

TAKUNI GROUP PUBLIC COMPANY LIMITED

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

30 SEPTEMBER 2016



AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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

I have reviewed the accompanying consolidated and company statements of financial position as at 30 September 2016, the related consolidated and company statements of comprehensive income for the three-month and nine-month periods then ended, the related consolidated and company statements of changes in shareholders' equity, and cash flows for the nine-month period then ended, and condensed notes to interim financial information of Takuni Group Public Company Limited and its subsidiaries, and of Takuni Group Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review 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 interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

A handwritten signature in black ink, appearing to read 'Paiboon Tunkoon', written over a horizontal line.


Paiboon Tunkoon
Certified Public Accountant (Thailand) No. 4298
PricewaterhouseCoopers ABAS Ltd.

Bangkok
7 November 2016

Takuni Group Public Company Limited
Statement of Financial Position
As at 30 September 2016

	Notes	Consolidated		Company	
		Unaudited	Audited	Unaudited	Audited
		30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Assets					
Current assets					
Cash and cash equivalents		280,869,045	90,100,398	187,692,175	64,632,341
Temporary investments		9,966,796	232,108	-	-
Trade and other receivables	5	468,915,684	128,873,842	52,031,842	47,569,593
Short-term loans to related parties	17.2	-	84,448,425	170,200,000	123,418,325
Inventories	6	62,681,985	43,038,816	52,088,674	29,007,820
Other current assets		10,703,387	649,937	56,410	160,718
Total current assets		833,136,897	347,343,526	462,069,101	264,788,797
Non-current assets					
Pledged and restricted bank deposits	18	68,764,448	40,455,019	64,764,448	36,455,019
Investments in subsidiaries	7.1	-	-	240,359,470	240,359,470
Investments in associate	7.2	-	167,244,543	-	-
Investment properties	8	4,603,520	4,862,259	-	-
Property, plant and equipment	9	525,205,208	203,144,239	92,550,615	95,223,226
Goodwill	20	5,612,285	-	-	-
Intangible assets	9	3,141,337	718,446	84,728	182,412
Deferred income tax assets	10	3,471,798	6,004,778	-	-
Other non-current assets		20,363,511	604,947	459,553	425,974
Total non-current assets		631,162,107	423,034,231	398,218,814	372,646,101
Total assets		1,464,299,004	770,377,757	860,287,915	637,434,898

Director



นางสาวกาญจนา ริมพนิชยกิจ
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Director



นางสาวนิตา ตริวิราวุฒิก
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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 September 2016

	Notes	Consolidated		Company	
		Unaudited 30 September 2016 Baht	Audited 31 December 2015 Baht	Unaudited 30 September 2016 Baht	Audited 31 December 2015 Baht
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts	12	-	61,500	-	-
Trade and other payables	11	301,927,217	84,684,915	44,516,615	65,572,029
Short-term borrowings from financial institutions	12	-	214,167,306	-	214,167,306
Short-term borrowings from related parties	17	-	-	65,000,000	-
Short-term borrowings from other party		4,000,000	-	-	-
Current portion of long-term bank borrowings	12	71,120,000	6,000,000	5,000,000	6,000,000
Current portion of finance lease liabilities	12	1,724,695	788,015	820,098	788,015
Current income tax payable		151,815	9,882,849	-	2,039,669
Other current liabilities		8,348,404	756,139	-	-
Total current liabilities		387,272,131	316,340,724	115,336,713	288,567,019
Non-current liabilities					
Long-term bank borrowings	12	190,120,000	28,100,000	-	3,500,000
Finance lease liabilities	12	4,061,237	3,113,092	2,493,945	3,113,092
Employee benefit obligations		2,299,958	1,671,066	999,866	865,660
Deferred income tax liabilities	10	869,598	1,008,321	148,828	250,843
Other non-current liabilities		22,569,514	4,962,174	324,811	324,811
Total non-current liabilities		219,920,307	38,854,653	3,967,450	8,054,406
Total liabilities		607,192,438	355,195,377	119,304,163	296,621,425


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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 September 2016

	Note	Consolidated		Company	
		Unaudited 30 September 2016 Baht	Audited 31 December 2015 Baht	Unaudited 30 September 2016 Baht	Audited 31 December 2015 Baht
Liabilities and shareholders' equity (Cont'd)					
Shareholders' equity					
Share Capital	13				
Authorised share capital					
1,200,000,000 ordinary shares at par value of Baht 0.50 each (2015 : 1,200,000,000 ordinary shares at par value of Baht 0.50 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 0.50 each (2015 : 400,000,000 ordinary shares paid-up of Baht 0.50 each)		400,000,000	200,000,000	400,000,000	200,000,000
Share premium	13	305,527,766	106,643,230	305,527,766	106,643,230
Share surplus from business combination under common control		20,636,290	20,636,290	-	-
Retained earnings					
Appropriated - Legal reserve		4,320,000	4,320,000	4,320,000	4,320,000
Unappropriated		79,042,557	83,582,860	31,135,986	29,850,243
Total parent's shareholders' equity		809,526,613	415,182,380	740,983,752	340,813,473
Non-controlling interests		47,579,953	-	-	-
Total shareholders' equity		857,106,566	415,182,380	740,983,752	340,813,473
Total liabilities and shareholders' equity		1,464,299,004	770,377,757	860,287,915	637,434,898


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Takuni Group Public Company Limited
Statement of Comprehensive Income
For the three-month period ended 30 September 2016

	Notes	Consolidated		Company	
		Unaudited 2016 Baht	Unaudited 2015 Baht	Unaudited 2016 Baht	Unaudited 2015 Baht
Revenues					
Revenue from sales		200,939,073	243,187,036	199,090,249	240,825,568
Revenue from services		236,007,572	99,255,662	-	-
Total revenues		436,946,645	342,442,698	199,090,249	240,825,568
Cost of sales					
Cost of sales		(188,487,530)	(230,128,646)	(186,598,373)	(228,609,047)
Cost of providing services		(217,922,932)	(62,747,202)	-	-
Total cost of sales		(406,410,462)	(292,875,848)	(186,598,373)	(228,609,047)
Gross profit		30,536,183	49,566,850	12,491,876	12,216,521
Other income		3,282,910	3,174,311	6,184,661	5,852,079
Profit before expenses		33,819,093	52,741,161	18,676,537	18,068,600
Selling expenses		(4,810,967)	(5,914,925)	(5,630,783)	(7,117,948)
Administrative expenses		(27,302,296)	(17,998,494)	(11,166,673)	(10,261,888)
Finance costs		(2,635,443)	(356,172)	(578,932)	(130,503)
Share of profit from associate		-	1,486,889	-	-
Profit before income tax		(929,613)	29,958,459	1,300,149	558,261
Income tax	16	(274,930)	(5,843,539)	(118,026)	28,036
Profit for the period		(1,204,543)	24,114,920	1,182,123	586,297
Other comprehensive income		-	-	-	-
Total comprehensive income		(1,204,543)	24,114,920	1,182,123	586,297
Profit attributable to:					
Owners of the parent		(404,533)	24,114,920	1,182,123	586,297
Non-controlling interests		(800,010)	-	-	-
Profit for the period		(1,204,543)	24,114,920	1,182,123	586,297
Total comprehensive income attributable to:					
Owners of the parent		(404,533)	24,114,920	1,182,123	586,297
Non-controlling interests		(800,010)	-	-	-
Total comprehensive income		(1,204,543)	24,114,920	1,182,123	586,297
Earnings per share					
Basic earnings per share (Baht)	15	(0.001)	0.060	0.001	0.001

