

REVIEW REPORT OF INDEPENDENT AUDITOR

To the Shareholders of Siam Steel International Public Company Limited

I have reviewed the consolidated statement of financial position of Siam Steel International Public Company Limited and its subsidiaries as at 30 September 2016, and the related consolidated statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2016, statements of changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2016, and condensed notes to the consolidated financial statements. I have also reviewed the separate statement of financial position of Siam Steel International Public Company Limited as at 30 September 2016, and the related separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2016, statements of changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2016, and condensed notes to the separate financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim financial reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity". A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion on the interim financial information.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, “Interim financial reporting”.

Other matters

The consolidated statement of financial position of Siam Steel International Public Company Limited and its subsidiaries and the separate statement of financial position of Siam Steel International Public Company Limited as at 31 December 2015, presented as comparative information, were audited by another auditor in the same office as mine, who expressed an unmodified opinion under his report dated 29 February 2016.

The consolidated statements of profit or loss and other comprehensive income for the three-month period ended 30 September 2015 of Siam Steel International Public Company Limited and its subsidiaries and the separate statements of profit or loss and other comprehensive income for the three-month period ended 30 September 2015 of Siam Steel International Public Company Limited, presented as comparative information, were reviewed by another auditor in the same office as mine, who concluding nothing has come to him attention that causes his to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 “Interim financial reporting” thereon in his report dated 16 November 2015.

The consolidated statements of profit or loss and other comprehensive income, statements of changes in shareholders’ equity and cash flows for the nine-month period ended 30 September 2015 of Siam Steel International Public Company Limited and its subsidiaries and separate statements of profit or loss and other comprehensive income, statements of changes in shareholders’ equity and cash flows for the nine-month periods ended 30 September 2015 of Siam Steel International Public Company Limited, presented as comparative information, were prepared by the Company’s management and not audited or reviewed by the auditor because the Company had changed its fiscal year as disclosed in Note 1 to the financial statements.

Miss Kanyanat Sriratchatchaval

Certified Public Accountant

Registration No. 6549

Bangkok, Thailand

14 November 2016

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Notes	Consolidated F/S		Separate F/S	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
		(Unaudited but Reviewed)	(Audited)	(Unaudited but Reviewed)	(Audited)
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents		244,882	379,516	84,628	242,871
Trade accounts receivable from sales and services					
- general customers - net	6	429,316	474,224	289,262	272,586
- related companies	5, 6	3,885	6,845	4,966	21,618
Trade accounts receivable from construction work					
- general customers - net	6	6,615	10,594	6,615	10,594
Unbilled accrued income - general customers		36,348	160	36,348	160
Inventories - net	7	397,841	324,122	277,006	228,817
Receivables from and advances to related companies	5	6,992	5,868	5,435	6,874
Short - term loans to indirect subsidiary company	5	-	-	440,000	-
Refundable value added tax		763	14	-	-
Other current assets		28,275	33,944	22,213	28,912
Total current assets		1,154,917	1,235,287	1,166,473	812,432
NON - CURRENT ASSETS					
Restricted deposit with bank		4,768	7,354	4,532	7,217
Long-term loans to related company	5	-	100,000	-	100,000
Retentions receivable		84,216	81,747	84,216	81,747
Investments					
- Subsidiary companies - net	8	-	-	84,399	34,399
- Associated companies	8	746,199	713,929	162,627	162,627
- Joint venture - net	8	-	22	-	-
- Other companies - net	8	52,149	52,149	49,712	49,712
Investment in solar power plant project	9	539,263	-	-	-
Goodwill	2	618	-	-	-
Property, plant and equipment - net	10	581,926	578,714	569,501	566,215
Assets not used in operation - net		168,815	168,815	168,815	168,815
Income tax withheld at sources		20,974	17,220	10,450	9,893
Deferred income tax asset - net		97,851	100,378	94,053	97,813
Other non - current assets - net		20,040	32,740	9,565	19,382
Total non - current assets		2,316,819	1,853,068	1,237,870	1,297,820
TOTAL ASSETS		3,471,736	3,088,355	2,404,343	2,110,252

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

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Notes	Consolidated F/S		Separate F/S	
		30 September 2016	31 December 2015	30 September 2016	31 December 2015
		(Unaudited but Reviewed)	(Audited)	(Unaudited but Reviewed)	(Audited)
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short - term loans from financial institutions	11	199,793	-	199,793	-
Short - term loans from related party	5	103,000	-	-	-
Current portion of					
- Long - term loans from banks	12	12,308	-	12,308	-
Trade accounts payable - general suppliers		126,041	122,203	105,233	92,096
Trade accounts payables and advances from related companies	5	50,104	38,906	10,586	17,283
Advances and deposits from customers					
- general customers		73,664	44,391	68,791	42,747
- related companies	5	11,160	3,659	12,868	5,212
Accrued income tax		-	113	-	-
Other current liabilities		138,253	105,832	125,648	95,194
Total current liabilities		714,323	315,104	535,227	252,532
NON - CURRENT LIABILITIES					
Long - term loans from financial institutions	12	267,692	224,000	267,692	224,000
Liabilities under employee benefits obligation		26,266	24,050	22,846	20,963
Other non - current liabilities		2,994	1,827	2,991	1,827
Total non - current liabilities		296,952	249,877	293,529	246,790
TOTAL LIABILITIES		1,011,275	564,981	828,756	499,322
SHAREHOLDERS' EQUITY					
Share capital - common share at Baht 1 par value					
- Registered 593,125,849 shares		593,126	593,126	593,126	593,126
- Issued and paid - up 593,125,849 shares		593,126	593,126	593,126	593,126
Premium on share capital		72,404	72,404	72,404	72,404
Retained earnings					
- Appropriated for legal reserve		59,312	59,312	59,312	59,312
- Unappropriated		1,548,520	1,610,539	850,745	886,088
Total shareholders' equity of the Company		2,273,362	2,335,381	1,575,587	1,610,930
Non - controlling interests		187,099	187,993	-	-
TOTAL SHAREHOLDERS' EQUITY		2,460,461	2,523,374	1,575,587	1,610,930
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,471,736	3,088,355	2,404,343	2,110,252

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

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED 30 SEPTEMBER

(Unit : Thousand Baht)

