

AUDITOR'S REPORT

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

I have audited the accompanying consolidated and company financial statements of Takuni Group Public Company Limited and its subsidiaries and of Takuni Group Public Company Limited, which comprise the consolidated and company statements of financial position as at 31 December 2015, and the related consolidated and company statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and a summary of significant accounting policies and other notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated and company financial statements referred to above present fairly, in all material respects, the consolidated and company financial position of Takuni Group Public Company Limited and its subsidiaries and of Takuni Group Public Company Limited as at 31 December 2015, and its consolidated and company results of operations and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

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

Bangkok
26 February 2016

TAKUNI GROUP PUBLIC COMPANY LIMITED

CONSOLIDATED AND COMPANY FINANCIAL STATEMENTS

31 DECEMBER 2015

Takuni Group Public Company Limited					
Statement of Financial Position					
As at 31 December 2015					
		Consolidated		Company	
		2015	2014	2015	2014
		Baht	Baht	Baht	Baht
		Notes			
Assets					
Current assets					
Cash and cash equivalents	7	90,100,398	186,775,947	64,632,341	138,691,309
Temporary investments		232,108	-	-	-
Trade and other receivables	8	128,873,842	80,323,729	47,569,593	50,785,025
Short-term loans to related parties	26	84,448,425	-	123,418,325	30,000,000
Inventories	9	43,038,816	61,618,638	29,007,820	30,081,910
Other current assets		649,937	168,257	160,718	143,723
Total current assets		347,343,526	328,886,571	264,788,797	249,701,967
Non-current assets					
Pledged and restricted bank deposits	7	40,455,019	31,470,181	36,455,019	26,300,000
Non-current portion of trade accounts receivable	10	-	1,432,016	-	1,432,016
Investments in subsidiaries		-	-	240,359,470	90,359,770
Investments in associates	11	167,244,543	-	-	-
Investment properties	12	4,862,259	5,207,875	-	-
Property, plant and equipment	13	203,144,239	208,378,637	95,223,226	95,551,749
Intangible assets	14	718,446	983,459	182,412	258,380
Deferred income tax assets	16	6,004,778	991,331	-	483,837
Other non-current assets		604,947	530,447	425,974	425,974
Total non-current assets		423,034,231	248,993,946	372,646,101	214,811,726
Total assets		770,377,757	577,880,517	637,434,898	464,513,693
Director _____		Director _____			
The accompanying notes are an integral part of these consolidated and company financial statements.					
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Takuni Group Public Company Limited					
Statement of Financial Position (Cont'd)					
As at 31 December 2015					
		Consolidated		Company	
		2015	2014	2015	2014
		Baht	Baht	Baht	Baht
		Notes			
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts	15	61,500	-	-	-
Trade and other payables	17	84,684,915	157,595,964	65,572,029	110,411,009
Short-term borrowings from financial institutions	15	214,167,306	-	214,167,306	-
Current portion of long-term bank borrowings	15	6,000,000	6,541,417	6,000,000	6,000,000
Current portion of finance lease liabilities	15	788,015	-	788,015	-
Current income tax payable		9,882,849	2,385,550	2,039,669	1,345,785
Other current liabilities		756,139	824,107	-	-
Total current liabilities		316,340,724	167,347,038	288,567,019	117,756,794
Non-current liabilities					
Long-term bank borrowings	15	28,100,000	34,100,000	3,500,000	9,500,000
Finance lease liabilities	15	3,113,092	-	3,113,092	-
Employee benefit obligations	18	1,671,066	825,627	865,660	394,679
Deferred income tax liabilities	16	1,008,321	423,222	250,843	-
Other non-current liabilities		4,962,174	821,566	324,811	324,811
Total non-current liabilities		38,854,653	36,170,415	8,054,406	10,219,490
Total liabilities		355,195,377	203,517,453	296,621,425	127,976,284
The accompanying notes are an integral part of these consolidated and company financial statements.					

Takuni Group Public Company Limited					
Statement of Comprehensive Income					
For the year ended 31 December 2015					
		Consolidated		Company	
		2015	2014	2015	2014
		Baht	Baht	Baht	Baht
		Notes			
Revenue					
Revenue from sales		1,019,000,554	1,101,126,909	1,007,566,006	1,081,422,185
Revenue from services		333,876,438	103,128,541	-	-
Total revenues		1,352,876,992	1,204,255,450	1,007,566,006	1,081,422,185
Cost of sales					
Cost of sales		(960,111,561)	(1,032,010,282)	(935,556,178)	(1,019,981,462)
Cost of services		(236,194,061)	(68,417,762)	-	-
Total cost of sales		(1,196,305,622)	(1,100,428,044)	(935,556,178)	(1,019,981,462)
Gross profit		156,571,370	103,827,406	72,009,828	61,440,723
Other income	22	11,802,747	9,078,743	32,584,299	35,204,186
Profit before expenses		168,374,117	112,906,149	104,594,127	96,644,909
Selling expenses		(24,195,540)	(26,276,817)	(28,717,094)	(31,461,222)
Administrative expenses		(61,412,368)	(50,957,320)	(39,159,629)	(29,347,958)
Finance costs		(3,147,894)	(1,534,994)	(2,313,201)	(559,272)
Share of profit of associates	11	1,234,543	-	-	-
Profit before income tax		80,852,858	34,137,018	34,404,203	35,276,457
Income tax	24	(15,471,044)	(6,958,924)	(5,788,115)	(3,617,281)
Profit for the year		65,381,814	27,178,094	28,616,088	31,659,176
Other comprehensive income:					
Items that will not be reclassified					
subsequently to profit or loss					
Remeasurements of post-employment					
benefit obligations					
		(562,498)	-	(340,024)	-
Total comprehensive income for the year		64,819,316	27,178,094	28,276,064	31,659,176
Profit attributable to:					
Owners of the parent		65,381,814	27,178,094	28,616,088	31,659,176
Non-controlling interests		-	-	-	-
Profit for the year		65,381,814	27,178,094	28,616,088	31,659,176
Total comprehensive income attributable to:					
Owners of the parent		64,819,316	27,178,094	28,276,064	31,659,176
Non-controlling interests		-	-	-	-
Total comprehensive income for the year		64,819,316	27,178,094	28,276,064	31,659,176
Earnings per share					
	25				
Basic earnings per share (Baht)		0.16	0.08	0.07	0.09
The accompanying notes are an integral part of these consolidated and company financial statements.					

	A	B	C	D	E	F	G	H	I	J	K	L
57	Takuni Group Public Company Limited											
58	Statement of Cash Flows (Cont'd)											
59	For the year ended 31 December 2015											
60												
61												
62						Consolidated			Company			
63						2015	2014	2015	2014	2015	2014	
64				Notes		Baht	Baht	Baht	Baht	Baht	Baht	
65	Cash flows from investing activities											
66	Purchases of investments in subsidiaries											
67				11		(166,010,000)	-	(149,999,700)	-			
68	Purchases of property, plant and equipment											
69				13, 14		(4,787,355)	(7,269,263)	(329,202)	(4,704,482)			
70	Proceeds from sales of property,											
71						147,509	100,000	-	-			
72	Purchase of temporary investments											
73	Loan payments received from related parties											
74				26		30,300,000	-	40,010,000	10,000,000			
75	Interest received											
76	Short-term loans made to related parties											
77				26		(114,748,425)	-	(133,428,325)	(15,000,000)			
78	Pledged and restricted bank deposits											
79				7		(8,984,838)	(26,400,382)	(10,155,019)	(26,300,000)			
80	Net cash used in investing activities											
81						(260,537,449)	(32,182,651)	(250,808,741)	(34,959,629)			
82	Cash flows from financing activities:											
83	Proceeds from short-term borrowings from											
84				15		214,167,306	-	214,167,306	-			
85	Repayments of long-term borrowings from											
86				15		(6,541,417)	(6,543,149)	(6,000,000)	(6,000,000)			
87	Proceeds from issuance of ordinary shares											
88				19		-	151,283,230	-	151,283,230			
89	Dividend payments											
90				21		(24,000,000)	(25,950,000)	(24,000,000)	(25,950,000)			
91	Payment on finance lease liabilities											
92				17		(1,788,893)	(3,947,271)	(1,788,893)	(2,018,330)			
93	Net cash received from financing activities											
94						181,836,996	114,842,810	182,378,413	117,314,900			
95	Net increase (decrease) in cash and cash equivalents											
96						(96,737,049)	157,607,077	(74,058,968)	132,789,329			
97	Cash and cash equivalents - opening balance											
98						186,775,947	29,168,870	138,691,309	5,901,980			
99	Cash and cash equivalents - closing balance											
100				7		90,038,898	186,775,947	64,632,341	138,691,309			
101	Cash and cash equivalents											
102				7		90,100,398	186,775,947	64,632,341	138,691,309			
103	Bank overdrafts											
104				7		(61,500)	-	-	-			
105	Cash and cash equivalents - closing balance											
106				7		90,038,898	186,775,947	64,632,341	138,691,309			
107	Non-cash transactions											
108	Purchases of property, plant and equipment											
109						155,027	179,029	-	2,350			
110	(included in other accounts payables)											
111						5,690,000	-	5,690,000	-			
112	Purchases of assets under finance lease											
113						585	4,574	583	-			
114	(included in other accounts receivables)											
115	The accompanying notes are an integral part of these consolidated and company financial statements.											
116												10

1 General information

Takuni Group Public Company Limited (“the Company”) is a public company incorporated and resident in Thailand. The address of its register 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 11.

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

These Group consolidated and company financial statements were authorised for issue by the Board of Directors on 26 February 2016.

2 Accounting policies

The principal accounting policies adopted in the preparation of these consolidated and company financial statements are set out below:

2.1 Basis of preparation

The consolidated and company financial statements have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The consolidated and company financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and company financial statements are disclosed in Note 4.

An English version of the consolidated and company financial statements have been prepared from the statutory financial statements that are in Thai language. In the event of a conflict or a difference in interpretation between the two languages, Thai language statutory financial statements shall prevail.

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards

2.2.1 New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the Group.

a) Revised accounting standards which are effective on 1 January 2015 and are relevant to the Group:

TAS 1 (revised 2014)	Presentation of financial statements
TAS 16 (revised 2014)	Property, plant and equipment
TAS 19 (revised 2014)	Employee benefits
TAS 27 (revised 2014)	Separate financial statements
TAS 28 (revised 2014)	Investments in associates and joint ventures
TAS 34 (revised 2014)	Interim financial reporting
TFRS 10	Consolidated financial statements
TFRS 11	Joint arrangements
TFRS 12	Disclosure of interests in other entities
TFRS 13	Fair value measurement
TFRIC 14 (revised 2014)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 20	Stripping costs in the production phase of a surface mine

TAS 1 (revised 2014), the main change is that a requirement for entities to group items presented in 'other comprehensive income' (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The amendments do not address which items are presented in OCI. The Group has adopted this standards.

