

Lanna Resources Public Company Limited  
and its subsidiaries  
Report and interim financial statements  
For the three-month and six-month periods ended  
30 June 2015

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Lanna Resources Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Lanna Resources Public Company Limited and its subsidiaries as at 30 June 2015, the related consolidated statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2015, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period ended 30 June 2015, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Lanna Resources Public Company Limited for the same period. 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 inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

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

Saifon Inkaew

Certified Public Accountant (Thailand) No. 4434

EY Office Limited

Bangkok: 11 August 2015

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2015 (Unaudited but reviewed)	31 December 2014 (Audited)	30 June 2015 (Unaudited but reviewed)	31 December 2014 (Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5	680,343	446,919	64,111	19,975
Current investments	6	766,619	767,216	765,943	766,781
Trade and other receivables	4, 7	803,731	723,944	237,461	255,488
Inventories	8	856,344	564,295	173,713	162,577
Input tax refundable		685,498	983,831	-	6,016
Prepaid income tax		312,698	403,675	-	-
Advance payments for goods	4, 9	164,075	669,758	1,440	3,437
Other current assets		22,517	8,911	1,669	2,037
<b>Total current assets</b>		<b>4,291,825</b>	<b>4,568,549</b>	<b>1,244,337</b>	<b>1,216,311</b>
<b>Non-current assets</b>					
Restricted bank deposits	5	108,008	87,488	-	-
Investments in subsidiaries	10	-	-	754,566	754,566
Investment in associated company	11	47,209	50,250	891	891
Investment properties		34,726	34,726	34,726	34,726
Property, plant and equipment	12	3,331,338	3,388,361	266,347	270,551
Goodwill		186,000	186,000	-	-
Intangible assets		5,556	4,905	911	1,055
Deferred tax assets		25,579	45,688	19,405	19,252
Other non-current assets	13	583,310	595,564	31,303	42,914
<b>Total non-current assets</b>		<b>4,321,726</b>	<b>4,392,982</b>	<b>1,108,149</b>	<b>1,123,955</b>
<b>Total assets</b>		<b>8,613,551</b>	<b>8,961,531</b>	<b>2,352,486</b>	<b>2,340,266</b>

The accompanying notes are an integral part of the financial statements.

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2015 (Unaudited but reviewed)	31 December 2014 (Audited)	30 June 2015 (Unaudited but reviewed)	31 December 2014 (Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	14	948,225	1,197,731	-	-
Trade and other payables	4, 15	439,531	462,803	87,963	61,391
Current portion of liabilities under finance lease agreements		1,001	916	-	-
Current portion of long-term loan from financial institution	16	180,000	180,000	-	-
Accrued expenses		326,826	365,726	6,184	19,343
Income tax payable		14,876	8,783	8,966	8,783
Other current liabilities		105,773	134,876	22,112	20,405
<b>Total current liabilities</b>		<b>2,016,232</b>	<b>2,350,835</b>	<b>125,225</b>	<b>109,922</b>
<b>Non-current liabilities</b>					
Liabilities under finance lease agreements - net of current portion		3,802	4,326	-	-
Long-term loan from financial institution - net of current portion	16	387,757	477,757	-	-
Provision for long-term employee benefits		166,878	167,435	28,253	27,484
Provision for mine reclamation and decommissioning costs		93,847	84,943	-	-
Deferred tax liabilities		46,299	33,896	-	-
<b>Total non-current liabilities</b>		<b>698,583</b>	<b>768,357</b>	<b>28,253</b>	<b>27,484</b>
<b>Total liabilities</b>		<b>2,714,815</b>	<b>3,119,192</b>	<b>153,478</b>	<b>137,406</b>

The accompanying notes are an integral part of the financial statements.

Lanna Resources Public Company Limited and its subsidiaries

Statements of financial position (continued)

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	30 June 2015 (Unaudited but reviewed)	31 December 2014 (Audited)	30 June 2015 (Unaudited but reviewed)	31 December 2014 (Audited)
<b>Liabilities and shareholders' equity (continued)</b>				
<b>Shareholders' equity</b>				
<b>Share capital</b>				
Registered, issued and fully paid up				
524,999,679 ordinary shares of Baht 1 each	525,000	525,000	525,000	525,000
Share premium	680,400	680,400	680,400	680,400
Retained earnings				
Appropriated - Statutory reserve	52,500	52,500	52,500	52,500
Appropriated - General reserve	734,900	727,200	734,900	727,200
Unappropriated	2,120,353	2,154,008	206,208	217,760
Other components of shareholders' equity	<u>83,904</u>	<u>44,980</u>	<u>-</u>	<u>-</u>
<b>Equity attributable to owners of the Company</b>	<b>4,197,057</b>	<b>4,184,088</b>	<b>2,199,008</b>	<b>2,202,860</b>
Non-controlling interests of the subsidiaries	<u>1,701,679</u>	<u>1,658,251</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>	<b><u>5,898,736</u></b>	<b><u>5,842,339</u></b>	<b><u>2,199,008</u></b>	<b><u>2,202,860</u></b>
<b>Total liabilities and shareholders' equity</b>	<b><u>8,613,551</u></b>	<b><u>8,961,531</u></b>	<b><u>2,352,486</u></b>	<b><u>2,340,266</u></b>

The accompanying notes are an integral part of the financial statements.

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Directors  
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(Unaudited but reviewed)

## Lanna Resources Public Company Limited and its subsidiaries

## Income statements

For the three-month period ended 30 June 2015

(Unit: Thousand Baht except earnings per share presented in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014 (Restated)	2015	2014
<b>Revenues</b>					
Sales	4	2,586,131	3,501,637	421,209	434,273
Commission and marketing service income	4	-	-	39,837	62,648
Other income					
Gain on disposal of investment in subsidiary	10	-	-	-	90,658
Dividend income	4, 10, 11	-	-	85,603	40,351
Service income	4	-	-	9,890	17,943
Gain on exchange		-	-	4,401	845
Interest income	4	5,485	5,832	2,697	5,709
Others		2,912	2,980	2,385	1,240
Total other income		8,397	8,812	104,976	156,746
<b>Total revenues</b>		<b>2,594,528</b>	<b>3,510,449</b>	<b>566,022</b>	<b>653,667</b>
<b>Expenses</b>					
Cost of sales	4	1,853,257	2,414,169	354,828	379,710
Selling and distribution expenses		388,332	646,027	41,311	38,482
Administrative expenses		180,901	165,930	32,872	37,574
Loss on exchange		5,219	50,150	-	-
<b>Total expenses</b>		<b>2,427,709</b>	<b>3,276,276</b>	<b>429,011</b>	<b>455,766</b>
<b>Profit before share of profit from investment, finance cost and income tax expenses</b>		<b>166,819</b>	<b>234,173</b>	<b>137,011</b>	<b>197,901</b>
Share of profit from investment in associated company	11	6,637	4,167	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>173,456</b>	<b>238,340</b>	<b>137,011</b>	<b>197,901</b>
Finance cost		(14,840)	(16,691)	-	-
<b>Profit before income tax expenses</b>		<b>158,616</b>	<b>221,649</b>	<b>137,011</b>	<b>197,901</b>
Income tax expenses	18	(53,115)	(78,190)	(12,809)	(36,567)
<b>Profit for the period</b>		<b>105,501</b>	<b>143,459</b>	<b>124,202</b>	<b>161,334</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		70,916	94,909	124,202	161,334
Non-controlling interests of the subsidiaries		34,585	48,550		
		105,501	143,459		
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the Company (Baht)	19	0.14	0.18	0.24	0.31

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Lanna Resources Public Company Limited and its subsidiaries**

