

**SIAMGAS AND PETROCHEMICALS PUBLIC  
COMPANY LIMITED**

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

**30 JUNE 2018**

## **AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION**

To the Shareholders and the Board of Directors of Siamgas and Petrochemicals Public Company Limited

I have reviewed the interim consolidated financial information of Siamgas and Petrochemicals Public Company Limited and its subsidiaries, and the interim separate financial information of Siamgas and Petrochemicals Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 June 2018, and the related consolidated and separate statements of income and comprehensive income for the three-month and six-month periods then ended, the related consolidated and separate statements of changes in equity, and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

### **Scope of review**

I conducted my review in accordance with the 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 consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

**Amornrat Pearmpoonvatanasuk**  
Certified Public Accountant (Thailand) No. 4599  
Bangkok  
7 August 2018

Siamgas and Petrochemicals Public Company Limited

Statement of Financial Position

As at 30 June 2018

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 June 2018 Baht'000	Audited 31 December 2017 Baht'000	Unaudited 30 June 2018 Baht'000	Audited 31 December 2017 Baht'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		2,026,496	2,590,205	201,209	301,443
Short-term investments	6	99,695	99,393	99,695	99,393
Trade and other receivables, net	7	4,941,315	4,061,755	1,086,429	1,152,811
Inventories, net	8	4,935,609	4,069,918	887,419	888,017
Other current assets	9	413,538	375,795	94,174	71,245
<b>Total current assets</b>		<b>12,416,653</b>	<b>11,197,066</b>	<b>2,368,926</b>	<b>2,512,909</b>
<b>Non-current assets</b>					
Investments in subsidiaries, net	10	-	-	10,158,807	9,593,797
Investments in associates	10	2,054,419	1,640,924	-	-
Investments in joint ventures	10	102,652	107,774	23,578	23,578
Long-term loans to related parties	23	21,003	20,757	1,129,021	1,203,266
Property, plant and equipment, net	11	15,857,200	15,645,860	5,239,260	5,058,408
Investment property, net	12	607,396	-	591,850	-
Goodwill, net		1,516,111	1,516,111	-	-
Intangible assets, net	11	91,889	108,206	3,306	3,692
Deferred tax assets, net		126,685	151,017	-	-
Other non-current assets	13	984,785	1,070,257	460,074	548,507
<b>Total non-current assets</b>		<b>21,362,140</b>	<b>20,260,906</b>	<b>17,605,896</b>	<b>16,431,248</b>
<b>Total assets</b>		<b>33,778,793</b>	<b>31,457,972</b>	<b>19,974,822</b>	<b>18,944,157</b>

Director \_\_\_\_\_ Director \_\_\_\_\_

The condensed notes to the interim financial information on pages 14 to 44 are an integral part of this interim financial information.

**Siamgas and Petrochemicals Public Company Limited**

**Statement of Financial Position**

**As at 30 June 2018**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 June 2018 Baht'000	Audited 31 December 2017 Baht'000	Unaudited 30 June 2018 Baht'000	Audited 31 December 2017 Baht'000
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Short-term borrowings					
from financial institutions, net	14	2,736,146	1,500,520	1,432,675	1,232,537
Trade and other payables	15	5,432,834	3,987,757	1,118,705	814,891
Current portion of long-term loans					
from financial institutions, net	16	560,836	583,453	154,821	145,993
Current portion of bonds, net	17	2,998,719	1,999,882	2,998,719	1,999,882
Accrued income tax		193,973	244,597	-	-
Other current liabilities		53,789	88,434	3,472	6,123
<b>Total current liabilities</b>		<b>11,976,297</b>	<b>8,404,643</b>	<b>5,708,392</b>	<b>4,199,426</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions, net	16	1,192,069	1,452,830	637,341	704,929
Bonds, net	17	3,987,456	4,994,680	3,987,456	4,994,680
Long-term loans from related parties	23	3,000	3,000	931,902	690,000
Cylinder deposits		4,927,566	4,744,881	1,022,000	976,351
Employee benefit obligations		159,267	155,883	58,767	55,691
Deferred tax liabilities, net		370,113	377,069	73,878	91,129
Other non-current liabilities		32,023	16,547	2,485	3,468
<b>Total non-current liabilities</b>		<b>10,671,494</b>	<b>11,744,890</b>	<b>6,713,829</b>	<b>7,516,248</b>
<b>Total liabilities</b>		<b>22,647,791</b>	<b>20,149,533</b>	<b>12,422,221</b>	<b>11,715,674</b>

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**Siamgas and Petrochemicals Public Company Limited**

**Statement of Financial Position**

**As at 30 June 2018**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 June 2018 Baht'000	Audited 31 December 2017 Baht'000	Unaudited 30 June 2018 Baht'000	Audited 31 December 2017 Baht'000
<b>Liabilities and equity (continued)</b>					
<b>Equity</b>					
Share capital					
Authorised share capital					
1,837,863,000 ordinary shares with a par value of Baht 0.50 each (As at 31 December 2017 : 918,931,500 ordinary shares with a par value of Baht 1 each)					
19		918,932	918,932	918,932	918,932
Issued and paid-up share capital					
1,837,863,000 ordinary shares, fully paid-up of Baht 0.50 each (As at 31 December 2017 : 918,931,500 ordinary shares, fully paid-up of Baht 1 each)					
19		918,932	918,932	918,932	918,932
Premium on share capital					
		1,874,482	1,874,482	1,874,482	1,874,482
Retained earnings					
Appropriated					
- Legal reserve					
		162,089	162,089	162,089	162,089
- Other reserves					
		21,823	-	-	-
Unappropriated					
		8,155,297	8,229,199	4,449,308	4,124,820
Other components of equity					
22		(190,272)	(45,724)	147,790	148,160
<b>Equity attributable to owners of the parent</b>		10,942,351	11,138,978	7,552,601	7,228,483
Non-controlling interests		188,651	169,461	-	-
<b>Total equity</b>		11,131,002	11,308,439	7,552,601	7,228,483
<b>Total liabilities and equity</b>		33,778,793	31,457,972	19,974,822	18,944,157

The condensed notes to the interim financial information on pages 14 to 44 are an integral part of this interim financial information.

**Siamgas and Petrochemicals Public Company Limited**

**Statement of Income**

**For the three-month period ended 30 June 2018**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 2018	Unaudited 2017	Unaudited 2018	Unaudited 2017
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Revenues</b>					
Revenue from sales		15,921,136	13,275,944	2,564,370	2,594,122
Revenue from transportation		60,265	93,799	-	-
Revenue from services		701	2,585	37,954	29,526
<b>Total revenues</b>		<b>15,982,102</b>	<b>13,372,328</b>	<b>2,602,324</b>	<b>2,623,648</b>
Cost of sales and services		(14,879,542)	(12,987,135)	(2,443,690)	(2,581,287)
Cost of transportation		(47,959)	(94,283)	-	-
<b>Total cost of sales, services and transportation</b>		<b>(14,927,501)</b>	<b>(13,081,418)</b>	<b>(2,443,690)</b>	<b>(2,581,287)</b>
<b>Gross profit</b>		<b>1,054,601</b>	<b>290,910</b>	<b>158,634</b>	<b>42,361</b>
Dividend income		900	-	387,883	330,135
Other income		203,068	154,425	4,228	78,738
<b>Profit before expenses</b>		<b>1,258,569</b>	<b>445,335</b>	<b>550,745</b>	<b>451,234</b>
Selling expenses		(42,575)	(46,664)	(11,624)	(11,515)
Administrative expenses		(299,127)	(292,657)	(127,398)	(86,116)
<b>Total expenses</b>		<b>(341,702)</b>	<b>(339,321)</b>	<b>(139,022)</b>	<b>(97,631)</b>
Share of profit from associates and joint ventures	10	76,783	18,847	-	-
<b>Profit before finance costs and income tax</b>		<b>993,650</b>	<b>124,861</b>	<b>411,723</b>	<b>353,603</b>
Finance costs		(109,683)	(102,728)	(88,986)	(92,440)
<b>Profit before income tax</b>		<b>883,967</b>	<b>22,133</b>	<b>322,737</b>	<b>261,163</b>
Income tax revenue (expenses)	18	(107,771)	(93,013)	10,864	11,714
<b>Net profit (loss) for the period</b>		<b>776,196</b>	<b>(70,880)</b>	<b>333,601</b>	<b>272,877</b>
<b>Profit (loss) attributable to:</b>					
Owners of the parent		765,711	(66,067)	333,601	272,877
Non-controlling interests		10,485	(4,813)	-	-
<b>Net profit (loss) for the period</b>		<b>776,196</b>	<b>(70,880)</b>	<b>333,601</b>	<b>272,877</b>
<b>Earnings (loss) per share for profit (loss) attributable to the owners of the parent</b>					
Basic earnings (loss) per share (Baht)	20	0.42	(0.04)	0.18	0.15

The condensed notes to the interim financial information on pages 14 to 44 are an integral part of this interim financial information.

