

Gratitude Infinite Public Company Limited and its subsidiaries  
Report and interim consolidated financial statements  
For the three-month period ended 31 March 2017

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

To the Shareholders of Gratitude Infinite Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Gratitude Infinite Public Company Limited and its subsidiaries as at 31 March 2017, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Gratitude Infinite 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*.

Chonlaros Suntiasvaraporn  
Certified Public Accountant (Thailand) No. 4523

EY Office Limited  
Bangkok: 11 May 2017

**Gratitude Infinite Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 March 2017**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>31 March 2017</u>	<u>31 December 2016</u>	<u>31 March 2017</u>	<u>31 December 2016</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		235,251	299,440	223,368	289,575
Trade receivables	3	193,865	179,058	193,856	179,050
Inventories	4	135,084	128,480	136,642	128,684
Other current assets		2,842	6,408	1,715	5,279
<b>Total current assets</b>		<b>567,042</b>	<b>613,386</b>	<b>555,581</b>	<b>602,588</b>
<b>Non-current assets</b>					
Available-for-sale investments	5	96,174	113,897	96,174	113,897
Investment in subsidiary company	6	-	-	37,799	37,799
Property, plant and equipment	7	178,757	114,219	163,838	98,936
Intangible assets	8	3,149	3,254	-	-
Other non-current assets		805	328	211	240
<b>Total non-current assets</b>		<b>278,885</b>	<b>231,698</b>	<b>298,022</b>	<b>250,872</b>
<b>Total assets</b>		<b>845,927</b>	<b>845,084</b>	<b>853,603</b>	<b>853,460</b>

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

**Gratitude Infinite Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 March 2017**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>31 March 2017</u>	<u>31 December 2016</u>	<u>31 March 2017</u>	<u>31 December 2016</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trust receipts	9	183,563	194,055	183,563	194,055
Trade and other payables	10	56,164	57,170	56,173	58,373
Current portion of liabilities					
under hire purchase agreements		700	773	700	773
Income tax payable		19,228	13,150	19,228	13,150
Other current liabilities		2,324	8,286	2,123	8,133
<b>Total current liabilities</b>		<b>261,979</b>	<b>273,434</b>	<b>261,787</b>	<b>274,484</b>
<b>Non-current liabilities</b>					
Liabilities under hire purchase agreements - net					
of current portion		1,304	1,455	1,304	1,455
Provision for long-term employee benefits	11	7,796	7,485	7,796	7,485
Deferred tax liabilities		826	3,007	826	3,007
<b>Total non-current liabilities</b>		<b>9,926</b>	<b>11,947</b>	<b>9,926</b>	<b>11,947</b>
<b>Total liabilities</b>		<b>271,905</b>	<b>285,381</b>	<b>271,713</b>	<b>286,431</b>

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

**Gratitude Infinite Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 March 2017**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>31 March 2017</u>	<u>31 December 2016</u>	<u>31 March 2017</u>	<u>31 December 2016</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered				
454,029,949 ordinary shares of Baht 1 each	454,030	454,030	454,030	454,030
Issued and fully paid up				
302,686,717 ordinary shares of Baht 1 each	302,687	302,687	302,687	302,687
Share premium	41,651	41,651	41,651	41,651
Retained earnings				
Appropriated - statutory reserve	23,000	23,000	23,000	23,000
Unappropriated	197,821	174,958	204,524	181,119
Other components of shareholders' equity	8,863	17,407	10,028	18,572
<b>Total shareholders' equity</b>	<b>574,022</b>	<b>559,703</b>	<b>581,890</b>	<b>567,029</b>
<b>Total liabilities and shareholders' equity</b>	<b>845,927</b>	<b>845,084</b>	<b>853,603</b>	<b>853,460</b>
	-	-	-	-

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

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Directors  
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(Unaudited but reviewed)