	Note	Consolidated F/S		Separate F/S	
		2016	2015	2016	2015
Revenues					
Sales and services - net	5	430,321	492,264	288,783	346,162
Construction work		39,610	27,439	39,610	27,439
Total revenues		469,931	519,703	328,393	373,601
Cost of goods sold					
Costs of sales and services	5	327,603	360,930	208,123	241,811
Cost of construction		33,545	23,366	33,545	23,366
Total cost of goods sold		361,148	384,296	241,668	265,177
Gross profit		108,783	135,407	86,725	108,424
Gain (loss) on foreign exchange rates		1,004	(2,412)	973	(1,673)
Other income		7,476	9,110	20,726	12,931
Profit before expenses		117,263	142,105	108,424	119,682
Selling expenses	5	(32,700)	(46,587)	(35,027)	(48,483)
Administrative expenses	5	(100,345)	(71,618)	(57,969)	(42,830)
Reversal of allowance for doubtful debts and bad debt		10	25	10	25
Reversal of allowance for decline value of investment		-	-	-	2,000
Total expenses		(133,035)	(118,180)	(92,986)	(89,288)
Profit (loss) from operations		(15,772)	23,925	15,438	30,394
Share of profit from investments in associated companies - net		17,814	15,825	-	-
Profit before finance costs and income tax		2,042	39,750	15,438	30,394
Finance costs	5	(7,596)	(273)	(6,793)	(172)
Profit (loss) before income tax		(5,554)	39,477	8,645	30,222
Income tax		(271)	233	(1,175)	(12,575)
Profit (loss) for the period		(5,825)	39,710	7,470	17,647
Other comprehensive income (loss) for the period		-	-	-	-
Total comprehensive income (loss) for the period		(5,825)	39,710	7,470	17,647
Profit (loss) for the period attributable to :					
Equity holders of the Company		1,375	42,131	7,470	17,647
Non - controlling interests		(7,200)	(2,421)	-	-
Total		(5,825)	39,710	7,470	17,647
Total comprehensive income (loss) for the period attributable to:					
Equity holders of the Company		1,375	42,131	7,470	17,647
Non - controlling interests		(7,200)	(2,421)	-	-
Total		(5,825)	39,710	7,470	17,647
Basic earnings per share					
Profit (loss) (Baht per share)		0.002	0.071	0.013	0.030
Weighted average number of common shares (share)		593,125,849	593,125,849	593,125,849	593,125,849

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER

(Unit : Thousand Baht)

	Notes	Consolidated F/S		Separate F/S	
		2016 (Unaudited but reviewed)	2015 (Unaudited and unreviewed)	2016 (Unaudited but reviewed)	2015 (Unaudited and unreviewed)
Revenues					
Sales and services - net	5	1,221,838	1,265,334	727,909	827,880
Construction work		115,326	48,454	115,326	48,454
Total revenues		1,337,164	1,313,788	843,235	876,334
Cost of goods sold					
Costs of sales and services	5	933,653	1,001,756	527,644	647,627
Cost of construction		98,544	41,948	98,544	41,948
Total cost of goods sold		1,032,197	1,043,704	626,188	689,575
Gross profit		304,967	270,084	217,047	186,759
Loss from foreign exchange rates		(1,185)	(7,301)	(264)	(6,744)
Dividend income	5	4,037	2,495	29,923	40,366
Other income		24,159	27,828	61,661	37,345
Profit before expenses		331,978	293,106	308,367	257,726
Selling expenses	5	(106,393)	(122,900)	(113,054)	(127,851)
Administrative expenses	5, 16	(320,446)	(210,908)	(199,958)	(124,983)
Reversal of allowance for doubtful debts and bad debt		70	75	70	75
Reversal of allowance (allowance) for decline value of investment		-	(1,270)	15	2,000
Total expenses		(426,769)	(335,003)	(312,927)	(250,759)
Profit (loss) from operations		(94,791)	(41,897)	(4,560)	6,967
Share of profit from investments in associated companies - net		56,976	35,644	-	-
Profit (loss) before finance costs and income tax		(37,815)	(6,253)	(4,560)	6,967
Finance costs	5	(22,137)	(734)	(19,906)	(615)
Profit (loss) before income tax		(59,952)	(6,987)	(24,466)	6,352
Income tax		(2,717)	114	(3,760)	(13,372)
Loss for the period		(62,669)	(6,873)	(28,226)	(7,020)
Other comprehensive income (loss) for the period		-	-	-	-
Total comprehensive loss for the period		(62,669)	(6,873)	(28,226)	(7,020)
Profit (loss) for the period attributable to :					
Equity holders of the Company		(54,902)	(2,260)	(28,226)	(7,020)
Non - controlling interests		(7,767)	(4,613)	-	-
Total		(62,669)	(6,873)	(28,226)	(7,020)
Total comprehensive income (loss) for the period attributable to:					
Equity holders of the Company		(54,902)	(2,260)	(28,226)	(7,020)
Non - controlling interests		(7,767)	(4,613)	-	-
Total		(62,669)	(6,873)	(28,226)	(7,020)
Basic earnings per share					
Loss (Baht per share)		(0.093)	(0.004)	(0.048)	(0.012)
Weighted average number of common shares (share)		593,125,849	593,125,849	593,125,849	593,125,849

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

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER

(Unit : Thousand Baht)

	Shareholders' equity of the Company							
	Note	Paid - up share capital	Premium on share capital	Retained earnings		Total	Non-controlling interests	Total
				Appropriated for legal reserve	Unappropriated			
Consolidated F/S								
(Unaudited and unreviewed)								
Balance as at 1 January 2015		593,126	72,404	59,312	1,597,973	2,322,815	189,426	2,512,241
Total comprehensive loss for the period		-	-	-	(2,260)	(2,260)	(4,613)	(6,873)
Balance as at 30 September 2015		593,126	72,404	59,312	1,595,713	2,320,555	184,813	2,505,368
(Unaudited but reviewed)								
Balance as at 1 January 2016		593,126	72,404	59,312	1,610,539	2,335,381	187,993	2,523,374
Non-controlling interests increase		-	-	-	-	-	8,000	8,000
Total comprehensive income (loss) for the period		-	-	-	(54,902)	(54,902)	(7,767)	(62,669)
Dividend paid	13	-	-	-	(7,117)	(7,117)	-	(7,117)
Dividend paid from subsidiary	13	-	-	-	-	-	(1,127)	(1,127)
Balance as at 30 September 2016		593,126	72,404	59,312	1,548,520	2,273,362	187,099	2,460,461