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

Takuni Group Public Company Limited
Statement of Comprehensive Income
For the nine-month period ended 30 September 2016

	Notes	Consolidated		Company	
		Unaudited 2016 Baht	Unaudited 2015 Baht	Unaudited 2016 Baht	Unaudited 2015 Baht
Revenues					
Revenue from sales		680,437,289	769,414,847	674,054,341	760,205,464
Revenue from services		521,073,885	197,412,897	-	-
Total revenues		1,201,511,174	966,827,744	674,054,341	760,205,464
Cost of sales					
Cost of sales		(635,464,565)	(705,544,406)	(632,653,967)	(700,087,035)
Cost of providing services		(457,261,197)	(137,065,161)	-	-
Total cost of sales		(1,092,725,762)	(842,609,567)	(632,653,967)	(700,087,035)
Gross profit		108,785,412	124,218,177	41,400,374	60,118,429
Other income		37,184,744	8,315,744	41,417,287	26,381,770
Profit before expenses		145,970,156	132,533,921	82,817,661	86,500,199
Selling expenses		(16,305,747)	(19,042,363)	(19,093,508)	(21,561,394)
Administrative expenses		(72,261,448)	(49,595,663)	(32,444,872)	(28,674,925)
Finance costs		(5,648,949)	(952,128)	(2,371,949)	(344,383)
Share of (loss) profit from associate		(20,675,208)	10,035,989	-	-
Profit before income tax		31,078,804	72,979,756	28,907,332	35,919,497
Income tax	16	(8,828,638)	(13,109,068)	(1,465,589)	(5,538,642)
Profit for the period		22,250,166	59,870,688	27,441,743	30,380,855
Other comprehensive income		2,379,661	-	-	-
Total comprehensive income		24,629,827	59,870,688	27,441,743	30,380,855
Profit attributable to:					
Owners of the parent		19,236,036	59,870,688	27,441,743	30,380,855
Non-controlling interests		3,014,130	-	-	-
Profit for the period		22,250,166	59,870,688	27,441,743	30,380,855
Total comprehensive income attributable to:					
Owners of the parent		21,615,697	59,870,688	27,441,743	30,380,855
Non-controlling interests		3,014,130	-	-	-
Total comprehensive income		24,629,827	59,870,688	27,441,743	30,380,855
Earnings per share					
Basic earnings per share (Baht)	15	0.025	0.150	0.035	0.076

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

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Takuni Group Public Company Limited
Statement of Changes in Shareholders' Equity
For the nine-month period ended 30 September 2016

Consolidated (Unaudited)

	Notes	Attribute to owner of the parent										Total Baht
		Issued and paid-up capital Baht	Premium on paid-up capital Baht	Share surplus from business combination under common control		Retained earnings		Total owners of the parent Baht	Non-controlling interests Baht	shareholders' equity Baht		
				Baht	Baht	Appropriated - Legal reserve Baht	Unappropriated Baht					
Opening balance at 1 January 2016		200,000,000	106,643,230	20,636,290	4,320,000	83,582,860	415,182,380	-	415,182,380			
Proceeds from share issued	13	200,000,000	198,884,536	-	-	-	398,884,536	-	398,884,536			
Acquisition of subsidiaries	20	-	-	-	-	-	-	44,565,823	44,565,823			
Dividends	19	-	-	-	-	(26,156,000)	(26,156,000)	-	(26,156,000)			
Total comprehensive income for the period		-	-	-	-	21,615,697	21,615,697	3,014,130	24,629,827			
Closing balance at 30 September 2016		400,000,000	305,527,766	20,636,290	4,320,000	79,042,557	809,526,613	47,579,953	857,106,566			
Opening balance at 1 January 2015		200,000,000	106,643,230	20,636,290	2,900,000	44,183,544	374,363,064	-	374,363,064			
Dividends	19	-	-	-	-	(24,000,000)	(24,000,000)	-	(24,000,000)			
Total comprehensive income for the period		-	-	-	-	59,870,688	59,870,688	-	59,870,688			
Closing balance at 30 September 2015		200,000,000	106,643,230	20,636,290	2,900,000	80,054,232	410,233,752	-	410,233,752			

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

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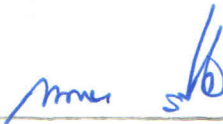
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Takuni Group Public Company Limited
Statement of Changes in Shareholders' Equity
For the nine-month period ended 30 September 2016

	Notes	Company (Unaudited)				Total shareholders' equity Baht
		Issued and paid-up capital Baht	Premium on paid-up capital Baht	Retained earnings		
				Appropriated - Legal reserve Baht	Unappropriated Baht	
Opening balance at 1 January 2016		200,000,000	106,643,230	4,320,000	29,850,243	340,813,473
Proceeds from share issued	13	200,000,000	198,884,536	-	-	398,884,536
Dividends	19	-	-	-	(26,156,000)	(26,156,000)
Total comprehensive income for the period		-	-	-	27,441,743	27,441,743
Closing balance at 30 September 2016		<u>400,000,000</u>	<u>305,527,766</u>	<u>4,320,000</u>	<u>31,135,986</u>	<u>740,983,752</u>
Opening balance at 1 January 2015		200,000,000	106,643,230	2,900,000	26,994,179	336,537,409
Dividends	19	-	-	-	(24,000,000)	(24,000,000)
Total comprehensive income for the period		-	-	-	30,380,855	30,380,855
Closing balance at 30 September 2015		<u>200,000,000</u>	<u>106,643,230</u>	<u>2,900,000</u>	<u>33,375,034</u>	<u>342,918,264</u>

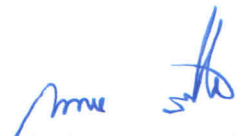

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The accompanying condensed notes are integral part of this interim financial information.