## Gratitude Infinite Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the three-month period ended 31 March 2017

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales		184,647	201,151	184,559	201,151
Other income					
Gains on exchange		978	122	978	122
Gains from sales of available-for-sale investments		4,657	-	4,657	-
Others		168	882	168	882
<b>Total revenues</b>		<u>190,450</u>	<u>202,155</u>	<u>190,362</u>	<u>202,155</u>
<b>Expenses</b>					
Cost of sales		142,983	155,732	143,085	155,485
Reduction of cost of inventories to net realisable value		(85)	(165)	(85)	(165)
		142,898	155,567	143,000	155,320
Selling expenses		6,706	6,415	6,679	6,391
Administrative expenses		10,623	8,458	9,918	7,869
Other expense		348	2,870	348	2,870
<b>Total expenses</b>		<u>160,575</u>	<u>173,310</u>	<u>159,945</u>	<u>172,450</u>
<b>Profit before finance cost and income tax expenses</b>		<u>29,875</u>	<u>28,845</u>	<u>30,417</u>	<u>29,705</u>
Finance cost		(979)	(1,125)	(979)	(1,125)
<b>Profit before income tax expenses</b>		<u>28,896</u>	<u>27,720</u>	<u>29,438</u>	<u>28,580</u>
Income tax expenses	12	(6,033)	(6,321)	(6,033)	(6,321)
<b>Profit for the period</b>		<u>22,863</u>	<u>21,399</u>	<u>23,405</u>	<u>22,259</u>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Gain (loss) on revaluation					
available-for-sale investments		(10,680)	7,320	(10,680)	7,320
Less: Income tax effect	12	2,136	(1,464)	2,136	(1,464)
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax</i>		<u>(8,544)</u>	<u>5,856</u>	<u>(8,544)</u>	<u>5,856</u>
<b>Other comprehensive income for the period</b>		<u>14,319</u>	<u>27,255</u>	<u>14,861</u>	<u>28,115</u>

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

(Unaudited but reviewed)

**Gratitude Infinite Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the three-month period ended 31 March 2017**

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
<u>Note</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Profit attributable to:</b>				
Equity holders of the Company	22,863	21,575	23,405	22,259
Non-controlling interests of the subsidiaries	-	(176)		
	<u>22,863</u>	<u>21,399</u>		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	14,319	27,431	14,861	28,115
Non-controlling interests of the subsidiaries	-	(176)		
	<u>14,319</u>	<u>27,255</u>		
<b>Earnings per share</b>	14			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.08</u>	<u>0.07</u>	<u>0.08</u>	<u>0.07</u>
Diluted earnings per share				
Profit attributable to equity holders of the Company	<u>0.06</u>	<u>0.06</u>	<u>0.06</u>	<u>0.06</u>

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

(Unaudited but reviewed)

**Gratitude Infinite Public Company Limited and its subsidiaries**

**Cash flow statement**

**For the three-month period ended 31 March 2017**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Cash flows from operating activities</b>				
Profit before tax	28,896	27,720	29,438	28,580
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Reversal of allowance for doubtful account	-	(5)	-	(5)
Depreciation and amortisation	2,436	2,263	1,893	1,723
Reduction of cost of inventories to net realisable value	(85)	(165)	(85)	(165)
Gain on sales of available-for-sales investments	(4,657)	-	(4,657)	-
Loss on sales of equipment	-	87	-	87
Interest expenses	979	1,125	979	1,125
Interest income	(18)	(4)	(18)	(4)
Unrealised gain on exchange	(180)	(180)	(180)	(180)
Unrealised loss from forward exchange contracts	349	2,870	349	2,870
Provision for long-term employee benefits	311	194	311	194
Profit from operating activities before changes in operating assets and liabilities	28,031	33,905	28,030	34,225
Operating assets (increase) decrease				
Trade receivables	(14,369)	(17,206)	(14,367)	(17,206)
Inventories	(6,518)	16,435	(7,874)	16,435
Other current assets	3,568	(1,328)	3,567	(1,396)
Other non-current assets	(476)	(1,064)	29	(1,064)
Operating liabilities increase (decrease)				
Trade and other payables	(1,168)	1,876	(2,363)	2,083
Other current liabilities	(6,312)	322	(6,359)	323
Other non-current liabilities	-	1,079	-	1,079
Cash flows from operating activities	2,756	34,019	663	34,479
Cash paid for interest expenses	(1,045)	(1,107)	(1,045)	(1,107)
<b>Net cash flows from (used in) operating activities</b>	<b>1,711</b>	<b>32,912</b>	<b>(382)</b>	<b>33,372</b>

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



(Unaudited but reviewed)

