

**TAKUNI GROUP PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND SEPARATE  
FINANCIAL INFORMATION  
(UNAUDITED)**

**30 JUNE 2018**



## AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Takuni Group Public Company Limited

I have reviewed the interim consolidated financial information of Takuni Group Public Company Limited and its subsidiaries, and the interim separate financial information of Takuni Group Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 June 2018, the consolidated and separate statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated and separate statements of changes in equity and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

### Scope of review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial 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.

### Conclusion

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

PricewaterhouseCoopers ABAS Ltd.

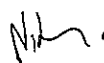
A handwritten signature in black ink, appearing to read 'Nattaporn Phan-Udom', written over a horizontal line.

**Nattaporn Phan-Udom**  
Certified Public Accountant (Thailand) No. 3430  
Bangkok  
8 August 2018

Takuni Group Public Company Limited  
Statement of Financial Position  
As at 30 June 2018

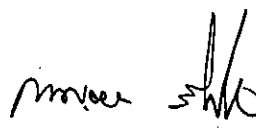
	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 June 2018 Baht	Audited 31 December 2017 Baht	Unaudited 30 June 2018 Baht	Audited 31 December 2017 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		284,143,345	347,119,350	219,301,421	246,066,025
Short-term investments	6	40,475,139	40,647,819	40,126,867	40,299,547
Trade and other receivables	7	341,716,770	349,816,921	68,141,396	104,868,989
Short-term loans to related parties	21	-	-	222,460,000	193,820,000
Inventories	8	143,563,481	31,938,225	39,995,549	22,354,089
Other current assets		6,568,656	22,082,181	50,909	60,969
<b>Total current assets</b>		<b>816,467,391</b>	<b>791,604,496</b>	<b>590,076,142</b>	<b>607,469,619</b>
<b>Non-current assets</b>					
Pledged and restricted bank deposits		4,660,000	9,686,740	660,000	5,686,740
Investments in subsidiaries	9	-	-	91,359,470	91,359,470
Investment properties	10	22,751,056	116,665,414	-	-
Property, plant and equipment	11	546,132,392	524,064,756	85,111,302	86,289,197
Goodwill		19,383,641	19,383,641	-	-
Intangible assets	11	12,173,621	9,443,962	69,018	97,395
Deferred income tax assets	12	4,185,618	4,152,847	1,364,674	307,161
Other non-current assets	13	84,878,872	61,121,931	2,066,095	2,066,095
<b>Total non-current assets</b>		<b>694,165,200</b>	<b>744,519,291</b>	<b>180,630,559</b>	<b>185,806,058</b>
<b>Total assets</b>		<b>1,510,632,591</b>	<b>1,536,123,787</b>	<b>770,706,701</b>	<b>793,275,677</b>

Director



นางสาวนิตา ตริวีรานุวัฒน์  
กรรมการ

Director



นางสาวกาญจนา ริมพณิชยกิจ  
กรรมการ

The accompanying condensed notes are integral part of these interim financial information.

**Takuni Group Public Company Limited**  
**Statement of Financial Position (Cont'd)**  
**As at 30 June 2018**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 June 2018 Baht	Audited 31 December 2017 Baht	Unaudited 30 June 2018 Baht	Audited 31 December 2017 Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade and other payables	14	424,140,757	385,984,876	46,744,370	45,400,536
Current portion of long-term bank borrowings	15	38,640,000	40,080,000	-	-
Current portion of finance lease liabilities	15	2,222,036	2,196,932	900,172	876,522
Current income tax payable		1,372,166	209,029	1,089,364	-
Other current liabilities		12,866,407	22,864,035	1,419,297	707,451
<b>Total current liabilities</b>		<b>479,241,366</b>	<b>451,334,872</b>	<b>50,153,203</b>	<b>46,984,509</b>
<b>Non-current liabilities</b>					
Long-term bank borrowings	15	163,020,000	188,140,000	-	-
Finance lease liabilities	15	2,051,460	2,756,282	949,410	1,405,487
Employee benefit obligations		7,207,778	3,921,676	3,205,109	1,231,317
Deferred income tax liabilities	12	-	352,977	-	-
Other non-current liabilities	16	8,540,250	12,613,969	458,010	324,811
<b>Total non-current liabilities</b>		<b>180,819,488</b>	<b>207,784,904</b>	<b>4,612,529</b>	<b>2,961,615</b>
<b>Total liabilities</b>		<b>660,060,854</b>	<b>659,119,776</b>	<b>54,765,732</b>	<b>49,946,124</b>

The accompanying condensed notes are integral part of these interim financial information.

**Takuni Group Public Company Limited**  
**Statement of Financial Position (Cont'd)**  
**As at 30 June 2018**

	Consolidated financial information		Separate financial information	
	Unaudited 30 June 2018 Baht	Audited 31 December 2017 Baht	Unaudited 30 June 2018 Baht	Audited 31 December 2017 Baht
<b>Liabilities and equity (Cont'd)</b>				
<b>Equity</b>				
Share Capital				
Authorised share capital				
1,200,000,000 ordinary shares at par value of Baht 0.5 each	600,000,000	600,000,000	600,000,000	600,000,000
Issued and paid-up				
800,000,000 ordinary shares paid-up of Baht 0.5 each	400,000,000	400,000,000	400,000,000	400,000,000
Premium on paid-up capital ordinary shares	305,527,766	305,527,766	305,527,766	305,527,766
Share surplus from business combination under common control	20,636,290	20,636,290	-	-
Retained earnings				
Appropriated - Legal reserve	7,092,000	7,092,000	7,092,000	7,092,000
Unappropriated	48,993,603	71,178,930	3,321,203	30,709,787
Other component of equity	1,948	-	-	-
Equity attributable to owners of the parent	782,251,607	804,434,986	715,940,969	743,329,553
Non-controlling interests	68,320,130	72,569,025	-	-
<b>Total equity</b>	<b>850,571,737</b>	<b>877,004,011</b>	<b>715,940,969</b>	<b>743,329,553</b>
<b>Total liabilities and equity</b>	<b>1,510,632,591</b>	<b>1,536,123,787</b>	<b>770,706,701</b>	<b>793,275,677</b>

The accompanying condensed notes are integral part of these interim financial information.