**Statements of comprehensive income**

**For the three-month period ended 30 June 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		
<b>Profit for the period</b>	<u>105,501</u>	<u>143,459</u>	<u>124,202</u>	<u>161,334</u>
<b>Other comprehensive income</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	<u>94,207</u>	<u>992</u>	<u>-</u>	<u>-</u>
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	<u>94,207</u>	<u>992</u>	<u>-</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain (loss)	<u>(15,225)</u>	<u>3,672</u>	<u>-</u>	<u>-</u>
Less: Income tax effect	<u>4,568</u>	<u>(1,101)</u>	<u>-</u>	<u>-</u>
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	<u>(10,657)</u>	<u>2,571</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the period</b>	<u>83,550</u>	<u>3,563</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u>189,051</u>	<u>147,022</u>	<u>124,202</u>	<u>161,334</u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	<u>122,907</u>	<u>97,403</u>	<u>124,202</u>	<u>161,334</u>
Non-controlling interests of the subsidiaries	<u>66,144</u>	<u>49,619</u>		
	<u>189,051</u>	<u>147,022</u>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

## Lanna Resources Public Company Limited and its subsidiaries

## Income statements

For the six-month period ended 30 June 2015

(Unit: Thousand Baht except earnings per share presented in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014 (Restated)	2015	2014
<b>Revenues</b>					
Sales	4	5,475,648	6,789,631	950,584	980,642
Commission and marketing service income	4	-	-	85,163	111,854
Other income					
Gain on disposal of investment in subsidiary	10	-	-	-	90,658
Dividend income	4, 10, 11	-	-	114,268	68,496
Service income	4	-	-	22,450	32,836
Gain on exchange		-	8,590	5,431	-
Interest income	4	11,466	11,053	5,965	9,136
Others		5,621	4,913	4,020	2,006
Total other income		17,087	24,556	152,134	203,132
<b>Total revenues</b>		<b>5,492,735</b>	<b>6,814,187</b>	<b>1,187,881</b>	<b>1,295,628</b>
<b>Expenses</b>					
Cost of sales	4	3,900,206	4,634,274	805,288	852,116
Selling and distribution expenses		828,188	1,184,584	87,316	79,643
Administrative expenses		271,161	323,500	60,967	66,460
Loss on exchange		45,380	-	-	26
<b>Total expenses</b>		<b>5,044,935</b>	<b>6,142,358</b>	<b>953,571</b>	<b>998,245</b>
<b>Profit before share of profit from investment, finance cost and income tax expenses</b>					
Share of profit from investment in associated company	11	12,851	10,518	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>460,651</b>	<b>682,347</b>	<b>234,310</b>	<b>297,383</b>
Finance cost		(34,825)	(34,099)	-	-
<b>Profit before income tax expenses</b>		<b>425,826</b>	<b>648,248</b>	<b>234,310</b>	<b>297,383</b>
Income tax expenses	18	(126,220)	(183,634)	(28,162)	(52,631)
<b>Profit for the period</b>		<b>299,606</b>	<b>464,614</b>	<b>206,148</b>	<b>244,752</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		191,507	311,914	206,148	244,752
Non-controlling interests of the subsidiaries		108,099	152,700	-	-
		299,606	464,614	206,148	244,752
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the Company (Baht)	19	0.36	0.59	0.39	0.47

The accompanying notes are an integral part of the financial statements.



(Unaudited but reviewed)

**Lanna Resources Public Company Limited and its subsidiaries**

**Statements of comprehensive income**

**For the six-month period ended 30 June 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u>
<b>Profit for the period</b>	<u>299,606</u>	<u>464,614</u>	<u>206,148</u>	<u>244,752</u>
<b>Other comprehensive income</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Exchange differences on translation of financial statements in foreign currency	<u>62,286</u>	<u>(28,734)</u>	<u>-</u>	<u>-</u>
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	<u>62,286</u>	<u>(28,734)</u>	<u>-</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain (loss)	(16,245)	2,474	-	-
Less: Income tax effect	<u>4,877</u>	<u>(742)</u>	<u>-</u>	<u>-</u>
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	<u>(11,368)</u>	<u>1,732</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the period</b>	<u>50,918</u>	<u>(27,002)</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u>350,524</u>	<u>437,612</u>	<u>206,148</u>	<u>244,752</u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	222,969	295,018	<u>206,148</u>	<u>244,752</u>
Non-controlling interests of the subsidiaries	<u>127,555</u>	<u>142,594</u>		
	<u>350,524</u>	<u>437,612</u>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Lanna Resources Public Company Limited and its subsidiaries****Statements of cash flows****For the six-month period ended 30 June 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u>
<b>Cash flows from operating activities</b>				
Profit before tax	425,826	648,248	234,310	297,383
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	318,924	434,111	12,717	15,063
Reversal of reduction of inventory to net realisable value	(20,844)	-	-	-
Gain on disposals and change in value of investments in trading securities	(3,984)	(1,250)	(3,743)	(1,053)
Share of profit from investment in associated company	(12,851)	(10,518)	-	-
Write-off of input tax refundable and prepaid income tax	82,381	79,311	-	-
Gain on disposal of investment in subsidiary	-	-	-	(90,658)
Loss (gain) on disposal/write-off of equipment	(139)	51	(23)	(19)
Dividend income	-	-	(114,268)	(68,496)
Provision for long-term employee benefits	5,171	25,232	769	1,455
Provision for mine reclamation and decommissioning costs	26,891	17,374	-	-
Share-based payment transactions	-	556	-	-
Unrealised loss (gain) on exchange	43,386	13,770	(1,829)	1,677
Interest income	(11,466)	(11,053)	(5,965)	(9,136)
Interest expenses	34,226	34,099	-	-
Profit from operating activities before changes in operating assets and liabilities	887,521	1,229,931	121,968	146,216
Operating assets (increase) decrease				
Trade and other receivables	(83,442)	(186,145)	21,079	76,084
Inventories	(271,205)	(374,459)	(11,136)	74,805
Input tax refundable	268,880	(47,223)	6,016	4,972
Advance payments for goods	505,676	160,342	1,990	(69,011)
Other current assets	(13,606)	3,778	368	(150)
Operating liabilities increase (decrease)				
Trade and other payables	(13,113)	148,803	33,303	(59,635)
Accrued expenses	(38,198)	87,238	(13,159)	(9,424)
Other current liabilities	(42,939)	72,309	(12,129)	2,930
Provision for long-term employee benefits	(16,325)	(7,460)	-	-
Provision for mine reclamation	(13,984)	(10,968)	-	-
Cash from operating activities	1,169,265	1,076,146	148,300	166,787
Interest income	10,249	10,973	4,749	9,056
Cash paid for interest expenses	(34,695)	(37,443)	-	-
Refund of income tax	40,474	173,313	-	-
Cash paid for income tax	(90,254)	(172,105)	(14,296)	(20,225)
<b>Net cash from operating activities</b>	<b>1,095,039</b>	<b>1,050,884</b>	<b>138,753</b>	<b>155,618</b>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Lanna Resources Public Company Limited and its subsidiaries****Statements of cash flows (continued)****For the six-month period ended 30 June 2015**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u>
<b>Cash flows from investing activities</b>				
Decrease (increase) in current investments	4,581	(145,113)	4,581	(145,113)
Increase in restricted bank deposits	(18,360)	(25,973)	-	-
Dividend received from subsidiary and associated companies	15,892	11,924	114,268	68,496
Cash received from disposal of investment in subsidiary	-	186,696	-	186,696
Proceed from disposals of equipment	471	461	25	33
Cash received from government grants	4,872	-	-	-
Acquisitions of property, plant and equipment	(35,482)	(238,096)	(7,746)	(20,700)
Acquisitions of computer software	(1,740)	(303)	(147)	(117)
Decrease (increase) in other non-current assets	<u>(191,150)</u>	<u>(328,145)</u>	<u>4,402</u>	<u>571</u>
<b>Net cash from (used in) investing activities</b>	<u>(220,916)</u>	<u>(538,549)</u>	<u>115,383</u>	<u>89,866</u>
<b>Cash flows from financing activities</b>				
Decrease in short-term loans from financial institutions	(249,506)	(426,504)	-	-
Cash paid for liabilities under finance lease agreements	(672)	-	-	-
Repayment of long-term loan from financial institution	(90,000)	(90,000)	-	-
Dividend paid	(294,127)	(256,286)	(210,000)	(210,000)
Cash received from non-controlling interest for issuance of ordinary shares of subsidiary	-	388,796	-	-
Increase (decrease) in non-controlling interests of the subsidiaries	<u>23,362</u>	<u>(10,619)</u>	<u>-</u>	<u>-</u>
<b>Net cash used in financing activities</b>	<u>(610,943)</u>	<u>(394,613)</u>	<u>(210,000)</u>	<u>(210,000)</u>
<b>Increase (decrease) in translation adjustments</b>	<u>(29,756)</u>	<u>13,315</u>	<u>-</u>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>	233,424	131,037	44,136	35,484
Cash and cash equivalents at beginning of period	446,919	822,019	19,975	162,782
Effect of change in foreign exchange rate on cash at bank balance	<u>-</u>	<u>18</u>	<u>-</u>	<u>18</u>
<b>Cash and cash equivalents at end of period (Note 5)</b>	<u><u>680,343</u></u>	<u><u>953,074</u></u>	<u><u>64,111</u></u>	<u><u>198,284</u></u>