Takuni Group Public Company Limited
Statement of Cash Flows
For the nine-month period ended 30 September 2016

	Notes	Consolidated		Company	
		Unaudited 2016 Baht	Unaudited 2015 Baht	Unaudited 2016 Baht	Unaudited 2015 Baht
Cash flows from operating activities					
Profit before income tax		31,078,804	72,979,756	28,907,332	35,919,497
Adjustments for:					
Depreciation and amortisation charge		15,632,410	12,207,957	4,257,004	4,777,354
Allowance for doubtful accounts (reversal)		(1,188,922)	(255,221)	(337,997)	(377,717)
Allowance for net realisable value and obsoleted and slow moving inventories (reversal)	6	(5,919,543)	4,262,156	-	-
Loss (gain) on disposal and write-off property, plant and equipment		1,370,169	(28,053)	-	2,283
Share of loss (profit) from associate	7	20,675,208	(10,035,989)	-	-
Gain on sale investment in associate	7	(25,421,961)	-	-	-
Gain on bargain purchase		(175,801)	-	-	-
Interest income		(8,357,778)	(2,996,404)	(10,681,759)	(3,336,005)
Finance costs		5,648,949	952,128	2,371,949	344,383
		33,341,535	77,086,330	24,516,529	37,329,795
Changes in operating working capital					
- Trade and other receivables		(81,430,728)	(22,650,442)	(3,401,823)	13,909,167
- Inventories		(11,397,588)	(20,382,746)	(23,080,854)	7,960,645
- Other current assets		(3,085,241)	(1,273,928)	104,308	32,792
- Other non-current assets		10,732,414	(74,500)	(33,579)	-
- Trade and other payables		75,280,070	(68,188,950)	(21,124,866)	(59,220,781)
- Other current liabilities		2,056,385	102,851	-	-
- Employee benefit obligations		370,833	61,385	134,206	34,465
- Other non-current liabilities		2,737,616	2,438,806	-	-
Cash generated from operations		28,605,296	(32,881,194)	(22,886,079)	46,083
- Interest paid		(5,648,949)	(952,128)	(2,302,497)	(344,383)
- Income tax paid		(31,833,921)	(8,916,225)	(3,607,273)	(4,128,466)
Net cash used in operating activities		(8,877,574)	(42,749,547)	(28,795,849)	(4,426,766)


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

Takuni Group Public Company Limited
Statement of Cash Flows (Cont'd)
For the nine-month period ended 30 September 2016

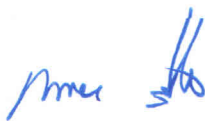
	Notes	Consolidated		Company	
		Unaudited 2016 Baht	Unaudited 2015 Baht	Unaudited 2016 Baht	Unaudited 2015 Baht
Cash flows from investment activities					
Pledged and restricted bank deposits		(28,309,429)	(12,573,911)	(28,309,429)	(13,511,984)
Purchases of property, plant and equipment		(313,798,605)	(2,622,822)	(1,481,509)	(187,542)
Purchases of intangible assets		(29,700)	(146,531)	(5,200)	(103,931)
Proceeds from disposals of property, plant and equipment		688,521	147,510	-	-
Payments for temporary investments		(9,734,688)	-	-	-
Interest received		9,253,836	1,314,988	9,959,330	1,031,293
Short-term loans to related parties	17	(181,818,000)	(60,300,000)	(333,218,000)	(76,010,000)
Proceeds from repayment of short-term borrowings to related parties	17	18,568,000	-	286,436,325	10,010,000
Proceeds from repayment of short-term borrowings to other party		202,698,425	-	-	-
Acquisition of subsidiary, net of cash acquired		(1,225,684)	-	-	-
Payments for acquisition of associate	7	-	(26,010,000)	-	-
Proceeds from sale investment in associate		134,735,000	-	-	-
Net cash used in investing activities		(168,972,324)	(100,190,766)	(66,618,483)	(78,772,164)
Cash flows from financing activities					
Proceeds from short-term borrowings		94,588,462	-	-	-
Payments on short-term borrowings from financial institutions		(308,755,768)	-	(214,167,306)	-
Proceeds from short-term borrowings from other party		4,000,000	-	-	-
Proceeds from long-term borrowings from financial institutions	12	215,000,000	-	-	-
Payments on long-term borrowings from financial institutions	12	(7,860,000)	(4,932,556)	(4,500,000)	(4,500,000)
Proceeds from short-term borrowings from related parties		-	-	65,000,000	-
Finance lease principal payments		(1,021,185)	(1,597,312)	(587,064)	(1,597,312)
Proceeds from increase capital	13	200,000,000	-	200,000,000	-
Proceeds from share premium	13	198,884,536	-	198,884,536	-
Dividends paid	19	(26,156,000)	(24,000,000)	(26,156,000)	(24,000,000)
Net cash generated from (used in) financing activities		368,680,045	(30,529,868)	218,474,166	(30,097,312)
Net increase (decrease) in cash and cash equivalents		190,830,147	(173,470,181)	123,059,834	(113,296,242)
Cash and cash equivalents at the beginning of the period		90,038,898	186,775,947	64,632,341	138,691,309
Cash and cash equivalents at end of the period		280,869,045	13,305,766	187,692,175	25,395,067

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

Takuni Group Public Company Limited
Statement of Cash Flows (Cont'd)
For the nine-month period ended 30 September 2016

Non-cash transactions

	Consolidated		Company	
	Unaudited 2016 Baht	Unaudited 2015 Baht	Unaudited 2016 Baht	Unaudited 2015 Baht
Purchases of property, plant and equipment (included in trade and other payables)	683,295	95,450	-	2,150
Purchases of finance lease	-	5,690,000	-	5,690,000



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The accompanying condensed notes are integral part of this 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 principal business operations of the Group are gas trading and transportation, construction services, gas systems installation and safety check services for vehicles and industries and holding company which invest in construction and renewable energy business.

This interim consolidated and company financial information was authorised for issue by the Board of Directors on 7 November 2016.

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

2 Accounting policies

2.1 Basis of preparation

This interim consolidated and company financial information was prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Professions Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial information (i.e. statements of financial position, statements of comprehensive income, changes in shareholders’ equity and cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial information are prepared in a condensed format according to Thai Accounting Standard 34, ‘Interim Financial Reporting’ and 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 2015.

An English version of the interim consolidated and company 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 2015.

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

New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the Group.

Financial reporting standards, which may have a significant impact to the Group:

TAS 24 (revised 2015)	Related party disclosures
TAS 27 (revised 2015)	Separate financial statements
TAS 36 (revised 2015)	Impairment of assets
TAS 40 (revised 2015)	Investment property
TFRS 3 (revised 2015)	Business combinations
TFRS 8 (revised 2015)	Operating segments
TFRS 10 (revised 2015)	Consolidated financial statements
TFRS 12 (revised 2015)	Disclosure of interests in other entities
TFRS 13 (revised 2015)	Fair value measurement

TAS 24 (revised 2015), 'Related party disclosures' includes as a related party an entity that provides key management personnel services to the reporting entity or to the parent of the reporting entity (the 'management entity'). Disclosure of the amounts charged to the reporting entity is required.

TAS 27 (revised 2015) allows an investment entity that is exempted from consolidating its subsidiaries presenting separate financial statements as its only financial statements. It requires the investment entity to measure its investment in subsidiaries at fair value through profit or loss.

TAS 36 (revised 2015), 'Impairment of assets' is amended to provide additional disclosure requirement when the recoverable amount of the assets is measured at fair value less costs of disposal. The disclosures include 1) the level of fair value hierarchy, 2) when fair value measurement categorised within level 2 and level 3, disclosures is required for valuation technique and key assumption.