**Takuni Group Public Company Limited**  
**Statement of Comprehensive Income**  
**For the three-month period ended 30 June 2018**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 2018	Unaudited 2017	Unaudited 2018	Unaudited 2017
		Baht	Baht	Baht	Baht
<b>Revenue</b>					
Revenue from sales		188,463,806	195,386,600	187,248,462	193,799,901
Revenue from services		362,944,048	211,972,064	-	-
<b>Total revenues</b>		<b>551,407,854</b>	<b>407,358,664</b>	<b>187,248,462</b>	<b>193,799,901</b>
<b>Cost of sales</b>					
Cost of sales		(170,388,509)	(183,977,184)	(168,731,417)	(183,259,222)
Cost of providing services		(324,497,238)	(179,000,707)	-	-
<b>Total cost of sales</b>		<b>(494,885,747)</b>	<b>(362,977,891)</b>	<b>(168,731,417)</b>	<b>(183,259,222)</b>
<b>Gross profit</b>		<b>56,522,107</b>	<b>44,380,773</b>	<b>18,517,045</b>	<b>10,540,679</b>
Other income		4,251,909	3,285,059	6,595,210	8,052,110
<b>Profit before expenses</b>		<b>60,774,016</b>	<b>47,665,832</b>	<b>25,112,255</b>	<b>18,592,789</b>
Selling expenses		(4,494,281)	(4,605,840)	(5,858,499)	(4,941,142)
Administrative expenses		(37,823,428)	(31,688,006)	(15,595,008)	(11,702,476)
Finance costs		(3,155,772)	(3,739,169)	(26,623)	(46,768)
<b>Profit before income tax</b>		<b>15,300,535</b>	<b>7,632,817</b>	<b>3,632,125</b>	<b>1,902,403</b>
Income tax	20	(5,036,749)	(2,239,962)	(1,406,721)	(388,123)
<b>Profit for the period</b>		<b>10,263,786</b>	<b>5,392,855</b>	<b>2,225,404</b>	<b>1,514,280</b>
<b>Other comprehensive income:</b>					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of post-employment benefit obligations		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>10,263,786</b>	<b>5,392,855</b>	<b>2,225,404</b>	<b>1,514,280</b>
<b>Profit attributable to:</b>					
Owners of the parent		4,559,366	2,577,696	2,225,404	1,514,280
Non-controlling interests		5,704,420	2,815,159	-	-
<b>Profit for the period</b>		<b>10,263,786</b>	<b>5,392,855</b>	<b>2,225,404</b>	<b>1,514,280</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		4,559,366	2,577,696	2,225,404	1,514,280
Non-controlling interests		5,704,420	2,815,159	-	-
<b>Total comprehensive income for the period</b>		<b>10,263,786</b>	<b>5,392,855</b>	<b>2,225,404</b>	<b>1,514,280</b>
<b>Earnings per share</b>					
Basic earnings per share (Baht)	18	0.0057	0.0032	0.0028	0.0019

The accompanying condensed notes are integral part of these interim financial information.

Takuni Group Public Company Limited  
Statement of Comprehensive Income  
For the six-month period ended 30 June 2018

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 2018	Unaudited 2017	Unaudited 2018	Unaudited 2017
		Baht	Baht	Baht	Baht
<b>Revenue</b>					
Revenue from sales		375,573,054	387,308,500	373,684,538	384,157,197
Revenue from services		758,765,191	381,196,764	-	-
<b>Total revenues</b>		<b>1,134,338,245</b>	<b>768,505,264</b>	<b>373,684,538</b>	<b>384,157,197</b>
<b>Cost of sales</b>					
Cost of sales		(343,975,338)	(363,619,485)	(341,885,537)	(362,030,965)
Cost of providing services		(675,336,317)	(326,885,275)	-	-
<b>Total cost of sales</b>		<b>(1,019,311,655)</b>	<b>(690,504,760)</b>	<b>(341,885,537)</b>	<b>(362,030,965)</b>
<b>Gross profit</b>		<b>115,026,590</b>	<b>78,000,504</b>	<b>31,799,001</b>	<b>22,126,232</b>
Other income		7,020,184	9,974,228	14,064,994	14,980,888
<b>Profit before expenses</b>		<b>122,046,774</b>	<b>87,974,732</b>	<b>45,863,995</b>	<b>37,107,120</b>
Selling expenses		(9,471,615)	(8,673,291)	(12,440,769)	(9,418,338)
Administrative expenses		(76,591,211)	(60,096,972)	(30,689,099)	(23,404,595)
Finance costs		(6,228,985)	(7,561,430)	(56,123)	(107,057)
<b>Profit before income tax</b>		<b>29,754,963</b>	<b>11,643,039</b>	<b>2,678,004</b>	<b>4,177,130</b>
Income tax	20	(9,369,101)	(4,703,234)	(809,061)	(2,282,642)
<b>Profit for the period</b>		<b>20,385,862</b>	<b>6,939,805</b>	<b>1,868,943</b>	<b>1,894,488</b>
<b>Other comprehensive income:</b>					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of post-employment benefit obligations		(1,841,587)	-	(1,258,233)	-
<b>Total comprehensive income for the period</b>		<b>18,544,275</b>	<b>6,939,805</b>	<b>610,710</b>	<b>1,894,488</b>
<b>Profit attributable to:</b>					
Owners of the parent		7,539,799	3,630,387	1,868,943	1,894,488
Non-controlling interests		12,846,063	3,309,418	-	-
<b>Profit for the period</b>		<b>20,385,862</b>	<b>6,939,805</b>	<b>1,868,943</b>	<b>1,894,488</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		5,813,967	3,630,387	610,710	1,894,488
Non-controlling interests		12,730,308	3,309,418	-	-
<b>Total comprehensive income for the period</b>		<b>18,544,275</b>	<b>6,939,805</b>	<b>610,710</b>	<b>1,894,488</b>
<b>Earnings per share</b>					
Basic earnings per share (Baht)	18	0.0094	0.0045	0.0023	0.0024

The accompanying condensed notes are integral part of these interim financial information.

Takuni Group Public Company Limited  
Statement of Changes in Equity  
For the six-month period ended 30 June 2018

Consolidated financial information (Unaudited)

	Attribute to owners of the parent										Other component of equity		Total equity
	Issued and paid-up capital		Share premium	Share surplus from business combination		Retained earnings		Change in parent's ownership interests		Total owners of the parent	Non-controlling interests	Total equity	
	Baht	Baht		Baht	Baht	Baht	Baht	Baht	Baht				
Note													
<b>Opening balance at 1 January 2017</b>		400,000,000	305,527,766	20,636,290	5,450,000	72,571,964	-	804,186,020	53,440,714	857,626,734			
Dividends	19	-	-	-	-	(24,998,112)	-	(24,998,112)	-	(24,998,112)			
Total comprehensive income for the period		-	-	-	-	3,630,387	-	3,630,387	3,309,418	6,939,805			
<b>Closing balance at 30 June 2017</b>		400,000,000	305,527,766	20,636,290	5,450,000	51,204,239	-	782,818,295	56,750,132	839,568,427			
<b>Opening balance at 1 January 2018</b>		400,000,000	305,527,766	20,636,290	7,092,000	71,178,930	-	804,434,986	72,569,025	877,004,011			
Change in non-controlling interests from disposal of investment in subsidiary		-	-	-	-	-	1,948	1,948	752	2,700			
Dividends	19	-	-	-	-	(27,999,294)	-	(27,999,294)	(16,979,955)	(44,979,249)			
Total comprehensive income for the period		-	-	-	-	5,813,967	-	5,813,967	12,730,308	18,544,275			
<b>Closing balance at 30 June 2018</b>		400,000,000	305,527,766	20,636,290	7,092,000	48,993,603	1,948	782,251,607	68,320,130	850,571,737			

The accompanying condensed notes are integral part of these interim financial information.