**Supplemental cash flows information:**

## Non-cash transactions from investing activities

Decrease in payables for purchases of plant, equipment

and intangible assets

(10,159)	(41,189)	(6,731)	(4,274)
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The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Lanna Resources Public Company Limited and its subsidiaries  
 Statements of changes in shareholders' equity  
 For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
	Note	Retained earnings					Other component of equity						
		Issued and paid up share capital	Share premium	Appropriated Statutory reserve	General reserve	Unappropriated	Other comprehensive income	Exchange differences on translation of financial statements in foreign currency	Surplus on change in the percentage of shareholding in subsidiary	Capital reserve for share-based payment transactions	Total other component of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries
<b>Balance as at 1 January 2014</b>		525,000	680,400	52,500	650,600	2,193,890	(37,626)	-	-	(37,626)	4,064,764	1,083,613	5,148,377
Profit for the period (restated)		-	-	-	-	311,914	-	-	-	-	311,914	152,700	464,614
Other comprehensive income for the period (restated)		-	-	-	-	1,218	(18,114)	-	-	(18,114)	(16,896)	(10,106)	(27,002)
Total comprehensive income for the period (restated)		-	-	-	-	313,132	(18,114)	-	-	(18,114)	295,018	142,594	437,612
Dividend paid	20	-	-	-	-	(210,000)	-	-	-	-	(210,000)	-	(210,000)
Unappropriated retained earnings transferred to general reserve	20	-	-	-	76,600	(76,600)	-	-	-	-	-	-	-
Adjustment of capital reserve for share-based payment transactions	17	-	-	-	-	-	-	-	556	556	556	-	556
Disposal of investment in subsidiary and issuance of additional ordinary shares of subsidiary	10	-	-	-	-	-	-	75,949	-	75,949	75,949	499,543	575,492
Decrease in non-controlling interests of the subsidiaries from dividend payments of subsidiaries		-	-	-	-	-	-	-	-	-	-	(46,286)	(46,286)
<b>Balance as at 30 June 2014</b>		<u>525,000</u>	<u>680,400</u>	<u>52,500</u>	<u>727,200</u>	<u>2,220,422</u>	<u>(55,740)</u>	<u>75,949</u>	<u>556</u>	<u>20,765</u>	<u>4,226,287</u>	<u>1,679,464</u>	<u>5,905,751</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Lanna Resources Public Company Limited and its subsidiaries  
 Statements of changes in shareholders' equity (continued)  
 For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

Consolidated financial statements															
Equity attributable to owners of the Company															
					Other component of equity										
					Other comprehensive income			Exchange differences on							
					Retained earnings			translation of		Surplus on change	Capital reserve	Total other	Total equity	Equity attributable	Total
					Appropriated		financial		in the percentage	for share-based	component of	attributable to	to non-controlling	shareholders'	
					Statutory	General	statements in		of shareholding	payment	shareholders'	owners of	interests of	shareholders'	
Note	Issued and paid up share capital	Share premium	reserve	reserve	Unappropriated	foreign currency	in subsidiary	transactions	equity	the Company	the subsidiaries	equity			
<b>Balance as at 1 January 2015</b>	525,000	680,400	52,500	727,200	2,154,008	(31,525)	75,949	556	44,980	4,184,088	1,658,251	5,842,339			
Profit for the period	-	-	-	-	191,507	-	-	-	-	191,507	108,099	299,606			
Other comprehensive income for the period	-	-	-	-	(7,462)	38,924	-	-	38,924	31,462	19,456	50,918			
Total comprehensive income for the period	-	-	-	-	184,045	38,924	-	-	38,924	222,969	127,555	350,524			
Dividend paid	20	-	-	-	(210,000)	-	-	-	-	(210,000)	-	(210,000)			
Unappropriated retained earnings transferred to general reserve	20	-	-	7,700	(7,700)	-	-	-	-	-	-	-			
Decrease in non-controlling interests of the subsidiaries from dividend payments of subsidiaries		-	-	-	-	-	-	-	-	-	(84,127)	(84,127)			
<b>Balance as at 30 June 2015</b>	<b>525,000</b>	<b>680,400</b>	<b>52,500</b>	<b>734,900</b>	<b>2,120,353</b>	<b>7,399</b>	<b>75,949</b>	<b>556</b>	<b>83,904</b>	<b>4,197,057</b>	<b>1,701,679</b>	<b>5,898,736</b>			

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Lanna Resources Public Company Limited and its subsidiaries

Statements of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

Separate financial statements						
Note	Issued and paid up share capital	Share premium	Retained earnings		Unappropriated	Total shareholders' equity
			Appropriated			
			Statutory reserve	General reserve		
<b>Balance as at 1 January 2014</b>	525,000	680,400	52,500	650,600	286,600	2,195,100
Profit for the period	-	-	-	-	244,752	244,752
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	244,752	244,752
Dividend paid	-	-	-	-	(210,000)	(210,000)
Unappropriated retained earnings transferred to general reserve	-	-	-	76,600	(76,600)	-
<b>Balance as at 30 June 2014</b>	<u>525,000</u>	<u>680,400</u>	<u>52,500</u>	<u>727,200</u>	<u>244,752</u>	<u>2,229,852</u>
<b>Balance as at 1 January 2015</b>	525,000	680,400	52,500	727,200	217,760	2,202,860
Profit for the period	-	-	-	-	206,148	206,148
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	206,148	206,148
Dividend paid	-	-	-	-	(210,000)	(210,000)
Unappropriated retained earnings transferred to general reserve	-	-	-	7,700	(7,700)	-
<b>Balance as at 30 June 2015</b>	<u>525,000</u>	<u>680,400</u>	<u>52,500</u>	<u>734,900</u>	<u>206,208</u>	<u>2,199,008</u>

The accompanying notes are an integral part of the financial statements.

**Lanna Resources Public Company Limited and its subsidiaries**  
**Notes to interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015**

**1. General information**

**1.1 Corporate information**

Lanna Resources Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Siam City Cement Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the manufacture and distribution of coal. The registered office of the Company is at 888/99 Ploenchit Road, Lumpini, Pathumwan, Bangkok.