TAS 40 (revised 2015), 'Investment property' clarifies that TFRS 3 should be applied when determining whether an acquisition of an investment property is a business combination.

TFRS 3 (revised 2015), 'Business combinations' clarifies i) an obligation to pay contingent consideration which meets the definition of a financial instrument as a financial liability or equity, on the basis of the definitions in TAS 32, 'Financial instruments: Presentation' (when announced) or other applicable standards. It also clarifies that all non-equity contingent consideration is measured at fair value at each reporting date, with changes in value recognised in profit and loss, and ii) TFRS 3 does not apply to the accounting for the formation of any joint venture under TFRS 11.

TFRS 8 (revised 2015), 'Operating segments' requires disclosure of the judgements made by management in aggregating operating segments. It is also amended to require a reconciliation of segment assets to the entity's assets when segment assets are reported to chief operating decision maker.

TFRS 10 (revised 2015) 'Consolidated financial statements' is amended to define an investment entity and introduce an exception from consolidation. These amendments mean that many funds and similar entities will be exempt from consolidating most of their subsidiaries. Instead, they will measure them at fair value through profit or loss.

TFRS 12 (revised 2015) introduces disclosures that an investment entity needs to disclose.

TFRS 13 (revised 2015), 'Fair value measurement' is amended to clarify that the portfolio exception in TFRS 13 applies to all contracts (including non-financial contracts) within the scope of TAS 39 (when announced) or TFRS 9 (when announced). This standard has no impact to the Group, except for disclosures.

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 2015.

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:

Petroleum gas trading	: Petroleum gas trading for household cooking, industry and transportation
Gas installation equipment trading	: Car gas installation and industrial equipment
Transportation services	: Gas transportation services by land
Construction services	: Industrial and construction services
Safety-checking services	: Industrial and car gas systems safety-checking services
Others	: Investing (holding) company

The Group has 2 customers in construction service which each generated revenues more than 10% of total revenues in the consolidated financial information for three-month period ended 30 September 2016 totaling Baht 165.36 million. For the nine-month period ended 30 September 2016, the Group has no significant customers.

Takuni Group Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
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4 Segment information (Cont'd)

	Consolidated													
	Sales						Services							
	For the nine-month period ended 30 September													
	Petroleum		Gas installation		Transportation services		Construction service		Safety checking services		Other		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Revenues from operation	674,054,341	760,205,464	7,827,962	11,053,986	30,545,604	37,670,619	469,785,134	147,352,663	43,181,993	37,047,167	-	-	1,223,395,034	993,329,899
Revenues from inter - segment	-	(10,573)	(1,445,014)	(1,834,030)	(19,903,666)	(22,206,400)	(2,001,509)	(1,578,181)	(533,671)	(872,971)	-	-	(23,883,860)	(26,502,155)
Total revenue	674,054,341	760,194,891	6,382,948	9,219,956	10,641,938	15,464,219	467,783,625	145,774,482	42,648,322	36,174,196	-	-	1,201,511,174	966,827,744
Segment result - gross profit	40,967,947	60,309,032	3,591,399	2,298,845	2,125,074	2,809,440	46,976,902	44,114,938	15,124,090	14,685,922	-	-	108,785,412	124,218,177
Operating profit														
Financial cost														
Share of (loss) profit from associates														
Profit before tax														
Income tax														
Net profit														
As at 30 September 2016 and 31 December 2015														
Property, plant and equipment	95,950,626	98,994,115	5,905,721	6,139,475	34,488,234	32,168,010	379,013,431	58,712,876	9,847,196	5,415,476	-	1,714,287	525,205,208	203,144,239
Total consolidated assets	448,436,609	343,303,386	15,732,476	19,592,694	51,782,400	45,013,341	829,314,534	177,727,105	41,609,065	34,733,224	77,423,920	150,008,007	1,464,299,004	770,377,757
Total consolidated liabilities													607,192,438	355,195,377

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Takuni Group Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the nine-month period ended 30 September 2016

5 Trade and other receivables

	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Trade accounts receivables	138,153,535	57,130,399	45,774,427	42,859,941
<u>Less</u> Allowance for doubtful accounts	(2,564,006)	(1,178,809)	(700,033)	(1,038,030)
Trade accounts receivables - net	135,589,529	55,951,590	45,074,394	41,821,911
Receivable from related parties (Note 17)	-	400,000	845,300	1,595,200
Others receivables	440,419	151,710	170,579	150,709
Prepayments	11,238,152	6,493,183	1,115,210	983,999
Accrued interest income	15,565	911,623	3,740,203	3,017,774
Accrued income - Safety-checking services	5,890,870	9,853,792	-	-
Unbilled receivables under construction contracts	273,348,719	50,447,011	-	-
Account receivable - VAT and withholding tax	42,392,430	4,664,933	1,086,156	-
Trade and other receivables - net	<u>468,915,684</u>	<u>128,873,842</u>	<u>52,031,842</u>	<u>47,569,593</u>

Outstanding trade accounts receivable can be analysed as follows:

	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Trade accounts receivable				
Within credit term	74,157,956	33,823,310	22,212,753	25,086,836
Overdue				
- Up to 3 months	54,437,719	16,142,438	21,625,456	13,832,842
- 3 - 6 months	2,571,488	1,380,114	646,975	382,564
- 6 - 12 months	2,525,412	1,312,192	663,561	1,096,025
- Over 12 months	4,460,960	4,472,345	625,682	2,461,674
Total	138,153,535	57,130,399	45,774,427	42,859,941
<u>Less</u> Allowance for doubtful accounts	(2,564,006)	(1,178,809)	(700,033)	(1,038,030)
Trade accounts receivable - net	<u>135,589,529</u>	<u>55,951,590</u>	<u>45,074,394</u>	<u>41,821,911</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 money will be received in the following month.



นางสาวกาญจนา ริมพนิชชกิจ
กรรมการ



นางสาวนิตา ศรีวิธานวัฒน์
กรรมการ

Takuni Group Public Company Limited
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6 Inventories

	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Finished goods - petroleum gas - gas tank for installation and equipment	52,010,492	28,860,102	52,088,674	29,007,820
Work in progress - gas installations	13,498,814	19,706,965	-	-
Work in progress under construction contracts	159,269	1,343,678	-	-
Raw materials	4,861,911	7,576,542	-	-
General supplies	4,113,715	3,450,839	-	-
	1,636,369	1,618,818	-	-
Total	76,280,570	62,556,944	52,088,674	29,007,820
Less Allowance for net realisable value of inventories	(13,598,585)	(19,518,128)	-	-
Inventories - net	62,681,985	43,038,816	52,088,674	29,007,820

As at 30 September 2016, the Group provided for an allowance for finished goods particularly those items relating gas installation and equipment of Baht 13.60 million (2015: Baht 19.52 million), in which allowance of Baht 5.92 million was reversed as related finished goods were sold in the third quarter in 2016 (2015: additional allowance of Baht 6.01 million for finished goods was reserved in the third quarter).