Takuni Group Public Company Limited  
Statement of Changes in Equity  
For the six-month period ended 30 June 2018

	Note	Separate financial information (Unaudited)						Total equity Baht
		Issued and paid-up capital Baht	Share premium Baht	Retained earnings		Unappropriated Baht		
				Appropriated- legal reserve Baht	Unappropriated Baht			
<b>Opening balance at 1 January 2017</b>		400,000,000	305,527,766	5,450,000	25,162,591	736,140,357		
Dividends	19	-	-	-	(24,998,112)	(24,998,112)		
Total comprehensive income for the period		-	-	-	1,894,488	1,894,488		
<b>Closing balance at 30 June 2017</b>		400,000,000	305,527,766	5,450,000	2,058,967	713,036,733		
<b>Opening balance at 1 January 2018</b>		400,000,000	305,527,766	7,092,000	30,709,787	743,329,553		
Dividends	19	-	-	-	(27,999,294)	(27,999,294)		
Total comprehensive income for the period		-	-	-	610,710	610,710		
<b>Closing balance at 30 June 2018</b>		400,000,000	305,527,766	7,092,000	3,321,203	715,940,969		

The accompanying condensed notes are integral part of these interim financial information.

**Takuni Group Public Company Limited**  
**Statement of Cash Flows**  
**For the six-month period ended 30 June 2018**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 2018 Baht	Unaudited 2017 Baht	Unaudited 2018 Baht	Unaudited 2017 Baht
<b>Cash flows from operating activities</b>					
Profit before income tax		29,754,963	11,643,039	2,678,004	4,177,130
Adjustments for:					
Depreciation and amortisation charge	10, 11	22,673,952	22,101,831	2,862,865	2,760,103
(Reversal of) allowance for doubtful accounts	7	2,506,856	(1,187,808)	2,821,800	168,342
Reversal of impairment of investment in subsidiary		-	-	-	(174,756)
Reversal of allowance for net realizable value and obsolete and slow moving inventories	8	(354,245)	(710,968)	-	-
(Gain) loss on disposal and write-off of property, plants and equipment		(1,111,062)	(2,431,436)	4,693	-
(Gain) loss from remeasurement of investments	6	172,680	(248,973)	172,680	(248,973)
Employee benefit obligations expense		1,229,374	424,398	401,001	93,357
Written off withholding tax deducted at source		480,941	-	-	-
Interest income		(1,385,784)	(1,992,341)	(3,739,103)	(5,119,019)
Finance costs		6,228,985	7,561,430	56,123	107,057
		60,196,660	35,159,172	5,258,063	1,763,241
Changes in operating working capital					
- Trade and other receivables		5,471,800	63,751,493	12,049,378	(3,048,542)
- Inventories		(17,821,011)	(16,103,963)	(17,641,460)	(16,334,535)
- Other current assets		(1,541,980)	841,559	10,060	22,079
- Other non-current assets		(5,545,785)	7,514,772	-	356
- Trade and other payables		41,862,594	24,301,531	1,351,362	7,376,322
- Other current liabilities		(9,997,628)	(6,237,952)	711,846	-
- Employee benefit obligations paid		(245,256)	-	-	-
- Other non-current liabilities		(4,073,719)	(1,084,949)	133,199	-
Cash generated from operations		68,305,675	108,141,663	1,872,448	(10,221,079)
- Interest paid		(6,087,136)	(7,561,430)	(56,123)	(107,057)
- Income tax paid		(26,361,816)	(15,074,435)	(462,652)	(343,459)
- Income tax received		16,593,909	3,661,428	-	-
Net cash generated from (used in) operating activities		52,450,632	89,167,226	1,353,673	(10,671,595)

The accompanying condensed notes are integral part of these interim financial information.

**Takuni Group Public Company Limited**  
**Statement of Cash Flows (Cont'd)**  
**For the six-month period ended 30 June 2018**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 2018	Unaudited 2017	Unaudited 2018	Unaudited 2017
		Baht	Baht	Baht	Baht
<b>Cash flows from investment activities</b>					
Pledged and restricted bank deposits		5,026,740	(20,797,694)	5,026,740	4,202,306
Purchase of property, plant and equipment		(47,954,039)	(119,815,528)	(1,668,814)	(133,872)
Purchase of intangible assets		(3,424,060)	(1,499,536)	-	(92,258)
Proceeds from disposal of property, plant and equipment		2,196,261	2,470,185	-	-
Purchase of short-term investments	6	-	(89,496,325)	-	(89,496,325)
Proceeds from disposals of short-term investments	6	-	119,212,388	-	119,212,388
Interest received		1,385,784	1,992,341	1,595,523	6,442,396
Dividend received		-	-	23,999,995	-
Short-term loans to related parties	21.2	-	-	(34,640,000)	(171,940,000)
Loan repayments received from related parties	21.2	-	-	6,000,000	73,000,000
Proceeds from dissolution of a subsidiary		-	-	-	143,021,100
Acquisition of a subsidiary, net of cash acquired		-	-	-	(999,700)
<b>Net cash generated (used in) investing activities</b>		<b>(42,769,314)</b>	<b>(107,934,169)</b>	<b>313,444</b>	<b>83,216,035</b>
<b>Cash flows from financing activities</b>					
Repayments on long-term borrowings from banks	15	(26,560,000)	(23,760,000)	-	(3,000,000)
Dividends paid	19	(44,979,249)	(24,998,112)	(27,999,294)	(24,998,112)
Finance lease principal payments		(1,120,774)	(373,695)	(432,427)	(415,150)
Proceeds from disposal of investment in subsidiary		2,700	-	-	-
<b>Net cash used in financing activities</b>		<b>(72,657,323)</b>	<b>(49,131,807)</b>	<b>(28,431,721)</b>	<b>(28,413,262)</b>
<b>Net increase (decrease) in cash and cash equipments</b>		<b>(62,976,005)</b>	<b>(67,898,750)</b>	<b>(26,764,604)</b>	<b>44,131,178</b>
Cash and cash equivalents at the beginning of the period		347,119,350	286,508,790	246,066,025	130,222,750
<b>Cash and cash equivalents at the end of the period</b>		<b>284,143,345</b>	<b>218,610,040</b>	<b>219,301,421</b>	<b>174,353,928</b>

**Significant non-cash transactions**

	Consolidated financial information		Separate financial information	
	Unaudited 2018	Unaudited 2017	Unaudited 2018	Unaudited 2017
	Baht	Baht	Baht	Baht
Purchase of property, plant and equipment (included in trade and other payables)	3,311,982	1,323,593	5,472	51,500
Purchase assets under finance lease	441,056	-	-	-
Dividend payable	-	6,633,085	-	-

The accompanying condensed notes are integral part of these interim financial information.

## **1 General information**

Takuni Group Public Company Limited (the Company) is a public company incorporated and resident in Thailand. The address of its registered office is as follows:

140/1 Soi Nawee Charoensap, Kanchanaphisek Road, Bang Khae, Bangkok.

For reporting purposes, the Company and its subsidiaries are referred to as "the Group". The detail of subsidiaries are set out in note 9.

The principal business operations of the Group are Liquid Petroleum Gas trading, hazardous substances and construction materials transportation services, gas systems installation and safety check services for vehicles, construction services and property development business.

This interim consolidated and separate financial information was authorised for issue by the Board of Directors on 8 August 2018.

This interim consolidated and separate financial information has been reviewed, not audited.

## **2 Accounting policies**

### **2.1 Basis of preparation**

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in shareholders' equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the financial information are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2017.