TAS 16 (revised 2014) indicates that spare part, stand-by equipment and servicing equipment are recognised as PPE when they meet the definition of PPE. Otherwise, such items are classified as inventory. This standard has no impact to the Group.

TAS 19 (revised 2014), the key changes are (a) actuarial gains and losses are renamed 'remeasurements' and will be recognised immediately in 'other comprehensive income' (OCI). Actuarial gains and losses will no longer be deferred using the corridor approach or recognised in profit or loss; and (b) past-service costs will be recognised in the period of a plan amendment; unvested benefits will no longer be spread over a future-service period. This standard has no impact to the Group.

TAS 27 (revised 2014) provide the requirements relating to separate financial statements.

TAS 28 (revised 2014) provide the requirements for investment in associates and joint ventures accounted by equity method.

TAS 34 (revised 2014), the key change is the disclosure requirements for operating segment. An entity shall disclose information of a measure of total assets and liabilities for a particular reportable segment if such amounts are regularly provided to the chief operating decision maker and if there has been a material change from the amount disclosed in the last annual financial statements for that reportable segment.

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.1 New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the Group. (Cont'd)

- a) Revised accounting standards which are effective on 1 January 2015 and are relevant to the Group: (Cont'd)

TFRS 10 has a single definition of control and supersedes the principles of control and consolidation included within the original TAS 27, 'Consolidated and separate financial statements'. The standard sets out the requirements for when an entity should prepare consolidated financial statements, defines the principles of control, explains how to apply the principles of control and explains the accounting requirements for preparing consolidated financial statements. The key principle in the new standard is that control exists, and consolidation is required, only if the investor possesses power over the investee, has exposure to variable returns from its involvement with the investee and has the ability to use its power over the investee to affect its returns. This standard may have an impact to the Group where there is a new relevant investment.

TFRS 11 defined that a joint arrangement is a contractual arrangement where at least two parties agree to share control over the activities of the arrangement. Unanimous consent toward decisions about relevant activities between the parties sharing control is a requirement in order to meet the definition of joint control. Joint arrangements can be joint operations or joint ventures. The classification is principle based and depends on the parties' exposure in relation to the arrangement. When the parties' exposure to the arrangement only extends to the net assets of the arrangement, the arrangement is a joint venture. Joint operations have rights to assets and obligations for liabilities. Joint operations account for their rights to assets and obligations for liabilities. Joint ventures account for their interest by using the equity method of accounting. This standard may have an impact to the Group where there is a new relevant investment.

TFRS 12 require entities to disclose information that helps readers of financial statements to evaluate the nature of risks and financial effects associated with the entity's interests in subsidiaries, associates, joint arrangements and unconsolidated structured entities. The Group has adopted this standards.

TFRS 13 aims to improve consistency and reduce complexity by providing a precise definition of fair value and a single source of fair value measurement and disclosure requirements for use across TFRSs. This standard has no impact to the Group, except for disclosures.

TFRIC 14 (Revised 2014), this interpretation applies to all post-employment defined benefits and other long-term employee benefits. For the purpose of this interpretation, minimum funding requirements are any requirements to fund a post-employment or other long-term benefit plan. This interpretation explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. This standard has no impact to the Group.

TFRIC 20 (Revised 2014), this interpretation sets out the accounting for overburden waste removal (stripping) costs in the production phase of a surface mine. This standard has no impact to the group.

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.1 New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2015. These standards are relevant to the Group. (Cont'd)

b) Financial reporting standards with minor changes and do not have impact to the Group are follows:

TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of cash flows
TAS 8 (revised 2014)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2014)	Events after the reporting period
TAS 11 (revised 2014)	Construction contracts
TAS 12 (revised 2014)	Income taxes
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 20 (revised 2014)	Accounting for government grants and disclosure of government assistance
TAS 21 (revised 2014)	The effects of changes in foreign exchange rates
TAS 23 (revised 2014)	Borrowing costs
TAS 24 (revised 2014)	Related party disclosures
TAS 26 (revised 2014)	Accounting and reporting by retirement benefit plans
TAS 29 (revised 2014)	Financial reporting in hyperinflationary economies
TAS 33 (revised 2014)	Earnings per share
TAS 36 (revised 2014)	Impairment of assets
TAS 37 (revised 2014)	Provisions, contingent liabilities and contingent assets
TAS 38 (revised 2014)	Intangible assets
TAS 40 (revised 2014)	Investment property
TFRS 2 (revised 2014)	Share-based payment
TFRS 3 (revised 2014)	Business combinations
TFRS 5 (revised 2014)	Non-current assets held for sale and discontinued operations
TFRS 6 (revised 2014)	Exploration for and evaluation of mineral resources
TFRS 8 (revised 2014)	Operating segments
TSIC 10 (revised 2014)	Government assistance – No specific relation to operating activities
TSIC 15 (revised 2014)	Operating leases - Incentives
TSIC 25 (revised 2014)	Income taxes - changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2014)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 29 (revised 2014)	Service concession arrangements: Disclosures
TSIC 31 (revised 2014)	Revenue - barter transactions involving advertising services
TSIC 32 (revised 2014)	Intangible assets - Web site costs
TFRIC 1 (revised 2014)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2014)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2014)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2014)	Applying the restatement approach under TAS29 Financial reporting in hyperinflationary economies
TFRIC 10 (revised 2014)	Interim financial reporting and impairment
TFRIC 12 (revised 2014)	Service concession arrangements
TFRIC 13 (revised 2014)	Customer loyalty programmes
TFRIC 15 (revised 2014)	Agreements for the construction of real estate
TFRIC 17 (revised 2014)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2014)	Transfers of assets from customers

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.2 New financial reporting standards, revised accounting standards and revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the Group and are not early adopted:

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

TAS 16 (revised 2015)	Property, plant and equipment
TAS 19 (revised 2015)	Employee benefits
TAS 24 (revised 2015)	Related party disclosures
TAS 27 (revised 2015)	Separate financial statements
TAS 36 (revised 2015)	Impairment of assets
TAS 38 (revised 2015)	Intangible assets
TAS 40 (revised 2015)	Investment property
TAS 41 (revised 2015)	Agriculture
TFRS 2 (revised 2015)	Share-based payment
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
TFRIC 21 (revised 2015)	Levies

TAS 16 (revised 2015), 'Property, plant and equipment' clarifies how the gross carrying amount and the accumulated depreciation are treated where an entity uses the revaluation model.

TAS 19 (revised 2015), 'Employee benefits' is amended to apply to contributions from employees or third parties to defined benefit plans and to clarify the accounting treatment of such contributions. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period.

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.

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.2 New financial reporting standards, revised accounting standards and revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the Group and are not early adopted: (Cont'd)

a) Financial reporting standards, which may have a significant impact to the Group: (Cont'd)

TAS 38 (revised 2015), 'Intangible assets' is amended to clarify how the gross carrying amount and the accumulated amortisation are treated where an entity uses the revaluation model.

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.

TAS 41, 'Agriculture' requires biological assets including agricultural produce, harvested product of the entity's biological assets, to be measured at fair value less cost to sell.

The practical guide on TAS 41 issued by the FAP excludes bearer plant from the scope of TAS 41. The guide required bearer plant to be measured at cost less accumulated depreciation and impairment losses, if any, according to TAS 16.

TFRS 2 (revised 2015), 'Share based payments' clarifies the definition of a 'vesting condition' and separately defines 'performance condition' and 'service condition'.

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 IFRS 9 (when announced).

TFRIC 21, 'Levies', the Interpretation addresses the accounting for a liability to pay a levy if that liability is within the scope of TAS 37. It also addresses the accounting for a liability to pay a levy whose timing and amount is certain.

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.2 New financial reporting standards, revised accounting standards and revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the Group and are not early adopted: (Cont'd)

b) Financial reporting standards with minor changes and do not have impact to the Group are as follows:

TAS 1 (revised 2015)	Presentation of financial statements
TAS 2 (revised 2015)	Inventories
TAS 7 (revised 2015)	Statement of cash flows
TAS 8 (revised 2015)	Accounting policies, changes in accounting estimates and errors
TAS 10 (revised 2015)	Events after the reporting period
TAS 11 (revised 2015)	Construction contracts
TAS 12 (revised 2015)	Income taxes
TAS 17 (revised 2015)	Leases
TAS 18 (revised 2015)	Revenue
TAS 20 (revised 2015)	Accounting for government grants and disclosure of government assistance
TAS 21 (revised 2015)	The effects of changes in foreign exchange rates
TAS 23 (revised 2015)	Borrowing costs
TAS 26 (revised 2015)	Accounting and reporting by retirement benefit plans
TAS 28 (revised 2015)	Investments in associates and joint ventures
TAS 29 (revised 2015)	Financial reporting in hyperinflationary economies
TAS 33 (revised 2015)	Earnings per share
TAS 34 (revised 2015)	Interim financial reporting
TAS 37 (revised 2015)	Provisions, contingent liabilities and contingent assets
TFRS 5 (revised 2015)	Non-current assets held for sale and discontinued operations
TFRS 6 (revised 2015)	Exploration for and evaluation of mineral resources
TFRS 11 (revised 2015)	Joint arrangements
TSIC 10 (revised 2015)	Government assistance - No specific relation to operating activities
TSIC 15 (revised 2015)	Operating leases - Incentives
TSIC 25 (revised 2015)	Income taxes - changes in the tax status of an entity or its shareholders
TSIC 27 (revised 2015)	Evaluating the substance of transactions involving the legal form of a lease
TSIC 29 (revised 2015)	Service concession arrangements: Disclosures
TSIC 31 (revised 2015)	Revenue - barter transactions involving advertising services
TSIC 32 (revised 2015)	Intangible assets - Web site costs
TFRIC 1 (revised 2015)	Changes in existing decommissioning, restoration and similar liabilities
TFRIC 4 (revised 2015)	Determining whether an arrangement contains a lease
TFRIC 5 (revised 2015)	Rights to interests arising from decommissioning, restoration and environmental rehabilitation funds
TFRIC 7 (revised 2015)	Applying the restatement approach under TAS 29 Financial reporting in hyperinflationary economies
TFRIC 10 (revised 2015)	Interim financial reporting and impairment
TFRIC 12 (revised 2015)	Service concession arrangements
TFRIC 13 (revised 2015)	Customer loyalty programmes

2 Accounting policies (Cont'd)

2.2 New financial reporting standards and revised financial reporting standards (Cont'd)

2.2.2 New financial reporting standards, revised accounting standards and revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the Group and are not early adopted: (Cont'd)

b) Financial reporting standards with minor changes and do not have impact to the Group are as follows: (Cont'd)

TFRIC 14 (revised 2015)	TAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction
TFRIC 15 (revised 2015)	Agreements for the construction of real estate
TFRIC 17 (revised 2015)	Distributions of non-cash assets to owners
TFRIC 18 (revised 2015)	Transfers of assets from customers
TFRIC 20 (revised 2015)	Stripping costs in the production phase of a surface mine

2.3 Group Accounting - Investments in subsidiaries and interests in joint ventures

(1) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

2 Accounting policies (Cont'd)

2.3 Group Accounting - Investments in subsidiaries and interests in joint ventures

(1) Subsidiaries

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the company's separated financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

(2) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(3) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(4) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit/(loss) of associates in the income statement.

