

## **INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

To the shareholders of Sahamitr Pressure Container Public Company Limited

I have reviewed the accompanying statement of financial position as at 30 June 2017 of Sahamitr Pressure Container Public Company Limited, and the related statements of profit or loss and other comprehensive income for the three-month and six-month periods ended 30 June 2017, and the statements of changes in shareholders' equity and cash flows for the six-month period ended 30 June 2017 and condensed notes to the interim financial statements. 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 issue a conclusion on this interim financial information based on my review.

### **Scope of Review**

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 enquiries, 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 on the interim financial information.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim financial reporting".

*Navin Churamongkol*

**Mr. Narin Churamongkol**

Certified Public Accountant

Registration No. 8593

Bangkok, Thailand  
10 August 2017

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

**ASSETS**

	Notes	Thousand Baht	
		30 June 2017 (Unaudited but reviewed)	31 December 2016 (Audited)
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	6	83,915	94,807
Temporary investment	7	40,000	-
Trade accounts receivable	8	430,730	417,755
Inventories-net	9	765,741	571,310
Refundable value added tax		26,469	23,985
Other current assets		17,735	8,921
<b>Total Current Assets</b>		<b>1,364,590</b>	<b>1,116,778</b>
<b>NON-CURRENT ASSETS</b>			
Receivable from related parties under guarantee obligation - net	5	-	-
Restricted deposits with banks	10	35,891	35,869
Investment property - net	11	41,722	41,722
Property, plant and equipment - net	12	910,726	876,924
Deferred income tax asset		12,089	10,866
Other non-current assets		432	432
<b>Total Non-Current Assets</b>		<b>1,000,860</b>	<b>965,813</b>
<b>TOTAL ASSETS</b>		<b>2,365,450</b>	<b>2,082,591</b>

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

**LIABILITIES AND SHAREHOLDERS' EQUITY**

		Thousand Baht	
		30 June 2017	31 December 2016
	Notes	(Unaudited but reviewed)	(Audited)
<b>CURRENT LIABILITIES</b>			
Short-term loans from bank	13	315,405	291,194
Trade accounts payable		379,147	226,777
Current portion of			
- Long-term loan from bank	14	-	11,100
- Liabilities under finance leases	15	1,465	1,740
Advances from customers		97,435	43,130
Accrued commission expenses		29,536	47,354
Accrued transportation expenses		28,814	24,917
Accrued income tax		53,831	58,920
Other accrued expenses	5	55,057	37,738
Other current liabilities		9,429	8,525
<b>Total Current Liabilities</b>		<b>970,119</b>	<b>751,395</b>
<b>NON-CURRENT LIABILITIES</b>			
Liabilities under finance lease agreements - net	15	5,391	6,009
Liabilities under employee benefits obligation	16	36,578	30,681
<b>Total Non-Current Liabilities</b>		<b>41,969</b>	<b>36,690</b>
<b>Total Liabilities</b>		<b>1,012,088</b>	<b>788,085</b>

SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED  
STATEMENT OF FINANCIAL POSITION

**LIABILITIES AND SHAREHOLDERS' EQUITY** (Continue)

		Thousand Baht	
		30 June 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)
	Notes		
<b>SHAREHOLDERS' EQUITY</b>			
Share capital-ordinary shares, Baht 1 par value			
Authorized 536,405,305 shares		536,405	536,405
Issued and fully paid-up 531,987,443 shares (2016 : 529,127,108 shares)	17	531,987	529,127
Premium on share capital	17	34,746	18,328
Capital reserve for share-based payment transaction	18	1,011	2,274
Retained earnings			
- Appropriated for legal reserve		53,641	53,641
- Unappropriated		731,977	691,136
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>1,353,362</b>	<b>1,294,506</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>2,365,450</b>	<b>2,082,591</b>