An English version of the interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2017.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

**2 Accounting policies (Cont'd)**

**2.2 Revised accounting standards, revised financial reporting standards, and related interpretations**

**2.2.1 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant change and are relevant to the Group:**

TAS 7 (revised 2017)	Statement of cash flows
TAS 12 (revised 2017)	Income taxes
TFRS 12 (revised 2017)	Disclosure of interests in other entities

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of a revalued asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

TFRS 12 (revised 2017), the amendments clarify that the disclosure requirements of TFRS 12 apply to interests in entities that are classified as held for sale in the scope of TFRS 5 (revised 2017), except for the summarised financial information.

The management has assessed and considered that the above revised standards do not have significant impact on the Group.

**2.2.2 New financial reporting standard is effective for annual periods beginning on or after 1 January 2019 which is relevant to the Group. The Group has not yet adopted this standard.**

TFRS 15	Revenue from contracts with customers
---------	---------------------------------------

TFRS 15 provide the requirements for the recognition of revenue. This standard will supersede the following standards:

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TFRIC 13 (revised 2017)	Customer loyalty programmes
TFRIC 15 (revised 2017)	Agreements for the construction of real estate
TFRIC 18 (revised 2017)	Transfers of assets from customers
TSIC 31 (revised 2017)	Revenue - barter transactions involving advertising services

The new standard is based on the principle that

- revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards.
- an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

## **2 Accounting policies (Cont'd)**

### **2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)**

#### **2.2.2 New financial reporting standard is effective for annual periods beginning on or after 1 January 2019 which is relevant to the Group. The Group has not yet adopted this standard. (Cont'd)**

An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Entities will have a choice to apply this standard retrospectively in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures. The Group will first apply this standard for annual reporting periods beginning on or after 1 January 2019. Management is currently assessing the impact from initial application of this standard in detail and has identified the following areas that are likely to be affected:

- extended warranties, which will need to be accounted for as separate performance obligations, which will delay the recognition of a portion of the revenue
- accounting for cost incurred in fulfilling a contract - certain costs which are currently expensed may need to be recognised as an asset under TFRS 15
- rights of return - TFRS 15 requires separate presentation on the balance sheet of the right to recover the goods from the customer and the refund obligations.

### **2.3 New accounting policy**

#### **2.3.1 Land awaiting for development**

Land awaiting for development are consisted of cost of land and expenses directly related shown at the lower of cost and net realisable value.

## **3 Estimates**

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2017.

#### **4 Segment information**

The Group presents segment information in accordance with business segment in the financial report by considering based on the grouping of related products and services as the basis for segment information.

Significant business segments are as follows:

Liquid Petroleum Gas trading	: Petroleum gas trading for household cooking, industry and transportation
Gas installation equipment trading	: Industrial and car gas systems installation and equipment trading
Transportation services	: Hazardous substances and construction materials transportation services by land
Construction services	: Construction services
Non-destructive testing (NDT) and inspection service	: Industrial and car gas systems safety-checking services
Others	: Property development

The Group has two customers in construction services which each generated revenues more than 10% of total revenues in the consolidated financial information for six-month period ended 30 June 2018 totaling Baht 525.63 million (30 June 2017: one customer totaling Baht 256.96 million).

**Takuni Group Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2018**

**4 Segment information (Cont'd)**

	Consolidated financial information													
	For the three-month period ended 30 June													
	Sales						Services							
	Liqud Petroleum Gas trading		Car gas system installation and equipment trading		Transportation services		Construction services		NDT and inspection service		Others		Total	
2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Revenues from operation	187,248,462	193,799,901	1,547,172	1,848,460	11,153,143	9,001,507	344,298,746	193,084,689	19,924,930	19,618,817	-	-	564,172,453	417,353,374
Revenues from inter-segment	-	-	(331,828)	(261,761)	(7,577,909)	(6,348,962)	(761,661)	(599,191)	(4,093,201)	(2,784,796)	-	-	(12,764,599)	(9,994,710)
Total revenues	187,248,462	193,799,901	1,215,344	1,586,699	3,575,234	2,652,545	343,537,085	192,485,498	15,831,729	16,834,021	-	-	551,407,854	407,358,664
Operating profit (loss)	3,539,478	671,767	(128,396)	297,018	1,286,767	(157,432)	15,631,215	10,277,544	(1,725,953)	318,717	(148,804)	(35,628)	18,456,307	11,371,986
Finance cost													(3,155,772)	(3,739,169)
Profit before income tax													15,300,535	7,632,817
Income tax													(5,036,749)	(2,239,962)
Net profit													10,263,786	5,392,855



**Takuni Group Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2018**

**4 Segment information (Cont'd)**

Consolidated financial information														
For the six-month period ended 30 June														
	Sales						Services						Total	
	Liquor Petroleum		Car gas system installation and equipment trading		Transportation services		Construction services		NDT and inspection service		Others			
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017		
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Revenues from operation	373,684,538	384,157,197	2,440,281	3,728,939	22,878,526	17,338,721	722,129,942	350,046,556	38,026,118	32,252,471	-	-	1,159,159,405	787,523,884
Revenues from inter-segment	(3,732)	-	(548,033)	(577,636)	(15,293,626)	(12,248,110)	(1,379,035)	(1,190,780)	(7,596,734)	(5,002,094)	-	-	(24,821,160)	(19,018,620)
Total revenues	373,680,806	384,157,197	1,892,248	3,151,303	7,584,900	5,090,611	720,750,907	348,855,776	30,429,384	27,250,377	-	-	1,134,338,245	768,505,264
Operating profit (loss)	2,932,962	1,600,179	(573,876)	311,520	1,405,224	1,770,501	35,226,911	15,794,376	(2,697,921)	(335,309)	(309,352)	63,202	35,983,948	19,204,469
Finance cost	-	-	-	-	-	-	-	-	-	-	-	-	(6,228,985)	(7,561,430)
Profit before income tax	-	-	-	-	-	-	-	-	-	-	-	-	29,754,963	11,643,039
Income tax	-	-	-	-	-	-	-	-	-	-	-	-	(9,369,101)	(4,703,234)
Net profit	-	-	-	-	-	-	-	-	-	-	-	-	20,385,862	6,939,805
<b>As at 30 June 2018 and 31 December 2017</b>														
Property, plant and equipment, net	87,760,862	89,349,772	5,350,206	5,468,858	37,461,474	40,402,085	393,347,206	370,174,334	22,212,644	18,669,707	-	-	546,132,392	524,064,756
Goodwill	-	-	-	-	-	-	19,383,641	19,383,641	-	-	-	-	19,383,641	19,383,641
Total consolidated assets	451,406,792	481,474,674	16,288,034	10,766,923	42,446,334	47,654,718	841,212,951	840,775,630	48,432,125	44,314,874	110,846,355	111,136,968	1,510,632,591	1,536,123,787
Total consolidated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	660,060,854	659,119,776

**5 Fair value**

**5.1 Fair value estimation**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Group's financial assets that are measured at fair value at 30 June 2018 and 31 December 2017. See note 10 for disclosures of the investment properties that are measured at fair value.