Takuni Group Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
For the nine-month period ended 30 September 2016

7 Investment in subsidiaries and associate

Investments in subsidiaries and associate as at 30 September 2016 are as follows:

Company's name	Type of business	Nature of relationship	Percentage of holdings	
			30 September 2016	31 December 2015
Subsidiaries				
Takuni (Thailand) Co., Ltd. ("TT")	Industrial and car gas systems installation and construction services	Direct shareholders	99.99	99.99
G Gas Logistics Co., Ltd. ("GG")	Transportation services by land	Direct shareholders	99.99	99.99
Rajhapluek Engineering Co., Ltd. ("RE")	Industrial and car gas systems safety checking services	Direct shareholders	99.99	99.99
Newman Green Co., Ltd. ("NMG")	Investing company	Direct shareholders	99.99	99.99
CAZ (Thailand) Co., Ltd. ("CAZ")	Construction contractor	Indirect shareholding via TT	51.30	-
JKEC Co., Ltd. ("JKEC")	Construction contractor	Indirect shareholding via CAZ	51.22	-
Associates				
CAZ (Thailand) Co., Ltd. ("CAZ")	Construction contractor	Indirect shareholding via TT	-	47.72
Well-Korat Energy Co., Ltd. ("WKE")	Power plant business	Indirect shareholding via NMG	-	45.00

All subsidiaries and associate are incorporated in Thailand.

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7 Investment in subsidiaries and associate (Cont'd)

7.1 Investment in subsidiaries

The movement of investments in subsidiaries for the nine-month period ended 30 September 2016 are as follows:

	Company Baht
Beginning net book amount	240,359,470
Acquisitions	-
Disposals	-
Ending net book amount	<u>240,359,470</u>

Subsidiary establishment and investment in subsidiary

Additional investment in CAZ (Thailand) Co., Ltd.

On 26 February 2016, the Board of Directors' meeting no. 2/2016 of Takuni (Thailand) Co., Ltd. passed a resolution to increase the investment in CAZ (Thailand) Co., Ltd. ("CAZ") from 47.72% of paid-up share capital to 51.30% of paid-up capital. The Group has purchased the additional 40,000 shares at par value of Baht 100 per share on 7 April 2016 by cash payment of Baht 4 million. This transaction made CAZ be the subsidiary of the Group. As a result of the step acquisition, the goodwill from business combination is disclosed in Note 20.

Acquisition of JKEC Co., Ltd.

On 28 March 2016, the CAZ's Extraordinary Shareholders meeting, the shareholders passed a resolution to invest in JKEC Co., Ltd. ("JKEC"), which is established in 2016 and incorporates construction service, 21,000 shares at par value at Baht 100 per share totaling Baht 2.10 million, representing 51.22% of paid-up share capital of JKEC. This made CAZ has control over JKEC since 1 June 2016.

7.2 Investment in associate

Disposal investment in associate

Disposal of Well-Korat Energy Co., Ltd.

On 9 May 2016, the Board of Directors of Takuni Group Co., Ltd. passed a resolution to sell ordinary shares of Well-Korat Energy Co., Ltd. ("WKE") which is held by Newman Green Co., Ltd. ("NMG") (Company's subsidiary) totaling 12.60 million shares representing to 45% of paid-up share capital amounting to Baht 134.74 million to third party. The Group entered into the agreement and received consideration on sales investment on 30 June 2016. The Group and the company recognised gain on sales investment amounting to Baht 25.42 million which is presented in consolidated financial information.

7 Investment in subsidiaries and associate (Cont'd)

7.2 Investment in associate (Cont'd)

The movements of investment in associate for the nine-month period ended 30 September 2016 are as follows:

	Consolidated	Company
	30 September	30 September
	2016	2016
	Baht	Baht
Beginning net book amount	167,244,543	-
Acquisitions	-	-
Disposals - WKE	(109,313,039)	-
Decrease from the acquisition subsidiary - CAZ	(39,635,957)	-
Share of loss	(20,675,208)	-
Share of comprehensive profit	2,379,661	-
Ending net book amount	-	-

Takuni Group Public Company Limited
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For the nine-month period ended 30 September 2016

8 Investment properties

The movement of investment properties for the nine-month period ended 30 September 2016 can be summarised as follows:

	Consolidated Buildings Baht
Opening net book amount	4,862,259
Depreciation charge	(258,739)
Closing net book amount	4,603,520
Fair value at 30 September 2016	43,000,000

Investment properties at net book values of Baht 4.60 million has been pledged as a security for borrowings (Note 12).

Fair values of the Group's investment properties, the building located at head office leased to the external parties, were assessed by an independent valuer. According to its report dated 22 December 2014, fair value is assessed using income approach.

As at 30 September 2016, management believes the Group has no significant factors that may affect the fair value as previously assessed.

9 Property, plant, equipment and intangible assets

The movement of property, plant, equipment and intangible assets for the nine-month period ended 30 September 2016 is summarised as follows:

	Consolidated		Company	
	Property, plant and equipment Baht	Intangible assets Baht	Property, plant and equipment Baht	Intangible assets Baht
Opening net book amount	203,144,239	718,446	95,223,226	182,412
Assets increase from acquisition of subsidiary - CAZ	24,757,659	2,801,989	-	-
Additions	314,326,873	29,700	1,481,509	5,200
Written offs	(2,058,690)	-	-	-
Depreciation charge	(14,964,873)	(408,798)	(4,154,120)	(102,884)
Closing net book amount	525,205,208	3,141,337	92,550,615	84,728

On 14 March 2016, the Company already received a license to operate building and gas equipment in gas warehouse in Pathum Thani province from a local authority after the disputes had occurred since July 2015. The gas warehouse has been operated since May 2016.

On 5 September 2016, the Group purchased land, building and equipment totaling Baht 285.00 million for further operation.

As at 30 September 2016, Takuni (Thailand) Co, Ltd., a subsidiary, had pledged certain plots of land and buildings with net book value of Baht 46.49 million (31 December 2015: Baht 47.49 million) as collateral for credit facilities for bank overdrafts, letters of credits or trust receipt, letters of guarantees, forward contracts, long-term borrowings from a financial institution for the Group (Note 12).

Takuni Group Public Company Limited
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9 Property, plant, equipment and intangible assets (Cont'd)

As at 30 September 2016, G Gas Logistics Co., Ltd., a subsidiary, had pledged its gas trucks and gas transportation vehicles with their net book value of Baht 8.64 million (31 December 2015: Baht 9.80 million) as collateral for long-term borrowings from a financial institution.

As at 30 September 2016, CAZ (Thailand) Co., Ltd., a subsidiary, had pledged certain plots of land and buildings with net book value of Baht 256.73 million (31 December 2015: None) as collateral for credit facilities for bank overdrafts, letters of guarantees, long-term borrowings from a financial institution for the Group (Note 12).