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE

		Thousand Baht			
		Three-month periods ended		Six-month periods ended	
		30 June		30 June	
Notes		2017	2016	2017	2016
	Net sales	1,030,358	749,332	2,002,013	1,561,095
	Costs of sales	(820,169)	(491,374)	(1,569,895)	(1,054,387)
	<b>Gross profit</b>	<b>210,189</b>	<b>257,958</b>	<b>432,118</b>	<b>506,708</b>
	Other income	44,609	33,401	80,672	63,675
	<b>Income before expense</b>	<b>254,798</b>	<b>291,359</b>	<b>512,790</b>	<b>570,383</b>
	Selling expenses	(80,571)	(60,541)	(141,687)	(124,045)
	Administrative expenses	(45,079)	(41,945)	(89,550)	(87,036)
	<b>Income before financial costs and income tax</b>	<b>129,148</b>	<b>188,873</b>	<b>281,553</b>	<b>359,302</b>
	Financial costs	(2,192)	(2,618)	(3,885)	(5,458)
	<b>Income before income tax</b>	<b>126,956</b>	<b>186,255</b>	<b>277,668</b>	<b>353,844</b>
	Income tax	(24,491)	(37,022)	(53,766)	(69,944)
	<b>INCOME FOR THE PERIOD</b>	<b>102,465</b>	<b>149,233</b>	<b>223,902</b>	<b>283,900</b>
	<b>Other comprehensive loss for the period</b>				
	<b>Items not to be reclassified subsequently to profit or loss</b>				
	Actuarial loss-net of tax	-	-	(3,162)	-
	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>102,465</b>	<b>149,233</b>	<b>220,740</b>	<b>283,900</b>
	<b>Basic earnings per share</b>				
	Income (Baht per share)	0.19	0.28	0.42	0.54
	Weighted average number of common shares (share)	529,472,863	527,183,818	529,300,941	527,090,166
	<b>Diluted earnings per share</b>				
	Income (Baht per share)	0.19	0.28	0.42	0.54
	Weighted average number of common shares (share)	530,985,380	529,129,221	530,813,457	529,035,569

## SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

(Unaudited but reviewed)

## STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

## FOR THE SIX-MONTH PERIODS ENDED 30 JUNE

Thousand Baht

	Notes	Share Capital	Premium	Capital reserve	Retained earnings		Total
		Issued and Fully Paid - Up	on Share Capital	for share-based payment transaction	Appropriated for Legal Reserve	Unappropriated	
<b>Balance as at 1 January 2016</b>		526,996	6,098	1,833	37,908	493,061	1,065,896
Recognition of share-base payment	18	-	-	1,222	-	-	1,222
Share capital increment		2,131	12,230	(2,003)	-	-	12,358
Dividend payment	19	-	-	-	-	(168,609)	(168,609)
<b>Transactions with owners</b>		2,131	12,230	(781)	-	(168,609)	(155,029)
Income for the period		-	-	-	-	283,900	283,900
<b>Comprehensive income for the period</b>		-	-	-	-	283,900	283,900
<b>Balance as at 30 June 2016</b>		529,127	18,328	1,052	37,908	608,352	1,194,767
<b>Balance as at 1 January 2017</b>		529,127	18,328	2,274	53,641	691,136	1,294,506
Recognition of share-base payment	18	-	-	1,426	-	-	1,426
Share capital increment	17	2,860	16,418	(2,689)	-	-	16,589
Dividend payment	19	-	-	-	-	(179,899)	(179,899)
<b>Transactions with owners</b>		2,860	16,418	(1,263)	-	(179,899)	(161,884)
Income for the period		-	-	-	-	223,902	223,902
Actuarial loss-net of tax		-	-	-	-	(3,162)	(3,162)
<b>Comprehensive income for the period</b>		-	-	-	-	220,740	220,740
<b>Balance as at 30 June 2017</b>		531,987	34,746	1,011	53,641	731,977	1,353,362

The accompanying notes form an integral part of these interim financial statements.