2 Accounting policies (Cont'd)

2.3 Group Accounting - Investments in subsidiaries and interests in joint ventures (Cont'd)

(4) Associates (Cont'd)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the profit or loss.

In the company's separated financial statements, investments in associates are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

2.4 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Thai Baht, which is the company's functional and the group's presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

2.5 Cash and cash equivalents

In the consolidated and Company statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the consolidated and Company statement of financial position, bank overdrafts are shown within borrowings in current liabilities (if any).

2.6 Trade accounts receivable

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss.

2 Accounting policies (Cont'd)

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost of petroleum gas and other finished goods is determined by the first-in, first-out method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates (if any). The cost of finished goods and work in progress comprises design costs, raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity). It excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

2.8 Construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose or use.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred where it is probable those costs will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognised over the period of the contract. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion. They are presented as inventories, prepayments or other assets, depending on their nature.

The Group presents as an asset the gross amount due from customers for contract work for all contracts in progress and for which costs incurred plus recognised profits (less recognised losses) exceed progress billings. Progress billings not yet paid by customers and retention are included within 'trade and other receivables'. The Group presents as a liability the gross amount due to customers for contract work for all contracts in progress for which progress billings exceed costs incurred plus recognised profits (less recognised losses).

2 Accounting policies (Cont'd)

2.9 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses (if any) and disclosure fair value in note to financial statement.

Depreciation on other investment properties is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	20 years
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Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains - net' in profit or loss.

2.10 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and allowance (if any). Historical cost includes expenditure that is directly attributable to the acquisition of items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings and building improvements	20 years
Gas cylinders and equipment	15 - 20 years
Equipment and office supplies	3 - 10 years
General vehicles	5 years
Transportation vehicles	10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount (Note 2.12).

Gains and losses on disposals of property, plant and equipment are determined by comparing the proceeds with the carrying amount and are included in statement of income.

2 Accounting policies (Cont'd)

2.11 Intangible assets

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Amortisation is allocated the cost of computer software over their estimated useful lives of 3 - 10 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

2.12 Impairment of assets

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

2.13 Long-term leases

Long-term leases - where the Group is the lessee

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

The Group leases certain property, plant and equipment. Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

Long-term leases - where the Group is the lessor

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2 Accounting policies (Cont'd)

2.14 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

(a) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.15 Current and deferred income taxes

The tax expense for the year comprises current and deferred taxes. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and the Group's subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries, associates and joint arrangements, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

2 Accounting policies (Cont'd)

2.16 Employee benefits

Retirement benefits

The Group operate various retirement benefits schemes. The Group has both defined benefit and defined contribution plans.

A defined contribution plan is a retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability of retirement benefits is recognised in the consolidated and company statement of financial position using the present value of the obligations at the statement of financial position date and past service costs. The retirement benefit is calculated by an independent actuary using the projected unit credit method. The present value of the benefit obligations is determined by discounting the estimated future cash outflows using interest rates of referred government bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related retirement liabilities.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

2.17 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2 Accounting policies (Cont'd)

2.18 Cylinder deposits

Cylinder deposits are recorded as liabilities from customers and will be settled with each customer when customer return the cylinders together with related original receipt as evidence of the deposits to the Group. The selling rate is between Baht 1,000 and Baht 2,000 per cylinder depend on the cylinder size. The cylinder deposits are classified as current liabilities in the statement of financial position.

2.19 Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any companies within the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transact costs and the related income tax effects, is included in equity attributable to the company's equity holders.

2.20 Share surplus from business combination under common control

The Group uses the similar to pooling of interest method of accounting to account for the business combination under common control. The consideration transferred under this method of a subsidiary is the net book value of the asset transferred at the combination date under the common control. The Group has recognised surplus from business combination under common control from the acquisitions of subsidiaries. Share surplus from business combination under common control was the difference between the purchase price and the net book value of assets of subsidiaries. The purchase price (in case of shares issued by the Company) was assessed for a fair value by independent financial advisor on the purchase date.

2.21 Revenue recognition

Revenues comprise the fair value of the consideration received from the sale of goods and service in the ordinary course of the Group's activities. Revenues are shown net of value-added tax, returns, rebates and discounts, and after eliminating sales transactions within the Group. Main revenues of the Group are as follows:

- Sales revenues are recognised when significant risks and rewards of the buyer ownership are transferred.
- Revenues from transportation are recognised when the transportation services are completed.
- Services revenues are recognised when the services are completed
- Revenues from installation service contract of gas pipeline for industries are recognised based on the percentage of completion.
- Revenues from construction services recognised based on on a percentage of completion basis. The percentage of completion is measured based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs to be incurred to completion. The recognised revenue which is not yet due per the contracts has been presented under the caption of "Unbilled receivables" in the statement of financial position.
- Rental income is recognised using straight-line method over the rental period.
- Interest income is recognised using the effective interest method.
- Dividend income is recognised when the right to receive payment is established.

2 Accounting policies (Cont'd)

2.22 Dividends

Dividends are in the period in which they are approved by the Company's shareholders. Interim dividends are recognised when they are approved by the Board of Directors.

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as that makes strategic decisions.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Risk management is carried out by a central treasury department (Group Treasury) under policies approved by the Board of Directors. The Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments, and investment excess liquidity.

3.1.1 Foreign exchange risk

Due to the fact that the Group purchases gas storage tanks and inventories from overseas suppliers in foreign currencies, the foreign exchange risk arises from the changes in foreign currency exchange rate which may have an effect on the Group in the current reporting period and in future years. The Group has not entered into any hedging contracts because management assesses that the changes in exchange rates will not significantly affect assets and liabilities dominated in foreign currencies as the trading terms are rather short. However, the assessment will be performed from time to time particularly when significant purchases are made.

3.1.2 Interest rate risk

The Group enters into the long-term borrowing agreements from domestic financial institutions which some of them bear floating interest rates. Therefore the Group has interest rate risk arises from changes in interest rates, which may have an effect on the Group's and Company's operations in the current reporting period and in future years. Management does not use any financial instruments to manage interest rate risk because the Group assesses that the changes in interest rate will not be moved significantly under the current situation.

3.1.3 Credit risk

The Group has no significant concentrations of credit risk because the Group sells to general retail customers, not to specified group of customers. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history.

3 Financial risk management (Cont'd)

3.1 Financial risk factors (Cont'd)

3.1.4 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

3.2 Fair value estimation

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

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- 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 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Information on the fair values of investment properties and borrowings are included in Note 12 and Note 15 respectively.

4 Critical accounting estimates and judgments

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

4.1.1 Property, plant and equipment

Management determines the estimated useful lives and residual values of the Group's property, plant and equipment as mentioned above. The estimation and judgments based on the past experience and the forecast related to the operation, utilization, and the efficiency of utilisation.

4.1.2 Allowance for obsolete, slow-moving and defective inventories

The Group has estimated the net realisable value of finished goods by estimating from weighted average of the current selling price and future market trends. The allowance for slow-moving inventories are determined by the age of outstanding inventories in the warehouses and for allowance for obsolescence is determined from the actual condition of the inventories and the estimated selling price.

4 Critical accounting estimates and judgments (Cont'd)

4.1 Critical accounting estimates and assumptions (Cont'd)

4.1.3 Revenue recognition

The Group uses the percentage-of-completion method in accounting for its fixed-price contracts to deliver design services. Use of the percentage-of-completion method requires the Group to estimate the services performed to date as a proportion of the total services to be performed. Were the proportion of services performed to total services to be performed to differ by 1 % from management's estimates, the amount of profit recognised in the year would be increased by Baht 0.77 million.

4.1.4 Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of pension obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the pension obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related pension liability.

Other key assumptions for pension obligations are based in part on current market conditions. Additional information is disclosed in Note 18.

5 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt

6 Segment information

The Group presents segment information in accordance with business segment in the financial report by considering from the groups of related products and services.

Significant business segments are as follows:

Petroleum gas trading	: Gas petroleum trading for household cooking, industry and transportation
Transportation services	: Gas transportation services by land
Sales and installation services	: Industrial and car gas systems and construction
Safety-checking services	: Industrial and car gas systems safety-checking services
Others	: Holding company

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6 Segment information (Cont'd)

	Consolidated						Total Baht
	For the year ended 31 December 2015						
	Gas petroleum trading Baht	Transportation services Baht	Sale and Installation services		Safety- checking services Baht	Other Baht	
		Sales Baht	Installation services Baht				
Revenues from operation	1,007,566,006	51,021,454	13,688,271	261,295,855	54,997,680	-	1,388,569,266
Revenue from inter-segment	-	(30,030,423)	(2,243,150)	(2,168,231)	(1,250,470)	-	(35,692,274)
Total revenue	1,007,566,006	20,991,031	11,445,121	259,127,624	53,747,210	-	1,352,876,992
Segment result - gross profit	72,124,775	4,365,723	(14,736,725)	70,818,889	23,998,708	-	156,571,370
Operating profit							82,766,209
Financial cost							(3,147,894)
Share of profit of associates							1,234,543
Profit before tax							80,852,858
Income tax							(15,471,044)
Net profit							65,381,814
As at 31 December 2015							
Property, plant and equipment - net	98,994,115	32,168,010	6,139,475	58,712,876	5,415,476	1,714,287	203,144,239
Total consolidated assets	343,303,386	45,013,341	19,592,694	177,727,105	34,733,224	150,008,007	770,377,757
Total consolidated liabilities							355,195,377

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6 Segment information (Cont'd)

	Consolidated						Total Baht
	For the year ended 31 December 2014						
	Gas petroleum trading Baht	Transportation services Baht	Sale and Installation services		Safety- checking services Baht	Other Baht	
		Sales Baht	Installation services Baht				
Revenues from operation	1,081,422,185	59,431,321	22,549,933	44,991,897	41,854,324	-	1,250,249,660
Revenue from inter-segment	-	(38,091,401)	(2,845,209)	(4,448,945)	(608,655)	-	(45,994,210)
Total revenue	1,081,422,185	21,339,920	19,704,724	40,542,952	41,245,669	-	1,204,255,450
Segment result - gross profit	65,005,091	3,389,795	4,970,771	9,762,404	20,699,345	-	103,827,406
Operating profit							35,672,012
Financial cost							(1,534,994)
Profit before tax							34,137,018
Income tax							(6,958,924)
Net profit							<u>27,178,094</u>
Property, plant and equipment - net	99,570,852	36,488,795	6,857,586	60,222,431	5,238,973	-	208,378,637
Total consolidated assets	345,792,840	46,818,762	56,543,324	97,273,706	31,451,885	-	577,880,517
Total consolidated liabilities							<u>203,517,453</u>

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7 Cash and cash equivalents

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Cash on hand	64,198	93,369	1,966	989
Cash at bank - Current accounts	2,407,861	18,234,165	5,324,442	17,642,644
- Savings accounts	80,369,008	144,436,495	52,046,602	97,035,758
- Short-term fixed accounts	7,259,331	24,011,918	7,259,331	24,011,918
Total	90,100,398	186,775,947	64,632,341	138,691,309
Pledged and restricted bank deposits (Note 15)	40,455,019	31,470,181	36,455,019	26,300,000

Deposits held at call with banks bear interest at the rates 0.37% to 1.58% per annum (2014: 0.47% to 2.50% per annum) and these deposits have an average maturity of 3 to 12 months.