**Siamgas and Petrochemicals Public Company Limited**  
**Statement of Comprehensive Income**  
**For the three-month period ended 30 June 2018**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial information</b>		<b>financial information</b>	
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Net profit (loss) for the period	776,196	(70,880)	333,601	272,877
Other comprehensive income (expense), net of tax				
Items that will not be reclassified to profit or loss				
- Reversal of revaluation surplus on land	(463)	-	(463)	-
<u>Less</u> Income tax related to revaluation surplus on land	93	-	93	-
Items that will be reclassified subsequently to profit or loss				
- Share of other comprehensive income (expense) from associates and joint ventures accounted for using the equity method	(492)	143	-	-
- Currency translation difference	124,093	(175)	-	-
Total other comprehensive income (expense)	123,231	(32)	(370)	-
<b>Total comprehensive income (expense) for the period, net of tax</b>	<b>899,427</b>	<b>(70,912)</b>	<b>333,231</b>	<b>272,877</b>
<b>Total comprehensive income (expense) attributable to:</b>				
Owners of the parent	885,231	(69,293)	333,231	272,877
Non-controlling interests	14,196	(1,619)	-	-
<b>Total comprehensive income (expense) for the period</b>	<b>899,427</b>	<b>(70,912)</b>	<b>333,231</b>	<b>272,877</b>

The condensed notes to the interim financial information on pages 14 to 44 are an integral part of this interim financial information.

Siamgas and Petrochemicals Public Company Limited

Statement of Income

For the six-month period ended 30 June 2018

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 2018	Unaudited 2017	Unaudited 2018	Unaudited 2017
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Revenues</b>					
Revenue from sales		31,446,930	27,477,858	5,133,607	4,866,029
Revenue from transportation		125,936	227,957	-	-
Revenue from services		3,021	7,518	79,160	58,642
<b>Total revenues</b>		<b>31,575,887</b>	<b>27,713,333</b>	<b>5,212,767</b>	<b>4,924,671</b>
Cost of sales and services		(29,952,882)	(25,553,010)	(5,029,922)	(4,769,273)
Cost of transportation		(99,566)	(226,234)	-	-
<b>Total cost of sales, services and transportation</b>		<b>(30,052,448)</b>	<b>(25,779,244)</b>	<b>(5,029,922)</b>	<b>(4,769,273)</b>
<b>Gross profit</b>		<b>1,523,439</b>	<b>1,934,089</b>	<b>182,845</b>	<b>155,398</b>
Dividend income		1,800	-	1,345,476	330,135
Other income		352,419	245,673	135,398	134,154
<b>Profit before expenses</b>		<b>1,877,658</b>	<b>2,179,762</b>	<b>1,663,719</b>	<b>619,687</b>
Selling expenses		(89,161)	(99,332)	(22,996)	(24,850)
Administrative expenses		(590,868)	(568,189)	(237,883)	(182,946)
<b>Total expenses</b>		<b>(680,029)</b>	<b>(667,521)</b>	<b>(260,879)</b>	<b>(207,796)</b>
Share of profit from associates and joint ventures	10	106,659	24,189	-	-
<b>Profit before finance costs and income tax</b>		<b>1,304,288</b>	<b>1,536,430</b>	<b>1,402,840</b>	<b>411,891</b>
Finance costs		(216,713)	(215,438)	(177,043)	(183,654)
<b>Profit before income tax</b>		<b>1,087,575</b>	<b>1,320,992</b>	<b>1,225,797</b>	<b>228,237</b>
Income tax revenue (expenses)	18	(206,521)	(242,095)	17,251	16,205
<b>Net profit for the period</b>		<b>881,054</b>	<b>1,078,897</b>	<b>1,243,048</b>	<b>244,442</b>
<b>Profit attributable to:</b>					
Owners of the parent		866,481	1,077,116	1,243,048	244,442
Non-controlling interests		14,573	1,781	-	-
<b>Net profit for the period</b>		<b>881,054</b>	<b>1,078,897</b>	<b>1,243,048</b>	<b>244,442</b>
<b>Earnings per share for profit</b>					
<b>attributable to the owners of the parent</b>					
Basic earnings per share (Baht)	20	0.47	0.59	0.68	0.13

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**Siamgas and Petrochemicals Public Company Limited**  
**Statement of Comprehensive Income**  
**For the six-month period ended 30 June 2018**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial information</b>		<b>financial information</b>	
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
Net profit for the period	881,054	1,078,897	1,243,048	244,442
Other comprehensive income (expense), net of tax				
Items that will not be reclassified to profit or loss				
- Reversal of revaluation surplus on land	(463)	-	(463)	-
<u>Less</u> Income tax related to revaluation surplus on land	93	-	93	-
Items that will be reclassified subsequently to profit or loss				
- Share of other comprehensive expense from associates and joint ventures for accounted using the equity method	(7,415)	(8,152)	-	-
- Currency translation difference	(132,154)	(391,633)	-	-
Total other comprehensive income (expense)	(139,939)	(399,785)	(370)	-
<b>Total comprehensive income for the period, net of tax</b>	<b>741,115</b>	<b>679,112</b>	<b>1,242,678</b>	<b>244,442</b>
<b>Total comprehensive income (expense) attributable to:</b>				
Owners of the parent	721,933	680,848	1,242,678	244,442
Non-controlling interests	19,182	(1,736)	-	-
<b>Total comprehensive income for the period</b>	<b>741,115</b>	<b>679,112</b>	<b>1,242,678</b>	<b>244,442</b>

The condensed notes to the interim financial information on pages 14 to 44 are an integral part of this interim financial information.

Siamgas and Petrochemicals Public Company Limited

Statement of Changes in Equity

For the six-month period ended 30 June 2018

	Consolidated financial information (Unaudited)							
	Attributable to equity holders of the parent					Other components of equity	Non-controlling interests	Total equity
	Issued and paid-up share capital	Premium on share capital	Retained earnings					
			Legal reserve	Other reserves	Unappropriated			
Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	
						(Note 22)		
<b>Opening balance as at 1 January 2018</b>	918,932	1,874,482	162,089	-	8,229,199	(45,724)	169,461	11,308,439
Dividends paid	-	-	-	-	(918,930)	-	(1,517)	(920,447)
Total comprehensive income (expense) for the period	-	-	-	-	866,851	(144,548)	19,182	741,485
Other reserves	-	-	-	21,823	(21,823)	-	-	-
Capital contributions by non-controlling interests of subsidiaries	-	-	-	-	-	-	1,525	1,525
<b>Closing balance as at 30 June 2018</b>	<b>918,932</b>	<b>1,874,482</b>	<b>162,089</b>	<b>21,823</b>	<b>8,155,297</b>	<b>(190,272)</b>	<b>188,651</b>	<b>11,131,002</b>
<b>Opening balance as at 1 January 2017</b>	918,932	1,874,482	162,089	-	6,199,187	521,802	123,364	9,799,856
Dividends paid	-	-	-	-	(321,625)	-	(8,344)	(329,969)
Total comprehensive income (expense) for the period	-	-	-	-	1,077,116	(396,268)	(1,736)	679,112
Disposal of investment in a subsidiary by not losing control	-	-	-	-	-	-	26,614	26,614
<b>Closing balance as at 30 June 2017</b>	<b>918,932</b>	<b>1,874,482</b>	<b>162,089</b>	<b>-</b>	<b>6,954,678</b>	<b>125,534</b>	<b>139,898</b>	<b>10,175,613</b>

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**Siamgas and Petrochemicals Public Company Limited**

**Statement of Changes in Equity**

**For the six-month period ended 30 June 2018**

	Separate financial information (Unaudited)					Total equity Baht'000
	Issued and paid-up share capital Baht'000	Premium on share capital Baht'000	Retained earnings		Other components of equity Baht'000 (Note 22)	
			Legal	Unappropriated		
			reserve	Baht'000		
Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	Baht'000	
<b>Opening balance as at 1 January 2018</b>	918,932	1,874,482	162,089	4,124,820	148,160	7,228,483
Dividends paid	-	-	-	(918,930)	-	(918,930)
Total comprehensive income (expense) for the period	-	-	-	1,243,418	(370)	1,243,048
<b>Closing balance as at 30 June 2018</b>	<u>918,932</u>	<u>1,874,482</u>	<u>162,089</u>	<u>4,449,308</u>	<u>147,790</u>	<u>7,552,601</u>
<b>Opening balance as at 1 January 2017</b>	918,932	1,874,482	162,089	4,260,848	148,160	7,364,511
Dividends paid	-	-	-	(321,625)	-	(321,625)
Total comprehensive income for the period	-	-	-	244,442	-	244,442
<b>Closing balance as at 30 June 2017</b>	<u>918,932</u>	<u>1,874,482</u>	<u>162,089</u>	<u>4,183,665</u>	<u>148,160</u>	<u>7,287,328</u>

The condensed notes to the interim financial information on pages 14 to 44 are an integral part of this interim financial information.