**Gratitude Infinite Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the three-month period ended 31 March 2017**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Cash flows from investing activities</b>				
Acquisition of machinery and equipment	(66,870)	(628)	(66,795)	(628)
Proceed from sales of equipment	-	75	-	75
Interest income	15	12	15	12
Cash received from sales of available-for-sale investments	11,700	-	11,700	-
Purchase of available-for-sale investments	-	(5,191)	-	(5,191)
<b>Net cash flows used in investing activities</b>	<u>(55,155)</u>	<u>(5,732)</u>	<u>(55,080)</u>	<u>(5,732)</u>
<b>Cash flows from financing activities</b>				
Decrease in trust receipts	(10,521)	(857)	(10,521)	(857)
Repayment of liabilities under hire purchase agreements	(224)	(116)	(224)	(116)
<b>Net cash flows used in financing activities</b>	<u>(10,745)</u>	<u>(973)</u>	<u>(10,745)</u>	<u>(973)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	(64,189)	26,207	(66,207)	26,667
Cash and cash equivalents at beginning of period	<u>299,440</u>	<u>212,470</u>	<u>289,575</u>	<u>210,328</u>
<b>Cash and cash equivalents at end of period</b>	<u>235,251</u>	<u>238,677</u>	<u>223,368</u>	<u>236,995</u>
	-		-	

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

(Unaudited but reviewed)

## Gratitude Infinite Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity

For the three-month period ended 31 March 2017

(Unit: Thousand Baht)

<b>Consolidated financial statements</b>										
Equity attributable to owners of the Company										
				Other components of shareholders' equity						
				Other comprehensive income						
Issued and paid-up		Retained earnings		Surplus on changes in values of available-for-sale investments		Capital deficit from change in shareholding interest in subsidiary	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
share capital	Share premium	statutory reserve	Unappropriated							
		Appropriated -								
<b>Balance as at 1 January 2016</b>	302,687	41,651	17,500	97,888	6,255	-	6,255	465,981	4,853	470,834
Profit for the period	-	-	-	21,575	-	-	-	21,575	(176)	21,399
Other comprehensive income for the period	-	-	-	-	5,856	-	5,856	5,856	-	5,856
<b>Total comprehensive income for the period</b>	-	-	-	21,575	5,856	-	5,856	27,431	(176)	27,255
<b>Balance as at 31 March 2016</b>	<u>302,687</u>	<u>41,651</u>	<u>17,500</u>	<u>119,463</u>	<u>12,111</u>	<u>-</u>	<u>12,111</u>	<u>493,412</u>	<u>4,677</u>	<u>498,089</u>
<b>Balance as at 1 January 2017</b>	302,687	41,651	23,000	174,958	18,572	(1,165)	17,407	559,703	-	559,703
Profit for the period	-	-	-	22,863	-	-	-	22,863	-	22,863
Other comprehensive income for the period	-	-	-	-	(8,544)	-	(8,544)	(8,544)	-	(8,544)
<b>Total comprehensive income for the period</b>	-	-	-	22,863	(8,544)	-	(8,544)	14,319	-	14,319
<b>Balance as at 31 March 2017</b>	<u>302,687</u>	<u>41,651</u>	<u>23,000</u>	<u>197,821</u>	<u>10,028</u>	<u>(1,165)</u>	<u>8,863</u>	<u>574,022</u>	<u>-</u>	<u>574,022</u>
	-	-	-	-	-	-	-	-	-	-

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

(Unaudited but reviewed)

Gratitude Infinite Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2017

(Unit: Thousand Baht)

Separate financial statements

	Issued and paid-up share capital		Retained earnings		Other components of shareholders' equity		Total shareholders' equity
	Share premium	statutory reserve	Appropriated -	Unappropriated	Surplus on changes in values of available-for-sale investments	Total other components of shareholders' equity	
<b>Balance as at 1 January 2016</b>	302,687	41,651	17,500	102,474	6,255	6,255	470,567
Profit for the period	-	-	-	22,259	-	-	22,259
Other comprehensive income for the period	-	-	-	-	5,856	5,856	5,856
<b>Total comprehensive income for the period</b>	-	-	-	22,259	5,856	5,856	28,115
<b>Balance as at 31 March 2016</b>	302,687	41,651	17,500	124,733	12,111	12,111	498,682
<b>Balance as at 1 January 2017</b>	302,687	41,651	23,000	181,119	18,572	18,572	567,029
Profit for the period	-	-	-	23,405	-	-	23,405
Other comprehensive income for the period	-	-	-	-	(8,544)	(8,544)	(8,544)
<b>Total comprehensive income for the period</b>	-	-	-	23,405	(8,544)	(8,544)	14,861
<b>Balance as at 31 March 2017</b>	302,687	41,651	23,000	204,524	10,028	10,028	581,890
	-	-	-	-	-	-	-

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

**Gratitude Infinite Public Company Limited and its subsidiaries**

**Notes to interim consolidated financial statements**

**For the three-month period ended 31 March 2017**

**1. General information**

**1.1 Corporate general information**

Gratitude Infinite Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Union Petrochemical Public Company Limited, which is a public company incorporated in Thailand. The Company is principally engaged in the supply and distribution of chemical products. Its registered office is located at No.9/8 Moo 5, Salathammasop sub-district, Taweewattana district, Bangkok.