**1.2 Basis of preparation of interim financial statements**

The interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2014) *Interim Financial Reporting*, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

**1.3 Basis of consolidation**

These interim consolidated financial statements included the financial statements of Lanna Resources Public Company Limited and its subsidiaries (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2014. There have been no significant changes in the composition of the Group during the current period.

#### **1.4 New financial reporting standards**

During the period, the Group has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries's financial statements. However, some of these standards involve changes to key principles, which are summarised below:

##### **TAS 19 (revised 2014) Employee Benefits**

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in profit or loss, or in other comprehensive income, or to recognise them gradually in profit or loss.

The Company and its subsidiaries have changed the recognition of actuarial gains and losses in the current period from an immediate recognition in profit or loss to an immediate recognition in other comprehensive income and adjusted the current period's transactions and restated the prior period's consolidated financial statements, presented as comparative information, as if the Group had always applied this accounting policy. The effect of changes in accounting policies is presented in Note 3 to the financial statements. However, the change has no impact on the separate statement of financial position as at 31 December 2014, and the separate income statements for the three-month and six-month periods ended 30 June 2014, presented as comparative information.

##### **TFRS 10 Consolidated Financial Statements**

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 *Consolidated and Separate Financial Statements* dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over the investees and determine which entities have to be included for preparation of the consolidated financial statements.

This standard does not have any impact on the Company's and its subsidiaries' financial statements.



### **TFRS 12 Disclosure of Interests in Other Entities**

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact to the financial statements of the Company and its subsidiaries.

### **TFRS 13 Fair Value Measurement**

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurements. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effect of the change from the adoption of this standard is to be recognised prospectively.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.

### **TFRIC 20 Stripping Costs in the Production Phase of a Surface Mine**

This financial reporting standard interpretation establishes the accounting for stripping costs in the production phase of a surface mine. This TFRIC requires the stripping costs during the production phase are capitalised as part of the deferred stripping costs if, and only if, all of the following are met:

- a) It is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the subsidiaries.
- b) The subsidiaries can identify the component of the ore body for which access has been improved.
- c) The costs relating to the stripping activity associated with that component can be measured reliably.

The deferred stripping costs shall be initially recognised at cost and subsequently stated at cost less accumulated amortisation, which is calculated using the proportion of unit produced to total reserves, and allowance for impairment (if any). In case when the future benefit of these assets is in doubt, they are written off to period expenses immediately.

In 2014, the Group has early adopted this TFRIC which resulted in the initial recognition of deferred stripping costs and subsequent amortisation is determined by reference to components of the ore body rather than by reference to the entire operation. In addition, the amortisation of deferred stripping costs shall be calculated using the proportion of unit produced rather than using the stripping ratios. The Group has restated the consolidated statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2014, presented as comparative information. The effect of this standard is shown in Note 3 to financial statements.

## 2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2014, except the changes in accounting policies as a result of the adoption of new and revised standards, as discussed in note 1.4 to the financial statements.

## 3. Cumulative effect of changes in accounting policy due to the adoption of new financial reporting standard

As described in Note 1.4 and Note 2 to the financial statements, during the current period, the Group has changed some of their accounting policies, as a result of the adoption of new and revised financial reporting standards.

The amounts of adjustments affecting the consolidated statements of income and comprehensive income are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	For the three-month period ended 30 June 2014	For the six-month period ended 30 June 2014
<b>Statements of income:</b>		
Increase (decrease) in cost of sales	5,440	(5,135)
Increase in administrative expenses	3,672	2,474
Increase (decrease) in income tax expenses	(3,865)	3,323
<b>Profit attributable to:</b>		
Decrease in profit attributable to equity holders of the Company	3,666	1,704
Increase (decrease) in profit attributable to non-controlling interest of the subsidiaries	(1,581)	1,042
<b>Statements of comprehensive income:</b>		
<b>Other comprehensive income</b>		
Increase (decrease) in exchange differences on translation of financial statements in foreign currency	67	(1,167)
Actuarial gain - net of income tax	2,571	1,732
<b>Comprehensive income attributable to:</b>		
Decrease in profit attributable to equity holders of the Company	1,817	1,153
Increase (decrease) in profit attributable to non-controlling interest of the subsidiaries	(792)	1,056

(Unaudited but reviewed)

#### 4. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and its subsidiaries and those related parties.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Dividend income	-	-	69,711	28,427
Commission and marketing service income	-	-	39,837	62,648
Service income	-	-	9,890	17,943
Interest income	-	-	-	2,578
<u>Transactions with major shareholder</u>				
Sales of coal	365,964	368,388	365,964	368,388
<u>Transactions with associated company</u>				
Purchase of coal	187,865	214,560	187,865	214,560
Freight charge	35,733	43,201	35,733	43,201
Dividend income	-	-	15,892	11,924

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month periods ended 30 June

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Dividend income	-	-	98,376	56,572
Commission and marketing service income	-	-	85,163	111,854
Service income	-	-	22,450	32,836
Interest income	-	-	-	2,578
<u>Transactions with major shareholder</u>				
Sales of coal	821,392	828,726	821,392	828,726
<u>Transactions with associated company</u>				
Purchase of coal	524,672	508,128	524,672	508,128
Freight charge	93,441	99,773	93,441	99,773
Dividend income	-	-	15,892	11,924

Transfer pricing policy

Sales of coal	Market price at which equivalent quality coal is sold to the same industry
Purchase of coal	Market price for equivalent quality coal
Commission and marketing service income	At the price agreed between the parties which is general price for the same business
Service income	Rate comparable paid to third parties
Dividend income	At the declared rate
Freight charge	Price comparable to freight charges paid to third parties
Interest income	SIBOR rate plus 4.5% per annum

(Unaudited but reviewed)

As at 30 June 2015 and 31 December 2014, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
<b><u>Trade and other receivables - related parties</u></b>				
<b>(Note 7)</b>				
Major shareholder	124,748	143,073	124,748	143,073
Subsidiaries	-	-	75,046	76,044
Total trade and other receivables - related parties	<u>124,748</u>	<u>143,073</u>	<u>199,794</u>	<u>219,117</u>
<b><u>Advance payments for goods - related party</u></b>				
<b>(Note 9)</b>				
Associated company	1,440	3,437	1,440	3,437
Total advance payment for goods - related party	<u>1,440</u>	<u>3,437</u>	<u>1,440</u>	<u>3,437</u>
<b><u>Trade and other payables - related party</u></b>				
<b>(Note 15)</b>				
Associated company	601	1,366	601	1,366
Total trade and other payables - related parties	<u>601</u>	<u>1,366</u>	<u>601</u>	<u>1,366</u>

#### Directors and management's benefits

During the three-month and six-month periods ended 30 June 2015 and 2014, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
Short-term employee benefits	40,902	43,253	17,448	16,879
Post-employment benefits	16,358	4,951	225	578
Total	<u>57,260</u>	<u>48,204</u>	<u>17,673</u>	<u>17,457</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2015	2014	2015	2014
Short-term employee benefits	73,764	76,724	28,989	27,790
Post-employment benefits	22,013	8,804	449	1,157
Total	<u>95,777</u>	<u>85,528</u>	<u>29,438</u>	<u>28,947</u>

Employee Joint Investment Program

On 17 October 2011, the meeting of the Company's Board of Directors passed a resolution approving the Employee Joint Investment Program of the Company, for a period of 5 years commencing 1 January 2012. The details and conditions in relation to such program depend on the determination of the Company's Board of Directors. The Company obtained an approval from the Securities and Exchange Commission on 16 November 2011.