**Siamgas and Petrochemicals Public Company Limited**

**Statement of Cash Flows**

**For the six-month period ended 30 June 2018**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 2018	Unaudited 2017	Unaudited 2018	Unaudited 2017
		Baht'000	Baht'000	Baht'000	Baht'000
<b>Cash flows from operating activities</b>					
Profit before income tax		1,087,575	1,320,992	1,225,797	228,237
Adjustments to reconcile profit before income tax					
Depreciation expenses of buildings and equipment	11	538,256	619,407	57,663	57,712
Amortisation expenses of intangible assets and investment property		27,009	26,986	636	84
Gain on sales and write-offs of equipment, net		(34,890)	(3,003)	(32,860)	(775)
Gain on change in fair value of short-term investments	6	(302)	(2,699)	(302)	(2,699)
Loss from disposal of investment in a subsidiary		-	-	-	3,082
Share of profit from associates and joint ventures	10	(106,659)	(24,189)	-	-
Reversal of allowance for doubtful debts		(189)	(251)	-	-
Provision for diminution in value of inventories		14,862	20,921	-	-
Impairment charged on equipment		14,000	-	-	-
Dividends income from short-term investments		(1,800)	-	(1,800)	-
Dividends income from subsidiaries	21	-	-	(1,343,676)	(330,135)
Employee benefit expenses		8,565	6,771	3,244	2,868
Unrealised loss on exchange rates, net		31,496	1,697	41,567	6,895
Amortisation of deferred financing fees		-	4,628	-	4,173
Interest income		(8,350)	(8,578)	(18,833)	(29,677)
Finance costs		216,713	215,438	177,043	183,654
		1,786,286	2,178,120	108,479	123,419
Changes in operating assets and liabilities					
- Trade and other receivables		(921,984)	(619,144)	66,862	(239,225)
- Inventories		(923,233)	(832,407)	598	(262,304)
- Other current assets		(26,934)	15,173	(9,148)	(66,565)
- Other non-current assets		(106,324)	15,671	(42,403)	15,329
- Trade and other payables		1,381,831	(516,777)	305,387	(310,282)
- Other current liabilities		(35,110)	(31,435)	(2,652)	(6,883)
- Cylinder deposits		182,685	187,584	45,649	40,785
- Other non-current liabilities		15,197	(1,443)	(983)	1,123
- Employee benefits paid		(5,181)	(4,155)	(169)	(3,276)
Cash generated from (used in) operations		1,347,233	391,187	471,620	(707,879)
- Finance costs paid		(221,769)	(209,043)	(182,099)	(178,099)
- Income tax paid		(256,116)	(135,827)	(13,781)	(7,885)
<b>Net cash received from (used in) operating activities</b>		<b>869,348</b>	<b>46,317</b>	<b>275,740</b>	<b>(893,863)</b>

The condensed notes to the interim financial information on pages 14 to 44 are an integral part of this interim financial information.

**Siamgas and Petrochemicals Public Company Limited**

**Statement of Cash Flows**

**For the six-month period ended 30 June 2018**

	Notes	Consolidated		Separate	
		financial information		financial information	
		Unaudited 2018 Baht'000	Unaudited 2017 Baht'000	Unaudited 2018 Baht'000	Unaudited 2017 Baht'000
<b>Cash flows from investing activities</b>					
Proceeds from short-term investments, net		-	1,500	-	1,500
Proceeds from long-term loans to related parties	23	-	5,993	69,875	715,158
Payments for long-term loans to related parties	23	-	-	-	(305,000)
Advance payment for purchase of investments in joint ventures		(6,634)	-	-	-
Advance payment for purchase of investments in associates		(50,225)	-	-	(1,699)
Payment for acquisition of investments in associates	10	(240,526)	(816,984)	-	-
Payment for investments in subsidiaries	10	-	-	(565,010)	(843,924)
Proceeds from disposal of investment in a subsidiary		-	23,367	-	23,367
Purchases of property, plant and equipment		(596,370)	(410,722)	(91,530)	(56,259)
Advance payments for purchase of equipment		(61,971)	(126,206)	(60,404)	(108,151)
Purchases of investment property	12	(554,689)	-	(554,689)	-
Proceeds from disposals of property, plant and equipment		85,194	12,843	56,734	986
Purchases of intangible assets		(23)	-	-	-
Interest received		8,307	8,270	1,205	19,658
Dividends received from short-term investments		1,800	-	1,800	-
Dividends received from subsidiaries		-	-	1,343,676	330,135
<b>Net cash received from (used in) investing activities</b>		<b>(1,415,137)</b>	<b>(1,301,939)</b>	<b>201,657</b>	<b>(224,229)</b>
<b>Cash flows from financing activities</b>					
Proceeds from short-term borrowings					
from financial institutions, net		1,225,725	441,030	194,225	189,478
Proceeds from long-term loans from financial institutions, net	16	-	729,574	-	537,876
Repayments for long-term loans from financial institutions	16	(313,724)	(272,391)	(76,432)	(69,484)
Repayments for bond redemption	17	(2,000,000)	(1,300,000)	(2,000,000)	(1,300,000)
Proceeds from issue of bonds, net	17	1,988,983	1,995,690	1,988,983	1,995,690
Proceeds from subsidiaries of non-controlling interests		1,525	-	-	-
Dividends paid		(920,447)	(329,969)	(918,930)	(321,625)
Proceeds from long-term loans from related parties	23	-	-	614,468	350,000
Repayments for long-term loans from related parties	23	-	-	(380,000)	(338,777)
<b>Net cash received from (used in) financing activities</b>		<b>(17,938)</b>	<b>1,263,934</b>	<b>(577,686)</b>	<b>1,043,158</b>

The condensed notes to the interim financial information on pages 14 to 44 are an integral part of this interim financial information.

**Siamgas and Petrochemicals Public Company Limited**

**Statement of Cash Flows**

**For the six-month period ended 30 June 2018**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial information</b>		<b>financial information</b>	
	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>	<b>Unaudited</b>
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>	<b>Baht'000</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	(563,727)	8,312	(100,289)	(74,934)
Cash and cash equivalents at the beginning of the period	2,590,205	1,879,333	301,443	260,283
Exchange gain (loss) on cash and cash equivalents	18	(259)	55	32
<b>Cash and cash equivalents at the end of the period</b>	<b>2,026,496</b>	<b>1,887,386</b>	<b>201,209</b>	<b>185,381</b>
<b>Cash and cash equivalents are made up as follows:</b>				
- Cash on hand and deposits at financial institutions - maturities within three months	2,026,496	1,887,386	201,209	185,381
<b>Non-cash items</b>				
Payables for purchase of property, plant and equipment (included in other payables)	79,088	57,474	10,864	19,297
Advance payment for purchase of property, plant and equipment (included in other non-current assets)	208,449	-	208,449	-
Receivable from disposal of equipment (included in trade and other receivables)	-	1,153	41	12,551

The condensed notes to the interim financial information on pages 14 to 44 are an integral part of this interim financial information.

## **1 General information**

Siamgas and Petrochemicals Public Company Limited (“the Company”) is a public limited company that is listed on the Stock Exchange of Thailand and is incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

553 30<sup>th</sup> Floor, The Palladium Building, Ratchaprarop Road, Makkasan, Ratchathewi, Bangkok.

