Receiver of Pamola Company Limited for transferring back the trademark "Pamola" to the debtor's assets and pays the compensation amount of Baht 3.75 million with an interest rate of 7.50% per annum. On June 8, 2016, the Supreme Court has ordered to dismiss the case.

## 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.

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(Anurag Thareratanavibool)

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**28. CORRECTION OF ACCOUNTING ERROR**

The Company's financial statement for the years ended December 31, 2015 and 2014 has been prepared and issued on March 29, 2016 and March 24, 2015, respectively. In the year 2016, the Company retroactively adjusted the accounting errors in the financial statements for the years ended December 31, 2015 and as at January 1, 2015.

The effects to consolidated and separate financial position as at December 31, 2015 and January 1, 2015, presented herewith for comparative purposes, are as follows:



Unit : Thousands Baht

	Consolidated financial statements		Separate financial statements	
	Before adjusted	Adjusted	Before adjusted	Adjusted
		After adjusted		After adjusted
<b>Statement of financial position as at December 31, 2015</b>				
<b>Current liabilities</b>				
Income tax payable	(840)	(2,925)	-	(2,925)
<b>Shareholders' equity</b>				
Retained earnings decrease	27,403	(2,925)	20,819	17,894

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 (Noppol Tharatanavibool)

Unit : Thousands Baht

Consolidated financial statements					
Before adjusted and before new reclassification	The first adjusted	The second adjusted	After adjusted and before new reclassification	Reclassification	After adjusted and after new reclassification
<b>Statement of financial position as at January 1, 2015</b>					
<b>Current assets</b>					
Trade and other receivables - net	392,778	-	475,252	1,870	477,122
Inventories - net	471,808	9,870	434,145	-	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	-	1,377,913
<b>Current liabilities</b>					
Trade and other payables	(128,514)	(45,903)	(174,417)	(28,698)	(203,115)
Other current liabilities	(28,698)	-	(28,698)	28,698	-
Income tax payable	(24,101)	(1,644)	(28,700)	-	(28,700)
<b>Shareholders' equity</b>					
Legal reserve	(6,515)	153	(6,362)	-	(6,362)
Retained earnings decrease	113,066	(13,002)	107,009	-	107,009

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..... Director  
(Anurag Tharatanavibool)

..... Director  
(Noppol Tharatanavibool)



Unit : Thousands 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)
Other current liabilities	(27,716)	-	-	(27,716)	27,716
Income tax payable	(24,101)	(1,644)	(2,925)	(28,670)	-
<b>Shareholders' equity</b>					
Legal reserve	(6,515)	153	-	(6,362)	-
Retained earnings decrease	123,784	(13,002)	6,945	117,727	-

**Statement of financial position as at January 1, 2015**

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.....Director  
(Noppol Tharatanavibool)

**29. EVENTS AFTER THE REPORTING PERIOD**

- 29.1 At November 3, 2016, the subsidiary made contracts for sale of land, buildings and machineries a the 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.

**30. APPROVAL OF INTERIM FINANCIAL STATEMENT**

These interim financial statements have been approved to issue by the Company’s Board of Directors on February 28, 2017.



..... Director  
(Anurag Thareratanavibool)

.....Director  
(Noppol Thareratanavibool)