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

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER

(Unit : Thousand Baht)

	Note	Paid - up share capital	Premium on share capital	Retained earnings		Total
				Appropriated for legal reserve	Unappropriated	
Separate F/S						
(Unaudited and unreviewed)						
Balance as at 1 January 2015		593,126	72,404	59,312	893,712	1,618,554
Total comprehensive loss for the period		-	-	-	(7,020)	(7,020)
Balance as at 30 September 2015		593,126	72,404	59,312	886,692	1,611,534
(Unaudited but reviewed)						
Balance as at 1 January 2016		593,126	72,404	59,312	886,088	1,610,930
Total comprehensive loss for the period		-	-	-	(28,226)	(28,226)
Dividend paid	13	-	-	-	(7,117)	(7,117)
Balance as at 30 September 2016		593,126	72,404	59,312	850,745	1,575,587

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2016 (Unaudited but reviewed)	2015 (Unaudited and unreviewed)	2016 (Unaudited but reviewed)	2015 (Unaudited and unreviewed)
Cash flows from operating activities				
Income (loss) before tax	(59,952)	(6,987)	(24,466)	6,352
Adjustments to reconcile income (loss) before tax to net cash provided from (used in) operating activities:				
Depreciation	31,339	33,171	28,923	30,839
Reversal of allowance for doubtful debts and bad debt	(70)	(75)	(70)	(75)
Allowance (reversal of allowance) for decline value of inventories - net	(1,226)	15,631	(1,226)	15,631
Allowance (reserval of allowance) for decline value of investment - net	-	1,270	(15)	(2,000)
Gain on sales of assets	(30)	(119)	(5)	(428)
Loss from disposal of assets	2	-	2	-
Unrealized gain on revaluation of temporary investment	-	(43)	-	-
Unrealized loss (gain) on foreign exchange	(540)	9,109	(540)	9,109
Dividend income	(4,037)	(2,495)	(29,923)	(40,366)
Finance costs	22,137	734	19,906	615
Equity in income of associated companies - net	(56,976)	(35,644)	-	-
Share of loss from investment in solar power plant project	9,776	-	-	-
Employee benefits obligation expenses	1,522	820	1,187	636
Cash provided from (used in) operations before changes in operating assets and liabilities	(58,055)	15,372	(6,227)	20,313
Decrease (increase) in operating assets;				
Trade accounts receivable from sales and services				
- general customers	45,461	34,845	(16,123)	(16,510)
- related companies	2,960	1,313	16,652	1,500
Trade accounts receivable from construction work				
- general customers	3,979	(16,386)	3,979	(16,386)
Unbilled accrued income - general customers	(36,187)	(2,943)	(36,187)	(2,943)
Inventories	(72,493)	34,057	(46,962)	25,852
Receivables from and advances to related companies	(1,125)	(3,627)	1,439	(4,188)
Other current assets	4,927	(9,106)	6,700	(8,351)
Retentions receivable	(2,066)	-	(2,066)	-
Other non - current assets	12,691	(7,855)	9,260	(3,152)
Increase (decrease) in operating liabilities;				
Trade accounts payable - general suppliers	3,838	19,173	13,137	21,115
Trade accounts payables and advances from related companies	10,695	5,294	(6,696)	2,474
Advances and deposits from customers	36,485	2,879	33,412	4,877
Other current liabilities	32,007	(9,536)	30,396	(1,028)
Employee benefits obligation paid during the period	-	(864)	-	(864)
Other non - current liabilities	1,167	(307)	1,164	6
Cash provided from (used in) operating activities	(15,716)	62,309	1,878	22,715
Interest payment	(21,082)	(10)	(19,213)	-
Income tax payment	(4,059)	-	-	-
Net cash provided from (used in) operating activities	(40,857)	62,299	(17,335)	22,715

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

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2016 (Unaudited but reviewed)	2015 (Unaudited and unreviewed)	2016 (Unaudited but reviewed)	2015 (Unaudited and unreviewed)
Cash flows from investing activities				
Acquisition of temporary investment	-	(5,035)	-	-
Increase in short - term loans to indirect subsidiary company	-	-	(440,000)	-
Decrease in restricted deposits with banks	2,586	198	2,684	-
Decrease in long - term loans to related company	-	-	100,000	-
Cash received from (paid for) investment in subsidiary company	7,810	-	(50,000)	-
Cash received from non - controlling interest of subsidiary company	8,000	-	-	-
Cash received from investment in joint venture	15	-	15	-
Dividend income	28,750	40,365	29,923	40,366
Cash paid for investment in solar power plant project	(456,563)	-	-	-
Acquisition of assets	(34,553)	(8,126)	(32,211)	(4,521)
Proceeds from sales of assets	30	4,034	5	2,437
Net cash provided from (used in) investing activities	(443,925)	31,436	(389,584)	38,282
Cash flows from financing activities				
Increase in short - term loans from financial institutions	199,793	-	199,793	-
Increase in long - term loans from financial institutions	56,000	-	56,000	-
Increase in short - term loans from related parties	103,000	-	-	-
Dividend paid	(7,117)	-	(7,117)	-
Dividend paid from subsidiary company	(1,127)	-	-	-
Net cash provided from financing activities	350,549	-	248,676	-
Increase (decrease) in cash and cash equivalents - net	(134,233)	93,735	(158,243)	60,997
Cash and cash equivalents at beginning of period	379,516	235,726	242,871	101,230
Cash and cash equivalents at end of period	245,283	329,461	84,628	162,227

SIAM STEEL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONDENSED NOTES TO INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2016 (Unaudited but reviewed)

(With comparative information for 2015 (Audited))

1. NATURE OF OPERATIONS

Siam Steel International Public Company Limited was incorporated as a public company in Thailand, and has been listed in the Stock Exchange of Thailand. The principal activities of the Company and its subsidiaries is the manufacturing and sale of steel office equipment and furniture parts, and construction services. In addition, the Company has invested into the alternative energy sector, however has not started production.