For reporting purposes, the Company and its subsidiaries are referred to as the “Group”.

The Group has main business in trading petroleum and petrochemical and transportation services by land and vessel.

This interim consolidated and separate financial information was authorised by the Board of Directors on 7 August 2018.

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

## **2 Accounting policies**

### **2.1 Basis of preparation of the interim financial information**

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 (revised 2017) “Interim Financial Reporting”. The primary financial information which is statement of financial position, the related statement of income, comprehensive income, changes in equity and cash flows, is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 (revised 2017), “Presentation of Financial Statements”. The notes to the financial information are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2017.

An English version of the interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2017.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

### **2.2 New financial reporting standard, revised financial reporting standards, revised accounting standards and related interpretations**

#### **2.2.1 Revised financial reporting standards and revised accounting standards are effective for annual periods beginning on or after 1 January 2018.**

Commencing from 1 January 2018, the Group adopted the revised financial reporting standards and the revised accounting standards which are effective for the periods beginning on and after 1 January 2018. There is no significant impact to the interim financial information being present from the adoption of those standards.

**2 Accounting policies** (continued)

**2.2 New financial reporting standard, revised financial reporting standards, revised accounting standards and related interpretations** (continued)

**2.2.2 New financial reporting standard is effective for annual periods beginning on or after 1 January 2019. The Group has not yet adopted this standard.**

TFRS 15 Revenue from contracts with customers

TFRS 15 provide the requirements for the recognition of revenue. This standard will replace the following standards and interpretations:

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

The new financial reporting standard is based on the principle that

- revenue is recognised when control of a goods or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards
- an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The Group recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

The Group will have a choice to apply this standard retrospectively in accordance with TAS 8 (revised 2017) "Accounting Policies, Changes in Accounting Estimates and Errors", subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures. The Group will first apply this standard for annual reporting periods beginning on 1 January 2019. Management is currently assessing the impact from initial application of this standard in detail.

**2.3 Additional accounting policies**

**2.3.1 Other reserves**

Other reserves of the Group comprise of the reserves of subsidiaries in the People's Republic of China. These reserves are in accordance with the regulation of a government unit in the People's Republic of China with the objective of safety.

**2.3.2 Investment property**

Property that is held to earn rentals or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

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

**2 Accounting policies** (continued)

**2.3 Additional accounting policies** (continued)

**2.3.2 Investment property** (continued)

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses (if any).

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

Buildings	20 - 30 years
Equipment	5 - 20 years

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

**3 Estimates**

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2017.

**Siamgas and Petrochemicals Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2018**

**4 Segment information**

Segment information is presented in respect of the Group's operating segments which are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The operating segments of the Group are as follows:

Petroleum and petrochemical products : Petroleum trading for household cooking, industry and transportation businesses, and petrochemical trading;  
 Transportation services : Transportation services by land and vessel;  
 Other segment : Cylinder manufacturing

For the six-month period ended 30 June 2018	Consolidated financial information				
	Petroleum and petrochemical products Million Baht	Transportation services Million Baht	Other business segment Million Baht	Elimination entries Million Baht	Total Million Baht
Revenues from sales and services	45,936	1,130	127	(15,617)	31,576
Cost of goods sold and services	(44,787)	(906)	(111)	15,751	(30,053)
Gross profit	1,149	224	16	134	1,523
Other income	271	95	7	(19)	354
Profit before operating expenses	1,420	319	23	115	1,877
Unallocated expenses					(1,103)
Share of profit from associates and joint ventures					107
Net profit for the period					881

For the six-month period ended 30 June 2017	Consolidated financial information				
	Petroleum and petrochemical products Million Baht	Transportation services Million Baht	Other business segment Million Baht	Elimination entries Million Baht	Total Million Baht
Revenues from sales and services	38,512	1,043	91	(11,933)	27,713
Cost of goods sold and services	(36,798)	(1,039)	(78)	12,136	(25,779)
Gross profit	1,714	4	13	203	1,934
Other income	315	21	11	(101)	246
Profit before operating expenses	2,029	25	24	102	2,180
Unallocated expenses					(1,125)
Share of profit from associates and joint ventures					24
Net profit for the period					1,079

**4 Segment information** (continued)

**Geographical information**

In presenting geographical information, revenues are based on the geographical location of control in operation management and non-current assets are based on the geographical location of the assets.

<b>For the six-month period ended 30 June</b>	<b>Consolidated financial information</b>	
	<b>Revenues from sales and services</b>	
	<b>2018</b>	<b>2017</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Domestic	10,542	10,646
Overseas	21,034	17,067
<b>Total</b>	<b>31,576</b>	<b>27,713</b>

  

<b>As at</b>	<b>Consolidated financial information</b>	
	<b>Non-current assets</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2018</b>	<b>2017</b>
	<b>Million Baht</b>	<b>Million Baht</b>
Domestic	11,503	11,280
Overseas	4,354	4,366
<b>Total</b>	<b>15,857</b>	<b>15,646</b>

For the six-month period ended 30 June 2018 and 2017, the Group did not have any major customer who generates revenue more than 10% of total revenue.

**5 Fair value**

As at 30 June 2018, financial assets that are measured at fair value in the interim consolidated and separate financial information are as follows:

	<b>Consolidated and Separate financial information</b>			
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Financial assets at fair value through profit or loss</b>				
Short-term investments	99	-	-	99

The fair value of short-term investments are based on net asset value of individual mutual fund as at end of period using quoted prices (unadjusted) in active markets for identical assets. The fair values are within level 1 of the fair value hierarchy.

During the period, there were no transfers between levels 1 and 2 of the fair value hierarchy. In addition, there were no any changes in valuation techniques during the period.

**6 Short-term investments**

Short-term investments comprise trading investments in units of mutual funds. The purpose of these investments is to invest short-term excess cash to achieve a competitive rate of return with low risk.

The movements of short-term investments can be analysed as follows:

<b>For the six-month period ended 30 June 2018</b>	<b>Consolidated financial information Million Baht</b>	<b>Separate financial information Million Baht</b>
Opening amount	99	99
Additions	550	550
Redemptions	(550)	(550)
Closing amount	<u>99</u>	<u>99</u>

**7 Trade and other receivables, net**

<b>As at</b>	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>30 June 2018 Million Baht</b>	<b>31 December 2017 Million Baht</b>	<b>30 June 2018 Million Baht</b>	<b>31 December 2017 Million Baht</b>
Trade receivables	3,693	2,715	293	288
<u>Less</u> Allowance for doubtful accounts	(61)	(61)	(5)	(5)
Trade receivables, net	3,632	2,654	288	283
Trade receivables from related parties (Note 23)	18	59	135	207
Other receivables from related parties (Note 23)	-	-	93	98
Prepayments	235	151	49	35
Advance payments	107	119	1	1
Accrued income	1	22	1	-
Receivables on subsidies for liquefied petroleum gas from government	948	1,057	519	528
Other receivables	-	-	-	1
Total trade and other receivables, net	<u>4,941</u>	<u>4,062</u>	<u>1,086</u>	<u>1,153</u>

The age analysis of trade receivables is as follows:

<b>As at</b>	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>30 June 2018 Million Baht</b>	<b>31 December 2017 Million Baht</b>	<b>30 June 2018 Million Baht</b>	<b>31 December 2017 Million Baht</b>
<b>Trade receivables</b>				
Current	3,001	2,131	232	232
Overdue				
- less than 3 months	245	328	32	42
- 3 months to 12 months	372	179	21	5
- more than 12 months	75	77	8	9
Total	3,693	2,715	293	288
<u>Less</u> Allowance for doubtful accounts	(61)	(61)	(5)	(5)
Total trade receivables, net	<u>3,632</u>	<u>2,654</u>	<u>288</u>	<u>283</u>

**7 Trade and other receivables, net (continued)**

The age analysis of trade receivables from related parties is as follows:

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
<b>Trade receivables from related parties</b>				
Current	18	59	135	207
Total trade receivables from related parties	18	59	135	207

**8 Inventories, net**

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
Raw material	30	26	-	-
Work in progress	18	16	-	-
Finished goods				
- Petroleum products	4,123	3,688	874	874
- Petrochemical products	27	28	-	-
- Oil products	107	93	-	-
- Others	17	11	-	-
- Goods in transit	545	117	-	-
Supplies and other	97	104	13	14
Total	4,964	4,083	887	888
<u>Less</u> Allowance for diminution in value of inventories	(28)	(13)	-	-
Total inventories, net	4,936	4,070	887	888

According to regulations issued by the Ministry of Energy, the Group and the Company are required to reserve petroleum products and oil products at 1% and 1% of the total trading volume of petroleum products and oil products in Thailand in each period, respectively. As at 30 June 2018, the inventories included minimum mandatory reserve on petroleum products and oil products amounting to Baht 185 million in the consolidated financial information, and Baht 80 million in the separate financial information (31 December 2017: Baht 184 million and Baht 87 million, respectively), which were net of allowance for net realisable value.