## STATEMENT OF CASH FLOWS

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE

	Thousand Baht	
	2017	2016
<b>Cash flows from operating activities:</b>		
Income before income tax	277,668	353,844
<b>Adjustments to reconcile income before income tax to net cash provided from (used in) operating activities:</b>		
Depreciation	25,907	20,827
Unrealized loss (gain) on exchange rate-net	(5,470)	3,012
Provision for employee benefits obligation	1,297	904
Gain on disposal of assets	(196)	(648)
Expense for share-based payment	1,426	1,222
Interest expense	3,885	5,458
<b>Cash provided from operations before changes in operating assets and liabilities</b>	<b>304,517</b>	<b>384,619</b>
<b>Decrease (increase) in operating assets:</b>		
Trade accounts receivable	(12,016)	65,795
Inventories	(194,431)	(190,145)
Refundable value added tax	(2,484)	13,180
Other current assets	(8,875)	(5,926)
<b>Increase (decrease) in operating liabilities:</b>		
Trade accounts payable	152,391	105,778
Advances received from customers	53,996	44,650
Accrued commission expenses	(17,832)	12,331
Accrued transportation expenses	3,897	7,091
Other accrued expenses	17,448	(7,139)
Other current liabilities	318	(673)
<b>Cash provided from operations</b>	<b>296,929</b>	<b>429,561</b>

## SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED

(Unaudited but reviewed)

## STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE SIX-MONTH PERIODS ENDED 30 JUNE

	Thousand Baht	
	2017	2016
<b>Cash provided from operations (continued)</b>	296,929	429,561
Interest paid	(3,305)	(4,744)
Income tax deducted at sources	(201)	(355)
Income tax paid	(59,086)	-
<b>Net cash provided from operating activities</b>	<b>234,337</b>	<b>424,462</b>
<b>Cash flows from investing activities:</b>		
Increase in temporary investment	(40,000)	-
Increase in restricted deposits with bank	(22)	(21)
Proceeds from disposal of assets	196	789
Purchase of property, plant and equipment	(59,709)	(69,322)
<b>Net cash used in investing activities</b>	<b>(99,535)</b>	<b>(68,554)</b>
<b>Cash flows from financing activities:</b>		
Increase (decrease) in short-term loans from bank	29,024	(117,806)
Repayment of long-term loan from bank	(11,100)	(11,400)
Repayment of liabilities under finance leases	(893)	(691)
Dividend payment	(179,314)	(152,012)
Proceeds from common stock from the exercise of share purchase warrants	16,589	12,358
<b>Net cash used in financing activities</b>	<b>(145,694)</b>	<b>(269,551)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(10,892)</b>	<b>86,357</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>94,807</b>	<b>58,641</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>83,915</b>	<b>144,998</b>
<b>Supplemental cash flows information:</b>		
Non-cash transactions:		
- Purchase of vehicles under finance lease agreement	-	5,499

The accompanying notes form an integral part of these interim financial statements.



**SAHAMITR PRESSURE CONTAINER PUBLIC COMPANY LIMITED**

**NOTES TO FINANCIAL STATEMENTS**

**AS AT 30 JUNE 2017 (Unaudited but reviewed)**

(With comparative information for 2016 (audited))

1. NATURE OF BUSINESS

Sahamitr Pressure Container Public Company Limited was incorporated as a public company in Thailand, and has been listed on the Stock Exchange of Thailand. The Company is engaged in the manufacturing of LPG and other pressure cylinders for both domestic and export sales.

2. GENERAL INFORMATION AND BASIS OF INTERIM FINANCIAL STATEMENTS PREPARATION

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (Amended 2016) “Interim financial reporting”, whereby the Company chooses to present condensed interim financial statements. However, additional line items are presented in the financial statements to bring them into the full format similar to the annual financial statements.

The interim financial statements are prepared to provide information in addition to those included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances to avoid repetition of information previously reported. These interim financial statements should therefore be read in conjunction with the financial statements for the year ended 31 December 2016.

The interim financial statements are officially prepared in Thai language. The translation of these financial statements to other language must conform to the Thai financial report.

3. SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared by using the same accounting policies and methods of computation as were used in the preparation of the financial statements for the year ended 31 December 2016 with additional policy for:

Temporary investment

Marketable securities held-for-trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognized in profit or loss.