During the year 2015, the Company changed its fiscal year from 30 June to 31 December. The first accounting period, after the change was for the period from 1 July 2015 to 31 December 2015. The Company changed its accounting period to be comparable with other listed companies in the same industry. Therefore, the consolidated statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2015 of Siam Steel International Public Company Limited and its subsidiaries and the separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the nine-month period ended 30 September 2015 of Siam Steel International Public Company Limited, presented as comparative information, were prepared by the Company's management and were not audited or reviewed by the auditor.

2. BASIS FOR INTERIM FINANCIAL STATEMENT PREPARATION AND PRINCIPLES OF CONSOLIDATION

2.1 Basis for interim financial statements preparation

These interim financial statements are prepared in accordance with Thai Accounting Standards No. 34: "Interim Financial Reporting", whereby the Company chooses to present condensed interim financial statements. However, additional line items are presented in the primary financial statements to bring them into the full format similar to the annual financial statements.

The interim financial statements are prepared to provide information in addition to those included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances to avoid repetition of information previously reported. These interim financial statements should, therefore, be read in conjunction with the financial statements for the year ended 31 December 2015.

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

These interim financial statements have been approved by Board of Directors on 14 November 2016.

2.2 Basis of consolidation

The consolidated financial statements include the accounts of the Company and its subsidiaries for which the Company owns shares more than 50% of voting right as follows:

Company	Percentage of shareholding		Type of business
	30 September 2016	31 December 2015	
<u>Subsidiaries</u>			
Siam Okamura International Co., Ltd.	51	51	Distribution of office furniture and furniture used for public
Sri Chareon International Co., Ltd.	99.99	99.99	Distribution of office furniture and furniture parts
Siam Steel OC Co., Ltd.	51	51	Distribution of finished buildings, wall and relating products

During the period, the Company established the following direct and indirect subsidiaries :

Company	Share capital (Thousand Baht)	Percentage of shareholding		Type of business
		30 September 2016	31 December 2015	
<u>Subsidiary</u>				
Siam International Energy Co., Ltd.	50,000	99.99	-	Investment in alternative energy
<u>Indirect subsidiaries</u>				
Bangphra Green Energy Co., Ltd.	40,000	99.99	-	Manufacturing and distribution of solar equipment
Siam New Power Co., Ltd.	1,000	99.99	-	Investment in alternative energy
Siam Green Energy Plus Co., Ltd.	1,000	99.99	-	Investment in alternative energy
Siam Wealth Energy Co., Ltd.	1,000	99.99	-	Investment in alternative energy
Siam International Biomass Co., Ltd.	1,000	99.99	-	Investment in alternative energy
Siam Biomass Product Co., Ltd.	1,000	99.99	-	Investment in alternative energy
Siam Forest Management Co., Ltd.	20,000	60.00	-	Investment in alternative energy

On 27 January 2016, Siam International Energy Co., Ltd., purchase 100% of the common share of Bangphra Green Energy Co., Ltd., which invests in a solar plant. Bangphra Green Energy Co., Ltd., therefore, is an indirect subsidiary of the Company.

The fair value of the acquired assets and liabilities of Bangphra Green Energy Co., Ltd., as at 31 December 2015, which approximate to the value at the acquisition date of 27 January 2016, are summarised below:

	Thousand Baht
Cash and cash equivalents	10,310
Investment in solar power plant project	92,076
Other payable	(504)
Long-term loan	(100,000)
Total net asset value	<u>1,882</u>
Goodwill	618
Cash payment for purchase of investment in subsidiary	<u>2,500</u>
<u>Less</u> Cash and cash equivalents of subsidiary	(10,310)
Net cash received for purchase of investment in indirect subsidiary	<u><u>7,810</u></u>

Goodwill in the consolidated financial statement is the amount paid to the indirect subsidiary company above the fair value of the indirect subsidiary company's asset and liabilities at acquisition date.

- 2.3 Significant intercompany transactions with subsidiaries included in the consolidated financial statements have been eliminated.
- 2.4 The consolidated financial statements have been prepared with the same accounting policy for the same accounting transactions or accounting events used by the Company and subsidiaries.
- 2.5 As of 30 September 2016 and 31 December 2015, the total assets of subsidiaries represent 29.40 percent and 15.70 percent, respectively, of the total assets in the consolidated financial statements, and total revenues of subsidiaries for the three-month periods ended 30 September 2016 and 2015, represent 30.52 percent and 35.60 percent, respectively, of the total revenues in the consolidated financial statements and total revenues of subsidiaries for the nine-month periods ended 30 September 2016 and 2015, represent 38.58 percent and 34.25 percent, respectively, of the total revenues in the consolidated financial statements.
3. SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared by using the same accounting policies and methods of computation as were used in the preparation of the financial statements for the year ended 31 December 2015.

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

4. ESTIMATION

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

The judgments, estimates and assumptions applied in the interim financial statements, including the key sources of estimation were the same as those applied in the preparation of annual financial statements for the year ended 31 December 2015.

5. TRANSACTIONS WITH RELATED COMPANIES

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related companies which are related through common shareholding and/or directorship. These financial statements reflected the effects of significant transactions with related companies based on market prices in the normal course of business, or based on the basis mutually agreed to for transactions with non-comparative market prices.

Relationship with related parties were as follows:

Name	Country of incorporation	Type of Business	Relationship
Sri Chareon International Co., Ltd.	Thailand	Distribution of office furniture	Subsidiary company
Siam Okamura International Co., Ltd.	Thailand	Distribution of office furniture and furniture used for public	Subsidiary company
Siam Steel OC Co., Ltd.	Thailand	Distribution of equipment, office furniture and industrial parts.	Subsidiary company
Siam International Energy Co., Ltd.	Thailand	Investment in alternative energy	Subsidiary company
Bangphra Green Energy Co., Ltd.	Thailand	Manufacturing and distribution of solar equipment and investment in solar plant	Indirect subsidiary company
Siam New Power Co., Ltd.	Thailand	Investment in alternative energy	Indirect subsidiary company
Siam Green Energy Plus Co., Ltd.	Thailand	Investment in alternative energy	Indirect subsidiary company
Siam Wealth Energy Co., Ltd.	Thailand	Investment in alternative energy	Indirect subsidiary company
Siam International Biomass Co., Ltd.	Thailand	Investment in alternative energy	Indirect subsidiary company
Siam Biomass Product Co., Ltd.	Thailand	Investment in alternative energy	Indirect subsidiary company
Siam Forest Management Co., Ltd.	Thailand	Investment in alternative energy	Indirect subsidiary company
Siam Okamura Steel Co., Ltd.	Thailand	Manufacturing and distribution of office automation furniture for export	Associated company
Siam Steel Service Center Plc.	Thailand	Manufacturing and distribution of primary steel parts for various industries.	Associated company
Unity Service Co., Ltd.	Thailand	Providing of utilities and nursing facilities	Co-director
Formica (Thailand) Ltd.	Thailand	Manufacturing and distribution of plastic laminate products	Co-director
Panasonic Eco Solutions Steel (Thailand) Co., Ltd.	Thailand	Manufacturing and distribution of electrical appliance and supplies for construction such as electric wire, pipe and downstream equipment	Co-director
Siam Chitose Co., Ltd	Thailand	Manufacturing and distribution of furniture and furniture parts.	Co-director

Name	Country of incorporation	Type of Business	Relationship
Lucky-Kingdom Center (Nakornratchasima) Co., Ltd.	Thailand	Distribution of office furniture	Co-director
Lucky-Kingdom Center (Chiangmai) Co., Ltd.	Thailand	Distribution of office furniture	Co-director
Union Autoparts Manufacturing Co., Ltd.	Thailand	Manufacturing and distribution of motorcycles and motorcycle parts.	Co-director
Hirokoh (Thailand) Co., Ltd.	Thailand	Distribution and rental of movable instant office, movable instant restroom	Co-director
Mr.Surapol Kunanantakul and Mr.Sittichai Kunanantakul	-	-	Company's directors

As at 30 September 2016 and 31 December 2015, the account balances with related companies are as follows:

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
Trade accounts receivable from sales and services				
<u>Subsidiary companies</u>				
Sri Chareon International Co., Ltd.	-	-	1,032	14,593
Siam Okamura International Co., Ltd.	-	-	225	625
Siam Steel OC Co., Ltd.	-	-	-	384
Total	-	-	1,257	15,602
<u>Associated companies</u>				
Siam Okamura Steel Co., Ltd.	195	28	195	24
Siam Steel Service Center Public Company Limited	3	14	3	14
Total	198	42	198	38
<u>Related companies</u>				
Hirokoh (Thailand) Ltd.	611	818	611	818
Lucky - Kingdom Center (Nakornratchasima) Co., Ltd.	1,827	2,164	1,827	2,164
Lucky - Kingdom Center (Chiangmai) Co., Ltd.	529	2,461	529	2,461
Siam Chitose Co., Ltd.	-	203	-	203
Unity Service Co., Ltd.	30	30	30	30
Others	690	1,127	514	302
Total	3,687	6,803	3,511	5,978
Total trade accounts receivable from sales and services – related companies	3,885	6,845	4,966	21,618

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
Receivables from and advances to				
<u>Subsidiary company</u>				
Siam Okamura International Co., Ltd.	-	-	1,407	1,006
<u>Indirect subsidiary company</u>				
Siam Forest Management Co., Ltd.	-	-	340	-
Siam Biomass Product Co., Ltd.	-	-	2,696	-
Total	-	-	3,036	-
<u>Associated company</u>				
Siam Okamura Steel Co., Ltd.	992	1,175	992	1,175
<u>Related companies</u>				
Siam Chitose Co., Ltd.	6,000	4,673	-	4,673
Unity Service Co., Ltd.	-	20	-	20
Total	6,000	4,693	-	4,693
Total receivables from and advances to related companies	6,992	5,868	5,435	6,874
There is no interest charge for the above receivables and advances.				
<u>Short-term loans to indirect subsidiary company</u>				
Bangpra Green Energy Co., Ltd.	-	-	400,000	-
<u>Long-term loans to related company</u>				
Bangpra Green Energy Co., Ltd.	-	100,000	-	100,000

Movements in short - term loans to indirect subsidiary company and long - term loans to related company for the nine-month period ended 30 September 2016 are as follows :

	(Unit : Thousand Baht)			
	Separate F/S			
	31 December			30 September
	2015	Increase	Decrease	2016
Short - term loans	-	400,000	-	400,000
Long - term loans	100,000	-	100,000	-

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
Short-term loans from related party				
Director	103,000	-	-	-

Movements in short - term loans from related party for the nine-month period ended 30 September 2016 are as follows :

	(Unit : Thousand Baht)			
	Consolidated F/S			
	31 December 2015	Increase	Decrease	30 September 2016
Short - term loans	-	103,000	-	103,000

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
Trade accounts payable				
<u>Subsidiary companies</u>				
Sri Chareon International Co., Ltd.	-	-	-	20
Siam Okamura International Co., Ltd.	-	-	-	752
Total	-	-	-	772
<u>Associated companies</u>				
Siam Okamura Steel Co., Ltd.	37,745	18,058	4,241	5,863
Siam Steel Service Center Public Company Limited	144	30	144	30
Total	37,889	18,088	4,385	5,893
<u>Related companies</u>				
Siam Chitose Co., Ltd.	2,018	8,826	2,018	8,826
Formica (Thailand) Co., Ltd.	3,224	819	3,224	819
Hirokoh (Thailand) Ltd.	18	10	18	10
Others	3,969	10,260	-	-
Total	9,229	19,915	5,260	9,655
Total trade accounts payable - related companies	47,118	38,003	9,645	16,320

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
Advances from				
<u>Subsidiary company</u>				
Siam Okamura International Co., Ltd.	-	-	-	60
<u>Related companies</u>				
Unity Service Co., Ltd.	941	898	941	898
Others	2,045	5	-	5
Total	2,986	903	941	903
Total advances from related companies	2,986	903	941	963
Total trade accounts payable and advances from related companies	50,104	38,906	10,586	17,283
Advances and deposit from customers				
<u>Subsidiary company</u>				
Siam Okamura International Co., Ltd.	-	-	1,708	1,553
<u>Related company</u>				
Formica (Thailand) Co., Ltd.	3,659	3,659	3,659	3,659
Hiroko (Thailand) Co., Ltd.	7,501	-	7,501	-
Total	11,160	3,659	11,160	3,659
Total advances and deposits from customers - related companies	11,160	3,659	12,868	5,212
Key management personnel compensation				
Accrued bonus	1,419	1,637	1,248	1,614
Liabilities under employee benefits obligation	3,242	9,967	3,177	9,712
Total	4,661	11,604	4,425	11,326