**9 Other current assets**

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
VAT refundable	339	247	85	62
Corporate income tax refundable	7	16	-	-
Deposits for tariff customs	-	60	-	-
Others	68	53	9	9
Total other current assets	414	376	94	71

**Siamgas and Petrochemicals Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2018**

**10 Investments in subsidiaries, associates and joint ventures, net**

**10.1 Investments in subsidiaries, net**

The movement in investments in subsidiaries is as follows:

<b>For the six-month period ended 30 June 2018</b>	<b>Separate financial information Million Baht</b>
Opening balance, net	9,594
Acquisitions	565
Closing balance, net	<u>10,159</u>

Details of investments in subsidiaries are as follows:

	<b>Country of incorporation</b>	<b>% ownership interest</b>		<b>Type of business</b>
		<b>30 June 2018</b>	<b>31 December 2017</b>	
<b>Direct subsidiaries</b>				
Unique Gas and Petrochemicals Public Company Limited	Thailand	99.59	99.59	Petroleum and petrochemical product distribution
Lucky Carrier Company Limited	Thailand	99.99	99.99	Transportation and distribution
Siam Quality Steel Co., Ltd.	Thailand	99.99	99.99	Manufacturing and distribution of LPG cylinders
Siam Ethanol Exports Co., Ltd.	Thailand	70.00	70.00	Manufacturing of ethanol products (ceased its operation)
Siam Lucky Marine Co., Ltd.	Thailand	45.86	45.86	Transportation services
Siam Suksawat Co., Ltd.	Thailand	100.00	100.00	Transportation and discharge goods, petroleum product distribution
Siam LNG Ltd. <sup>(4)</sup>	Thailand	99.99	-	Petroleum product distribution
Siamgas Hongkong Co., Ltd.	Hongkong	100.00	100.00	Holding business
Super Gas Co., Ltd.	Vietnam	100.00	100.00	Petroleum product distribution
SingGas (LPG) Pte. Ltd.	Singapore	95.00	95.00	Petroleum product distribution
Siam Gas Trading Pte. Ltd.	Singapore	100.00	100.00	Petroleum product distribution
MyGaz Sdn. Bhd.	Malaysia	70.00	70.00	Petroleum product distribution
Siamgas Myanmar Consortium Pte. Ltd. <sup>(1)</sup>	Singapore	-	80.00	Holding business
Siam Gas Power Pte. Ltd. <sup>(2)</sup>	Singapore	100.00	100.00	Holding business
Siamgas Global Investment Pte. Ltd. <sup>(3)</sup>	Singapore	100.00	100.00	Holding business
Far East Petroleum Sdn. Bhd.	Malaysia	70.00	70.00	Petroleum product distribution, warehousing and storage service

**Siamgas and Petrochemicals Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2018**

**10 Investments in subsidiaries, associates and joint ventures, net** (continued)

**10.1 Investments in subsidiaries, net** (continued)

Details of investments in subsidiaries are as follows: (continued)

	Country of incorporation	% ownership interest		Type of business
		30 June 2018	31 December 2017	
<b>Indirect subsidiaries</b>				
Siam Lucky Marine Co., Ltd.	Thailand			Transportation services
Held by:				
- Unique Gas and Petrochemicals Public Company Limited		14.77	14.77	
- Lucky Carrier Company Limited		39.37	39.37	
Sino Siam Gas and Petrochemical Co., Ltd.	The People's Republic of China			Petroleum and petrochemical products distribution
Held by:				
- Siamgas Hongkong Co., Ltd.		100.00	100.00	
Siam Ocean Gas and Energy Co., Ltd.	The People's Republic of China			Petroleum and petrochemical products distribution
Held by:				
- Siamgas Hongkong Co., Ltd.		100.00	100.00	
Siamgas-J&J International Ltd.	Bangladesh			Petroleum and petrochemical products distribution
Held by:				
- Siamgas Global Investment Pte. Ltd.		80.00	80.00	
Siamgas Bangladesh Ltd.	Bangladesh			Petroleum and petrochemical products distribution
Held by:				
- Siamgas-J&J International Ltd.		99.90	99.90	
Pacific Gas Bangladesh Ltd. <sup>(5)</sup>	Bangladesh			Petroleum and petrochemical products distribution
Held by:				
- Siamgas Global Investment Pte. Ltd.		90.00	-	

**Siamgas and Petrochemicals Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2018**

**10 Investments in subsidiaries, associates and joint ventures, net (continued)**

**10.1 Investments in subsidiaries, net (continued)**

Details of investments in subsidiaries are as follows: (continued)

As at	Separate financial information	
	Cost Method	
	30 June 2018	31 December 2017
	Million Baht	Million Baht
Unique Gas and Petrochemicals Public Company Limited	2,105	2,105
Lucky Carrier Company Limited	70	70
Siam Quality Steel Co., Ltd.	70	70
Siam Ethanol Exports Co., Ltd.	280	280
Siam Lucky Marine Co., Ltd.	205	205
Siam Suksawat Co., Ltd.	100	100
Siam LNG Co., Ltd. <sup>(4)</sup>	250	-
Siamgas Hongkong Co., Ltd.	4,088	4,088
Super Gas Co., Ltd.	388	388
SingGas (LPG) Pte. Ltd.	427	427
Siam Gas Trading Pte. Ltd.	12	12
MyGaz Sdn. Bhd.	84	84
Siamgas Myanmar Consortium Pte. Ltd. <sup>(1)</sup>	-	-
Siam Gas Power Pte. Ltd. <sup>(2)</sup>	2,081	1,787
Siamgas Global Investment Pte. Ltd. <sup>(3) (5)</sup>	58	37
Far East Petroleum Sdn. Bhd.	62	62
Total investment in subsidiaries	10,280	9,715
<u>Less</u> Impairment charge	(121)	(121)
Investments in subsidiaries, net	10,159	9,594

Changes of investments in subsidiaries during the period are as follows:

- (1) On 18 October 2017, the Company's Board of Directors' meeting passed a resolution to approve the liquidation of Siamgas Myanmar Consortium Pte. Ltd. Such subsidiary completed a liquidation process on 5 February 2018.
- (2) During the six-month period ended 30 June 2018, Siam Gas Power Pte. Ltd. ("SPW"), incorporated in Singapore, registered an increase of its share capital of 9.26 million shares at par value of USD 1 each or approximately to Baht 293.74 million. The number of shares increased from 51.02 million shares to 60.28 million shares with a par value of USD 1 each. The Company has already paid the capital increase to SPW. As a result, the Company's ownership interest remains unchanged at 100%. The registration was completed during the period.
- (3) During the six-month period ended 30 June 2018, Siamgas Global Investment Pte. Ltd. ("SGI") entered into a joint venture agreement for trading of petroleum products in Bangladesh. SGI's ownership interest is 90% of registered and paid up capital. The source of fund is from the net working capital of the Group. On 22 February 2018, the Board of Directors' meeting of the Company passed a resolution to approve an increase in the share capital of SGI of 16.00 million shares at a par value of USD 1 each or approximately Baht 522.89 million. The number of shares increased from 1.10 million shares to 17.10 million shares with a par value of USD 1 each. The Company's ownership remains unchanged at 100%. As at 30 June 2018, SGI partially registered an increase of its share capital of 0.68 million shares or Baht 21.27 million. The remaining are still in the process.
- (4) On 3 May 2018, the Company established Siam LNG Co., Ltd., in Thailand with 10 million shares at par value of Baht 100, totalling Baht 1,000 million. The Company owns 99.99% of total shares. The Company partially paid for 10 million shares at Baht 25 per share, amounting to Baht 250 million. The business objective of the subsidiary is petroleum product distribution.
- (5) On 16 May 2018, Siamgas Global Investment Pte. Ltd., the subsidiary of the Company, established Pacific Gas Bangladesh Ltd. ("PGB"), in Bangladesh, with 400,000 shares at a par value of BDT 10,000 each. The business objective is petroleum product distribution in Bangladesh. The Group's ownership interest is 90.00% with paid-up capital of BDT 36 million or approximately Baht 13.7 million during the period.