**5. Cash and cash equivalents**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
Cash	175	180	40	40
Bank deposits	728,176	534,227	4,071	19,935
Investments in bills of exchange	60,000	-	60,000	-
Total	788,351	534,407	64,111	19,975
Less: Restricted bank deposits	(108,008)	(87,488)	-	-
Total	680,343	446,919	64,111	19,975

As at 30 June 2015, bank deposits in savings account and bills of exchange carried interests between 0.10 and 9.75 percent per annum (31 December 2014: between 0.10 and 9.75 percent per annum).

As at 30 June 2015, the overseas subsidiaries have restricted bank deposits of Baht 108 million (31 December 2014: Baht 87 million) as collateral for the credit facilities of trust receipt and to secure bank guarantees issued by banks on behalf of the subsidiaries as discussed in Note 14 and Note 23.5, respectively.

**6. Current investments**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
Investments in trading securities - fair value	446,619	267,216	445,943	266,781
Fixed deposit	100,000	150,000	100,000	150,000
Investments in bills of exchange	220,000	350,000	220,000	350,000
Total	766,619	767,216	765,943	766,781

(Unaudited but reviewed)

As at 30 June 2015, the Company had current investments in the form of fixed deposit and bills of exchange amounting to Baht 320 million (31 December 2014: Baht 500 million) carried interests between 2.3 and 3.0 percent per annum (31 December 2014: between 2.7 and 3.0 percent per annum) and due for redemption during July 2015 to April 2016.

## 7. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
<b><u>Trade receivables - related parties</u></b>				
<b>Age on the basis of due dates</b>				
Not yet due	124,748	143,073	137,838	160,109
Past due				
Up to 3 months	-	-	12,921	22,671
Over 3 months to 6 months	-	-	25,975	13,772
Over 6 months to 9 months	-	-	-	1
Total trade receivables - related parties	124,748	143,073	176,734	196,553
<b><u>Trade receivables - unrelated parties</u></b>				
<b>Age on the basis of due dates</b>				
Not yet due	655,083	558,203	31,230	31,074
Past due				
Over 9 months to 12 months	-	3,698	-	-
Over 12 months	3,789	-	-	-
Total trade receivables - unrelated parties	658,872	561,901	31,230	31,074
Total trade receivables	783,620	704,974	207,964	227,627
<b><u>Other receivables</u></b>				
Other receivables - related parties	-	-	23,060	22,564
Other receivables - unrelated parties	13,672	13,897	1	226
Advances	613	464	613	464
Interest receivable	5,826	4,609	5,823	4,607
Total other receivables	20,111	18,970	29,497	27,861
Total trade and other receivables	803,731	723,944	237,461	255,488

The overseas subsidiary has pledged its accounts receivable to the bank for the credit facilities of trust receipts. As at 30 June 2015, the balance of accounts receivable totalling Rupiah 73,435 million or approximately Baht 186.0 million (31 December 2014: Rupiah 45,000 million or approximately Baht 118.7 million) were placed as collateral for such credit facilities.

(Unaudited but reviewed)

## 8. Reduction of inventory to net realisable value

Movements in the reduction of inventory to net realisable value during the six-month period ended 30 June 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2014	20,844	-
Less: Reversal of reduction of inventory value during the period	(20,844)	-
Balance as at 30 June 2015	-	-

## 9. Advance payments for goods

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Advance payments for goods - related parties	1,440	3,437	1,440	3,437
Advance payments for goods - unrelated parties	162,635	666,321	-	-
Total advance payments for goods	164,075	669,758	1,440	3,437

The local subsidiary had significant business transactions with local companies in respect of purchases of molasses and cassava chips under the purchase of molasses agreement and cassava chips agreement. To comply with the conditions in the agreements, as at 30 June 2015, the subsidiary had outstanding advance payments for purchase of molasses and cassava chips amounting to Baht 134.6 million (31 December 2014: Baht 629.2 million).



(Unaudited but reviewed)

**10. Investments in subsidiaries**

Details of investments in subsidiaries as presented in the separate financial statements are as follows:

Company's name	Paid up capital		Shareholding percentage		Cost		Allowance for impairment of investments		Cost - net		(Unit: Thousand Baht) Dividend received for the six-month periods ended	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	30 June
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
			(%)	(%)								
<b>Local subsidiary</b>												
Thai Agro Energy Public Co., Ltd.	Baht 1,000 million	Baht 1,000 million	51.00	51.00	510,000	510,000	-	-	510,000	510,000	25,500	-
<b>Overseas subsidiaries</b>												
PT. Lanna Mining Services (Incorporated in Indonesia)	USD 2.1 million	USD 2.1 million	99.95	99.95	70,889	70,889	-	-	70,889	70,889	-	-
PT. Singlurus Pratama (Incorporated in Indonesia)	Rp 7,950 million	Rp 7,950 million	65.00	65.00	18,626	18,626	-	-	18,626	18,626	-	-
PT. Lanna Harita Indonesia (Incorporated in Indonesia)	USD 8 million	USD 8 million	55.00	55.00	155,023	155,023	-	-	155,023	155,023	72,876	56,572
PT. Citra Harita Mineral (Incorporated in Indonesia)	Rp 1,000 million	Rp 1,000 million	55.00	55.00	2,187	2,187	(2,159)	(2,159)	28	28	-	-
<b>Total</b>					<b>756,725</b>	<b>756,725</b>	<b>(2,159)</b>	<b>(2,159)</b>	<b>754,566</b>	<b>754,566</b>	<b>98,376</b>	<b>56,572</b>

**Local subsidiary**

Thai Agro Energy Public Co., Ltd.

On 10 April 2014, the Securities and Exchange Commission approved the share offering of Thai Agro Energy Public Co., Ltd. The registration statement and prospectus of Thai Agro Energy Public Co., Ltd. have been effective on 9 May 2014. The Company and Thai Agro Energy Public Co., Ltd. determined the offering price of shares of Thai Agro Energy Public Co., Ltd. to the Company's existing shareholders who has name on the Company's share registration book on 7 May 2014 and public at the price of Baht 2.00 per share. The subscription periods for the Company's shareholders is 21 - 23 May 2014 and for public is 28 - 30 May 2014. The Company had already received the full payment from the disposal of Thai Agro Energy Public Co., Ltd.'s ordinary shares and Thai Agro Energy Public Co., Ltd. had already received the full payment from issuance of additional ordinary shares on 2 June 2014. Then, the Stock Exchange of Thailand approved 1,000,000,000 ordinary shares with a par value of Baht 1 each of Thai Agro Energy Public Co., Ltd. as listed securities for trading, effective from 5 June 2014.

The disposal of some ordinary shares of Thai Agro Energy Public Co., Ltd. and issuance of additional ordinary shares of Thai Agro Energy Public Co., Ltd. to the Company's shareholders and public in the second quarter of year 2014 led to a decrease in shareholding percentage of the Company in such subsidiary from 75.75 percent to 51.00 percent. The Company recognised gain from disposal of investment in subsidiary of Baht 90.7 million in profit or loss in the separate financial statements for the three-month and six-month periods ended 30 June 2014 and recorded surplus on change in the percentage of shareholding in subsidiary of Baht 75.9 million in the consolidated statement of change in shareholders' equity for the six-month period ended 30 June 2014.

**Overseas subsidiary**

PT. Citra Harita Mineral

On 17 April 2012, the meeting of the Board of Directors of the Company passed a resolution to approve the dissolution and liquidation of PT. Citra Harita Mineral, which is a subsidiary incorporated in Indonesia. Currently, the subsidiary is in the process of dissolution and liquidation.