Pledged and restricted bank deposits are bank current accounts and saving accounts 3 to 12 months.

Cash, cash equivalents and bank overdrafts include the following for the purposes of the statement of cash flows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Cash and cash equivalents	90,100,398	186,775,947	64,632,341	138,691,309
Bank overdrafts (Note15)	(61,500)	-	-	-
	90,038,898	186,775,947	64,632,341	138,691,309

8 Trade and other receivables

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Trade accounts receivables	57,130,399	64,301,429	42,859,941	49,323,231
<u>Less</u> Allowance for doubtful accounts	(1,178,809)	(1,194,452)	(1,038,030)	(998,078)
Trade accounts receivables - net	55,951,590	63,106,977	41,821,911	48,325,153
Receivable from related parties (Note 26)	400,000	-	1,595,200	947,170
Others receivables	151,710	170,915	150,709	166,340
Prepayments	6,493,183	7,561,138	983,999	477,184
Accrued interest income	911,623	-	3,017,774	869,178
Accrued income - Safety-checking services	9,853,792	5,411,519	-	-
Unbilled receivables	50,447,011	206,682	-	-
Account receivable - VAT and withholding tax	4,664,933	3,866,498	-	-
Trade and other receivables - net	128,873,842	80,323,729	47,569,593	50,785,025

Unbilled receivables are the revenue from construction contracts, normally such balance will be charged to customers after the construction has been completed which is anticipated to be around within the next quarter.

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8 Trade and other receivables (Cont'd)

Outstanding trade accounts receivable as at 31 December are classified by that expected to be around within next quarter aging as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Trade accounts receivable				
Within credit term	33,823,310	38,483,909	25,086,836	31,465,746
Overdue				
- Up to 3 months	16,142,438	19,074,033	13,832,842	14,150,394
- 3 - 6 months	1,380,114	624,775	382,564	166,440
- 6 - 12 months	1,312,192	1,513,990	1,096,025	610,755
- Over 12 months	4,472,345	4,604,722	2,461,674	2,929,896
Total	57,130,399	64,301,429	42,859,941	49,323,231
<u>Less</u> Allowance for doubtful accounts	(1,178,809)	(1,194,452)	(1,038,030)	(998,078)
Trade accounts receivable - net	<u>55,951,590</u>	<u>63,106,977</u>	<u>41,821,911</u>	<u>48,325,153</u>

Management believe the allowance provided for is sufficient based on its consideration of past debt collection experiences of the Group. Part of overdue receivables is secured by postdated cheques received and the cash collection from those postdated cheques is still as usual.

9 Inventories

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Finished goods - petroleum gas	28,860,102	30,081,910	29,007,820	30,081,910
- gas tank for installation and equipment	19,706,965	22,091,208	-	-
Work in progress - gas installations	1,343,678	77,366	-	-
Work in progress under construction contracts	7,576,542	5,800,000	-	-
Raw materials	3,450,839	3,840,144	-	-
General supplies	1,618,818	1,478,070	-	-
Total	62,556,944	63,368,698	29,007,820	30,081,910
<u>Less</u> Allowance for net realisable value of inventories	(19,518,128)	(858,396)	-	-
Allowance for slow-moving inventories	-	(891,664)	-	-
Inventories - net	<u>43,038,816</u>	<u>61,618,638</u>	<u>29,007,820</u>	<u>30,081,910</u>

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9 Inventories (Cont'd)

Work in progress under construction contracts

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
At 1 January	5,800,000	-	-	-
Contract costs incurred during the year	185,477,532	26,888,150	-	-
Contract expenses recognised during the year	(183,700,990)	(21,088,150)	-	-
At 31 December	<u>7,576,542</u>	<u>5,800,000</u>	<u>-</u>	<u>-</u>
Contract costs incurred and recognised profits (less losses) to date	274,613,920	26,466,010	-	-
Advances received on construction contracts	-	37,793,298	-	-

Amounts due from customers for construction contracts are shown in Note 8.

As at 31 December 2015, the Group had not accrued retentions, however; the Group's bank guarantees on construction contracts amount to Baht 15.10 million (2014: Baht 15.10 million) are shown in Note 27.

Costs of inventories recognised as expense and included in 'cost of sales' in the consolidated and company financial statements are Baht 1,076.45 million and Baht 884.99 million, respectively (2014: Baht 828.99 million and Baht 791.86 million, respectively).

Inventories include allowance for finished goods of Baht 19.52 million (2014: Baht 1.75 million), mostly there are finished goods for gas systems installation in the consolidated financial statement.

According to related regulations issued by the Ministry of Energy, the Group and the Company are required to reserve petroleum gas at 1% of the total trading volume in each period. As at 31 December 2015, the inventories included minimum mandatory reserve on petroleum gas of Baht 8.56 million in the consolidated and company financial statements (2014: Baht 7.61 million).

10 Non-current portion of trade accounts receivable

Non-current portion of trade accounts receivable

The Company classified four trade accounts receivable in which the Company filed a lawsuit in the year 2012. The cases were ended and civil court ordered the debtors to repay all principal to the Company. The debtors paid to the Company by issuing postdated cheques which are due for repayment at the end of every month from 31 July 2013, for the first period repayment, until 31 August 2016, for the last period repayment. Therefore, the Company classified such trade accounts receivable due over than one year as non-current assets.

	Consolidated and Company	
	2015	2014
	Baht	Baht
Non-current portion of trade accounts receivable	-	1,760,246
<u>Less</u> Allowance for doubtful accounts	-	(328,230)
Non-current receivable - net	<u>-</u>	<u>1,432,016</u>

The collection of postdated cheques received is still in accordance with agreed terms.

11 Investments in subsidiaries and associates

11.1 Subsidiaries

The group had the following subsidiaries at 31 December 2015

Group and Company

Name	Country of incorporation and place of business	Nature of business	Proportion of ordinary shares directly held by parent (%)	Proportion of ordinary shares held by the group (%)
Takuni (Thailand) Co., Ltd.	Thailand	Industrial and car gas systems installation	99.99	99.99
G Gas Logistics Co.,Ltd.	Thailand	Transportation services by land	99.99	99.99
Ratchapruerk Engineering Co., Ltd.	Thailand	Industrial and car gas systems safety-checking services	99.99	99.99
Newman Green Co.,Ltd.	Thailand	Holding company	99.99	99.99

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 held.

Investment in subsidiary

On 16 October 2015, the Board of Director's meeting 8/2015 approved to establish and register Newman Green Co., Ltd, the nature of this business is a holding company. The Company was registered with the Ministry of Commerce on 28 October 2015 with share capital of Baht 150 million in order to acquire the investment in Well-Korat Energy Co., Ltd.

11 Investments in subsidiaries and associates (Cont'd)

11.2 Investments in associates

Investments accounted for using equity method

The amounts recognised in the balance sheet are as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Associates	167,244,543	-	-	-
At 31 December	167,244,543	-	-	-

The amounts recognized in the income statement are as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Associates	1,234,543	-	-	-
At 31 December	1,234,543	-	-	-

Set out below are the associates of the group as at 31 December 2015, which, in the opinion of the directors, are material to the Group. The associates as listed below have share capital consisting solely of ordinary shares, which are held directly and indirectly by the Group; the country of incorporation or registration is also their principal place of business.

Name of entity	Place of business/ incorporation	% of interest	Nature of the relationship	Measurement method	2015	
					Cost method	Equity method
					Baht	Baht
CAZ (Thailand) Co.,Ltd. ("CAZ")	Thailand	47.72	Associate	Equity	26,010,000	36,778,244
Well Korat Energy Co.,Ltd. ("WKE")	Thailand	45.00	Associate	Equity	140,000,000	130,466,299
					<u>166,010,000</u>	<u>167,244,543</u>

There are no contingent liabilities relating to the Group's interest in the associates.

11 Investments in subsidiaries and associates (Cont'd)

11.2 Investments in associates (Cont'd)

Acquisition of investment in CAZ

On 19 March 2015, the Board of Directors of Takuni (Thailand) Co., Ltd. passed a resolution to acquire shares of CAZ (Thailand) Co., Ltd. ("CAZ") which operates a construction contractor business totaling 260,100 shares at a par value of Baht 100 per share, representing 47.72% of paid-up share capital. The payment of the investment in associate was made on 26 March 2015. As a result of acquisition, the Group is expected to have its expansion in construction business.

The Group has engaged an independent financial advisor to assess the fair value of CAZ (Thailand) Co., Ltd. related valuation report was completed on 22 July 2015. Consequently, the Group recognised the difference between consideration paid and acquired identifiable net assets as gain on acquisition investment in associate and such gain was added in share of profit from associate for the year ended 31 December 2015.

Such difference arises from the excess of net assets acquired over the consideration paid. This is mainly due to the fact that CAZ needed a short term financial support at that time.

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

	Consolidated million Bath
Consideration paid on 26 March 2015	
Cash	26.0
Total consideration	<u>26.0</u>
Recognised amounts of identifiable assets acquired and liabilities (Unaudited)	
Cash and cash equivalents	32.3
Trade and other receivables	165.1
Equipment	23.4
Retentions and deposits	30.8
Other assets	24.8
Trade and other payables	(100.3)
Deposits	(35.1)
Unearned revenue	(41.0)
Retentions	(13.8)
Other liabilities	(18.3)
Total identifiable net assets	<u>67.9</u>
Percentage of holding (%)	47.7
Identifiable net assets based on percentage of holding by the Group	<u>32.4</u>
(Gain) on acquisition investment in associate as included in share of profit from associate in March 2015	<u>(6.4)</u>

11 Investments in subsidiaries and associates (Cont'd)

11.2 Investments in associates (Cont'd)

Acquisition of investment in WKE

On 16 October 2015, the Board of Directors of Takuni Group Co., Ltd. passed a resolution to establish Newman Green Co., Ltd. (“NMG”) (a subsidiary of the Group) to purchase ordinary shares of Well-Korat Energy Co., Ltd. (“WKE”) which operates a Power plant business totaling 12.60 million shares with a par value of Baht 10 per share, representing 45% of paid-up share capital. The payment of the investment in associate was made on 30 October 2015. As a result of acquisition, the Group is expected to have its expansion in power plant for electricity generation from biomass.