**10 Investments in subsidiaries, associates and joint ventures, net** (continued)

**10.2 Investments in associates** (continued)

Changes of investments in associates during the period are as follows:

- (6) The Group's details of total purchase consideration and estimated fair value of net assets acquired based on proportion of investment at 30.00% of each associate which the Group acquired in May 2017 are as follows:

	<b>MSN International Limited Million Baht</b>	<b>Asiatech Energy Pte. Ltd. Million Baht</b>	<b>Myanmar Lighting (IPP) Co., Ltd. Million Baht</b>	<b>Total Million Baht</b>
Trade receivables	904	-	63	967
Other receivable from related party	35	-	-	35
Finance lease receivable	-	-	1,067	1,067
Right in power purchase agreement	-	-	1,330	1,330
Long-term loans to related party	-	1,377	-	1,377
Other payables to related party	-	(888)	-	(888)
Borrowings from financial institutions	-	(473)	-	(473)
Borrowings from related parties	(555)	-	(1,196)	(1,751)
Deferred income tax liabilities	-	-	(297)	(297)
Liabilities less other assets	(3)	(16)	(146)	(165)
Total fair value of net assets acquired	381	-	821	1,202
Goodwill (Presented as a part of investments in associates)	17	-	458	475
Total purchase consideration	398	-	1,279	1,677

During the six-month period ended 30 June 2018, the Group had completely measured the fair value of the identifiable assets acquired and liabilities assumed of three associates to comply with the measurement period for a business combination stated in TFRS 3 (Revised 2017) "Business combinations". The determination of fair value does not materially impact to the consolidated financial statements for the year ended 31 December 2017. The Group amortises the right in power purchase agreement by straight-line method over the remaining period of the power purchase agreement of MLIPP which is 27 years.

**10 Investments in subsidiaries, associates and joint ventures, net** (continued)

**10.2 Investments in associates** (continued)

Changes of investments in associates during the period are as follows: (continued)

- (7) In November 2017, SPW entered into a share purchase agreement for acquisition of additional investment in a combined cycle power plant in Myanmar. SPW has additionally purchased shares of three companies which are Myanmar Lighting (IPP) Co., Ltd. ("MLIPP"), MSN International Limited ("MSN") and Asiatech Energy Pte. Ltd. ("AEPL") in the same proportion of 6.1% of registered and paid up capital in each company, in order to increase the shares in the combined cycle power plant, with a total consideration of USD 9.76 million or equivalent to Baht 305.89 million. The funds come from the net working capital of the Group. SPW paid for shares capital to seller of USD 2 million or equivalent to Baht 65.36 million in November 2017 and paid for the remaining balance of USD 7.76 million or equivalent to Baht 240.53 million to seller in January 2018. As a result, SPW's ownership interest will be the portion of 36.10% of registered and paid-up shares and the transfer of shares was completed on 1 February 2018.

The details of investment and estimated fair value of net assets acquired based on proportion of investment at 6.10% of each associate are described below:

	<b>MSN International Limited Million Baht</b>	<b>Asiatech Energy Pte. Ltd. Million Baht</b>	<b>Myanmar Lighting (IPP) Co., Ltd. Million Baht</b>	<b>Total Million Baht</b>
Trade receivables	162	-	8	170
Finance lease receivable	-	-	225	225
Right in power purchase agreement	-	-	247	247
Long-term loans to related party	-	247	-	247
Other payables to related parties	-	(172)	(45)	(217)
Borrowings from financial institutions	-	(79)	-	(79)
Borrowings from related parties	(102)	-	(214)	(316)
Deferred income tax liabilities	-	-	(57)	(57)
Liabilities less other assets	-	4	4	8
Total fair value of net assets acquired	60	-	168	228
Goodwill (Presented as a part of investments in associates)	13	-	65	78
Total purchase consideration	73	-	233	306

During the six-month period ended 30 June 2018, the Group had completely measured the fair value of the identifiable assets acquired and liabilities assumed of three associates to comply with the measurement period for a business combination stated in TFRS 3 (Revised 2017) "Business combinations". The Group amortises the right in power purchase agreement by straight-line method over the remaining period of the power purchase agreement of MLIPP which is 26 years.

**10 Investments in subsidiaries, associates and joint ventures, net (continued)**

**10.3 Investments in joint ventures**

The movements in investments in joint ventures are as follows:

**For the six-month period ended 30 June 2018**

	<b>Consolidated financial information</b>	<b>Separate financial information</b>
	<b>Equity Method Million Baht</b>	<b>Cost Method Million Baht</b>
Opening balance	108	24
Acquisition	3	-
Share of loss	(7)	-
Currency translation differences	(1)	-
Closing balance	<b>103</b>	<b>24</b>

Details of investments in joint ventures are as follows:

	<b>Country of incorporation</b>	<b>% ownership interest</b>		<b>Type of business</b>
		<b>30 June 2018</b>	<b>31 December 2017</b>	
<b>Direct joint ventures</b>				
Citygas North Co., Ltd.	Vietnam	79.64	79.64	Petroleum products distribution
SG Gas Sdn. Bhd.	Malaysia	29.99	29.99	Petrochemical products distribution
Siam Nathalin Co., Ltd.	Thailand	50.00	50.00	Vessel transportation, food and beverage distribution
<b>Indirect joint ventures</b> (held by Siamgas Global Investment Pte. Ltd.)				
PT Siamindo Djojo Terminal	Indonesia	55.00	55.00	Petroleum product distribution
KMA Siam Limited <sup>(8)</sup>	Myanmar	65.00	-	Petroleum product distribution

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>Equity Method</b>		<b>Cost Method</b>	
<b>As at</b>	<b>30 June 2018</b>	<b>31 December 2017</b>	<b>30 June 2018</b>	<b>31 December 2017</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>Direct joint ventures</b>				
Citygas North Co., Ltd.	74	81	20	20
SG Gas Sdn. Bhd.	-	-	3	3
Siam Nathalin Co., Ltd.	1	1	1	1
	<b>75</b>	<b>82</b>	<b>24</b>	<b>24</b>
<b>Indirect joint ventures</b>				
PT Siamindo Djojo Terminal	26	26	-	-
KMA Siam Limited <sup>(8)</sup>	2	-	-	-
	<b>28</b>	<b>26</b>	<b>-</b>	<b>-</b>
Total investments in joint ventures	<b>103</b>	<b>108</b>	<b>24</b>	<b>24</b>

**10 Investments in subsidiaries, associates and joint ventures, net** (continued)

**10.3 Investments in joint ventures** (continued)

Changes of investments in joint ventures during the period are as follows:

- (8) In March 2018, Siamgas Global Investment Pte. Ltd., which is a subsidiary of the Company, established KMA Siam Limited, a joint venture, incorporated in Myanmar with 0.02 million shares at a par value of USD 10 each. The subsidiary entered into a Joint Venture Agreement with a third party. The business objective is petroleum products distribution in Myanmar. The Group's ownership is 65.00% with paid-up capital of USD 0.10 million or approximately Baht 3.24 million during the period. The joint venture agreement of KMA Siam Limited has determined the management structure including strategic financial decisions and operations, with voting rights from all shareholders or the representative of each party, so this is classified as investments in joint ventures of the Group.

**11 Property, plant, equipment and intangible assets, net**

Property, plant and equipment consists of land, land improvement, building, vehicles, machinery, warehouse and storage tank, gas station and filling station, equipment for gas and filling stations, vessels, cylinders, office equipment and construction in progress (Note 16). Intangible assets consist of computer software and customer relationships. The movements are as follows:

For the six-month period ended 30 June 2018	Consolidated financial information		Separate financial information	
	Property, plant and equipment Million Baht	Intangible assets Million Baht	Property, plant and equipment Million Baht	Intangible assets Million Baht
Opening net book amount	15,646	108	5,058	4
Additions	773	-	300	-
Disposals, net	(12)	-	(23)	-
Transfer out to investment property	(38)	-	(38)	-
Depreciation and amortisation charges	(538)	(17)	(58)	(1)
Impairment charge	(14)	-	-	-
Currency translation differences	40	1	-	-
Closing net book amount	15,857	92	5,239	3

**12 Investment property, net**

For the six-month period ended 30 June 2018	Consolidated financial information	Separate financial information
	2018 Baht	2018 Baht
Opening net book amount	-	-
Additions	554	554
Transfers from property, plant and equipment	38	38
Transfers from other assets	16	-
Depreciation for the period	(1)	-
Closing net book amount	607	592

Investment property of the Group is a land amounting to Baht 554 million which held for a currently undetermined future use. Investment property amounting to Baht 53 million is for rent.