The fair value of investments classified as held-for-trading is based on the net asset value of the mutual fund at the reporting date.

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*Disposal of investments*

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognized in profit or loss.

If the Company disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

During the year 2016, the Federation of Accounting Professions has announced the new and amendments to some Thai Accounting Standards and Thai Financial Reporting Standards, and Accounting Standard Interpretations and Financial Reporting Standards Interpretations, which are effective for the preparation of financial statements with accounting periods beginning on or after 1 January 2017. The Company has adopted the application of those standards and interpretations for preparation of financial statements effective 1 January 2017. These accounting standards and interpretations do not have significant impact on the financial position and results of operations for the period.

4. ESTIMATES AND JUDGEMENT

When preparing the interim financial statements, management undertake judgments, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

The judgments, estimates and assumptions applied in the interim financial statements, including the key sources of estimation uncertainty were the same as those applied in the annual financial statements for the year ended 31 December 2016.

5. TRANSACTIONS WITH RELATED PARTIES

The Company has certain accounting transactions with related parties that are related to it through common shareholding and/or directorship. Thus, the financial statements reflect the effects of those transactions on the basis agreed upon between the Company and its related parties, which basis might be different from the basis used for transactions with unrelated parties.

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Significant balances with related parties as at 30 June 2017 and 31 December 2016 consist of:

	Thousand Baht	
	30 June 2017	31 December 2016
Receivables from directors, under guarantee obligation for Sahamitr Steel Co., Ltd.		
- Estate of Mr.Sutham Ekahitanond	191,210	191,210
- Mrs. Supha Phromsaka Na Sakolnakorn	191,210	191,210
Total	382,420	382,420
<u>Less</u> Allowance for doubtful accounts	(382,420)	(382,420)
Net	-	-
<u>Key management personnel compensation</u>		
Provision for post-employment benefits	14,834	14,085

The current portion of the provision for post-employment benefits is presented as “Other accrued expenses” and the non-current portion is presented as “Liabilities under employee benefits obligation”.

Significant transactions with related parties for the three-month and six-month periods ended 30 June 2017 and 2016 consist of:

	Thousand Baht			
	For the three-month periods ended 30 June		For the six-month periods ended 30 June	
	2017	2016	2017	2016
<u>Key management personnel compensation</u>				
Current employment benefits	19,452	19,569	39,594	38,708
Provision for post – employment benefits	86	72	173	144
Total	19,538	19,641	39,767	38,852

## 6. CASH AND CASH EQUIVALENTS

	Thousand Baht	
	30 June 2017	31 December 2016
Cash	330	290
Saving accounts with banks	72,735	88,553
Current accounts with banks	10,850	5,964
Total	83,915	94,807

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7. TEMPORARY INVESTMENT

Movements in the temporary investment during the six-month period ended 30 June 2017 are summarized below.

	Thousand Baht
Balance as at 1 January 2017	-
<u>Add</u> Addition on 30 June 2017	40,000
Balance as at 30 June 2017	<u>40,000</u>

The Company has invested in an open-end mutual fund which yields more return than general savings deposits. The investment does not have any restriction for redemption and has been classified to held-for-trading.

8. TRADE ACCOUNTS RECEIVABLE

As at 30 June 2017 and 31 December 2016, the aged trade accounts receivable are as follows:

	Thousand Baht	
	30 June 2017	31 December 2016
Not yet due	324,035	213,813
Over due		
Less than 3 months	106,692	199,143
More than 3 months, not over 6 months	-	705
More than 6 months, not over 12 months	-	4,094
More than 12 months	3	-
Total	<u>430,730</u>	<u>417,755</u>

The normal credit term from 30 days to 90 days.