The Group has engaged an independent valuer to assess the fair value of land, building and machinery of Well-Korat Energy Co., Ltd. The report dated on 10 August 2015 and the independent financial advisor to assess the fair value of intangible asset from Power purchase agreement. The report dated on 11 February 2016. Consequently, the Group recognised the difference between considerations paid and acquired identifiable net assets as gain on acquisition investment in associate and such gain was included in share of profit from associate.

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

	Consolidated million Bath
Consideration paid on 30 October 2015	
Cash	140.0
Total consideration	<u>140.0</u>
Recognised amounts of identifiable assets acquired and liabilities (Unaudited)	
Cash and cash equivalents	1.8
Inventory	0.4
Trade and other receivables	20.2
Property, plant and equipment	739.5
Intangible asset	81.3
Trade and other payables	(28.5)
Bank overdrafts and short-term borrowings from financial institutions	(583.2)
Other liabilities	(2.3)
Total identifiable net assets	<u>229.2</u>
Percentage of holding (%)	45
Identifiable net assets based on percentage of holding by the Group	<u>103.1</u>
Goodwill	<u><u>36.9</u></u>

Goodwill arises from the fact that the Group expects to have revenue growth in the future. Recognised goodwill cannot be deducted for tax benefits.

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11 Investments in subsidiaries and associates (Cont'd)

11.2 Investments in associates (Cont'd)

Summarised financial information for associates

Set out below are the summarised financial information for CAZ and WKE which are accounted for using the equity method.

Summarised statement of financial position (Unaudited)

	For the period ended 31 December 2015		
	CAZ Baht	WKE Baht	Total Baht
Assets			
Current assets			
Cash and cash equivalents	4,267,243	998,599	5,265,842
Trade and other receivables	83,530,541	6,119,274	89,649,815
Unbill receivables	84,785,875	-	84,785,875
Inventories	5,951,468	2,185,963	8,137,431
Other current assets	4,543,037	-	4,543,037
Total current assets	183,078,164	9,303,836	192,382,000
Non-current assets			
Property, plant and equipment - net	25,695,801	732,859,479	758,555,280
Intangible assets - net	2,847,205	80,809,778	83,656,983
Other non-current assets	64,869,698	-	64,869,698
Deferred tax asset	627,508	2,354,186	2,981,694
Total non-current assets	94,040,212	816,023,443	910,063,655
Total assets	277,118,376	825,327,279	1,102,445,655
Liabilities and shareholders' equity			
Current liabilities			
Short-term bank borrowings	14,408,000	19,999,921	34,407,921
Trade and other payables	94,464,581	24,201,112	118,441,164
Current portion of financial lease liabilities	1,018,847	235,146	1,253,993
Current portion of long-term bank borrowings	-	107,040,000	107,040,000
Short-term borrowings - related parties	32,198,630	118,482,052	150,905,211
Other current liabilities	45,259,601	-	45,259,601
Total current liabilities	187,349,659	269,958,231	457,307,890
Non-current liabilities			
Financial lease liabilities	2,100,319	1,133,336	3,233,655
Long-term bank borrowings	-	345,775,386	345,775,386
Retention	7,459,936	-	7,459,936
Employee benefit obligations	3,137,539	717,586	3,855,125
Total non-current liabilities	12,697,794	347,626,308	360,324,102
Total liabilities	200,047,453	617,584,539	817,631,992
Shareholders' equity			
Issued and paid-up shares	54,500,000	280,000,000	334,500,000
Retained earnings (Deficit)	22,570,923	(72,257,260)	(49,686,337)
Total shareholders' equity	77,070,923	207,742,740	284,813,663
Total liabilities and shareholders' equity	277,118,376	825,327,279	1,102,445,655

11 Investments in subsidiaries and associates (Cont'd)

11.2 Investments in associates (Cont'd)

Summarised statement of comprehensive income (Unaudited)

	For the period ended 31 December 2015		
	CAZ Baht	WKE Baht	Total Baht
Revenue	611,006,744	2,630,359	613,637,103
Depreciation and amortisation	(6,600,988)	(7,312,028)	(13,913,016)
Interest income	(3,513,301)	(6,982,466)	(10,495,767)
Profit or loss from continuing operations	11,277,359	(23,540,187)	(12,262,828)
Income tax expense	(2,089,157)	2,354,186	(265,029)
Post-tax profit from continuing operations	9,188,202	(21,186,001)	(11,997,799)
Other comprehensive income	-	-	-
Total comprehensive income	9,188,202	(21,186,001)	(11,997,799)
Dividends received from associates	-	-	-

The information above reflects the amounts presented in the financial statements of the associates (and not The Group's share of those amounts) adjusted for differences in accounting policies between the Group and the associates.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates.

Summarised financial Information	For the period ended 31 December 2015		
	CAZ Baht	WKE Baht	Total Baht
Opening net assets 26 March 2015; 30 October 2015	67,882,720	228,928,741	296,811,461
Profit (loss) for the period	9,188,203	(21,186,001)	(11,997,798)
Other comprehensive income	-	-	-
Closing net assets	77,070,923	207,742,740	284,813,663
Interest in associates (47.72%; 45%)	36,778,244	93,484,233	130,262,477
Goodwill	-	36,982,066	36,982,066
Carrying value	36,778,244	130,466,299	167,244,543

12 Investment properties

	Buildings
	Baht
At 1 January 2014	
Cost	6,912,319
<u>Less</u> Accumulated depreciation	<u>(1,358,828)</u>
Net book amount	<u>5,553,491</u>
For the year ended 31 December 2014	
Opening net book amount	5,553,491
Depreciation charge	<u>(345,616)</u>
Closing net book amount	<u>5,207,875</u>
At 31 December 2014	
Cost	6,912,319
<u>Less</u> Accumulated depreciation	<u>(1,704,444)</u>
Net book amount	<u>5,207,875</u>
Fair value at 31 December 2014*	<u>43,000,000</u>
For the year ended 31 December 2015	
Opening net book amount	5,207,875
Depreciation charge	<u>(345,616)</u>
Closing net book amount	<u>4,862,259</u>
At 31 December 2015	
Cost	6,912,319
<u>Less</u> Accumulated depreciation	<u>(2,050,060)</u>
Net book amount	<u>4,862,259</u>
Fair value at 31 December 2015*	<u>43,000,000</u>

* The Group has engaged an independent assets appraiser to perform the valuation of investment properties, the building leased to the external parties. According to its being report dated 22 December 2014, fair value is assessed using income approach based on public and company information of valuated assets in order to assess rental income and information from similar businesses in order to assess the relevant expenses. The discount rate is 11% and the fair values are within level 3 of the fair value hierarchy.

Investment property at net book value of Baht 4.86 million (2014: Baht 5.21 million) has been pledged as a security for borrowings (Note 15).

Amounts recognised in profit and loss that are related to investment properties are as follows:

	Consolidated	
	2015	2014
	Baht	Baht
Rental income	5,327,992	5,381,311
Direct operating expense arise from investment property that generated rental income	2,070,709	1,827,831

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13 Property, plant and equipment

	Consolidated						Total Baht
	Land and land improvements Baht	Buildings and building improvements Baht	Gas cylinders and equipment Baht	Equipment and office supplies Baht	Vehicles Baht	Construction in progress Baht	
At 1 January 2014							
Cost	77,150,182	39,048,872	36,489,553	20,571,584	130,432,982	26,748,044	330,441,217
<u>Less</u> Accumulated depreciation	-	(6,252,372)	(3,980,849)	(14,107,510)	(90,116,525)	-	(114,457,256)
Net book amount	<u>77,150,182</u>	<u>32,796,500</u>	<u>32,508,704</u>	<u>6,464,074</u>	<u>40,316,457</u>	<u>26,748,044</u>	<u>215,983,961</u>
For the year ended 31 December 2014							
Opening net book amount	77,150,182	32,796,500	32,508,704	6,464,074	40,316,457	26,748,044	215,983,961
Additions	11,000	-	-	3,540,632	25,234	3,193,759	6,770,625
Disposals and written offs - net	-	-	-	(15,853)	(18,901)	(17,768)	(52,522)
Depreciation charge	-	(1,952,450)	(1,910,068)	(2,572,361)	(7,888,548)	-	(14,323,427)
Closing net book amount	<u>77,161,182</u>	<u>30,844,050</u>	<u>30,598,636</u>	<u>7,416,492</u>	<u>32,434,242</u>	<u>29,924,035</u>	<u>208,378,637</u>
At 31 December 2014							
Cost	77,161,182	39,048,872	36,489,553	23,712,132	129,456,940	29,924,035	335,792,714
<u>Less</u> Accumulated depreciation	-	(8,204,822)	(5,890,917)	(16,295,640)	(97,022,698)	-	(127,414,077)
Net book amount	<u>77,161,182</u>	<u>30,844,050</u>	<u>30,598,636</u>	<u>7,416,492</u>	<u>32,434,242</u>	<u>29,924,035</u>	<u>208,378,637</u>

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13 Property, plant and equipment (Cont'd)

	Consolidated						
	Land and land improvements Baht	Buildings and building improvements Baht	Gas cylinders and equipment Baht	Equipment and office supplies Baht	Vehicles Baht	Construction in progress Baht	Total Baht
For the year ended 31 December 2015							
Opening net book amount	77,161,182	30,844,050	30,598,636	7,416,492	32,434,242	29,924,035	208,378,637
Additions	13,000	105,207	-	2,778,737	5,690,000	1,719,878	10,306,822
Transfer	606,612	7,489,697	20,918,785	891,552	-	(29,906,646)	-
Disposals and written offs - net	-	-	-	(60,886)	(55,167)	-	(116,053)
Depreciation charge	-	(2,333,427)	(2,956,007)	(2,884,926)	(7,250,807)	-	(15,425,167)
Closing net book amount	<u>77,780,794</u>	<u>36,105,527</u>	<u>48,561,414</u>	<u>8,140,969</u>	<u>30,818,268</u>	<u>1,737,267</u>	<u>203,144,239</u>
At 31 December 2015							
Cost	77,780,794	46,643,776	57,408,338	27,090,151	133,424,750	1,737,267	344,085,076
<u>Less</u> Accumulated depreciation	-	(10,538,249)	(8,846,924)	(18,949,182)	(102,606,482)	-	140,940,837
Net book amount	<u>77,780,794</u>	<u>36,105,527</u>	<u>48,561,414</u>	<u>8,140,969</u>	<u>30,818,268</u>	<u>1,737,267</u>	<u>203,144,239</u>

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13 Property, plant and equipment (Cont'd)