**Siamgas and Petrochemicals Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2018**

**13 Other non-current assets**

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
Accrued interest income on loans to subsidiaries (Note 23)	-	-	206	188
Deposits at bank used as collateral	27	74	-	-
Deposits	24	17	7	7
Corporate income tax refundable	127	113	105	92
Advance payments for purchases of equipment	52	233	50	224
Prepayment for investments in associates	82	97	-	-
Deferred charge	21	23	-	-
Prepaid rental	570	414	92	37
Leasehold	35	45	-	-
Others	47	54	-	1
<b>Total other non-current assets</b>	<b>985</b>	<b>1,070</b>	<b>460</b>	<b>549</b>

**14 Short-term borrowings from financial institutions, net**

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
Short-term borrowings from financial institutions, net	2,736	1,501	1,433	1,233

As at 30 June 2018, the Group has short-term promissory notes and trust receipts from commercial banks with unsecured represented in US Dollar amounting to USD 45.38 million, which is equivalent to Baht 1,506 million, and Thai Baht amounting to Baht 1,230 million for the Group and US Dollar amounting to USD 6.08 million, which is equivalent to Baht 203 million and Thai Baht amounting 1,230 million for the Company, which bear interest rates at the range of 1.25%-2.35% per annum and 1.25%-2.23% per annum, respectively. (31 December 2017: represented in USD amounting to USD 20.01 million, which is equivalent to Baht 656 million and Thai Baht amounting to Baht 845 million for the Group and represented in USD amounting to USD 11.81 million, which is equivalent to Baht 388 million and Thai Baht amounting to Baht 845 million for the Company, which bear interest rates at the range of 1.25%-1.85% per annum and 1.25%-1.80% per annum, respectively).

**15 Trade and other payables**

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
Trade payables	4,658	3,068	939	568
Trade payables to related parties (Note 23)	-	-	58	46
Other payables	101	170	31	82
Other payables to related parties (Note 23)	2	5	10	13
Advance received from customers	272	319	-	-
Accrued interest expenses	55	65	54	64
Accrued expenses	345	361	27	42
<b>Total trade and other payables</b>	<b>5,433</b>	<b>3,988</b>	<b>1,119</b>	<b>815</b>

**16 Long-term loans from financial institutions, net**

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
<b>Current portion of long-term loans, net</b>				
Thai Baht	310	327	-	-
US Dollar	254	259	157	148
<u>Less</u> Deferred financing fees	(3)	(3)	(2)	(2)
	<u>561</u>	<u>583</u>	<u>155</u>	<u>146</u>
<b>Long-term loans, net</b>				
Thai Baht	543	693	-	-
US Dollar	654	767	640	710
<u>Less</u> Deferred financing fees	(5)	(7)	(3)	(5)
	<u>1,192</u>	<u>1,453</u>	<u>637</u>	<u>705</u>
Total long-term loans, net	<u>1,753</u>	<u>2,036</u>	<u>792</u>	<u>851</u>

The movements of long-term loans from financial institutions can be analysed as follows:

For the six-month period ended 30 June 2018	Consolidated financial information Million Baht	Separate financial information Million Baht
Opening net book balance	2,036	851
Repayments	(314)	(77)
Amortised deferred financing fees	3	2
Unrealised loss from exchange rate	4	16
Currency translation differences	24	-
Closing net book balance	<u>1,753</u>	<u>792</u>

**The Company**

Under the terms and conditions as specified in the loan agreement, the Company has to comply with the conditions, including certain debt covenants as specified in the agreement.

**Subsidiary**

Long-term loans of Baht 961 million is for a subsidiary. Certain of gas vessels of the subsidiary with net book value of Baht 2,263 million have been pledged as collateral for the loans. In addition, the loans are also guaranteed by the Company and another two subsidiaries. Under the terms and conditions as specified in the loan agreements, the subsidiary is not permitted to use assets pledged as collateral for other obligations without prior formal approval from the banks. The subsidiary has to comply with the terms and conditions, including certain debt covenants as specified in the agreement.

**Credit facilities**

As at 30 June 2018, the Group has available credit facilities with several financial institutions for letter of credit, trust receipt, cheque discounted, letter of guarantee, forward contract and loan of Baht 22,031 million (31 December 2017: Baht 25,253 million).

**17 Bonds, net**

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
<b>Current portion of long-term bonds, net</b>				
Thai Baht	3,000	2,000	3,000	2,000
<u>Less</u> Deferred financing fees	(1)	-	(1)	-
	<u>2,999</u>	<u>2,000</u>	<u>2,999</u>	<u>2,000</u>
<b>Long-term bonds, net</b>				
Thai Baht	4,000	5,000	4,000	5,000
<u>Less</u> Deferred financing fees	(13)	(5)	(13)	(5)
	<u>3,987</u>	<u>4,995</u>	<u>3,987</u>	<u>4,995</u>
Total bonds, net	<u>6,986</u>	<u>6,995</u>	<u>6,986</u>	<u>6,995</u>

The movements of bonds can be analysed as follows:

**For the six-month period ended 30 June 2018**

	Consolidated financial information Million Baht	Separate financial information Million Baht
Opening amount, net	6,995	6,995
Repayment of bonds	(2,000)	(2,000)
Issue of bonds	2,000	2,000
Financing fees on issue of bonds	(11)	(11)
Amortised deferred financing fees	2	2
Closing amount, net	<u>6,986</u>	<u>6,986</u>

During the period from 26 - 27 February 2018, the Company had proposed to issue and offer unsubordinated and secured debenture bond. Total value of debenture bond is Baht 2,000 million. The par value is equal to offering price at Baht 1,000 per unit. Interest is repayment every 3 months.

The bond is rated at A+ (Stable) by TRIS. The detail of the bond is as follows:

Type of bond	Fixed interest rate
5-year bond	3.03% per annum

Under the rights and responsibility of the issuer and the holders of bond, the Company has to comply with the conditions, including certain financial covenants.

**18 Income tax**

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>For the three-month period ended 30 June</b>				
Current tax	94	63	-	-
Deferred tax	13	30	(11)	(12)
Total income tax	<u>107</u>	<u>93</u>	<u>(11)</u>	<u>(12)</u>
	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>	<b>Million Baht</b>
<b>For the six-month period ended 30 June</b>				
Current tax	191	136	-	-
Deferred tax	15	106	(17)	(16)
Total income tax	<u>206</u>	<u>242</u>	<u>(17)</u>	<u>(16)</u>

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average tax rate used is 10% to 25% per annum for the Group (2017: 10% to 25% per annum) and 20% per annum for the Company (2017: 20% per annum).

**19 Share capital**

	<b>Number of share Million shares</b>	<b>Ordinary share Million Baht</b>	<b>Share premium Million Baht</b>	<b>Total Million Baht</b>
As at 1 January 2018	919	919	1,875	2,794
Shares split	<u>919</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at 30 June 2018	<u>1,838</u>	<u>919</u>	<u>1,875</u>	<u>2,794</u>
	<b>Number of share Million shares</b>	<b>Ordinary share Million Baht</b>	<b>Share premium Million Baht</b>	<b>Total Million Baht</b>
As at 1 January 2017	919	919	1,875	2,794
Increase/Decrease	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
As at 30 June 2017	<u>919</u>	<u>919</u>	<u>1,875</u>	<u>2,794</u>

At the Annual General Meeting of Shareholders for the year 2018 on 27 April 2018, the shareholders approved a registered its change in par value with Ministry of Commerce from that of Baht 1 to that of Baht 0.50 per share by splitting 1 ordinary share at a par value of Baht 1 into 2 ordinary shares at a par value of Baht 0.50 per share and approved a change in the Company's Memorandum of Association to record this change in the par value of the Company's shares on 11 May 2018.

**20 Earnings (loss) per share**

Basic earnings (loss) per share is calculated by dividing the net profit (loss) attributable to shareholders of the parent company by the weighted average number of ordinary shares in issue during the period.