(Unaudited but reviewed)

## 11. Investment in associated company

(Unit: Thousand Baht)

Company's name	Nature of business	Relationship	Paid up capital		Shareholding percentage		Consolidated financial statements		Separate financial statements			
			Carrying amounts based on equity method		Dividend received for the six-month periods ended		Cost					
			30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	30 June 2014
United Bulk Shipping Pte. Ltd. (Incorporated in Singapore)	Shipping business and coal distribution	Direct holding	SGD 0.1 million	SGD 0.1 million	49 (%)	49 (%)	47,209	50,250	891	891	15,892	11,924
Total							47,209	50,250	891	891	15,892	11,924

Share of profit from United Bulk Shipping Pte. Ltd. for the three-month and six-month periods ended 30 June 2015 of approximately Baht 6.6 million and Baht 12.8 million (2014: Baht 4.1 million and Baht 10.5 million) had been calculated from the financial statements prepared by the management of the associated company and not being reviewed by its auditor.

The Company's management believes that the management accounts of the associated company would not be significantly different from the accounts reviewed by its auditor.

(Unaudited but reviewed)

## 12. Property, plant and equipment

Movements in the property, plant and equipment account for the six-month period ended 30 June 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2014	3,388,361	270,551
Acquisitions during the period - cost	25,381	1,073
Disposals and write-off during the period - net book value on disposal/write-off date	(332)	(2)
Depreciation for the period	(100,812)	(5,275)
Translation adjustments	18,740	-
Net book value as at 30 June 2015	<u>3,331,338</u>	<u>266,347</u>

As at 30 June 2015, a subsidiary had vehicles under finance lease agreements with net book values amounting to Baht 4.6 million (31 December 2014: Baht 5.0 million).

The subsidiary has mortgaged part of its land and construction thereon and machinery with net book value as at 30 June 2015 amounting to approximately Baht 1,169.2 million (31 December 2014: Baht 1,183.0 million) as collateral for short-term and long-term loans and credit facilities granted by a commercial bank as discussed in Note 14 and 16.

## 13. Other non-current assets

Other non-current assets consist of the following items, which are shown net of relevant accumulated amortisation.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Deferred expenses - Indonesia coal mine project	402,254	401,453	-	-
Deferred stripping costs	132,573	134,419	-	-
Deferred transferred service fees according to contract	26,710	33,919	26,710	33,919
Others	21,773	25,773	4,593	8,995
Total other non-current assets	<u>583,310</u>	<u>595,564</u>	<u>31,303</u>	<u>42,914</u>

**Agreement of transferring service fees provided by PT. Indocoal Pratama Jaya**

On 6 March 2008, the Company and PT. Indocoal Pratama Jaya (“IPJ”) entered into agreement of transferring service fees for service provided to the concession area of PT. Singlurus Pratama (“SGP”) for the first 15 million tons of coal produced and distributed at a price of USD 0.75 per ton, in accordance with the Service Agreement, which stipulates that IPJ is to receive a fee of USD 0.75 per ton of coal produced and distributed from SGP.

IPJ has an agreement with a creditor who provided it with financial support, whereby IPJ agrees to pay the creditor the fees it receives at a rate of USD 0.75 per ton for the first 15 million tons of coal produced and distributed from the SGP concession.

That creditor agreed to transfer such fees to the Company at a negotiated price of USD 3.75 million, or equivalent to Baht 118.3 million, with the Company making a lump sum payment. Such fees will be amortised according to the quantity of coal sold from SGP and the Company had already started amortising the fee since July 2009.

**14. Short-term loans from financial institutions**

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	30 June 2015	31 December 2014
Promissory notes	585,381	831,210
Trust receipts	362,844	366,521
Total	<u>948,225</u>	<u>1,197,731</u>

As at 30 June 2015, the local subsidiary had short-term loans from financial institutions in form of promissory notes of Baht 585.4 million (31 December 2014: Baht 831.2 million), which bear interests between 3.3 and 3.9 percent per annum (31 December 2014: between 3.6 and 3.9 percent per annum). The loan amounting to Baht 585.4 million (31 December 2014: Baht 831.2 million) is secured by the mortgage of part of the subsidiary’s land and construction thereon and machinery as discussed in Note 12.

(Unaudited but reviewed)

Two subsidiaries entered into the credit facilities agreements with two financial institutions of Baht 200 million and USD 7.9 million. As at 30 June 2015, the subsidiaries had outstanding balance of trust receipts of Baht 131.6 million and USD 6.8 million, totaling Baht 362.8 million (31 December 2014: Baht 131.9 million and USD 7.1 million, totaling Baht 366.5 million), with interest rates between 3.2 and 3.4 percent per annum and 4.0 percent per annum, respectively (31 December 2014: 3.5 percent per annum and 6.0 percent per annum, respectively).

As at 30 June 2015, trust receipts of USD 6.8 million or approximately Baht 231.2 million (31 December 2014: USD 7.1 million or approximately Baht 234.6 million) are secured by pledge of restricted deposit and accounts receivable of USD 0.6 million or approximately Baht 20.3 million and Rupiah 73,435 million or Baht 186.0 million, respectively (31 December 2014: USD 0.6 million or approximately Baht 19.8 million and Rupiah 45,000 million or approximately Baht 118.7 million) as discussed in Note 5 and 7 and containing covenants which the overseas subsidiary has to comply, pertaining to matters such as requesting for approval from the financial institution for negative pledge.

#### 15. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
30 June	31 December	30 June	31 December	
2015	2014	2015	2014	
Trade payables - related parties	601	1,366	601	1,366
Trade payables - unrelated parties	393,524	413,738	85,127	51,615
Other payables - unrelated parties	45,406	47,699	2,235	8,410
Total trade and other payables	439,531	462,803	87,963	61,391

(Unaudited but reviewed)

**16. Long-term loan from financial institution**

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June 2015	31 December 2014
Long-term loan from financial institution	567,757	657,757
Less: Current portion	(180,000)	(180,000)
Long-term loan from financial institution - net of current portion	<u>387,757</u>	<u>477,757</u>

Movements in the long-term loan from financial institution during the six-month period ended 30 June 2015 are summarised below.

(Unit: Thousand Baht)

Balance as at 1 January 2015	657,757
Less: Repayment during the period	<u>(90,000)</u>
Balance as at 30 June 2015	<u>567,757</u>

On 6 November 2013, the local subsidiary entered into long-term loan agreement with a local bank, obtaining loan facilities of Baht 845 million, for the debt refinance with an another local bank. Then, on 18 December 2013, the subsidiary withdrew the loan for the debt refinance and repaid all of short-term and long-term loans to that local bank totaling Baht 837.8 million. The loan initially carries interest rate at THBFIX reference rate plus 1.75 percent per annum for the first year, and the interest rate increases by 0.05 percent per annum from the second to fifth year. The loan is repayable within 5 years in 10 semi-annually installments of Baht 90 million during the first to ninth installment, and remaining balance is repayable in the tenth installment. The repayment period is from June 2014 to December 2018. The loan is secured by the mortgage of a part of the subsidiary's land and construction thereon and machinery as discussed in Note 12.

On 7 March 2014, the subsidiary made executed an annex of the long-term loan agreement with the bank to revise certain conditions and debt service coverage ratios for the subsidiary's financial statements of year 2014.

(Unaudited but reviewed)

The loan agreement contains covenants that, among other things, require the subsidiary to maintain certain financial ratios according to the agreement such as debt to equity and debt service coverage ratios at the rate prescribed in the agreement.

As at 30 June 2015, the subsidiary could maintain certain financial ratios as specified in the long-term loan agreement (31 December 2014: the subsidiary could maintain certain financial ratios as specified in the memorandum attached to the long-term loan agreement).