The significant transactions with related companies for the three-month and nine-month periods ended 30 September 2016 and 2015 are as follows:

	The Policy of Pricing			

Sales and services	Cost plus margin or agreed price			
Income from construction	Cost plus margin			
Income from sales of raw materials, factory supplies and others	Cost plus margin			
Rental revenue	Agreed price			
Interest income	8% per annum			
Purchases of raw materials	Cost plus margin or agreed price			
Purchases of finished goods	Agreed price			
Land and factory rental	Agreed price			
Administrative and other expenses	Cost plus margin or agreed price			
Interest expense	2.5 % per annum			

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the three-month periods ended 30 September			
	2016	2015	2016	2015

Sales	11,578	11,898	12,568	23,667
Income from sales of raw materials, factory supplies and others	5,962	6,514	7,418	7,049
Rental revenue	3,767	3,512	6,288	5,878
Interest income	-	-	8,732	-
Purchases of raw materials	4,317	1,860	4,317	1,860
Purchases of finished goods	84,254	93,749	6,683	30,566
Administrative expenses and other expenses	17,642	14,019	4,769	2,698
Interest expense	698	-	-	-
 <u>Key management personnel compensation</u>				
Current employee benefits	6,086	3,839	5,397	3,150
Post-employment benefits	97	50	64	50
Total	6,183	3,889	5,461	3,200

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	For the nine-month periods ended 30 September			
	2016	2015	2016	2015
Sales	40,596	42,089	58,960	67,782
Income from sales of raw materials, factory supplies and others	16,638	19,390	20,014	21,104
Rental revenue	11,145	10,477	18,553	17,575
Interest income	-	-	25,677	-
Dividend income	4,037	2,495	29,923	40,365
Purchases of raw materials	11,249	6,904	11,249	6,904
Purchases of finished goods	228,421	261,567	24,836	108,378
Administrative expenses and other expenses	37,086	37,163	10,519	9,063
Interest expense	1,933	-	-	-
<u>Key management personnel compensation</u>				
Current employee benefits	17,345	12,567	15,278	10,480
Post-employment benefits	238	246	192	232
Total	17,583	12,813	15,470	10,712

6. TRADE ACCOUNTS RECEIVABLE – GENERAL CUSTOMERS - NET

As at 30 September 2016 and 31 December 2015, the aged analysis of trade accounts receivable are as follows:

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
Trade accounts receivable from sales and services				
<u>Trade accounts receivable – general customers</u>				
Current	231,675	247,310	171,889	135,189
Overdue:				
Less than 3 months	84,735	124,325	17,941	42,523
3 months – 6 months	15,090	4,430	4,229	2,611
6 months – 12 months	4,029	7,836	3,277	1,632
Over 12 months	138,637	135,243	136,776	135,551
Total	474,166	519,144	334,112	317,506
<u>Less</u> Allowance for doubtful accounts	(44,850)	(44,920)	(44,850)	(44,920)
Net	429,316	474,224	289,262	272,586

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
<u>Trade accounts receivable - related companies</u>				
Current	3,885	6,798	4,966	21,618
Overdue:				
Less than 3 months	-	47	-	-
Total	<u>3,885</u>	<u>6,845</u>	<u>4,966</u>	<u>21,618</u>
Trade accounts receivable from construction work				
<u>Trade accounts receivable – general customers</u>				
Current	<u>6,615</u>	<u>10,594</u>	<u>6,615</u>	<u>10,594</u>

7. INVENTORIES – NET

	Thousand Baht			
	Consolidated F/S		Separate F/S	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
Finished goods	187,654	158,600	66,819	64,819
Work in process	93,882	55,727	93,882	55,727
Raw materials and supplies	156,635	151,657	156,635	151,657
Goods in transit	1,830	1,524	1,830	-
Total	<u>440,001</u>	<u>367,508</u>	<u>319,166</u>	<u>272,203</u>
<u>Less</u> Allowance for decline value of inventories	<u>(42,160)</u>	<u>(43,386)</u>	<u>(42,160)</u>	<u>(43,386)</u>
Net	<u>397,841</u>	<u>324,122</u>	<u>277,006</u>	<u>228,817</u>

During the period, the movements in allowance for decline value of inventories are as follows:

	(Unit: Thousand Baht)
	<u>Consolidate and Separate F/S</u>
Balance as at 1 January 2016	43,386
<u>Add</u> Allowance for decline value	785
<u>Less</u> Reversal of allowance for decline value	(2,011)
Balance as at 30 September 2016	<u>42,160</u>

8. INVESTMENTS IN SUBSIDIARIES AND RELATED COMPANIES

During year 2016, Siam Steel-Kanok Furniture Joint Venture has closed its business. The joint venture has returned an remaining money to the Company already.

As at 30 September 2016 and 31 December 2015, the balances of investments in subsidiaries and related companies are shown on the following pages:

(Unit: Thousand Baht)