	Company						Total Baht
	Land and land improvements Baht	Buildings and building improvements Baht	Gas cylinders and equipment Baht	Equipment and office supplies Baht	Vehicles Baht	Construction in progress Baht	
At 1 January 2014							
Cost	25,700,182	12,210,383	27,569,177	2,762,503	8,782,000	28,695,997	105,720,242
<u>Less</u> Accumulated depreciation	-	(1,091,743)	(3,045,183)	(829,853)	(5,480,682)	-	(10,447,461)
Net book amount	<u>25,700,182</u>	<u>11,118,640</u>	<u>24,523,994</u>	<u>1,932,650</u>	<u>3,301,318</u>	<u>28,695,997</u>	<u>95,272,781</u>
For the year ended 31 December 2014							
Opening net book amount	25,700,182	11,118,640	24,523,994	1,932,650	3,301,318	28,695,997	95,272,781
Additions	11,000	-	-	156,165	-	4,471,167	4,638,332
Disposals and written offs - net	-	-	-	-	-	-	-
Depreciation charge	-	(610,526)	(1,464,049)	(528,390)	(1,756,399)	-	(4,359,364)
Closing net book amount	<u>25,711,182</u>	<u>10,508,114</u>	<u>23,059,945</u>	<u>1,560,425</u>	<u>1,544,919</u>	<u>33,167,164</u>	<u>95,551,749</u>
At 31 December 2014							
Cost	25,711,182	12,210,383	27,569,177	2,918,669	8,782,000	33,167,164	110,358,575
<u>Less</u> Accumulated depreciation	-	(1,702,269)	(4,509,232)	(1,358,244)	(7,237,081)	-	(14,806,826)
Net book amount	<u>25,711,182</u>	<u>10,508,114</u>	<u>23,059,945</u>	<u>1,560,425</u>	<u>1,544,919</u>	<u>33,167,164</u>	<u>95,551,749</u>

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13 Property, plant and equipment (Cont'd)

	Company						Total Baht
	Land and land improvements Baht	Buildings and building improvements Baht	Gas cylinders and equipment Baht	Equipment and office supplies Baht	Vehicles Baht	Construction in progress Baht	
For the year ended 31 December 2015							
Opening net book amount	25,711,182	10,508,114	23,059,945	1,560,425	1,544,919	33,167,164	95,551,749
Additions	13,000	-	-	204,329	5,690,000	5,592	5,912,921
Transfer	606,612	7,782,507	23,892,085	891,552	-	(33,172,756)	-
Disposals and written offs - net	-	-	-	(3,451)	-	-	(3,451)
Depreciation charge	-	(999,635)	(2,658,653)	(640,306)	(1,939,399)	-	(6,237,993)
Closing net book amount	<u>26,330,794</u>	<u>17,290,986</u>	<u>44,293,277</u>	<u>2,012,549</u>	<u>5,295,520</u>	<u>-</u>	<u>95,223,226</u>
At 31 December 2015							
Cost	26,330,794	19,992,890	51,461,262	4,008,087	14,472,000	-	116,265,033
<u>Less</u> Accumulated depreciation	<u>-</u>	<u>(2,701,904)</u>	<u>(7,167,885)</u>	<u>(1,995,538)</u>	<u>(9,176,480)</u>	<u>-</u>	<u>(21,041,807)</u>
Net book amount	<u>26,330,794</u>	<u>17,290,986</u>	<u>44,293,377</u>	<u>2,012,549</u>	<u>5,295,520</u>	<u>-</u>	<u>95,223,226</u>

13 Property, plant and equipment (Con'd)

As at 31 December 2015, Takuni (Thailand) Co, Ltd., the subsidiary, had pledged certain plots of land and buildings with net book value of Baht 47.49 million (2014: Baht 48.84 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. These credit facilities are also guaranteed by the directors for the Group (Note 15).

As at 31 December 2015, G Gas Logistics Co., Ltd., the subsidiary, had pledged its gas trucks and gas transportation vehicles with their net book value of Baht 9.80 million (2014: Baht 11.73 million) as collateral for subsidiary's long-term credit facilities obtained in 2012.

Cost of fixed assets which are fully depreciated and still in use in the consolidated financial statements as at 31 December 2015 were approximately Baht 84.74 million (2014: Baht 70.89 million). There are fixed assets which are fully depreciated and still in use in the company financial statements were approximately Baht 7.04 million (2014: Nil).

As at 31 December 2015, this purchase transactions above include the acquisition of assets under financial lease which company is lease, total amount Baht 5.69 million (2014: Nil)

The detail of vehicles which are the fixed assets under finance lease agreements as included in the above is as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Cost of fixed assets under finance lease agreements	5,690,000	-	5,690,000	-
<u>Less</u> Accumulated depreciation	<u>(576,794)</u>	<u>-</u>	<u>(576,794)</u>	<u>-</u>
Net book amount	<u>5,113,206</u>	<u>-</u>	<u>5,113,206</u>	<u>-</u>

14 Intangible assets

	Consolidated Baht	Company Baht
Computer software		
At 1 January 2014		
Cost	713,070	404,990
<u>Less</u> Accumulated amortisation	<u>(138,760)</u>	<u>(73,364)</u>
Net book value	<u>574,310</u>	<u>331,626</u>
For the year ended 31 December 2014		
Opening net book value	574,310	331,626
Additions	673,441	68,500
Amortisation charge	<u>(264,292)</u>	<u>(141,746)</u>
Closing net book value	<u>983,459</u>	<u>258,380</u>
At 31 December 2014		
Cost	1,386,512	473,490
<u>Less</u> Accumulated amortisation	<u>(403,053)</u>	<u>(215,110)</u>
Net book value	<u>983,459</u>	<u>258,380</u>
For the year ended 31 December 2015		
Opening net book value	983,459	258,380
Additions	146,531	103,931
Amortisation charge	<u>(411,544)</u>	<u>(179,899)</u>
Closing net book value	<u>718,446</u>	<u>182,412</u>
At 31 December 2015		
Cost	1,533,043	577,421
<u>Less</u> Accumulated amortisation	<u>(814,597)</u>	<u>(395,009)</u>
Net book value	<u>718,446</u>	<u>182,412</u>

15 Borrowings

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Current				
Bank overdrafts	61,500	-	-	-
Short-term borrowings from financial institutions	214,167,396	-	214,167,306	-
Finance lease liabilities classified as held-for-sale	788,015	-	788,015	-
Long-term borrowings classified as held-for-sale	6,000,000	6,541,417	6,000,000	6,000,000
Total current borrowings	221,016,821	6,541,417	220,955,321	6,000,000
Non-Current				
Bank borrowings	28,100,000	34,100,000	3,500,000	9,500,000
Finance lease liabilities	3,113,092	-	3,113,092	-
Total non-current borrowings	31,213,092	34,100,000	6,613,092	9,500,000
Total borrowings	252,229,913	40,641,417	227,568,413	15,500,000

The effective interest rates at the statement of financial position date were as follows:

	Consolidated		Company	
	2015	2014	2015	2014
Bank overdrafts	2.88% - 7.88%	-	-	-
Bank borrowings	2.94% - 3.00%	2.94% - 7.42%	3.00%	3.00%
Financial lease liabilities	5.45%	-	5.45%	-

15.1 Bank overdrafts

As at 31 December 2015, the Group had bank overdraft facilities of Baht 60 million (2014: Baht 50 million) which were guaranteed by the subsidiary's land and buildings (Note 13), subsidiary's bank fixed accounts 12 months (Note 7) and Company's directors.

15.2 Short-term borrowings from financial institutions

As at 31 December 2015, the Group had unsecured short-term borrowings from financial institutions facilities of Baht 214.17 million and its interest at the rate of 5% per annum which were borrowed to support the business expansion and working capital of operating activities. The borrowings are due for repayment within next quarter.

15 Borrowings (Cont'd)

15.3 Long-term borrowings

The movements of long-term borrowings from financial institutions during the year are as follows:

For the years ended 31 December	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Beginning balance	40,641,417	47,184,566	15,500,000	21,500,000
Additions	-	-	-	-
Repayments	(6,541,417)	(6,543,149)	(6,000,000)	(6,000,000)
Ending balance	<u>34,100,000</u>	<u>40,641,417</u>	<u>9,500,000</u>	<u>15,500,000</u>

The Company

On 18 August 2012, the Company entered into a long-term borrowing agreement with a domestic financial institution amounting to Baht 30 million, which required the principal repayment of Baht 500,000 per installment, totaling 60 installments. This borrowing bears the interest rate of 3% per annum and is pledged by subsidiaries' land and buildings (Note 12 and Note 13) and guaranteed by directors.

Subsidiaries

On 24 May 2012, G Gas Logistics Co., Ltd. entered into a long-term borrowing agreement with a domestic 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 13).

On 22 November 2011, G Gas Logistics Co., Ltd. entered into the long-term loan agreement with a domestic financial institution amounting to Baht 2.50 million, which required the repayment of Baht 50,000 per installment, totaling 60 installments. This borrowing bears the interest rate at MLR per annum and is pledged by land and buildings of Takuni (Thailand) Co., Ltd. and guaranteed by directors (Note 13).

The interest rate exposure on the borrowings of the Group and the Company is as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Borrowings:				
- at fixed rates	34,100,000	40,100,000	9,500,000	15,500,000
- at floating rates	-	541,417	-	-
Total long-term borrowings	<u>34,100,000</u>	<u>40,641,417</u>	<u>9,500,000</u>	<u>15,500,000</u>

15 Borrowings (Cont'd)

15.3 Long-term borrowings (Cont'd)

The carrying amounts and fair values of certain long-term borrowings are as follows:

	Consolidated			
	Book value		Fair value	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Long-term borrowings from banks	34,100,000	40,641,417	31,344,597	35,439,214

	Company			
	Book value		Fair value	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Long-term borrowings from banks	9,500,000	15,500,000	8,998,857	14,175,925

The fair value of current borrowings approximate to their carrying amount, as the impact of discounting is not significant.

The fair value are based on discounted cash flows using a discount rate based upon the borrowing rate of 6.58% to 7.23% (2014: 6.81% to 7.38%) which are within level 1 of the fair value hierarchy.