**17. Capital reserve for share-based payment transactions**

During the year 2011, a shareholder of the local subsidiary sold 3.1 million shares to directors and employees of the subsidiary at a price of Baht 1 per share. This transaction falls under the scope of TFRS 2 (revised 2012): Share-based Payment, which requires that the subsidiary records the difference between the selling price and the fair value of shares as an expense. The subsidiary considered that the book value approach is appropriate to determine fair value as book value was calculated based on the financial statements as at 31 December 2010, which was close to the transaction date. However, the resulting difference of Baht 0.6 million was recorded as an expense in profit or loss in the consolidated income statement for the three-month and six-month periods ended 30 June 2014 and as capital reserve for share-based payment transactions in the consolidated statement of financial position as at 30 June 2014.



**18. Income tax**

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 30 June 2015 and 2014 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
<b>Current income tax:</b>				
Interim corporate income tax charge	35,249	69,998	9,570	34,580
Withholding tax deducted at source recognised as expenses during the period	3,315	2,132	3,315	2,132
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	14,551	6,060	(76)	(145)
<b>Income tax expense reported in the income statements</b>	<u>53,115</u>	<u>78,190</u>	<u>12,809</u>	<u>36,567</u>

  

	(Unit: Thousand Baht)			
	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
	(Restated)			
<b>Current income tax:</b>				
Interim corporate income tax charge	84,522	167,141	22,850	48,679
Withholding tax deducted at source recognised as expenses during the period	5,465	4,243	5,465	4,243
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	36,233	12,250	(153)	(291)
<b>Income tax expense reported in the income statements</b>	<u>126,220</u>	<u>183,634</u>	<u>28,162</u>	<u>52,631</u>

(Unaudited but reviewed)

The amount of income tax related to each component of comprehensive income statements for the three-month and six-month periods ended 30 June 2015 and 2014 are as follow:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		
Deferred tax relating to actuarial loss (gain)	4,568	(1,101)	-	-

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		
Deferred tax relating to actuarial loss (gain)	4,877	(742)	-	-

## 19. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

The following tables set forth the computation of basic earnings per share:

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		
Profit attributable to equity holders of the Company (Thousand Baht)	70,916	94,909	124,202	161,334
Weighted average number of ordinary shares (Thousand shares)	525,000	525,000	525,000	525,000
Basic earnings per share (Baht)	0.14	0.18	0.24	0.31

(Unaudited but reviewed)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
		(Restated)		
Profit attributable to equity holders of the Company (Thousand Baht)	191,507	311,914	206,148	244,752
Weighted average number of ordinary shares (Thousand shares)	525,000	525,000	525,000	525,000
Basic earnings per share (Baht)	0.36	0.59	0.39	0.47

## 20. Dividend paid

Dividends paid by the Group during the six-month periods ended 30 June 2015 and 2014 are as follows:

### The Company

Dividends	Approved by	Total	Dividend	Paid on
		Dividends	per share	
		(Thousand Baht)	(Baht)	
<b><u>2015</u></b>				
Final dividends for 2014	Annual General Meeting of the shareholders on 27 April 2015	210,000	0.40	15 May 2015
Total		<u>210,000</u>	<u>0.40</u>	
<b><u>2014</u></b>				
Final dividends for 2013	Annual General Meeting of the shareholders on 21 April 2014	210,000	0.40	9 May 2014
Total		<u>210,000</u>	<u>0.40</u>	

In addition, the Annual General Meeting of the shareholders approved to set aside a general reserve of Baht 7.7 million (2014: Baht 76.6 million).

(Unaudited but reviewed)

### Local subsidiary

#### Thai Agro Energy Public Co., Ltd.

<u>Dividends</u>	<u>Approved by</u>	<u>Total Dividends (Thousand Baht)</u>	<u>Dividend per share (Baht)</u>	<u>Paid on</u>
<b>2015</b>				
The dividend in respect of operation income from BOI promoted operation for the period from July to December 2014	Annual General Meeting of the shareholders on 20 April 2015	50,000	0.05	20 May 2015
Total		<u>50,000</u>	<u>0.05</u>	

### Overseas subsidiary

#### PT. Lanna Harita Indonesia

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends (Thousand US Dollar)</u>	<u>Dividend per share (US Dollar)</u>	<u>Paid on</u>
<b>2015</b>				
The second interim dividend for 2014	Board of Directors' meeting on 10 March 2015	1,600	200	19 March 2015
Final dividends for 2014	Annual General Meeting of the shareholders on 10 June 2015	2,400	300	18 June 2015
Total		<u>4,000</u>	<u>500</u>	
<b>2014</b>				
The third interim dividend for 2013	Board of Directors' meeting on 10 March 2014	1,600	200	19 March 2014
Final dividends for 2013	Annual General Meeting of the shareholders on 19 June 2014	1,600	200	23 June 2014
Total		<u>3,200</u>	<u>400</u>	

During the six-month period ended 30 June 2015, the Company received dividend income at 55 percent for a total of USD 2.2 million or equivalent to Baht 72.9 million. The Company had been withheld the withholding tax deducted at source of Baht 5.5 million (2014: dividend income at 55 percent for a total of USD 1.76 million or equivalent to Baht 56.6 million. The Company had been withheld the withholding tax deducted at source of Baht 4.2 million).

(Unaudited but reviewed)

## 21. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and access its performance.

The Company and its subsidiaries are organised into business units based on its products. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding of the Company and its subsidiaries' operating segments for the three-month and six-month periods ended 30 June 2015 and 2014:

(Unit: Million Baht)

	For the three-month periods ended 30 June									
	Domestic coal business		Oversea coal business		Ethanol business		Elimination of inter-segment transactions		Total	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
										(Restated)
Revenues from external customers	422	434	1,496	2,467	668	601	-	-	2,586	3,502
Inter-segment revenues	50	81	-	-	-	-	(50)	(81)	-	-
<b>Total revenue</b>	<b>472</b>	<b>515</b>	<b>1,496</b>	<b>2,467</b>	<b>668</b>	<b>601</b>	<b>(50)</b>	<b>(81)</b>	<b>2,586</b>	<b>3,502</b>
<b>Operating results</b>										
<b>Segment profit</b>	116	135	574	944	90	88	(47)	(80)	733	1,087
Other income									8	9
Share of profit from investment in associated company									7	4
Loss on exchange									(5)	(50)
Selling and distribution expenses									(388)	(646)
Administrative expenses									(181)	(165)
Finance cost									(15)	(17)
<b>Profit before income tax expenses</b>									159	222
Income tax expenses									(53)	(78)
Non-controlling interests of the subsidiaries									(35)	(49)
<b>Profit for the period</b>									<b>71</b>	<b>95</b>

(Unaudited but reviewed)

(Unit: Million Baht)

For the six-month periods ended 30 June

	Domestic coal business		Oversea coal business		Ethanol business		Elimination of inter-segment transactions		Total	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Revenues from external customers	951	980	3,163	4,578	1,362	1,232	-	-	5,476	6,790
Inter-segment revenues	108	145	-	-	-	-	(108)	(145)	-	-
<b>Total revenue</b>	<b>1,059</b>	<b>1,125</b>	<b>3,163</b>	<b>4,578</b>	<b>1,362</b>	<b>1,232</b>	<b>(108)</b>	<b>(145)</b>	<b>5,476</b>	<b>6,790</b>
<b>Operating results</b>										
<b>Segment profit</b>	253	273	1,184	1,807	241	215	(103)	(140)	1,575	2,155
Other income									17	16
Share of profit from investment in associated company									13	10
Gain (loss) on exchange									(45)	9
Selling and distribution expenses									(828)	(1,184)
Administrative expenses									(271)	(323)
Finance cost									(35)	(34)
<b>Profit before income tax expenses</b>									426	649
Income tax expenses									(126)	(184)
Non-controlling interests of the subsidiaries									(108)	(153)
<b>Profit for the period</b>									<b>192</b>	<b>312</b>

The following table presents segment assets of the Company and its subsidiaries' operating segments as at 30 June 2015 and 31 December 2014:

	(Unit: Million Baht)					
	Domestic coal business	Overseas coal business	Ethanol business	Total Segments	Adjustments and eliminations	Consolidated
<b>Segment assets</b>						
At 30 June 2015	2,538	3,727	3,147	9,412	(798)	8,614
At 31 December 2014	2,526	3,847	3,385	9,758	(796)	8,962

## 22. Significant contracts and agreements

22.1 In 1998, PT. Lanna Harita Indonesia had been granted the right under a Coal Contract of Work (“CCOW”) from the Indonesian government to explore for and exploit coal for a period of thirty years in a total survey area of 30,018 hectares in Tanah Merah in Samarinda and Kutai, East Kalimantan, Indonesia. The subsidiary has a continuing obligation to pay a fee and compensation under the contract.