	<b>Level 2</b>			
	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>30 June 2018 Baht</b>	<b>31 December 2017 Baht</b>	<b>30 June 2018 Baht</b>	<b>31 December 2017 Baht</b>
<b>Financial assets at fair value through profit or loss</b>				
Investment in fixed income fund classified as trading investment (note 6)	40,126,867	40,299,547	40,126,867	40,299,547
Fixed deposit (note 6)	348,272	348,272	-	-
<b>Total assets</b>	<b>40,475,139</b>	<b>40,647,819</b>	<b>40,126,867</b>	<b>40,299,547</b>

There were no transfers between levels 1 and 2 during the period.

**5.2 Valuation techniques used to derive Level 2 fair values**

The fair value of financial instruments that are not traded in an active market (over-the-counter) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**6 Short-term investments**

As of 30 June 2018 and 31 December 2017, information relating to short-term investments is as follows:

	<b>Consolidated financial information</b>			
	<b>30 June 2018</b>		<b>31 December 2017</b>	
	<b>Cost Baht</b>	<b>Fair value Baht</b>	<b>Cost Baht</b>	<b>Fair value Baht</b>
<b>Short-term investments</b>				
Investment in fixed income fund classified as trading investments	40,000,000	40,126,867	40,000,000	40,299,547
Fixed deposit	348,272	348,272	348,272	348,272
Gain on fair value measurement	126,867	-	299,547	-
<b>Total short-term investments</b>	<b>40,475,139</b>	<b>40,475,139</b>	<b>40,647,819</b>	<b>40,647,819</b>
	<b>Separate financial information</b>			
	<b>30 June 2018</b>		<b>31 December 2017</b>	
	<b>Cost Baht</b>	<b>Fair value Baht</b>	<b>Cost Baht</b>	<b>Fair value Baht</b>
<b>Short-term investments</b>				
Investment in fixed income fund classified as trading investments	40,000,000	40,126,867	40,000,000	40,299,547
Gain on fair value measurement	126,867	-	299,547	-
<b>Total short-term investments</b>	<b>40,126,867</b>	<b>40,126,867</b>	<b>40,299,547</b>	<b>40,299,547</b>

During the six-month period ended 30 June 2018, the movement of short-term investments is as follows:

	<b>Consolidated financial information</b>			
	<b>For three-month period</b>		<b>For six-month period</b>	
	<b>Trading securities Baht</b>	<b>Fixed deposit Baht</b>	<b>Trading securities Baht</b>	<b>Fixed deposit Baht</b>
Opening net book amount	40,499,213	348,272	40,299,547	348,272
Addition	-	-	-	-
Disposal	-	-	-	-
Loss on fair value measurement during the period	(372,346)	-	(172,680)	-
<b>Closing net book amount</b>	<b>40,126,867</b>	<b>348,272</b>	<b>40,126,867</b>	<b>348,272</b>
	<b>Separate financial information</b>			
	<b>For three-month period</b>		<b>For six-month period</b>	
	<b>Trading securities Baht</b>	<b>Fixed deposit Baht</b>	<b>Trading securities Baht</b>	<b>Fixed deposit Baht</b>
Opening net book amount	40,499,213	-	40,299,547	-
Addition	-	-	-	-
Disposal	-	-	-	-
Loss on fair value measurement during the period	(372,346)	-	(172,680)	-
<b>Closing net book amount</b>	<b>40,126,867</b>	<b>-</b>	<b>40,126,867</b>	<b>-</b>

**7 Trade and other receivables**

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>30 June 2018 Baht</b>	<b>31 December 2017 Baht</b>	<b>30 June 2018 Baht</b>	<b>31 December 2017 Baht</b>
Trade account receivables	157,495,872	232,797,884	63,290,786	74,437,215
<u>Less</u> Allowance for doubtful accounts	<u>(5,363,250)</u>	<u>(2,856,394)</u>	<u>(4,893,690)</u>	<u>(2,071,890)</u>
Total trade account receivables - net	152,132,622	229,941,490	58,397,096	72,365,325
Receivable from related parties (note 21)	-	-	1,318,800	1,329,175
Others receivables	1,860,764	5,669,113	-	1,128,751
Prepayments	19,741,499	19,875,419	2,290,692	2,084,795
Accrued interest income (note 21)	-	-	6,104,528	3,960,948
Dividend receivable (note 21)	-	-	-	23,999,995
Accrued income				
- NDT and inspection service	5,286,732	7,811,894	-	-
Unbilled receivables under construction contracts	162,664,873	86,519,005	-	-
Others accrued income	30,280	-	30,280	-
Total trade and other receivables - net	<u>341,716,770</u>	<u>349,816,921</u>	<u>68,141,396</u>	<u>104,868,989</u>

Outstanding trade accounts receivable can be analysed as follows:

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>30 June 2018 Baht</b>	<b>31 December 2017 Baht</b>	<b>30 June 2018 Baht</b>	<b>31 December 2017 Baht</b>
<b>Trade account receivables</b>				
Within credit term	33,382,477	184,434,718	27,226,708	30,569,762
Overdue				
- Up to 3 months	112,303,656	39,774,960	25,422,068	37,241,523
- 3 - 6 months	6,655,490	2,432,240	5,957,856	1,861,812
- 6 - 12 months	2,050,708	4,591,808	1,865,491	3,582,970
- Over 12 months	3,103,541	1,564,158	2,818,663	1,181,148
Total	157,495,872	232,797,884	63,290,786	74,437,215
<u>Less</u> Allowance for doubtful accounts	<u>(5,363,250)</u>	<u>(2,856,394)</u>	<u>(4,893,690)</u>	<u>(2,071,890)</u>
Trade account receivables - net	<u>152,132,622</u>	<u>229,941,490</u>	<u>58,397,096</u>	<u>72,365,325</u>

Management believe that the allowance provided for is sufficient based on its consideration of past debt collection experiences of the Group.

Unbilled receivables are revenues under construction contracts, which will be collected from customers following the percentage of completion, and the balance will be billed in the following month.

**8 Inventories**

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>30 June 2018 Baht</b>	<b>31 December 2017 Baht</b>	<b>30 June 2018 Baht</b>	<b>31 December 2017 Baht</b>
Finished goods				
- petroleum gas	39,886,745	22,309,260	39,995,549	22,354,089
- gas tank for installation and equipment	11,751,062	11,995,748	-	-
Work in progress - gas installations	311,801	1,359,772	-	-
Raw materials	7,011,265	5,516,105	-	-
General supplies	2,657,138	2,616,115	-	-
Land awaiting for development	93,450,000	-	-	-
<b>Total</b>	<b>155,068,011</b>	<b>43,797,000</b>	<b>39,995,549</b>	<b>22,354,089</b>
<u>Less</u> Allowance for net realisable value of inventories	<u>(11,504,530)</u>	<u>(11,858,775)</u>	<u>-</u>	<u>-</u>
<b>Total inventories - net</b>	<b>143,563,481</b>	<b>31,938,225</b>	<b>39,995,549</b>	<b>22,354,089</b>

As at 30 June 2018, the Group provided an allowance for finished goods particularly those items relating to gas installation and equipment of Baht 11.50 million (31 December 2017: Baht 11.86 million), in which allowance of Baht 0.35 million was reversed as related finished goods were sold in the second quarter of 2018 (2017: allowance of Baht 0.71 million was reversed).