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

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2016) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, 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**

The interim consolidated financial statements included the financial statements of Gratitude Infinite Public Company Limited and its subsidiaries. They have been prepared on the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2016.

## 1.4 New financial reporting standards

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. 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 and its subsidiaries' financial statements.

## 1.5 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 2016.

## 2. Related party transactions

During the period, 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 those related parties.

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	
<b><u>Transaction with subsidiary</u></b>					
(eliminated from the consolidated financial statements)					
Purchases of finished goods	-	-	-	125	Mutual agreed
Manufacturing service	-	-	2,015	177	Mutual agreed
<b><u>Transactions with parent company</u></b>					
Purchases of finished goods	3,704	4,031	3,704	4,031	Similar to market price
Rental expenses	120	120	120	120	Contract price
Transportation expenses	-	12	-	12	Contract price
Purchases of assets	-	154	-	154	Similar to market price

(Unaudited but reviewed)

As at 31 March 2017 and 31 December 2016, the significant balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2017	2016	2017	2016
		(Audited)		(Audited)
<u>Trade payables - related parties</u> (Note 10)				
Subsidiary				
Lavish Laboratory Company Limited	-	-	785	1,608
Parent company				
Union Petrochemical Public Company Limited	4,836	1,875	4,836	1,875
Related company				
Lion Asia (Thailand) Company Limited	-	-	-	-
<b>Total trade payables - related parties</b>	<b>4,836</b>	<b>1,875</b>	<b>5,621</b>	<b>3,483</b>
<u>Other payables - related parties</u> (Note 10)				
Parent company				
Union Petrochemical Public Company Limited	40	40	40	40
Directors	47	120	47	120
<b>Total other payables - related parties</b>	<b>87</b>	<b>160</b>	<b>87</b>	<b>160</b>

### **Directors and management's benefits**

During the three-month periods ended 31 March 2017 and 2016, the Company had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Short-term employee benefits	3,521	2,744	3,295	2,558
Post-employment benefits	168	109	168	109
<b>Total</b>	<b>3,689</b>	<b>2,853</b>	<b>3,463</b>	<b>2,667</b>

(Unaudited but reviewed)

### 3. Trade receivables

The outstanding balances of trade receivables as at 31 March 2017 and 31 December 2016 are aged, based on due date, as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2017	2016	2017	2016
		(Audited)		(Audited)
<u>Trade receivables - related parties</u>				
Not yet due	-	-	2	8
Past due				
Up to 3 months	-	-	9	5
Total trade receivables - related parties	-	-	11	13
 <u>Trade receivable - unrelated parties</u>				
Not yet due	139,443	117,115	139,437	117,112
Past due				
Up to 3 months	54,422	61,943	54,408	61,925
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	166	166	166	166
Total	194,031	179,224	194,011	179,203
Less: Allowance for doubtful accounts	(166)	(166)	(166)	(166)
Total trade receivable - unrelated parties, net	193,865	179,058	193,845	179,037
Total trade receivable - net	193,865	179,058	193,856	179,050

### 4. Reduction of cost of inventories to net realisable value

Movements in the reduction of cost of inventories to net realisable value account during the three-month period ended 31 March 2017 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
<b>Balance as at 1 January 2017</b>	527	527
Less: Decrease during the period	(85)	(85)
<b>Balance as at 31 March 2017</b>	442	442

(Unaudited but reviewed)

## 5. Available-for-sale investments

As at 31 March 2017 and 31 December 2016, the balance of investment in available-for-sale investments are as follows:

(Unit: Thousand Baht)

Type of investments	Consolidated financial statements/Separate financial statements					
	Cost		Unrealised gain on		Carrying amount	
			changes in value of investment			
	31 March 2017	31 December 2016	31 March 2017	31 December 2016	31 March 2017	31 December 2016
Available-for-sale securities	83,639	90,683	12,535	23,214	96,174	113,897
Total	83,639	90,683	12,535	23,214	96,174	113,897

Available-for-sale investment are stated at fair value using inputs of Level 1 which is use of quoted market prices in an observable active market for such assets or liabilities. Such fair value of Available-for-sale investment has been determined by using the last bid price of the last working day of the period from the Stock Exchange of Thailand.