Maturity of long-term borrowings is as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Within 1 year	6,000,000	6,541,417	6,000,000	6,000,000
Later than 1 years but not later than 5 years	28,100,000	34,100,000	3,500,000	9,500,000
Total long-term borrowings	34,100,000	40,641,417	9,500,000	15,500,000

15 Borrowings (Cont'd)

15.4 Finance lease liabilities

The outstanding balance of the financial leases liabilities of vehicles are as follows;

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Within 1 year	977,100	-	977,100	-
Later than 1 years but not later than 5 years	3,419,850	-	3,419,850	-
	4,396,950	-	4,396,950	-
<u>Less</u> Future finance charges on finance leases	(495,843)	-	(495,843)	-
Present value of finance lease liabilities	<u>3,901,107</u>	<u>-</u>	<u>3,901,107</u>	<u>-</u>
Finance lease liabilities:				
- Current	788,015	-	788,015	-
- Non-current	3,113,092	-	3,113,092	-
	<u>3,901,107</u>	<u>-</u>	<u>3,901,107</u>	<u>-</u>

The present value of finance lease liabilities is as follows:

	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Within 1 year	788,015	-	788,015	-
Later than 1 years but not later than 5 years	3,113,092	-	3,113,092	-
	<u>3,901,107</u>	<u>-</u>	<u>3,901,107</u>	<u>-</u>

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16 Deferred income tax

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Deferred tax assets:				
Deferred tax assets to be recovered within 12 months	4,295,384	906,203	207,606	436,015
Deferred tax assets to be recovered after more than 12 months	1,154,459	202,376	173,132	47,822
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	107,294	32,237	152,865	-
Deferred tax liabilities to be settled after more than 12 months	346,092	508,233	478,716	-
Deferred tax assets (net)	<u>4,996,457</u>	<u>568,109</u>	<u>(250,843)</u>	<u>483,837</u>

Deferred income taxes are calculated in full on temporary differences, using the liability method and applying a principal tax rate of 20% for 2013 onwards. The deferred taxation related to the temporary differences between the carrying amounts and the tax bases of assets and liabilities of the Group are summarised below:

The movement of deferred income tax table below is based on the nature of temporary differences which may not be able to reconcile with deferred tax assets and deferred tax liabilities as presented in the financial position because the balances presented in the statement of financial position are netted balance of each company.

As at 31 December	Consolidated			
	2014	Charged (credited) to profit or loss	Charged (credited) to other comprehensive income	2015
	Baht	Baht	Baht	Baht
Deferred income tax assets				
Allowances for doubtful accounts and inventories	654,548	3,484,839	-	4,139,387
Provisions	25,776	(22,654)	-	3,122
Employee benefits obligations	146,011	47,577	140,625	334,213
Finance lease assets	282,244	(282,244)	-	-
Depreciation and write-off	-	973,121	-	973,121
	<u>1,108,579</u>	<u>4,200,639</u>	<u>140,625</u>	<u>5,449,843</u>
Deferred income tax liabilities				
Depreciation	540,470	(540,470)	-	-
Finance lease assets	-	453,386	-	453,386
	<u>540,470</u>	<u>(87,084)</u>	<u>-</u>	<u>453,386</u>
Deferred income tax assets, net	<u>568,109</u>	<u>4,428,348</u>	<u>140,625</u>	<u>4,996,457</u>

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16 Deferred income tax (Cont'd)

As at 31 December	Company			
	2014 Baht	Charged (credited) to profit or loss Baht	Charged (credited) to other comprehensive income Baht	2015 Baht
Deferred income tax assets				
Allowances for doubtful accounts and inventories	265,262	(57,656)	-	207,606
Employee benefits obligations	78,936	9,190	85,006	173,132
Finance lease assets	139,639	(139,639)	-	-
	<u>483,837</u>	<u>(188,105)</u>	<u>85,006</u>	<u>380,738</u>
Deferred income tax liabilities				
Assets under financial lease	-	631,581	-	631,581
Deferred income tax asset, net	<u>483,837</u>	<u>(819,686)</u>	<u>85,006</u>	<u>(250,843)</u>

Presentation in the statements of financial position is as follows:

As at 31 December	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Deferred income tax assets	6,004,778	991,331	-	483,837
Deferred income tax liabilities	(1,008,321)	(423,222)	(250,843)	-
Deferred income tax, net	<u>4,996,457</u>	<u>568,109</u>	<u>(250,843)</u>	<u>483,837</u>

Deferred income tax assets and liabilities are offset when the income taxes related to the same tax authority. Deferred tax assets and deferred tax liabilities in the consolidated financial positions are presented at net amount of assets and liabilities incurred in each entity.

The movements on deferred income taxes during the years are as follows:

As at 31 December	Consolidated		Company	
	2015 Baht	2014 Baht	2015 Baht	2014 Baht
Opening net book value	568,109	714,032	483,837	872,688
Charged (credited) to profit or loss (Note 24)	4,287,723	(145,923)	(819,686)	(388,851)
Charged (credited) to other comprehensive income	140,625	-	85,006	-
Closing net book value	<u>4,996,457</u>	<u>568,109</u>	<u>(250,843)</u>	<u>483,837</u>

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17 Trade and other payables

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Trade accounts payable	72,167,363	65,376,532	55,832,943	58,853,788
Trade accounts payable - related parties (Note 26)	-	-	3,013,570	2,684,430
Amounts due to related parties (Note 26)	-	-	77,643	43,603
Other payables	3,033,252	3,147,009	2,499,941	1,383,215
Unearned revenue	119,375	37,830,978	-	-
Account payable - revenue department	1,031,448	3,197,205	330,764	2,239,651
Accrued contribution to fuel fund ¹	-	43,303,119	-	43,303,119
Accrued expense	8,333,477	4,741,121	3,817,168	1,903,203
Total trade and other payables	84,684,915	157,595,964	65,572,029	110,411,009

¹ According to the announcement of the Energy Policy Council, gas traders under section 7 have to transfer money to Fuel Fund at the specific rates. The rates are different according to the distribution channels. The Group sells gas to the gas stations, industrial factories and gas filling plants for household consumption. The fund collected from the customers is included in selling price and due for payment to the Fuel Fund within 60 days after the month end of the distribution dates. The Energy Policy Council has restructured the price at gas plants and has cancelled the transfer of money to Fuel Fund from gas sales since 2 February 2015.

18 Employee benefit obligations

	31 December 2015	
	Consolidated	Company
	Baht	Baht
Retirement benefit obligations (Thailand law)		
Statements of financial position		
Retirement benefits	1,671,066	865,660
Statements of income		
Retirement benefits	142,316	45,951
Remeasurements of post-employment benefit obligations	703,123	425,030
Liabilities in the statement of financial position comprised of:		
Present value of funded obligations	1,671,066	865,660
Liability in the statement of financial position	1,671,066	865,660

18 Employee benefit obligations (Cont'd)

The movement in the defined benefit obligation over the year is as follows:

	<u>Consolidated</u>	<u>Company</u>
	<u>2015</u>	<u>2015</u>
	<u>Baht</u>	<u>Baht</u>
For the year ended 31 December		
Opening balance	825,627	394,679
Current service cost	113,203	25,890
Interest cost	29,113	20,061
	<u>967,943</u>	<u>440,630</u>
Remeasurement		
Loss from change in financial assumptions	703,123	425,030
	<u>1,671,066</u>	<u>865,660</u>

The principal actuarial assumptions used were as follows:

	<u>2015</u>
Discount rate	1.83% - 2.56%
Salary growth rate	5%

Sensitivity analysis for each significant assumption

	<u>Consolidated</u>		
	<u>Impact on defined benefit obligation</u>		
	<u>Change in assumption</u>	<u>Increase in assumption</u>	<u>Decrease in assumption</u>
Discount rate	0.5%	Decrease by 1.79%	Increase by 1.85%
Salary growth rate	0.5%	Increase by 1.79%	Decrease by 1.75%
	<u>Company</u>		
	<u>Impact on defined benefit obligation</u>		
	<u>Change in assumption</u>	<u>Increase in assumption</u>	<u>Decrease in assumption</u>
Discount rate	0.5%	Decrease by 2.29%	Increase by 2.36%
Salary growth rate	0.5%	Increase by 2.29%	Decrease by 2.24%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis have not been changed when compared to the previous year.

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18 Employee benefit obligations (Cont'd)

Expected maturity analysis of undiscounted retirement and post-employment medical benefits:

	Consolidated				
	Less than a year Baht	Between 1- 2 years Baht	Between 2-5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2015					
Retirement benefits	558,363	144,155	1,392,540	947,196	3,042,254
	Company				
	Less than a year Baht	Between 1- 2 years Baht	Between 2-5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2015					
Retirement benefits	-	-	1,188,031	659,507	1,847,538

19 Share capital

	Consolidated and Company					
	Authorised share capital		Issued and paid-up capital			Premium on paid-up capital Baht
	Number of Shares Shares	Ordinary shares Baht	Number of Shares Shares	Ordinary shares Baht		
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
Change in par value						
Increase in authorised share capital	800,000,000	400,000,000	-	-	-	-
Closing amount as at 31 December 2015	<u>1,200,000,000</u>	<u>600,000,000</u>	<u>400,000,000</u>	<u>200,000,000</u>	<u>106,643,230</u>	<u>306,643,230</u>
Opening amount as at 1 January 2014	15,000,000	150,000,000	15,000,000	150,000,000	5,360,000	155,360,000
Change in par value	285,000,000	-	285,000,000	-	-	-
Increase in authorised share capital	100,000,000	50,000,000	100,000,000	50,000,000	101,283,230	151,283,230
Closing amount as at 31 December 2014	<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>

On 19 August 2014, the Company offered its common shares to the initial public offering by issuing 100,000,000 common shares. The new shares were sold to subscribers at price of Baht 1.60 per share (Baht 0.50 paid in capital and Baht 1.10 share premium) totaling Baht 160 million. The Company registered the increase in paid-up share capital with the Ministry of Commerce on 14 August 2014 and the shares of the Company begin trading in the Stock Exchange of Thailand on 19 August 2014. Directly attributable expenses of the initial public offering amounted to Baht 8.72 million were deducted from the premium on share capital received from shareholders.

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19 Share capital (Cont'd)

At the extraordinary general meeting No. 1/2014 held on 17 April 2014, the shareholders approved the increase in authorised share capital from Baht 150 million to Baht 200 million and approved the changes in par value from Baht 10 per share to Baht 0.50 per share to support the offering of shares to the public. The increase in authorised share capital and change in par value resulted a number of authorised share capital increases to 400 million shares.

At the extraordinary general meeting No. 1/2015 held on 2 December 2015, the shareholders approved the increase in authorised share capital from Baht 400 million to Baht 1,200 million at par value Baht 0.50 per share to support the offering of shares to the existing shareholders totaling 400 million shares and to support the warrant for purchasing common stock (TAKUNI-W), amount not more than 400 million shares. The Company registered the increase in authorised share capital with the Ministry of Commerce on 16 December 2015 and received the paid-up shares from existing shareholders who intend to subscribe for the purchase of shares on 13 January 2016.

20 Legal reserve

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
At 1 January	2,900,000	-	2,900,000	-
Appropriation during the year	1,420,000	2,900,000	1,420,000	2,900,000
At 31 December	<u>4,320,000</u>	<u>2,900,000</u>	<u>4,320,000</u>	<u>2,900,000</u>

Under the Public Limited Company Act., BE. 2535, the company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is non-distributable.

21 Dividend paid

The Company

On 27 April 2015, the Annual General meeting approved the dividends payment for the operating results for the period ended 31 December 2014, totaling Baht 30 million. There are 2 dividend payments. Firstly, for the period from 1 January 2014 to 31 March 2014, of Baht 6 million, these dividends were paid to shareholders on 23 June 2014. Secondly, for the period 1 April 2014 to 31 December 2014, of Baht 24 million, dividends were paid to shareholders on 27 May 2015.