During the period, the Group considered to reclassify land of a subsidiary from investment properties to inventories due to its business plan to develop this land as a housing development project for sale. Managements anticipate this project will be completed and sold within 4 - 5 years.

**Takuni Group Public Company Limited**  
**Condensed Notes to the Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2018**

**9 Investment in subsidiaries**

Investment in subsidiaries as at 30 June 2018 are as follows:

Name	Country of incorporation and place of business	Nature of business	Nature of Relationship	Proportion of ordinary shares directly held by parent (%)		Proportion of ordinary shares held by the group (%)		Proportion of ordinary shares held by non-controlling interests (%)		Separate financial information		
				30 June 2018	31 December 2017	30 June 2018	31 December 2017	30 June 2018	31 December 2017	Cost method (Baht)	30 June 2018	31 December 2017
Takuni (Thailand) Co., Ltd. (TT)	Thailand	Industrial and car gas systems installation and equipment trading, and construction services	Direct shareholding	99.99	99.99	99.99	99.99	0.01	0.01	53,376,790	53,376,790	
Ratchapruerk Engineering Co., Ltd. (RE)	Thailand	NDT and inspection service	Direct shareholding	99.99	99.99	99.99	99.99	0.01	0.01	21,339,800	21,339,800	
G Gas Logistics Co.,Ltd. (GG)	Thailand	Hazardous substances and construction materials transportation services by land	Direct shareholding	99.99	99.99	99.99	99.99	0.01	0.01	15,643,180	15,643,180	
Takuni Land Co., Ltd. (TL)	Thailand	Property development	Direct shareholding	99.97	99.97	99.97	99.97	0.03	0.03	999,700	999,700	
CAZ (Thailand) Public Company Limited (CAZ)	Thailand	Construction services	Indirect shareholding via TT	-	-	51.30	51.30	48.70	48.70	-	-	
JKEC Co., Ltd. (JKEC)	Thailand	Construction services	Indirect shareholding via CAZ	-	-	51.22	51.22	48.78	48.78	-	-	
										<u>91,359,470</u>	<u>91,359,470</u>	

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company does not differ from the proportion of ordinary shares.

**9 Investment in subsidiaries (Cont'd)**

The movement of investment in subsidiaries for the six-month period ended 30 June 2018 is as follows:

	<b>Separate financial information Baht</b>
Beginning net book amount	91,359,470
Acquisition	-
Reversal of impairment	-
Disposal	-
Ending net book amount	<u>91,359,470</u>

**10 Investment properties**

The movement of investment properties for the six-month period ended 30 June 2018 can be summarised as follows:

	<b>Consolidated financial information</b>		
	<b>Land Baht</b>	<b>Buildings Baht</b>	<b>Total Baht</b>
Opening net book amount	93,450,000	23,215,414	116,665,414
Addition	-	-	-
Transferred out	(93,450,000)	-	(93,450,000)
Depreciation charge	-	(464,358)	(464,358)
Closing net book amount	<u>-</u>	<u>22,751,056</u>	<u>22,751,056</u>
Fair value at 30 June 2018*	<u>-</u>	<u>71,100,000</u>	<u>71,100,000</u>

**Land**

During the period, the Group considered to reclassify land of a subsidiary from investment properties to inventories due to its business plan to develop this land as a housing development project for sale.

**Buildings**

\*Fair values of the Group's investment properties were assessed by an independent valuer. The fair values are based on income approach for building located at head office leased to the external parties according to its report dated 30 November 2017 and market approach for condominium according to its report dated 16 October 2017.

As at 30 June 2018, management believes the Group has no significant factors that may affect the fair value as previously assessed.

Buildings at net book value of Baht 5.46 million has been pledged as a security for bank overdrafts, circulating loan credit, letters of credit or trust receipts and forward contracts (note 22.1)

**11 Property, plant, equipment and intangible assets**

The movement of property, plant, equipment and intangible assets for the six-month period ended 30 June 2018 is summarised as follows:

	Consolidated financial information		Separate financial information	
	Property, plant and equipment Baht	Intangible assets Baht	Property, plant and equipment Baht	Intangible assets Baht
Opening net book amount	524,064,756	9,443,962	86,289,197	97,395
Additions	44,546,533	3,424,060	1,661,286	-
Written offs	(963,704)	-	(4,693)	-
Depreciation charge	(21,515,193)	(694,401)	(2,834,488)	(28,377)
Closing net book amount	<u>546,132,392</u>	<u>12,173,621</u>	<u>85,111,302</u>	<u>69,018</u>

As at 30 June 2018, the Group had pledged certain plots of land and buildings with net book value of Baht 336.49 million (31 December 2017: Baht 339.38 million) as collateral for credit facilities for bank overdrafts, letters of credit or trust receipts, letters of guarantee, forward contracts and long-term borrowings from banks (note 15 and note 22.1).

**12 Deferred tax assets (liabilities)**

	Consolidated financial information		Separate financial information	
	30 June 2018 Baht	31 December 2017 Baht	30 June 2018 Baht	31 December 2017 Baht
Deferred income tax assets	4,185,618	4,152,847	1,364,674	307,161
Deferred income tax liabilities	-	(352,977)	-	-
Deferred income tax, net	<u>4,185,618</u>	<u>3,799,870</u>	<u>1,364,674</u>	<u>307,161</u>

Deferred tax assets arise from temporary differences of the allowance for doubtful accounts, allowance for inventories and reserve for employee benefit obligations. Deferred tax liabilities arise from temporary differences of finance leases and gains and losses arising from the acquisition of assets between the Group.

**13 Other non-current assets**

	Consolidated financial information		Separate financial information	
	30 June 2018 Baht	31 December 2017 Baht	30 June 2018 Baht	31 December 2017 Baht
Deposit and guarantee	2,485,448	2,415,738	859,380	859,380
Withholding tax deducted at source	61,814,200	43,603,042	1,206,715	1,206,715
Retention	20,579,224	15,103,151	-	-
Total other non-current assets	<u>84,878,872</u>	<u>61,121,931</u>	<u>2,066,095</u>	<u>2,066,095</u>



14 Trade and other payables

	Consolidated financial information		Separate financial information	
	30 June 2018 Baht	31 December 2017 Baht	30 June 2018 Baht	31 December 2017 Baht
Trade accounts payable	188,764,949	171,639,963	39,860,498	36,482,304
Trade accounts payable - related parties (note 21)	-	-	2,307,520	2,943,273
Amounts due to related parties (note 21)	-	-	143,560	50,677
Other payables	2,859,209	19,645,915	1,556,034	1,442,535
Unearned revenue	186,034,490	161,219,330	-	-
Accrued expense	46,482,109	33,479,668	2,876,758	4,481,747
<b>Total trade and other payables</b>	<b>424,140,757</b>	<b>385,984,876</b>	<b>46,744,370</b>	<b>45,400,536</b>