During the three-month periods ended 31 March 2017 and 2016, the movement of available-for-sale investments is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements / Separate financial statements	
	<u>2017</u>	<u>2016</u>
Book value as at 1 January - net	113,897	73,264
Acquisition during the period	-	5,191
Disposal during the period	(7,043)	-
Unrealised gain on changes in value of available-for-sale securities	(10,680)	7,320
Book value as at 31 March - net	96,174	85,775



(Unaudited but reviewed)

During the three-month periods ended 31 March 2017 and 2016, the Company has realised gain on available-for-sale investments and unrealised gain (loss) on changes in value of available-for-sale investments as follow:

(Unit: Thousand Baht)

	Consolidated financial statements / Separate financial statements	
	For the three-month periods ended 31 March	
	<u>2017</u>	<u>2016</u>
Realised gain on available-for-sale investments	4,657	-
Unrealised gain (loss) on changes in value of available-for-sale investments	(10,680)	7,320

## 6. Investment in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Carrying amounts based on cost method	
	31 March	31 December	31 March	31 December	31 March	31 December
	2017	2016	2017	2016	2017	2016
			(percent)	(percent)		(Audited)
Lavish Laboratory Company Limited	33,000	33,000	99.99	99.99	32,800	32,800
Ligit Company Limited	5,000	5,000	99.99	99.99	4,999	4,999
Total investment in subsidiaries					<u>37,799</u>	<u>37,799</u>

## 7. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2017 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2017</b>	114,219	98,936
Acquisitions during period - at cost	66,870	66,795
Depreciation for the period	(2,332)	(1,893)
<b>Net book value as at 31 March 2017</b>	<u>178,757</u>	<u>163,838</u>

(Unaudited but reviewed)

As at 31 March 2017, the Company has vehicle under hire purchase agreements with net book value amounting to approximately Baht 6.2 million (31 December 2016: approximately Baht 6.5 million).

## 8. Intangible assets

Intangible assets comprised licenses. The net book value of intangible assets during the three-month period ended 31 March 2017 in the consolidated financial statement is presented below.

	(Unit: Thousand Baht)
	Consolidated financial statements
<b>Net book value as at 1 January 2017</b>	3,254
Less: Accumulated amortisation	(105)
<b>Net book value as at 31 March 2017</b>	<u>3,149</u>

## 9. Trust receipts

		(Unit: Thousand Baht)					
		Consolidated				Separate	
		financial statements		financial statements		financial statements	
Interest rate		31 March	31 December	31 March	31 December	31 March	31 December
		2017	2016	2017	2016	2017	2016
		(percent per annum)		(Audited)		(Audited)	
Trust receipts	Market rate plus / minus stipulated margin	Market rate plus / minus stipulated margin		183,563	194,055	183,563	194,055
Total				<u>183,563</u>	<u>194,055</u>	<u>183,563</u>	<u>194,055</u>

As at 31 March 2017, the non-secured short-term credit facilities of the Company which have not yet been drawn down amounted to approximately Baht 975 million (31 December 2016: Baht 969 million).

(Unaudited but reviewed)

## 10. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2017	2016	2017	2016
		(Audited)		(Audited)
Trade payables - related parties (Note 2)	4,836	1,875	5,621	3,483
Trade payables - unrelated parties	44,830	43,389	44,303	43,283
Other payables - related parties (Note 2)	87	160	87	160
Other payables - unrelated parties	858	1,224	782	1,069
Accrued expenses	5,553	10,522	5,380	10,378
Total trade and other payables	<u>56,164</u>	<u>57,170</u>	<u>56,173</u>	<u>58,373</u>

## 11. Provision for long-term employee benefits

Movements of the provision for long-term employee benefits account during the three-month period ended 31 March 2017 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
<b>Balance as at 1 January 2017</b>	7,485	7,485
Add: Addition during the period	<u>311</u>	<u>311</u>
<b>Balance as at 31 March 2017</b>	<u>7,796</u>	<u>7,796</u>

## 12. 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.

(Unaudited but reviewed)

Income tax expenses for the three-month periods ended 31 March 2017 and 2016 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	6,078	6,325	6,078	6,325
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	<u>(45)</u>	<u>(4)</u>	<u>(45)</u>	<u>(4)</u>
<b>Income tax expense reported in the statements of comprehensive income</b>	<u>6,033</u>	<u>6,321</u>	<u>6,033</u>	<u>6,321</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2017 and 2016 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Deferred tax relating to gain (loss) on revaluation of available-for-sale investments	<u>(2,136)</u>	<u>1,464</u>	<u>(2,136)</u>	<u>1,464</u>
Total	<u>(2,136)</u>	<u>1,464</u>	<u>(2,136)</u>	<u>1,464</u>