9. INVENTORIES – NET

	Thousand Baht	
	30 June 2017	31 December 2016
Finished goods	63,342	55,224
Work in process	44,633	36,579
Raw materials and others	658,422	480,163
Total	<u>766,397</u>	<u>571,966</u>
<u>Less</u> Allowance for defective inventories	(656)	(656)
Net	<u>765,741</u>	<u>571,310</u>

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10. RESTRICTED DEPOSITS WITH BANKS

As at 30 June 2017 and 31 December 2016, the Company's fixed and saving deposits totalling Baht 35.89 million and Baht 35.87 million, respectively, are restricted for usage as they have been pledged as collaterals for letters of guarantee issued by a local bank for utilities usage, performance bonds and loans from bank.

11. INVESTMENT PROPERTY - NET

As at 30 June 2017 and 31 December 2016, investment property is presented at fair value which had been determined by an independent appraiser by comparing the market price to other properties near its location (Level 2). The above investment property has been mortgaged as collateral for credit facilities as discussed in Notes 13 and 14 to the financial statements.

During the six-month period ended 30 June 2017, there were no significant movement in the fair value of the investment property.

12. PROPERTY, PLANT AND EQUIPMENT - NET

During the six-month period ended 30 June 2017, the Company has the following condensed movements in property, plant and equipment:

	Thousand Baht
Net book value as at 1 January 2017	876,924
Purchases of assets	59,709
Depreciation for the period	(25,907)
Net book value as at 30 June 2017	910,726

Land and buildings and a part of machinery have been mortgaged as collateral for credit facilities with a bank as mentioned in Notes 13 and 14.

13. SHORT-TERM LOANS FROM BANK

	Thousand Baht	
	30 June 2017	31 December 2016
Liabilities under trust receipts	315,405	277,758
Promissory note	-	13,436
Total	315,405	291,194

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As at 30 June 2017, the Company has credit facilities from bank totaling Baht 5,581 million (31 December 2016 : Baht 5,231 million). The promissory notes and liabilities under trust receipts bear interest at the rates of 1.6% - 2.2% per annum (31 December 2016 : 1.5% - 4.5% per annum). These loans are collateralized by the mortgage of the Company's land, buildings thereon and machinery, investment property, bank deposit, the pledge of the Company's shares belonging to the Company's shareholders and the personal guarantees of certain Company's directors.

#### 14. LONG-TERM LOAN FROM BANK

Movements in the long-term loan during the six-month period ended 30 June 2017 are summarized below.

	Thousand Baht
Balance as at 1 January 2017	11,100
<u>Less</u> Repayments	(11,100)
Balance as at 30 June 2017	-

The long-term loan from bank is repayable at Baht 1.90 million per month. This loan bears interest at MLR – 1.00 per annum, with principal repayment within 3 years. The loan is collateralized by the mortgage of the Company's land, buildings and certain machinery thereon, investment property, bank deposit, the pledge of the Company shares belonging to the Company's shareholders and the personal guarantees of certain Company's directors.

#### 15. LIABILITIES UNDER FINANCE LEASE AGREEMENTS - NET

	Thousand Baht	
	30 June 2017	31 December 2016
Liabilities under financial leases		
Due within 1 year	1,892	2,114
Due over 1 year but not more than 4 years	5,902	6,786
Total	7,794	8,900
<u>Less</u> Deferred interest	(938)	(1,151)
	6,856	7,749
<u>Less</u> Portion due within 1 year	(1,465)	(1,740)
Net	5,391	6,009

The Company has financial lease agreements for vehicles that are being used in the operations with installment periods of 48 - 49 months.

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16. LIABILITIES UNDER EMPLOYEE BENEFITS OBLIGATION

During the six-month period ended 30 June 2017, movements in liabilities under employee benefits obligation are as follow:

	Thousand Baht
Balance as at 1 January 2017	30,681
Actuarial loss	3,952
Expense for the period	1,945
Balance as at 30 June 2017	<u>36,578</u>

During the six-month period ended 30 June 2017, the Company has remeasured liabilities under employee benefits obligation. The valuation was performed by an independent actuary.