15 Borrowings

	Consolidated financial information		Separate financial information	
	30 June 2018 Baht	31 December 2017 Baht	30 June 2018 Baht	31 December 2017 Baht
<b>Current</b>				
Current portion of long-term bank borrowings	38,640,000	40,080,000	-	-
Current portion of finance lease liabilities	2,222,036	2,196,932	900,172	876,522
<b>Total current borrowings</b>	<b>40,862,036</b>	<b>42,276,932</b>	<b>900,172</b>	<b>876,522</b>
<b>Non-Current</b>				
Bank borrowings	163,020,000	188,140,000	-	-
Finance lease liabilities	2,051,460	2,756,282	949,410	1,405,487
<b>Total non-current borrowings</b>	<b>165,071,460</b>	<b>190,896,282</b>	<b>949,410</b>	<b>1,405,487</b>
<b>Total borrowings</b>	<b>205,933,496</b>	<b>233,173,214</b>	<b>1,849,582</b>	<b>2,282,009</b>

The movement in long-term borrowings from banks is analysed as follows:

	Consolidated financial information	Separate financial information
	30 June 2018 Baht	30 June 2018 Baht
Opening amount	228,220,000	-
Additions	-	-
Repayments	(26,560,000)	-
<b>Closing amount</b>	<b>201,660,000</b>	<b>-</b>

**15 Borrowings (Cont'd)**

**Subsidiaries**

**GG**

On 13 January 2016, GG entered into the long-term loan agreement with a local bank amounting to Baht 10.00 million, which required the principle repayment of Baht 120,000 per month, totaling 84 months. This borrowing bears the interest rate at 4.00% per annum and is pledged by land of GG (note 11). However, the long-term borrowing was repaid in full amount during the period ended 30 June 2018.

**CAZ**

On 15 January 2016, CAZ entered into the loan agreement with a local bank amounting to Baht 10.00 million, which required the principle repayment of Baht 720,000 every 6 month, totaling 14 periods. This borrowing bears the interest rate at MLR% per annum and is pledged CAZ's director.

On 15 January 2016, CAZ entered into the borrowing agreement with a local bank amounting to Baht 10.00 million, which required the repayment of Baht 720,000 every 6 month, totaling 14 periods. This borrowing bears the interest rate at 4.00% per annum and is pledged by CAZ's director.

On 10 August 2016, CAZ entered into the loan agreement with a local bank amounting to Baht 250.00 million, which required the repayment of Baht 2.98 million per month, totaling 84 periods. This borrowing bears the interest rate at MLR - 0.75% per annum for the first anniversary of the date of drawdown and MLR - 0.50 % per annum for the period thereafter. The borrowing is pledged by the Company, land and buildings of CAZ and CAZ's director (note 11).

**16 Other non-current liabilities**

	Consolidated financial information		Separate financial information	
	30 June 2018 Baht	31 December 2017 Baht	30 June 2018 Baht	31 December 2017 Baht
Deposit and guarantee	329,811	329,811	324,811	324,811
Retention	7,916,243	7,919,815	-	-
Warranty provisions	160,997	4,364,343	-	-
Provisions for sales promotion	133,199	-	133,199	-
<b>Total other non-current liabilities</b>	<b>8,540,250</b>	<b>12,613,969</b>	<b>458,010</b>	<b>324,811</b>

**17 Warrants**

**Warrants to purchase ordinary shares TAKUNI-W**

On 29 January 2016, the Company issued warrants to offer to its existing shareholders. The detail of warrants is as follows:

Type of warrants	:	To be issued under the names of respective holders and transferable.
Term of warrants	:	5 years from the issuing and offering date
Number of warrants	:	399,999,874 units
Ratio	:	2 existing ordinary shares per 1 warrant
Offering price	:	Baht 0 per unit
Exercise ratio	:	1 warrant per 1.04 ordinary shares (31 December 2017: 1 warrant per 1.02 ordinary shares)
Exercise price	:	Baht 1.93 per share (31 December 2017: Baht 1.97 per share)
Exercise date	:	On the last business day of December of each year
Last exercise date	:	28 January 2021

As at 22 March 2018, the company adjusted exercise price and exercise ratio of warrants during the term of the warrants since dividend payout is higher than dividend payout policy.

**17 Warrants (Cont'd)**

**Warrants to purchase ordinary shares TAKUNI-W (Cont'd)**

The movement of warrants to purchase ordinary shares for the six-month period ended 30 June 2018 is as follows:

	<b>Consolidated and separate financial information</b>
	<b>TAKUNI-W Warrants</b>
Opening balance	399,999,874
Warrants issued during the period	-
Warrants exercised during the period	-
Closing balance	<u>399,999,874</u>

**18 Basic earnings per share**

Basic earnings per share are calculated by dividing the net profit for the period attributable to shareholders by the weighted average number of ordinary shares.

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>For the three-month period ended 30 June</b>				
Net profit attributable to ordinary shareholders of the parent (Baht)	4,559,366	2,577,696	2,225,404	1,514,280
Weighted average number of ordinary shares (shares)	800,000,000	800,000,000	800,000,000	800,000,000
Basic earnings per share (Baht per share)	0.0057	0.0032	0.0028	0.0019
	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>For the six-month period ended 30 June</b>				
Net profit attributable to ordinary shareholders of the parent (Baht)	7,539,799	3,630,387	1,868,943	1,894,488
Weighted average number of ordinary shares (shares)	800,000,000	800,000,000	800,000,000	800,000,000
Basic earnings per share (Baht per share)	0.0094	0.0045	0.0023	0.0024

**19 Dividend**

**Company**

On 26 April 2017 the Annual General's meeting approved the dividends payment from the operating results for the year ended 31 December 2016 at Baht 0.03125 per share for 800 million shares, totalling Baht 25.00 million. The dividends were paid to shareholders on 25 May 2017.

On 23 April 2018, the Annual General Shareholders' meeting approved the dividends payment from the operating results for the year ended 31 December 2017 at Baht 0.035 for 800 million shares, totalling Baht 28.00 million. The dividends were paid to shareholders on 21 May 2018.

**19 Dividend (Cont'd)**

**Subsidiary**

**CAZ**

On 10 April 2018, the Annual General's meeting of CAZ approved the dividends payment from the the operating results for the year ended 31 December 2016 and 2017 at Baht 27.83 per share for one million shares, totaling Baht 27.83 million. The dividends were paid to shareholders on 9 May 2018.

On 11 May 2018, the Board of Director's meeting of CAZ approved the interim dividends payment from the operating result for the period ended 31 March 2018 at Baht 0.04 per share for 200 million shares, totaling Baht 7.04 million. The interim dividends were paid to shareholders on 8 June 2018.

**20 Income taxes**

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used is 21% per annum (30 June 2017: 21% per annum).

**21 Related party transactions**

As at 30 June 2018, the major shareholders of the Company are four individuals from the same family, which own 51.40% of the Company's share capital. The investment in subsidiaries is disclosed in note 9.