10 Deferred tax assets (liabilities)

	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Deferred tax assets	3,471,798	6,004,778	-	-
Deferred tax liabilities	(869,598)	(1,008,321)	(148,828)	(250,843)
Deferred tax assets (liabilities), net	2,602,200	4,996,457	(148,828)	(250,843)

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

11 Trade and other payables

	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Trade accounts payable	109,505,081	72,167,363	36,125,345	55,832,943
Trade accounts payable - related parties (Note 17)	-	-	1,955,316	3,013,570
Amounts due to related parties (Note 17)	-	-	50,939	77,643
Other payables	4,663,615	3,033,252	2,151,633	2,499,941
Unearned revenues - construction contracts	158,565,449	119,375	-	-
Accounts payable - revenue department	2,744,426	1,031,448	424,485	330,764
Accrued expenses	26,448,646	8,333,477	3,808,897	3,817,168
Total trade and other payables	301,927,217	84,684,915	44,516,615	65,572,029

Takuni Group Public Company Limited
Condensed Notes to the Interim Consolidated and Company Financial Information (Unaudited)
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12 Borrowings

	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Current				
Bank overdrafts	-	61,500	-	-
Short-term borrowings from financial institutions	-	214,167,306	-	214,167,306
Current portion of long-term borrowings from financial institutions	71,120,000	6,000,000	5,000,000	6,000,000
Current portion of finance lease liabilities	1,724,695	788,015	820,098	788,015
Total current borrowings	72,844,695	221,016,821	5,820,098	220,955,321
Non-current				
Long-term bank borrowings from financial institutions	190,120,000	28,100,000	-	3,500,000
Finance lease liabilities	4,061,237	3,113,092	2,493,945	3,113,092
Total non-current borrowings	194,181,237	31,213,092	2,493,945	6,613,092
Total borrowings	267,025,932	252,229,913	8,314,043	227,568,413

The movement in long-term borrowings from financial institutions are analysed as follows:

	Consolidated	Company
	30 September 2016 Baht	30 September 2016 Baht
Opening amount	34,100,000	9,500,000
Borrowings increase from acquisition of subsidiary - CAZ	20,000,000	-
Additions	215,000,000	-
Repayments	(7,860,000)	(4,500,000)
Closing amount	261,240,000	5,000,000

The Company

On 18 August 2012, the Company entered into the long-term borrowing agreement with a local financial institution amounting to Baht 30 million, which required the principle repayment of Baht 500,000 per month, totaling 60 months. This borrowing bears the interest rate of 3% per annum and is pledged by subsidiaries' land and buildings (Note 8 and Note 9).

Subsidiaries

Takuni (Thailand) Co., Ltd.

On 19 January 2016, Takuni (Thailand) Co., Ltd. entered into the long-term loan agreement with a local financial institution amounting to Baht 10.00 million, which required the repayment over 84 months. This borrowing bears the interest rate at 4% per annum and is pledged by land and buildings of Takuni (Thailand) Co., Ltd. (Note 8 and Note 9).

12 Borrowings (Cont'd)

Subsidiaries (Cont'd)

G Gas Logistics Co., Ltd.

On 24 May 2012, G Gas Logistics Co., Ltd. entered into the long-term borrowing agreement with a local financial institution amounting to Baht 24.60 million, which required the repayment over 60 months. This borrowing bears the interest rate of 3% per annum and is pledged by vehicles for gas transportation (Note 9).

On 13 January 2016, G Gas Logistics Co., Ltd. entered into the long-term loan agreement with a local financial institution amounting to Baht 10.00 million, which required the repayment of Baht 120,000 per month, totaling 84 months. This borrowing bears the interest rate at 4% per annum and is pledged by vehicles for gas transportation (Note 9).

Rajchapluek Engineering Co., Ltd.

On 19 January 2016, Rajchapluek Engineering Co., Ltd. entered into the long-term loan agreement with a local financial institution amounting to Baht 10.00 million, which required the repayment of Baht 120,000 per month, totaling 84 months. This borrowing bears the interest rate at 4% per annum and is pledged by land and buildings of Takuni (Thailand) Co., Ltd. (Note 8 and Note 9).

CAZ (Thailand) Co., Ltd.

On 15 January 2016, CAZ (Thailand) Co., Ltd. entered into the loan agreement with a local financial institution amounting to Baht 10.00 million, which required the repayment of Baht 720,000 every 6 months, totaling 14 periods. This borrowing bears the interest rate at MLR% per annum and is pledged by land and buildings of Takuni (Thailand) Co., Ltd. and CAZ (Thailand) Co., Ltd.'s director (Note 8 and Note 9).

On 15 January 2016, CAZ (Thailand) Co., Ltd. entered into the loan agreement with a local financial institution amounting to Baht 10.00 million, which required the repayment of Baht 720,000 every 6 months, totaling 14 periods. This borrowing bears the interest rate at 4% per annum and is pledged by land and buildings of Takuni (Thailand) Co., Ltd. and CAZ (Thailand) Co., Ltd.'s director (Note 8 and Note 9).

On 10 August 2016, CAZ (Thailand) Co., Ltd. entered into the loan agreement with a local financial institution amounting to Baht 250.00 million, which required the repayment of Baht 2.98 million per month, totaling 84 periods and the outstanding amount for the last month. This borrowing bears the interest rate at MLR% per annum and is pledged by Takuni Group Public Limited and land and buildings of CAZ (Thailand) Co., Ltd. (Note 9). As at 30 September 2016, CAZ (Thailand) Co., Ltd. has drawn down Baht 185.00 million from such borrowing.

13 Share capital and share premium

For the nine-month period ended	Consolidated and Company					
	Authorised share capital		Issued and paid-up capital			Total
	Number of shares Shares	Ordinary shares Baht	Number of shares Shares	Ordinary shares Baht	Premium on paid-up capital Baht	
Opening amount as at 1 January 2016	1,200,000,000	600,000,000	400,000,000	200,000,000	106,643,230	306,643,230
Increase in authorised share capital	-	-	400,000,000	200,000,000	198,884,536	398,884,536
Closing amount as at 30 September 2016	<u>1,200,000,000</u>	<u>600,000,000</u>	<u>800,000,000</u>	<u>400,000,000</u>	<u>305,527,766</u>	<u>705,527,766</u>
Opening amount as at 1 January 2015	400,000,000	200,000,000	400,000,000	200,000,000	106,643,230	306,643,230
Increase in authorised share capital	-	-	-	-	-	-
Closing amount as at 30 September 2015	<u>400,000,000</u>	<u>200,000,000</u>	<u>400,000,000</u>	<u>200,000,000</u>	<u>106,643,230</u>	<u>306,643,230</u>

13 Share capital and share premium (Cont'd)

At the extraordinary general meeting No. 1/2015 held on 2 December 2015, the shareholders approved the increase in authorised share capital from 400 million common shares to 1,200 million common shares with the par value of Baht 0.50 per share in which 400 million shares are for the existing shareholders and another not exceeding 400 million shares are for the right to purchase common share (TAKUNI-W). The Company registered the increase in new share capital with the Ministry of Commerce on 16 December 2015.