### 13. Warrants

The Company issued and offered 151,341,563 of transferable warrants with registered holders to the existing shareholders free of charge, in a ratio of 1 warrant for every 2 existing shares. These warrants can be exercised for a period of 3 years from the issue date (30 April 2015) with an exercise ratio of 1 warrant per 1 ordinary share and an exercise price of Baht 2 per share. Warrant holders can exercise the warrants on the last working day of October and April in each calendar year until the maturity date, with the first exercise date on 30 October 2015 and the last exercise date on 29 April 2018. During the current period, no warrants have been exercised.

In April 2017, 17,462,305 units of warrant have been exercised.

**14. 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.

Diluted 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 plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic and diluted earnings per share:

Consolidated financial statements						
For the three-month periods ended 31 March						
Profit for the period		Weighted average number of ordinary shares		Earnings per share		
<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	<u>22,863</u>	<u>21,575</u>	302,687	302,687	<u>0.08</u>	<u>0.07</u>
<b>Effect of dilutive potential ordinary shares</b>						
Warrants (GIFT-W1)			<u>101,489</u>	<u>58,469</u>		
<b>Diluted earnings per share</b>						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>22,863</u>	<u>21,575</u>	<u>404,176</u>	<u>361,156</u>	<u>0.06</u>	<u>0.06</u>

(Unaudited but reviewed)

	Separate financial statements					
	For the three-month periods ended 31 March					
	Profit for the period		Weighted average number of ordinary shares		Earnings per share	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	<u>23,405</u>	<u>22,259</u>	302,687	302,687	<u>0.08</u>	<u>0.07</u>
<b>Effect of dilutive potential ordinary shares</b>						
Warrants (GIFT-W1)			<u>101,489</u>	<u>58,469</u>		
<b>Diluted earnings per share</b>						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares	<u>23,405</u>	<u>22,259</u>	<u>404,176</u>	<u>361,156</u>	<u>0.06</u>	<u>0.06</u>

## 15. Segment information

The Company is principally engaged in the supply and distribution of chemical products. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

## 16. Commitments and contingent liabilities

### 16.1 Operating lease commitments

The Company has entered into several lease agreements in respect of the lease of warehouse and service agreements. The terms of the agreements are between 1 and 3 years. As at 31 March 2017, future minimum lease payments required under these operating leases contracts and service agreements were as follows.

	(Unit: Million Baht)	
	Consolidated financial statements/ Separate financial statements	
	<u>31 March 2017</u>	<u>31 December 2016</u>
Payable within:		
In up to 1 year	3	3

**16.2 Bank guarantees**

As at 31 March 2017, there were outstanding bank guarantees of Baht 11 million (31 December 2016: Baht 11 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of its business. These letters of guarantee are to guarantee payments due to creditors.

**17. Foreign currency risk**

As at 31 March 2017, the balances of financial assets and financial liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets (Million)	Financial liabilities (Million)	Average exchange rate
			as at 31 March 2017 (Baht per 1 foreign currency unit)
US dollar	0.1	0.6	34.4097
Euro	-	0.1	36.7398

As at 31 March 2017, the outstanding of forward exchange contracts of the Company are summarised below.

Foreign currency	Bought amount (Million)	Contractual exchange rate	Contractual maturity date
		Bought (Baht per 1 foreign currency unit)	
US dollar	0.6	34.4829 - 35.8403	April 2017 - September 2017
Euro	0.1	37.1600 - 37.4400	April 2017 - June 2017

**18. Fair value of financial instruments**

The Company uses the market approach to measure their assets and liabilities 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 endeavors 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:

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

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

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

(Unaudited but reviewed)

As of 31 March 2017, the Company had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated/Separate Financial Statements			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Available-for-sale investments (Note 5)	96.2	-	-	96.2
<b>Liabilities disclosed at fair value</b>				
Foreign currency forward contracts	-	0.4	-	0.4

During the current period, there were no transfers within the fair value hierarchy.

#### **19. Events after the reporting period**

On 18 April 2017, the Annual General Meeting of the Company's shareholders for the year 2017 approved to pay a dividend of Baht 0.135 per share, or a total of Baht 40.86 million. Such dividend will be paid and recorded in May 2017.

#### **20. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 May 2017.