The employee benefits expense were recorded in the statement of profit or loss and other comprehensive income for the three-month and six-month periods ended 30 June 2017 and 2016 are as follows:

	Thousand Baht			
	For the three-month periods ended		For the six-month periods ended	
	30 June		30 June	
	2017	2016	2017	2016
<b>Recognized in profit or loss</b>				
Service cost	648	452	1,297	904
Interest cost	324	283	648	567
<b>Recognized in other comprehensive income</b>				
Actuarial loss - net of tax	-	-	3,162	-

17. SHARE CAPITAL AND PREMIUM ON SHARE CAPITAL

For the six-month period ended 30 June 2017, the warrant holders exercised 2,860,335 warrants to buy 2,860,335 common shares with an exercise price of Baht 5.80 per share. The Company has received additional paid-up share capital, share premium and adjustment to recognize warrants of Baht 2.86 million, Baht 16.42 million and Baht 2.69 million, respectively.

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18. WARRANTS

During the six-month periods ended 30 June 2017 and 2016, movements in warrants and capital reserve for share-based payment transactions are as follows:

	2017		2016	
	Number of warrants (Unit)	Capital reserve for share – based payment transactions (Thousand Baht)	Number of warrants (Unit)	Capital reserve for share – based payment transactions (Thousand Baht)
Balance as at 1 January	6,992,105	2,274	9,122,700	1,833
Recognition of share-base payment as expenses during the period	-	1,426	-	1,222
Exercise of warrants	(2,860,335)	(2,689)	(2,130,595)	(2,003)
Balance as at 30 June	4,131,770	1,011	6,992,105	1,052

19. DIVIDEND PAYMENT

At the 2017 Annual General Meeting of Shareholders held on 30 March 2017, the shareholders passed a resolution to pay a dividend from the profit for the year ended 31 December 2016 of Baht 0.64 per share. An approved interim dividend payment for the six-month period ended 30 June 2016 had already been paid of Baht 0.30 per share for 529,127,108 shares, totaling Baht 159 million on 9 September 2016. The remaining dividend payment for the period from 1 July 2016 to 31 December 2016 of Baht 0.34 per share, totaling Baht 180 million, was paid on 28 April 2017.

As at 30 June 2017, the Company has an accrual for dividends payable amounting to Baht 2.10 million (31 December 2016 : Baht 1.52 million) under current liabilities.

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20. OTHER INCOME

Other income for the three-month and six-month periods ended 30 June 2017 and 2016 are as follows:

	Thousand Baht			
	For the three-month periods		For the six-month periods	
	ended 30 June		ended 30 June	
	2017	2016	2017	2016
Revenue from scrap sales	31,787	29,782	63,233	53,890
Gain on exchange rate	10,563	1,214	12,868	5,224
Freight income	508	671	1,188	1,396
Interest income	216	197	279	282
Revenue from product quality test	230	230	460	230
Others	1,305	1,307	2,644	2,653
Total	44,609	33,401	80,672	63,675

21. SEGMENTAL FINANCIAL INFORMATION

Significant segmental financial information for the three-month and six-month periods ended 30 June 2017 and 2016 are as follows:

	Thousand Baht					
	For the three-month periods ended 30 June					
	2017			2016		
	Domestic	Export	Total	Domestic	Export	Total
Net sales	26,011	1,004,347	1,030,358	38,018	711,314	749,332
Cost of sales	(19,302)	(800,867)	(820,169)	(22,684)	(468,690)	(491,374)
Gross profit	6,709	203,480	210,189	15,334	242,624	257,958

	Thousand Baht					
	For the six-month periods ended 30 June					
	2017			2016		
	Domestic	Export	Total	Domestic	Export	Total
Net sales	86,789	1,915,224	2,002,013	81,252	1,479,843	1,561,095
Cost of sales	(66,302)	(1,503,593)	(1,569,895)	(50,236)	(1,004,151)	(1,054,387)
Gross profit	20,487	411,631	432,118	31,016	475,692	506,708
Total assets			2,365,450			2,037,656
Total liabilities			1,012,088			842,889

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Gross profit for domestic and export sales derived from the deduction of related costs of sales, which are calculated by the weighted average standard cost of each product.