On 13 January 2016, the Company received paid up capital from the first 400 million common shares. The new shares were sold to the existing shareholders at the price of Baht 1 per share (Baht 0.50 for paid up capital and Baht 0.50 for share premium) totaling Baht 400 million. The Company registered the increase in paid-up share capital with the Ministry of Commerce on 13 January 2016. Directly attributable expenses of issuing additional shares of Baht 1.1 million were deducted from the share premium received from the shareholders.

14 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 ordinary share
Exercise price	:	Baht 2 per share
Exercise date	:	On the last business day of December of each year
Last exercise date	:	28 January 2021

The movement of warrants to purchase ordinary shares for the nine-month period ended 30 September 2016 is as follows:

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

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15 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 issued during the period (Note 13).

	Consolidated		Company	
	2016	2015	2016	2015
For the three-month ended 30 September				
Net profit attributable to ordinary shareholders of the parent (Baht)	(404,533)	24,114,920	1,182,123	586,297
Weighted average number of ordinary shares in issue (Shares)	800,000,000	400,000,000	800,000,000	400,000,000
Basic earnings per share (Baht)	(0.001)	0.060	0.001	0.001
For the nine-month ended 30 September				
Net profit attributable to ordinary shareholders of the parent (Baht)	19,236,036	59,870,688	27,441,743	30,380,855
Weighted average number of ordinary shares in issue (Shares)	782,481,752	400,000,000	782,481,752	400,000,000
Basic earnings per share (Baht)	0.025	0.150	0.035	0.076

Basic earnings per share for owners of the parents are calculated by net income attribute to owners of the parents divided by weighted average number of ordinary shares.

16 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% (30 September 2015: 18% per annum).

17 Related party transactions

As at 30 September 2016, the major shareholders of the Company are 3 individuals from the same family, which own 60% of the Company's share capital. The investment in subsidiaries and associate is disclosed in Note 7.

The following transactions were significant to subsidiaries and related parties:

17.1 Outstanding balances arising from sales/purchases of goods/services

	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Other receivables				
Subsidiaries	-	-	845,300	1,195,200
Associates	-	400,000	-	400,000
	<u>-</u>	<u>400,000</u>	<u>845,300</u>	<u>1,595,200</u>
Accrued interest income				
Subsidiaries	-	-	3,740,203	2,220,123
Associates	-	911,623	-	797,651
	<u>-</u>	<u>911,623</u>	<u>3,740,203</u>	<u>3,017,774</u>
Trade accounts payable				
Subsidiaries	-	-	1,955,316	3,013,570
Other account payables				
Subsidiaries	-	-	50,939	77,643

17 Related party transactions (Cont'd)

The following transactions were significant to subsidiaries and related parties: (Cont'd)

17.2 Short-term loans to related parties

	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Short-term loans to subsidiaries	-	-	170,200,000	53,870,000
Short-term loans to associates	-	84,448,425	-	69,548,325
	-	84,448,425	170,200,000	123,418,325

a) Short-term loans to subsidiaries

	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Opening balance	-	-	53,870,000	30,000,000
Additions	-	-	151,400,000	43,880,000
Loans increase from acquisition of subsidiary - CAZ	-	-	40,000,000	-
Repayments	-	-	(75,070,000)	(20,010,000)
Ending balance	-	-	170,200,000	53,870,000

These loans are unsecured and carry interest at the rate of 1.5% to 8.5% per annum. The loans are due on demand.

b) Short-term loans to associates

	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Opening balance	84,448,425	-	69,548,325	-
Additions	181,818,000	114,748,425	181,818,000	89,548,325
Loans decrease from acquisition of subsidiary -CAZ	(45,000,000)	-	(45,000,000)	-
Loans decrease from disposal of associate - WKE	(202,698,425)	-	(187,798,325)	-
Repayments	(18,568,000)	(30,300,000)	(18,568,000)	(20,000,000)
Ending balance	-	84,448,425	-	69,548,325

These loans are unsecured and carry interest at the rate of 5.50% to 8.50% per annum. The loans are due on demand.

17 Related party transactions (Cont'd)

The following transactions were significant to subsidiaries and related parties: (Cont'd)

17.3 Short-term loans from related party


	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Opening balance	-	-	-	-
Additions	-	-	65,000,000	-
Ending balance	-	-	65,000,000	-

These loans are unsecured and carry interest at the rate of 1.5% per annum. The loans are due on demand.

17.4 Revenues from sales of goods/services and other income

	Consolidated		Company	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
For the three-month ended 30 September				
Revenues from sale of gas				
Subsidiaries	-	-	-	10,573
Other income				
Subsidiaries	-	-	2,370,000	2,580,000
Interest income (Include in other income)				
Subsidiaries	-	-	1,700,251	347,836
Associate	-	1,291,906	-	1,071,233
	-	1,291,906	1,700,251	1,419,069


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17 Related party transactions (Cont'd)

The following transactions were significant to subsidiaries and related parties: (Cont'd)

17.4 Revenues from sales of goods/services and other income (Cont'd)

	Consolidated		Company	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
For the nine-month ended 30 September				
Revenues from sale of gas				
Subsidiaries	-	-	-	10,573
Other income				
Subsidiaries	-	-	7,920,000	7,364,776
Associate	780,000	-	780,000	-
	<u>780,000</u>	<u>-</u>	<u>8,700,000</u>	<u>7,364,776</u>
Dividend income (Include in other income)				
Subsidiaries	-	-	21,399,930	10,609,937
Interest income (Include in other income)				
Subsidiaries	-	-	3,439,818	969,863
Associate	4,467,910	1,681,416	4,060,862	1,334,849
	<u>4,467,910</u>	<u>1,681,416</u>	<u>7,500,680</u>	<u>2,304,712</u>

17.5 Purchases of goods/services and interest expenses

	Consolidated		Company	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
For the three-month ended 30 September				
Purchase of goods and services				
Subsidiaries	-	-	255,647	281,243
Rental expenses - office				
Subsidiaries	-	-	126,000	126,000
Transportation expenses				
Subsidiaries	-	-	5,744,877	7,439,130
Other expenses				
Subsidiaries	-	-	20,470	51,595

17 Related party transactions (Cont'd)

The following transactions were significant to subsidiaries and related parties: (Cont'd)

17.5 Purchases of goods/services and interest expenses (Cont'd)

	Consolidated		Company	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
For the nine-month ended 30 September				
Purchase of goods and services				
Subsidiaries	-	-	937,585	364,915
Rental expenses - office				
Subsidiaries	-	-	378,000	378,000
Transportation expenses				
Subsidiaries	-	-	19,903,666	22,171,400
Other Expenses				
Subsidiaries	-	-	94,627	143,361

17.6 Key management compensation

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

	Consolidated		Company	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
For the three-month ended 30 September				
Salaries and other short-term employee benefits	4,367,724	1,872,154	2,210,850	1,872,154
Post-employment benefits	67,649	10,461	42,724	10,461
	<u>4,435,373</u>	<u>1,882,615</u>	<u>2,253,574</u>	<u>1,882,615</u>
For the nine-month ended 30 September				
Salaries and other short-term employee benefits	10,790,400	5,616,462	6,630,582	5,616,462
Post-employment benefits	176,105	31,383	128,173	31,383
	<u>10,966,505</u>	<u>5,647,845</u>	<u>6,758,755</u>	<u>5,647,845</u>





18 Commitments

18.1 Letters of guarantees

As at 30 September 2016, the outstanding bank guarantees issued by the banks on behalf of the Company and subsidiaries for the purchase of petroleum gas and guarantee for the electricity usage, and on behalf of the associate for the purchase of goods and advance received from customers are as follows:

	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Letters of guarantees Company and subsidiaries	332,087,478	91,956,704	71,934,484	71,934,484
Associates	-	138,307,735	-	-
	<u>332,087,478</u>	<u>230,264,439</u>	<u>71,934,484</u>	<u>71,934,484</u>

As at 30 September 2016, the Group had credit facilities for letter of credits or trust receipt, letter of guarantee, forward contracts and credit limit of loan. These credit facilities are pledged by subsidiaries' assets (Note 8 and Note 9), the Group's bank accounts, and directors.