		Consolidated F/S									
		Paid-up Share capital		Percentage of shareholding		Cost method		Equity method		Dividend income	
Type of business		30 September	31 December	30 September	31 December	30 September	31 December	30 September	31 December	30 September	31 December
		2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
<u>Investments</u>											
<u>Associated companies - equity method</u>											
Siam Okamura Steel Co., Ltd.	Manufacturing of steel furniture	88,000	88,000	40	40	35,199	35,199	109,937	107,200		
Siam Steel Service Center Public Company Limited	Steel cutting services and manufacturing of element steel parts	639,998	639,998	22.76	22.76	127,428	127,428	631,276	601,767		
						<u>162,627</u>	<u>162,627</u>	<u>741,213</u>	<u>708,967</u>		
<u>Indirect associated company – equity method</u>											
Lucky-Kingdom Center Co., Ltd.	Investment in shares	12,000	12,000	40	40	4,800	4,800	4,986	4,962		
Total investments in associated companies by equity method						<u>167,427</u>	<u>167,427</u>	<u>746,199</u>	<u>713,929</u>		
<u>Joint venture – equity method</u>											
Siam Steel - Kanok Furniture	Interior decoration service	-	100	-	49	-	49	-	22		
<u>Related companies - cost method</u>											
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated products	199,150	199,150	5	5	38,052	38,052			-	23,898
Panasonic Eco Solutions Steel (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660			4,037	-
Total investments in related companies by cost method						<u>49,712</u>	<u>49,712</u>			<u>4,037</u>	<u>23,898</u>
<u>Other company - cost method</u>											
Siam Auto Bags Co., Ltd.	Sales parts and accessories of car	39,900	39,900	6.39	6.39	5,000	5,000				
<u>Less</u> Allowance for decline value of investments						<u>(2,563)</u>	<u>(2,563)</u>				
Net						<u>2,437</u>	<u>2,437</u>				
Total investments in other company by cost method – net						<u>52,149</u>	<u>52,149</u>				

(Unit: Thousand Baht)

Type of business	Paid-up Share capital		Percentage of shareholding		Separate F/S Cost method		Dividend income		
	30 September	31 December	30 September	31 December	30 September	31 December	30 September	31 December	
	2016	2015	2016	2015	2016	2015	2016	2015	
<u>Investments accounted for by cost method</u>									
<u>Subsidiary companies</u>									
Sri Chareon International Co., Ltd.	Distribution of steel furniture	14,000	14,000	99.99	99.99	14,000	14,000	-	-
Siam Okamura International Co., Ltd.	Distribution of steel furniture	20,000	20,000	51	51	10,199	10,199	1,173	2,193
Siam Steel OC Co., Ltd.	Distribution of finished buildings, wall and relating products	20,000	20,000	51	51	10,200	10,200	-	-
Siam International Energy Co., Ltd.	Operation of renewable energy power plants	50,000	-	99.99	-	50,000	-	-	-
Total investments in subsidiary companies						84,399	34,399	1,173	2,193
<u>Associated companies</u>									
Siam Okamura Steel Co., Ltd.	Manufacturing of steel furniture	88,000	88,000	40	40	35,199	35,199	1,408	-
Siam Steel Service Center Public Company Limited	Steel cutting services and manufacturing of element steel parts	639,998	639,998	22.76	22.76	127,428	127,428	23,305	-
Total investments in associated companies						162,627	162,627	24,713	-
<u>Related companies</u>									
Formica (Thailand) Co., Ltd.	Manufacturing of melamine laminated products	199,150	199,150	5	5	38,052	38,052	-	23,898
Panasonic Eco Solutions Steel (Thailand) Co., Ltd.	Manufacturing of electrical conduit pipes	170,000	170,000	5	5	11,660	11,660	4,037	-
Total investments in related companies						49,712	49,712	4,037	23,898
<u>Joint venture</u>									
Siam Steel - Kanok Furniture	Interior decoration service	-	100	-	49	-	49		
<u>Less</u> Allowance for decline in value of investments						-	(49)		
Net						-	-		
Total dividend income from investments accounted for by cost method								29,923	26,091

Movements in investments in associated companies and joint venture for the nine-month period ended 30 September 2016 are as follows:

	Thousand Baht	
	Consolidated F/S	Separate F/S
Net book value balance as at 1 January 2016	713,951	162,627
Share of profits of investments - equity method	56,976	-
Return of investment from closed joint venture	(15)	-
Dividend income	(24,713)	-
Net book value as at 30 September 2016	746,199	162,627

9. INVESTMENT IN SOLAR POWER PLANT PROJECT

During this period, Bangphra Green Energy Co., Ltd., indirect subsidiary of the Company has invested, 97% of project value, in Solar Power Plant project in Japan of the capacity of 15.17 Megawatts. The total expected value of the project is Baht 1,358.18 million, and the amount invested to 30 September 2016 is Baht 548.64 million. The project is expected to commence operation in the third quarter of year 2017.

Movements in investment in solar power plant project for the nine-month period ended 30 September 2016 are as follow:

	Thousand Baht
	Consolidated F/S
Balance as at 1 January 2016	-
<u>Add</u> Acquisition of company on 27 January 2016 (Note 2.2)	92,076
Investment during the period	456,563
<u>Less</u> Share of loss from project	(9,376)
Balance as at 30 September 2016	539,263

10. PROPERTY, PLANT AND EQUIPMENT – NET

Movements in property, plant and equipment for the nine-month period ended 30 September 2016 are as follow:

	Thousand Baht	
	Consolidated F/S	Separate F/S
Net book value balance as at 1 January 2016	578,714	566,215
Purchase during the period	34,553	32,211
Disposal during the period – net book value	(2)	(2)
Depreciation for the period	(31,339)	(28,923)
Net book value as at 30 September 2016	581,926	569,501

11. SHORT – TERM LOANS FROM FINANCIAL INSTITUTION – NET

(Unit: Thousand Baht)

	Consolidated and Separate F/S	
	30 September 2016	31 December 2015
Bills of exchange	200,000	-
<u>Less</u> Deferred interest	(207)	-
Net	199,793	-

As at 30 September 2016, bills of exchange from a financial institution has interest at the rate of 4.5%. Such loan is due on October 2016.

12. LONG – TERM LOANS FROM FINANCIAL INSTITUTIONS

The Company entered into long-term loans from financial institution with interest at the rates of MLR – 0.5% per annum are collateralized by the pledge of 8,842,800 shares of an associated company. In addition, the Company has to deposit dividends received from such shares to a bank account until it reach Baht 10.00 million as addition collateral. In addition, 25,000,000 shares belonging to the Company’s directors have been pledged as collateral for this loan. This loan is repayable within December 2020.

During December 2015, the Company entered into loan agreement with a local bank for credit facility of Baht 80 million. This loan bears interest at Prime rate - 1% per annum. The monthly repayment for principal is Baht 1.03 million afterwards for 78 periods started from October 2016 and monthly payment of interest.

Under the loan facilities agreements, the Company is committed to comply with financial covenants condition such as debt to equity ratio, etc.