On 17 April 2014, the Extraordinary General meeting approved the dividends payment for the operating results for the period from 1 January 2013 to 31 March 2014 at Baht 1.73 per share for 15million shares, totaling Baht 25.95 million. The dividends were paid to shareholders on 23 June 2014.

Subsidiaries

At the Annual General meeting of G Gas Logistics Co., Ltd. No. 1/2015 held on 27 April 2015, the shareholders approved the dividends payment from the operating results for the year ended 31 December 2014 at Baht 3.34 per share for 1.5 million shares, totaling Baht 5.01 million. The dividends were paid to shareholders on 9 April 2015.

At the Annual General meeting of Ratchapruerk Engineering Co., Ltd. No. 1/2015 held on 27 April 2015, the shareholders approved the dividends payment from the operating results for the year ended 31 December 2014 at Baht 28.00 per share for 200,000 shares, totaling Baht 5.6 million. The dividends were paid to shareholders on 9 April 2015.

At the Annual General meeting of G Gas Logistics Co., Ltd. No. 1/2014 held on 19 March 2014, the shareholders approved the dividends payment from the operating results for the year ended 31 December 2013 at Baht 4.15 per share for 1.5 million shares, totaling Baht 6.23 million. The dividends were paid to shareholders on 19 and 25 March 2014.

At the Annual General meeting of Ratchapruerk Engineering Co., Ltd. No. 1/2014 held on 19 March 2014, the shareholders approved the dividends payment from the operating results for the year ended 31 December 2013 at Baht 58.90 per share for 200,000 shares, totaling Baht 11.78 million. The dividends were paid to shareholders on 26 March 2014.

22 Other income

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
For the year ended 31 December				
Rental income	6,120,000	6,285,000	6,120,000	6,285,000
Interest income	4,689,391	1,386,994	5,242,101	1,810,880
Dividend income	-	-	10,609,937	18,004,874
Others	993,356	1,406,749	10,612,261	9,103,432
	11,802,747	9,078,743	32,584,299	35,204,186

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23 Expense by nature

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
For the years ended 31 December				
Cost of sales	884,989,208	791,861,566	884,989,208	791,861,566
Depreciation and amortisation (Note 12, 13, 14)	16,182,327	14,933,335	6,417,892	4,501,110
Staff costs	63,119,919	54,751,609	23,371,150	19,439,322
Contribution to the fuel fund (Note 17)	24,023,980	201,412,094	24,023,980	201,412,094
Gas transportation expenses	6,275,473	-	36,260,323	43,409,335
Gas storage expenses	15,802,296	12,104,082	15,802,296	12,104,082

24 Income tax

	Consolidated		Company	
	2015	2014	2015	20134
	Baht	Baht	Baht	Baht
For the year ended 31 December				
Current tax	19,758,767	6,813,001	4,968,429	3,228,430
Deferred income tax expense (Note 16)	(4,287,723)	145,923	819,686	388,851
Income tax	15,471,044	6,958,924	5,788,115	3,617,281

The tax on profit before tax differs from the tax for filing purposes amount as follows:

	Consolidated		Company	
	2015	2014	2015	20134
	Baht	Baht	Baht	Baht
For the years ended 31 December				
Profit before income tax	80,852,858	34,137,018	34,404,203	35,276,457
Tax calculated at the tax rate of 20%	16,170,572	6,827,404	6,880,840	7,055,291
Exempt income tax	(699,528)	-	(2,121,987)	(3,600,975)
Expenses not deductible for tax purposes	-	131,520	1,029,262	162,965
Income tax	15,471,044	6,958,924	5,788,115	3,617,281

Further information about deferred income tax is presented in Note 16.

25 Basic earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to shareholders by the weighted average number of ordinary shares (Note 19).

	Consolidated		Company	
	2015	2014	2015	2014
Net profit attributable to ordinary shareholders of the company (Baht)	65,381,814	27,178,094	28,616,088	31,659,176
Weighted average number of ordinary shares outstanding (Shares)	400,000,000	338,356,164	400,000,000	338,356,164
Basic earnings per share (Baht)	0.16	0.08	0.07	0.09

On 17 April 2014, the Company changed par value from Baht 10 per share to Baht 0.5 per share (Note 19)

26 Related-party transactions

As at 31 December 2015, the major shareholders of the Company are 4 individuals from Treeweeranuwat family, which own 60% of the Company's share capital.

Significant pricing policies for particular types of transactions are explained further below:

- Selling gas prices are determined nearly to other customers.
- Transportation prices are determined nearly to other customers.
- Purchase prices of cylinder are determined by cost plus basis.
- Rental income and expenses rates are determined in the contracts under the terms and conditions in the normal course of business.
- Interest income and expenses rates are based on the interest rates determined in intercompany loan agreements.

The following transactions were significant to subsidiaries and related parties:

a) Outstanding balances arising from sales/purchases of goods/services

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Other receivables				
Subsidiaries	-	-	1,195,200	947,170
Associates	400,000	-	400,000	-
	<u>400,000</u>	<u>-</u>	<u>1,595,200</u>	<u>947,170</u>
Accrued interest income				
Subsidiaries	-	-	2,220,123	869,178
Associates	911,623	-	797,651	-
	<u>911,623</u>	<u>-</u>	<u>3,017,774</u>	<u>869,178</u>
Trade accounts payable				
Subsidiaries	-	-	3,013,570	2,684,430
Other account payables				
Subsidiaries	-	-	77,643	43,603

26 Related-party transactions (Cont'd)

b) Short-term loans to related parties

1) Short-term loans to subsidiaries

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Opening balance	-	-	30,000,000	25,000,000
Additions	-	-	43,880,000	15,000,000
Repayments	-	-	(20,010,000)	(10,000,000)
Ending balance	-	-	53,870,000	30,000,000

The Company has short-term loan to a subsidiary. The loan is unsecured loan and carry interest at the rate of 3% to 5% per annum. The loan is due for repayment on demand.

2) Short-term loans to associates

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Opening balance	-	-	-	-
Additions	114,748,425	-	89,548,325	-
Repayments	(30,300,000)	-	(20,000,000)	-
Ending balance	84,448,425	-	69,548,325	-

The Company has short-term loans to associates. The loans are unsecured loan and carry interest at the rate of 5.50% to 8.50% per annum. The loans are due for repayment on demand.

c) Revenues from sales of goods/services, interest income and other income

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
For the year ended 31 December				
Other income				
Subsidiaries	-	-	9,944,776	8,510,047
Dividend income				
(Include in other income)				
Subsidiaries	-	-	10,609,937	18,004,874
Interest income				
(Include in other income)				
Subsidiaries	-	-	1,416,699	766,027
Associates	3,027,215	-	2,493,459	-
	3,027,215	-	3,910,158	766,027

26 Related-party transactions (Cont'd)

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

d) Purchases of goods and services, and interest expenses

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
For the years ended 31 December				
Purchase of goods and services				
Subsidiaries	-	-	506,455	279,232
Rental expenses - office				
Subsidiaries	-	-	504,000	423,667
Transportation expenses				
Subsidiaries	-	-	29,984,850	38,063,901
Other Expenses				
Subsidiaries	-	-	187,873	133,329

e) Key management compensation

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

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
For the year ended 31 December				
Salaries and other short-term employee benefits	8,885,210	7,713,673	8,885,210	7,713,673
Post-employment benefits	469,422	38,930	469,422	38,930
	<u>9,354,632</u>	<u>7,752,603</u>	<u>9,354,632</u>	<u>7,752,603</u>

27 Commitments

a) Letters of guarantees

Outstanding bank guarantees issued by the banks on behalf of the Group for the purchase of petroleum gas from gas sellers and governmental agencies for the electricity usage, and on behalf of the associate for the purchase of goods and advances received from customers are as follows:

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Letters of guarantees				
Company and subsidiary	91,956,704	84,842,359	71,934,484	64,934,484
Associates	138,307,735	-	-	-
	<u>230,264,439</u>	<u>84,842,359</u>	<u>71,934,484</u>	<u>64,934,484</u>

The Group has credit facilities for letter of credits or trust receipt, letter of guarantee, forward contracts. These credit facilities are pledged by subsidiaries' assets, subsidiaries' bank accounts, and directors (Notes 7 and 13).

b) The future aggregate minimum lease payments under non-cancellable operating lease in respect of land and building for office, operating equipment and land rental for gas storage facility in Pichit province.

	Consolidated		Company	
	2015	2014	2015	2014
	Baht	Baht	Baht	Baht
Within 1 year	613,784	1,264,984	948,884	914,084
Within 2 to 5 years	1,865,938	1,624,438	2,165,938	2,585,938
Over 5 years	5,424,162	5,818,646	5,424,162	5,818,646
Total	<u>7,903,884</u>	<u>8,708,068</u>	<u>8,538,984</u>	<u>9,318,668</u>

28 Events after the reporting period

28.1 Dividend declarations

The Company

- a) On 26 February 2016, the Board of Directors' meeting approved the interim dividends payment from the operating results for the year ended 31 December 2015 at Baht 0.033 per share for 800,000,000 shares, totaling Baht 26,156,000. The dividends are due for payment within May 2016.

Subsidiaries

- a) On 26 February 2016, the Board of Directors' meeting of Rajchapluek Engineering Co., Ltd. approved the interim dividends payment from the operating results for the year ended 31 December 2015 at Baht 32.00 per share for 200,000 shares, totaling Baht 6,400,000. The dividends are due for payment within April 2016.
- b) On 26 February 2016, the Board of Directors' meeting of G Gas Logistics Co., Ltd. approved the interim dividends payment from the operating results for the year ended 31 December 2015 at Baht 2.00 per share for 1,500,000 shares, totaling Baht 3,000,000. The dividends are due for payment within April 2016.
- c) On 26 February 2016, the Board of Directors' meeting of Takuni (Thailand) Co., Ltd. approved the interim dividends payment from the operating results for the year ended 31 December 2015 at Baht 1.2 per share for 10,000,000 shares, totaling Baht 12,000,000. The dividends are due for payment within April 2016.

28.2 Receipt of paid-up additional shares

On 2 December 2015, the Extraordinary General meeting 1/2015 approved the issuance of shares capital of Takuni Group Public Company Limited at Baht 0.50 per share for amount not over than 800,000,000 shares to existing shareholders at the ratio of 1 existed ordinary share per 1 new ordinary share and set the exercise price at Baht 1 per share for 400,000,000 shares. The Company received paid-up amount in full of Baht 400,000,000 and registered the paid-up ordinary shares with the Ministry of Commerce on 13 January 2016.

28.3 Issuance of warrants

On 2 December 2015, the Extraordinary General meeting 1/2015 approved the issuance of 5-years warrants (TAKUNI-W) for amount not over than 400,000,000 shares for existing shareholders and new shareholders who book for the purchase of shares at the exercise ratio of 2 existed ordinary shares or issued shares per 1 warrant at the exercise price of Baht 2 per share. The warrants have 5 years duration since 29 January 2016. The warrants' first exercise date on 30 December 2016 and the last exercise date is on 28 January 2021.