22.2 In 1997, PT. Singlurus Pratama was granted the right under a Coal Contract of Work (“CCOW”) from the Indonesian government to explore for and exploit coal for a period of thirty years beginning at the commencement of the first mining operation in a total survey area of 24,760 hectares in Kutai, East Kalimantan, Indonesia. The subsidiary has a continuing obligation to pay a fee and compensation under the contract.

In February 2009, the subsidiary received the consent from Indonesian government to start the production activities.

22.3 On 20 May 2009, PT. Singlurus Pratama entered into the marketing and technical service agreements with the Company and entered into assistance service agreement with a company in Indonesia. The service fees are charged on the basis and at the rates as stipulated in the agreements.

## 23. Commitments and contingent liabilities

### 23.1 Capital commitments

As at 30 June 2015, a subsidiary had capital commitments of approximately Baht 1.2 Million (31 December 2014: Baht 4.8 million), relating to the subsidiary’s construction of Biogas systems and the acquisitions of machinery and equipment.

### 23.2 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the lease of office building space, vehicles and other services. The terms of the agreements are generally between 1 and 5 years. Future minimum payments under these lease agreements are as follows:

(Unit: Million Baht)

Payable within	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
Less than 1 year	33	35	11	11
In over 1 and up to 5 years	16	26	7	9

### 23.3 Long-term service and purchase commitments

- a) The Company and its subsidiaries have commitments under several service agreements in respect of the security service, car maintenance service and other services. The terms of the agreements are generally between 1 and 5 years. Future minimum payments under these service agreements are as follows:

(Unit: Million Baht)

Payable within	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
Less than 1 year	4	3	1	2

- b) The Company and its subsidiaries have commitments under service agreements regarding the legal consulting, the consulting for mining, environment and safety and other consulting of Baht 2.4 million (the Company only: Baht 0.9 million) (31 December 2014: Baht 2.0 million (the Company only: Baht 0.9 million)).
- c) The Company had commitment under the coal purchase agreements with an overseas company which the price, coal quality and quantity to purchase are stipulated in the agreements.
- d) The local subsidiary entered into a power supply agreement with the Provincial Electricity Authority for a period of one year, commencing 21 December 2010 to 20 December 2011, and being automatically renewed for every one-year period. The subsidiary shall pay power supply at the rate as stipulated in the agreement.
- e) The local subsidiary has commitment under the purchase of molasses agreement with 15-year duration under which the price is to be determined every 5 years commencing the first year in 2005. The price for the first three years is that stipulated in the agreement and for the fourth and fifth year, using the average actual market price of the first three years for comparison and the quantity to purchase of molasses are those stipulated in the agreement. In addition, the subsidiary had additional two commitments under the purchase of molasses agreements with 5-year duration under which the price is to be determined before shipment in the next period and the quantity to purchase of molasses are those stipulated in the agreements.

### 23.4 Coal supply agreement commitments

PT. Lanna Harita Indonesia and PT. Singlurus Pratama have coal supply commitments to domestic customers in accordance with the Domestic Market Obligation regulation required by the Indonesian government.



### **23.5 Guarantees**

As at 30 June 2015, the Company and its subsidiaries had bank guarantees of approximately Baht 5.7 million, Rupiah 20,234 million and USD 0.6 million (the Company only: Baht 0.6 million) issued by banks on behalf of the Company and its subsidiaries in respect of mine reclamation of the overseas subsidiaries to the government, guarantee for a local subsidiary's contractual performance under the license for production and distribution of ethanol-for-fuel from the Excise Department and to guarantee contractual performance under the license for using of electric to the Provincial Electricity Authority. (31 December 2014: Baht 5.9 million, Rupiah 15,689 million and USD 0.6 million (the Company only: Baht 0.8 million) issued by banks on behalf of the Company and its subsidiaries in respect of mine reclamation of the overseas subsidiaries to the government, guarantee for a local subsidiary's contractual performance under the license for production and distribution of ethanol-for-fuel from the Excise Department, Biogas Technologic promotion project 2012 (Year 5) of the Energy Policy and Planning Office Ministry of Energy, and to guarantee contractual performance under the license for using of electric to the Provincial Electricity Authority).

### **24. Litigation**

In September 2011, a subsidiary company was sued by a company for its alleged non-compliance with the cassava chip purchase agreement dated 21 January 2011 and memorandum dated 29 April 2011, claiming a compensation for damage of Baht 186.9 million. On 8 November 2011, the subsidiary submitted the testimony and countersued that company, claiming a compensation for damage of Baht 82.4 million.

On 9 October 2014, the Civil Court dismissed the lawsuit filed by that company and ordered it to make payments for purchases of cassava chip that the subsidiary paid in advance of Baht 6.9 million which together with interest expense of 7.5 percent per annum, calculated from 8 November 2014 (the countersue date) until completion of payment. In addition, that company shall pay for charges and partial lawyer fee for the subsidiary.

On 3 December 2014, the subsidiary lodged an appeal with the Court of Appeal. As at 30 June 2015, the case is under consideration of the Appeal Court and the subsidiary has not received such payment; therefore, the subsidiary has not recorded in its account.

**25. Foreign currency risk**

The Company's and its subsidiaries' exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company and its subsidiaries seek to reduce this risk by entering into forward exchange contracts, with maturity of less than one year, when they consider appropriate.

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

As at 30 June 2015				
Foreign currency	Financial assets	Financial liabilities	Exchange rate	
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
			<u>Buying rate</u>	<u>Selling rate</u>
US dollar	2.3	-	33.6270	33.9266

  

As at 31 December 2014				
Foreign currency	Financial assets	Financial liabilities	Exchange rate	
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
			<u>Buying rate</u>	<u>Selling rate</u>
US dollar	2.6	-	32.8128	33.1132

As at 30 June 2015 and 31 December 2014, the Company and its subsidiaries had no outstanding forward exchange contract.

**26. Fair value of financial instruments**

The Company and its subsidiaries use the market approach to measure their assets that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiaries endeavor to use relevant observable inputs as much as possible. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising such inputs into three levels as follows:

(Unaudited but reviewed)

Level 1 - Use of quoted market prices in an observable active market for such assets

Level 2 - Use of other observable inputs for such assets, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

As of 30 June 2015, the Company and its subsidiaries had the assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Level 2	Total	Level 2	Total
<b>Financial assets measured at fair value</b>				
Held for trade investments				
Equity instruments	446,619	446,619	445,943	445,943

Valuation techniques and inputs to Level 2 and valuations

The fair value of investments in equity instruments has been determined by their net asset value as announced by commercial bank.

**27. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's authorised directors on 11 August 2015.