The outstanding balances as at 30 September 2016 and 31 December 2015 is as follows:

	Thousand Baht	
	30 September 2016	31 December 2015
Long - term loans from financial institutions	280,000	224,000
<u>Less</u> Current portion	(12,308)	-
Long - term loans from financial institutions - net	267,692	224,000

13. DIVIDEND PAYMENT

Details of Company's dividends declaration and payments for the nine-month period ended 30 September 2016 is as follows :

	Approved by	Qualified common share (Shares)	Dividend per share (Baht)	Dividend paid (Thousand Baht)
Final annual dividend	Annual General Meeting of the shareholders held on 28 April 2016	593,125,849	0.012	7,117

Details of Subsidiary's dividends declaration and payments for the nine-month period ended 30 September 2016 is as follows:

Siam Okamura International Co., Ltd.

	Approved by	Qualified common share (Shares)	Dividend per share (Baht)	Dividend paid (Thousand Baht)
Final annual dividend	Annual General Meeting of the shareholders held on 27 May 2016	200,000	11.50	2,300

14. SEGMENTAL FINANCIAL INFORMATION

	Thousand Baht					
	For the three-month periods ended 30 September					
	Domestic		Export		Total	
	2016	2015	2016	2015	2016	2015
Consolidated						
Sales and services – net	410,026	441,065	20,295	51,199	430,321	492,264
Cost of sales and services	(310,017)	(314,817)	(17,586)	(46,113)	(327,603)	(360,930)
Gross profit	100,009	126,248	2,709	5,086	102,718	131,334
Revenues from construction work	39,610	27,439	-	-	39,610	27,439
Costs of construction	(33,545)	(23,366)	-	-	(33,545)	(23,366)
Gross profit	6,065	4,073	-	-	6,065	4,073
Total gross profit	106,080	130,321	2,709	5,086	108,789	135,407
Depreciation					10,351	11,156
Interest expense					7,596	273
Income (loss) before income tax					(5,554)	39,477
Property, plant and equipment – net					581,926	533,551
Assets not used in operation – net					168,815	168,817
Other assets					2,720,995	2,117,348
Total assets as at 30 September					3,471,736	2,819,716
Total liabilities as at 30 September					1,011,275	314,347

Thousand Baht

	For the nine-month periods ended 30 September					
	Domestic		Export		Total	
	2016	2015	2016	2015	2016	2015
Consolidated						
Sales and services – net	1,176,182	1,161,053	45,656	104,281	1,221,838	1,265,334
Cost of sales and services	(894,227)	(903,734)	(39,426)	(98,022)	(933,653)	(1,001,756)
Gross profit	281,955	257,319	6,230	6,259	288,185	263,578
Revenues from construction work	115,326	48,454	-	-	115,326	48,454
Costs of construction	(98,544)	(41,948)	-	-	(98,544)	(41,948)
Gross profit	16,782	6,506	-	-	16,782	6,506
Total gross profit	298,737	263,825	6,230	6,259	304,967	270,084
Depreciation					31,339	33,171
Interest expense					22,137	734
Loss before income tax					(59,952)	(6,987)
Property, plant and equipment – net					581,926	533,551
Assets not used in operation – net					168,815	168,817
Other assets					2,720,995	2,117,348
Total assets as at 30 September					3,471,736	2,819,716
Total liabilities as at 30 September					1,011,275	314,347

15. GUARANTEES

As at 30 September 2016, the Company has outstanding guarantees of approximately Baht 268.95 million which was issued by certain local bank in respect of certain performance bonds required in the normal course of business of the Company.

As at 30 September 2016, the subsidiaries have outstanding guarantees of approximately Baht 2.89 million which was issued by certain local banks in respect of certain performance bonds required in the normal course of business of the subsidiaries.

16. LITIGATION

In 2012, a contractor sued the Company as a joint defendant for compensation totalling approximately Baht 41.53 million, plus interest at the rate of 7.50 percent per annum from 24 March 2011 to the payment date. The Company submitted a counterclaim because they believed the plaintiff was at fault for the delay and delivery of defective products. However, during this period the Court of Appeal determined that the Company has to pay compensation totalling approximately Baht 24.41 million, plus interest at the rate of 7.50 percent per annum from 27 March 2012 to the payment date. As at 30 September 2016, the Company set up provision for such liabilities in its accounts and has recorded addition expense totalling of Baht 18.66 million to statement of profit or loss for the nine-month period ended 30 September 2016. The Company is in the process of appealing the decision at the Supreme Court.

17. COMMITMENTS

17.1 As at 30 September 2016, the Company had outstanding commitments for the project work amounting to Baht 48.03 million.

17.2 As at 30 September 2016, a subsidiary company has various operating lease agreements covering its office premises, showroom, warehouse and related utility service and vehicles for periods of 1 – 3 years. Under the terms of these agreements, the subsidiary company is committed to pay the rental as follow :

Year	Thousand Baht
1	12,243
2 - 3	17,859
Total	30,102

18. DISCLOSURE OF FINANCIAL INSTRUMENTS

Foreign Exchange Risk

The Company's exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies.

As at 30 September 2016, the balances of financial assets and liabilities denominated in foreign currencies are summarized below:

Foreign currency	Financial assets (Thousand)	Financial liabilities (Thousand)	Average exchange rate as at 30 September 2016 (Baht per 1 foreign currency unit)
USD	1,402	3	34.6999
JPY	5,425	14,454	0.3431
AUD	6,391	489	26.4387

Below is the summary of the Company's foreign currency denominated assets and liabilities as at 30 September 2016 which were not covered by hedging agreement.

	USD (Thousand)	JPY (Thousand)	AUD (Thousand)
<u>Financial assets</u>			
Cash and cash equivalents	1,241	601	-
Trade accounts receivable – net	161	4,824	6,391
<u>Financial liabilities</u>			
Advances from customers	3	14,454	158
Other current liabilities	-	-	330

19. RECLASSIFICATION

Certain amounts in the statement of financial position as at 31 December 2015 have been reclassified to conform to the current year's classification but with no effect to previously reported profit or shareholders' equity. The reclassifications are as follows:

	(Unit: Thousand Baht)	
	CONSOLIDATED AND SEPARATE F/S	
	As reclassified	As previously reported
Short – term loan from financial institutions	-	24,000
Long – term loan from financial institutions	224,000	200,000