18.2 Operating lease commitments

As at 30 September 2016, the Group and Company had the future aggregate minimum lease payments under non-cancellable operating lease in respect of land rental, buildings, equipment and car rental in which the period of contracts is from 1 year to 22 years, as follows:

	Consolidated		Company	
	30 September 2016 Baht	31 December 2015 Baht	30 September 2016 Baht	31 December 2015 Baht
Within 1 year	4,091,692	613,784	948,884	948,884
Within 2 to 5 years	4,932,844	1,865,938	1,750,138	2,165,938
Over 5 years	5,128,298	5,424,162	5,128,298	5,424,162
Total	<u>14,152,834</u>	<u>7,903,884</u>	<u>7,827,320</u>	<u>8,538,984</u>

19 Dividend

On 26 April 2016, the Board of Directors approved the appropriation of dividends for the operating results for the period for the year ended 31 December 2015 at Baht 0.033 for 800 million shares, totaling Baht 26.16 million. The dividends were paid to shareholders on 25 May 2016.

On 27 April 2015, the Board of Directors approved the appropriation of dividends for the operating results for the period for the year ended 31 December 2014 totaling Baht 30 million from the operating results for the period 1 January to 31 March 2014 amount Baht 6 million. The dividends were paid to shareholders on 23 June 2014. The remaining appropriation of dividends for the operating results for the period for 1 April to 31 December 2014 amount Baht 24 million. The dividend was paid to shareholders on 27 May 2015.



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20 Business combinations

20.1 CAZ (Thailand) Co., Ltd.

The Board of Directors' meeting no. 2/2016 held on 26 February 2016, the Board passed a resolution to increase the investment in CAZ (Thailand) Co., Ltd. ("CAZ") from 47.72% of paid-up share capital to 51.30% of paid-up capital. The Group has purchased the additional shares on 7 April 2016 by cash payment of Baht 4 million. This transaction made CAZ be the subsidiary of the Group. As a result of acquisition, the Group is expected to expand business opportunity in construction in the future.

The goodwill of Baht 5.61 million arises from a number of factors such as expected synergy's through combining a highly skilled workforce and obtaining economies of scale and unrecognised assets such as the workforce.

The following table summarises the consideration paid for CAZ and the amounts of the assets acquired and liabilities assumed recognised at the acquisition date.

Consideration at 7 April 2016

	<u>Million Baht</u>
Cash	4.00
Contingent consideration	6.63
Total consideration transferred	<u>10.63</u>
Fair value of equity interest in CAZ the business combination	<u>39.64</u>
Total consideration	<u><u>50.27</u></u>

	<u>Million Baht</u>
Recognised amounts of identifiable assets acquired and liabilities assumed	
Cash and cash equivalents	3.57
Trade and other receivables	52.77
Unbilled revenue	156.08
Inventories	2.33
Retentions	27.27
Property, plant and equipment	24.32
Other assets	36.04
Trade and other payables	(87.82)
Retirement benefit obligations	(0.26)
Unearned revenues	(44.89)
Borrowings	(66.00)
Other liabilities	(16.35)
Total identifiable assets	<u><u>87.06</u></u>
Non-controlling interest	42.40
Goodwill	5.61

On 30 September 2016, Takuni (Thailand) Co.,Ltd are in the process of estimation the fair value of the total identifiable net assets which was estimated by purchase price allocation method. Therefore, the difference between consideration and total identifiable net asset will be recorded as goodwill or other income depends on the result of assessment and review by purchase price allocation method which is expected to finalise in the 4th quarter of the year 2016.

20 Business combinations (Cont'd)

20.1 CAZ (Thailand) Co., Ltd. (Cont'd)

a) Contingent consideration

The contingent consideration arrangement requires the Group to pay the former owners of CAZ. The potential undiscounted amount of all future payments that the Group could be required to make under this arrangement is Baht 6.63 million. The fair value of the contingent consideration arrangement is Baht 6.63 million. The dividends will be distributed to former shareholders in the book of shareholders' registration on 11 March 2015 before an increase in authorised share capital.

b) Revenue and profit contribution

The revenue included in the consolidated income statement from 7 April 2016 to 30 September 2016 was Baht 320.26 million and also contributed profit of Baht 3.01 million over the same period.

If CAZ been consolidated from 1 January 2016, the consolidated income statement for the nine-month ended 30 September 2016 would show revenue of Baht 518.71 million and profit of Baht 9.09 million, respectively.

20.2 JKEC Co., Ltd.

The CAZ's Extraordinary Shareholders meeting held on 28 March 2016, the shareholders passed a resolution to invest in JKEC Co., Ltd., which is established in 2016 and incorporates construction service, 21,000 shares equally to 51.22% of paid-up share capital of JKEC. This made CAZ has control over JKEC since 1 June 2016.

Consideration at 1 September 2016

	Million Baht
Cash	2.10
Total consideration transferred	2.10
Cash and cash equivalents	1.31
Trade and other receivables	3.10
Unbilled revenue	7.88
Other current assets	0.01
Retentions	0.66
Equipment	0.44
Intangible asset	0.03
Other assets	0.47
Trade and other payables	(1.24)
Unearned revenues	(7.48)
Borrowings	(0.04)
Other liabilities	(0.33)
Total identifiable net assets	4.45
Non-controlling interest	2.17
Gain on bargain purchase	(0.18)

Gain on bargain purchase amount Baht 0.18 million has been recognised as other income in the consolidated financial information.

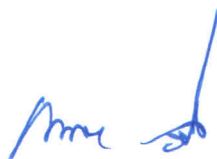
20 Business combinations (Cont'd)

20.2 JKEC Co., Ltd. (Cont'd)

a) Revenue and profit contribution

The revenue included in the consolidated income statement from 1 June 2016 to 30 September 2016 was Baht 43.04 million and also contributed profit of Baht 6.18 million over the same period.

If CAZ (Thailand) Co., Ltd. had been consolidated from 1 January 2016, the consolidated income statement for the nine months period ended 30 September 2016 would show revenue of Baht 63.53 million and profit of Baht 6.53 million, respectively.



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