#### Major Customer

For the six-month period ended 30 June 2017, the Company's revenues arose from sales to 2 major private companies totalling to Baht 424.31 million (30 June 2016 : Baht 189.36 million).

## 22. COMMITMENTS

As at 30 June 2017, the Company has the following commitments:

- 22.1 An obligation under a domestic bank guarantee amounting to Baht 1,159.74 million (31 December 2016 : Baht 788.15 million) for the issuance of letters of guarantee to the Customs Department to exempt the Company from paying anti-dumping duties for materials imported for manufacturing and re-exported within one-year.
- 22.2 Obligations under domestic bank guarantees for electricity usage and other matters totalling Baht 42.75 million (31 December 2016 : Baht 37.16 million).

Such letters of guarantee are guaranteed by the mortgage of the Company's land, buildings and certain machinery as disclosed in Notes 11 and 12 and the personal guarantee of certain of the Company's director.

## 23. FINANCIAL INSTRUMENTS

#### *Foreign Currency Risk*

The Company has foreign currency risk exposure relating to sales and purchases denominated in foreign currencies. As at 30 June 2017, the Company has unhedged assets and liabilities in foreign currencies from the import and export of products with natural hedges as follows:

	30 June 2017		
	Foreign currencies (Thousand Unit)	Exchange rate (Closing rate)	Baht equivalent (Thousand Baht)
<u>Cash and cash equivalent in foreign currencies</u>			
USD	34	33.8145	1,140
<u>Trade accounts receivable in foreign currencies</u>			
USD	8,484	33.8145	286,897
EUR	2,912	38.4919	112,089
GBP	354	43.8015	15,491

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	30 June 2017		
	Foreign currencies (Thousand Unit)	Exchange rate (Closing rate)	Baht equivalent (Thousand Baht)
<u>Trade accounts payable in foreign currencies</u>			
USD	7,938	34.1483	271,078
<u>Short-term loans from bank in foreign currency</u>			
USD	9,236	34.1483	315,405
<u>Advances from customers in foreign currency</u>			
USD	1,615	34.1483	55,140
EUR	830	39.2127	32,566
<u>Accrued commission expenses in foreign currency</u>			
USD	777	34.1483	26,536
EUR	77	39.2127	3,000

#### 24. CONTINGENT LIABILITIES

On 1 April 2015, a company, who owns land near the Company's factory area, sued the Company as a joint defendant with four other parties in the Civil Court for compensation caused by the Company's production process amounting to Baht 130.94 million of a total claim amount Baht 201.88 million, plus interest at the rate of 7.50 percent per annum from 1 April 2015 to the payment date. The Civil Court determined that this is an environmental claim on 30 January 2017. Currently, the Civil Court considered that this case is negotiable between the counterparts. Therefore, a further hearing of the outcome of the resolution between the counterparts has been scheduled on 28 August 2017. Additionally, the Civil Court has scheduled to examine the plaintiff's witnesses on 7, 8 and 9 November 2017 and the defendant's witnesses on 10, 12 and 15 November 2017.

In addition, the plaintiff is suing Government authorities in respect of the legality of the issuance of Company's factory license. Consequently, the Company has been subpoenaed as an interpleader by the Central Administrative Court. Currently, the Company is waiting for the order of the Central Administrative Court.

The Company believes that their business operations are compliant with the law and there will be no any damages from such case. The Company therefore, has not set up any provision in the financial statements.

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25. EVENTS AFTER THE REPORTING PERIOD

At the Board of Director' meeting No. 3/2017 held on 10 August 2017, the Board of Director passed a resolution to appropriate an interim dividend payment from the operating profit for the six-month period ended 30 June 2017 of Baht 0.25 per share for 531,987,443 shares, totaling Baht 133 million. The dividend will be paid on 8 September 2017.

26. APPROVAL OF FINANCIAL STATEMENTS

These interim financial statements have been approved by the Company's Board of Directors on 10 August 2017.

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( ) Director

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( ) Director