The following material transactions were carried out with related parties:

**21.1 Outstanding balances arising from sales/purchases of goods/services**

	Consolidated financial information		Separate financial information	
	30 June 2018 Baht	31 December 2017 Baht	30 June 2018 Baht	31 December 2017 Baht
<b>Other receivables</b>				
Subsidiaries	-	-	1,318,800	1,329,175
<b>Accrued interest income</b>				
Subsidiaries	-	-	6,104,528	3,960,948
<b>Dividend receivable</b>				
Subsidiaries	-	-	-	23,999,995
<b>Trade accounts payable</b>				
Subsidiaries	-	-	2,307,520	2,943,273
<b>Other account payables</b>				
Subsidiaries	-	-	143,560	50,677

**21 Related party transactions (Cont'd)**

The following material transactions were carried out with related parties: (Cont'd)

**21.2 Short-term loans to related parties**

	Consolidated financial information		Separate financial information	
	30 June 2018 Baht	31 December 2017 Baht	30 June 2018 Baht	31 December 2017 Baht
Subsidiaries	-	-	222,460,000	193,820,000

The movement in short-term loans to related parties is as follows:

	Consolidated financial information		Separate financial information	
	30 June 2018 Baht	31 December 2017 Baht	30 June 2018 Baht	31 December 2017 Baht
Opening balance	-	-	193,820,000	107,320,000
Additions	-	-	34,640,000	284,200,000
Repayments	-	-	(6,000,000)	(197,700,000)
Ending balance	-	-	222,460,000	193,820,000

These loans are unsecured and carry interest at the rate of 3.00% per annum. The loans are due on demand.

**21.3 Revenues from sales of goods/services and other income**

	Consolidated financial information		Separate financial information	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
<b>For the three-month period ended 30 June</b>				
<b>Revenue from sales</b>				
Subsidiaries	-	-	-	-
<b>Other income</b>				
Subsidiaries	-	-	3,778,799	3,730,131
<b>Interest income (included in other income)</b>				
Subsidiaries	-	-	833,236	1,554,917
	Consolidated financial information		Separate financial information	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
<b>For the six-month period ended 30 June</b>				
<b>Revenue from sales</b>				
Subsidiaries	-	-	3,732	-
<b>Other income</b>				
Subsidiaries	-	-	7,468,799	6,230,152
<b>Interest income (included in other income)</b>				
Subsidiaries	-	-	2,386,457	3,162,417

**21 Related party transactions (Cont'd)**

The following material transactions were carried out with related parties: (Cont'd)

**21.4 Purchases of goods/services and interest expenses**

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
<b>For the three-month period ended 30 June</b>				
<b>Purchase of goods and services</b>				
Subsidiaries	-	-	-	100,281
<b>Office rental expenses</b>				
Subsidiaries	-	-	267,000	126,000
<b>Transportation expenses</b>				
Subsidiaries	-	-	7,054,078	5,673,885
<b>Other expenses</b>				
Subsidiaries	-	-	121,479	42,698

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
<b>For the six-month period ended 30 June</b>				
<b>Purchase of goods and services</b>				
Subsidiaries	-	-	-	159,021
<b>Office rental expenses</b>				
Subsidiaries	-	-	534,000	252,000
<b>Transportation expenses</b>				
Subsidiaries	-	-	14,245,964	10,897,872
<b>Other expenses</b>				
Subsidiaries	-	-	394,117	104,959

**21 Related party transactions (Cont'd)**

The following material transactions were carried out with related parties: (Cont'd)

**21.5 Key management compensation**

Key management includes directors (executive and non-executive) and management of the Group, the compensation paid or payable to key management is shown below:

	Consolidated financial information		Separate financial information	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
<b>For the three-month period ended 30 June</b>				
Salaries and other short-term employee benefits	6,990,867	6,541,651	3,546,655	3,494,255
Post-employment benefits	251,972	128,094	175,818	44,590
	<u>7,242,839</u>	<u>6,669,745</u>	<u>3,722,473</u>	<u>3,538,845</u>
	Consolidated financial information		Separate financial information	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
<b>For the six-month period ended 30 June</b>				
Salaries and other short-term employee benefits	13,769,734	12,001,113	7,133,310	6,949,140
Post-employment benefits	503,944	256,187	351,635	89,179
	<u>14,273,678</u>	<u>12,257,300</u>	<u>7,484,945</u>	<u>7,038,319</u>

**21.6 Sureties**

A subsidiary has guaranteed a letter of guarantee made by a bank to another subsidiary in a total amount of Baht 80 million (31 December 2017: Baht 160 million).

**22 Commitments and contingency**

**22.1 Letters of guarantee**

As at 30 June 2018, the outstanding bank guarantees issued by the banks on behalf of the Group for the purchase of petroleum gas from gas sellers and government agencies for the electricity usage, and on behalf of subsidiaries for the purchase of goods and contractual performance are as follows:

	Consolidated financial information		Separate financial information	
	30 June 2018 Baht	31 December 2017 Baht	30 June 2018 Baht	31 December 2017 Baht
Letters of guarantee	<u>777,931,779</u>	<u>514,301,817</u>	<u>58,022,020</u>	<u>60,000,000</u>

The Group has credit facilities for letter of credit or trust receipt, letter of guarantee and forward contract. These credit facilities are pledged by subsidiaries' assets, subsidiaries' bank accounts, and directors (note 10 and note 11).

**22 Commitments and contingency (Cont'd)**

**22.2 Operating lease commitments**

As at 30 June 2018, the Group and Company had the future aggregate minimum lease payments under non-cancellable operating lease in respect of operating vehicle, tools and equipment and land rental for gas storage facility in Pichit province, as follows:

	Consolidated financial information		Separate financial information	
	30 June 2018 Baht	31 December 2017 Baht	30 June 2018 Baht	31 December 2017 Baht
Within 1 year	6,920,607	6,837,939	2,139,757	1,917,733
Within 2 to 5 years	6,362,285	6,487,087	3,648,700	3,943,732
Over 5 years	4,881,746	5,098,712	4,881,746	5,098,712
<b>Total</b>	<b>18,164,638</b>	<b>18,423,738</b>	<b>10,670,203</b>	<b>10,960,177</b>

**22.3 Litigation**

**Subsidiary**

CAZ ("subsidiary") has been sued from claiming damage case by a company ("plaintiff") for breach of service contract in amount of Baht 1.52 million. The Court of First Instance reached out judgment on 27 October 2017 to dismiss the case. On 22 February 2018, the plaintiff filed an appeal with its claims to the Court of Appeal and the subsidiary received notice from the court to defend the plaintiff's appeal on 11 March 2018. On 9 May 2018, the subsidiary requested to extend time for filing the plaintiff's appeal to the court and had to file an appeal to defend the plaintiff's appeal within 10 June 2018. The subsidiary has not recorded provision for the contingent liabilities, which may arise from the legal proceeding since the management believes that the subsidiary will not incur any significant loss from this litigation.

During this second quarter, the subsidiary has been sued and claimed for compensation and damages by a subcontractor ("plaintiff") because the subsidiary breached of agreement made with the plaintiff. The plaintiff requested the Civil Court to order the subsidiary to pay the compensation for construction work performed by the plaintiff. Currently, this case is being mediated and compromised between the disputed party. However, the management expects that the subsidiary will be liable for damages partially and recognised it as liabilities in the statement of financial position as at 30 June 2018.

**23 Event after the reporting period**

**Subsidiary**

On 2 July 2018, Takuni (Thailand) Co.,Ltd. ("subsidiary") received a collection letter to ask for payment of construction service and retention from a subcontractor of the subsidiary's residential construction project totaling Baht 7.30 million. The subsidiary has not recognised the liabilities since the subcontractor did not execute and deliver the services as specified in the contract, and it caused damages to the subsidiary. The management seeks opinion from legal advisor and believes that the subsidiary has no responsibility for this claim.