	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>For the three-month period ended 30 June</b>				
Net profit (loss) for the period attributable to owner of the parent (million Baht)	766	(66)	334	273
Weighted average number of ordinary shares in issue during the period (million shares)	1,838	1,838	1,838	1,838
Basic earnings (loss) per share (Baht per share)	0.42	(0.04)	0.18	0.15
	<b>Consolidated financial information</b>		<b>Separate financial information</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>For the six-month period ended 30 June</b>				
Net profit for the period attributable to owner of the parent (million Baht)	866	1,077	1,243	244
Weighted average number of ordinary shares in issue during the period (million shares)	1,838	1,838	1,838	1,838
Basic earnings per share (Baht per share)	0.47	0.59	0.68	0.13

There are no potential dilutive ordinary shares in issue during the three-month and six-month period ended 30 June 2018 and 2017. Weighted average number of ordinary shares for the period ended 30 June 2017 was revised from potential dilutive ordinary shares in issue as there was revised in the beginning of 2017.

**21 Dividends paid**

**The Company**

On 27 April 2018, at the Annual General Shareholders' meeting of the Company, the shareholders passed a resolution to approve the payment of dividends for the year 2017 amounting to Baht 1.50 per share, totalling Baht 1,378.40 million, inclusive of interim dividends for the six-month period ended 30 June 2017 amounting to Baht 0.50 per share, totalling Baht 459.47 million. The interim dividends had already been paid on 7 September 2017. The remaining dividends of Baht 1.00 per share, totalling Baht 918.93 million, had already been paid on 9 May 2018.

**Subsidiaries**

In January 2018, at the Board of Directors' meeting of Siam Gas Trading Pte. Ltd., the board passed a resolution to approve the payment of interim dividends from retained earnings at USD 60 per share or Baht 31.89 per share, for 0.50 million shares, totalling USD 30.00 million or Baht 956.69 million. The Company recognised the dividend income in the separate statement of income. The interim dividends had been paid on 12 January 2018.

On 24 April 2018, at the Annual General Shareholders' meeting of the Lucky Carrier Company Limited, the shareholders passed a resolution to approve the payment of dividends payment for the year 2017 in an amount of Baht 8.00 per share, for 7.00 million shares, totalling Baht 56.00 million, inclusive of interim dividends amounting to Baht 5.00 per share, totalling Baht 35.00 million. The interim dividends had already been paid on 1 September 2017. The remaining dividends of Baht 3.00 per share, totalling Baht 21.00 million, had already been paid on 2 May 2018.

On 25 April 2018, at the Annual General Shareholders' meeting of the Unique Gas and Petrochemical Public Company Limited, the shareholders passed a resolution to approve the payment of dividends payment for the year 2017 from retained earnings and the operating results for the year ended 31 December 2017 in an amount of Baht 65.00 per share, for 10.50 million shares, totalling Baht 682.50 million, inclusive of interim dividends amounting to Baht 30.00 per share, totalling Baht 315.00 million. The interim dividends had already been paid on 5 September 2017. The remaining dividends of Baht 35.00 per share, totalling Baht 367.50 million, had already been paid on 7 May 2018.

22 Other components of equity

	Consolidated financial information					
	Revaluation surplus on land Million Baht	Difference arising from business acquisition under common control Million Baht	Difference from taking equity of a business combination under common control Million Baht	Share of other comprehensive expense from associates and joint ventures for using the equity method Million Baht	Currency translation differences Million Baht	Total other component of equity Million Baht
<b>Opening balance as at 1 January 2018</b>	969	(609)	22	(21)	(407)	(46)
Total comprehensive expense for the period	-	-	-	(7)	(137)	(144)
<b>Closing balance as at 30 June 2018</b>	<u>969</u>	<u>(609)</u>	<u>22</u>	<u>(28)</u>	<u>(544)</u>	<u>(190)</u>
<b>Opening balance as at 1 January 2017</b>	969	(609)	22	-	140	522
Total comprehensive expense for the period	-	-	-	(8)	(388)	(396)
<b>Closing balance as at 30 June 2017</b>	<u>969</u>	<u>(609)</u>	<u>22</u>	<u>(8)</u>	<u>(248)</u>	<u>126</u>

  

	Separate financial information		
	Revaluation surplus on land Million Baht	Difference arising from business acquisition under common control Million Baht	Total other component of equity Million Baht
<b>Opening balance as at 1 January 2018</b>	757	(609)	148
Total comprehensive income (expense) for the period	-	-	-
<b>Closing balance as at 30 June 2018</b>	<u>757</u>	<u>(609)</u>	<u>148</u>
<b>Opening balance as at 1 January 2017</b>	757	(609)	148
Total comprehensive income (expense) for the period	-	-	-
<b>Closing balance as at 30 June 2017</b>	<u>757</u>	<u>(609)</u>	<u>148</u>

**23 Related party transactions**

As at 30 June 2018, the major shareholders of the Company are members of the Weeraborwornpong family, who own 61.30% of the Company's share capital.

Details of subsidiaries, associates and joint ventures are presented in Note 10.

The following material transactions were carried out with subsidiaries and related parties:

**i) Outstanding balances arising from sales and purchases of goods/services**

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
<b>Trade receivables</b>				
Subsidiaries	-	-	133	205
Joint ventures	15	56	-	-
Other related parties - the same shareholders and directors	3	3	2	2
<b>Total</b>	<b>18</b>	<b>59</b>	<b>135</b>	<b>207</b>
<b>Other receivables</b>				
Subsidiaries	-	-	93	98
<b>Cylinder deposits</b>				
Subsidiaries	-	-	2	2
<b>Deposits for building rental</b>				
Other related parties - the same shareholders and directors	7	7	3	3
<b>Prepayments for building rental</b>				
Other related parties - the same shareholders and directors	204	30	83	12
<b>Trade payables</b>				
Subsidiaries	-	-	58	46
<b>Other payables</b>				
Subsidiaries	-	-	9	11
Other related parties - the same shareholders and directors	2	5	1	2
<b>Total</b>	<b>2</b>	<b>5</b>	<b>10</b>	<b>13</b>

**23 Related party transactions (continued)**

The following material transactions were carried out with subsidiaries and related parties: (continued)

**ii) Loans to/from related parties**

**Long-term loans to related parties**

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
<b>Long-term loans</b>				
Subsidiaries	-	-	1,108	1,182
Joint ventures	21	21	21	21
Total	21	21	1,129	1,203
<b>Accrued interest income</b>				
Current portion	1	-	1	1
Non-current portion	-	-	206	188
Total	1	-	207	189

The movements of long-term loans to related parties can be analysed as follows:

For the six-month period ended 30 June 2018	Consolidated financial information Million Baht	Separate financial information Million Baht
Opening balance	21	1,203
Proceeds	-	(72)
Unrealised loss on exchange rates	-	(2)
Closing balance	21	1,129

**23 Related party transactions (continued)**

The following material transactions were carried out with subsidiaries and related parties: (continued)

**ii) Loans to/from related parties (continued)**

**Long-term loans from related parties**

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
<b>Long-term loans</b>				
Subsidiaries	-	-	932	690
Directors and key management	3	3	-	-
Total	<u>3</u>	<u>3</u>	<u>932</u>	<u>690</u>

The movements of long-term loans from related parties can be analysed as follows:

For the six-month period ended 30 June 2018	Consolidated financial information Million Baht	Separate financial information Million Baht
Opening balance	3	690
Additions	-	615
Repayment	-	(380)
Unrealised loss on exchange rates	-	7
Closing balance	<u>3</u>	<u>932</u>

**23 Related party transactions (continued)**

The following material transactions were carried out with subsidiaries and related parties: (continued)

**iii) Sales of goods and services, interest income and other income**

For the three-month period ended 30 June	Consolidated financial information		Separate financial information	
	2018 Million Baht	2017 Million Baht	2018 Million Baht	2017 Million Baht
<b>Sales of gas</b>				
Subsidiaries	-	-	420	345
Joint ventures	12	81	-	-
Other related parties - the same shareholders and directors	4	3	2	1
<b>Total</b>	<b>16</b>	<b>84</b>	<b>422</b>	<b>346</b>
<b>Wharfing service income</b>				
Subsidiaries	-	-	10	10
<b>Interest income</b>				
Subsidiaries	-	-	9	14
Joint ventures	-	1	-	1
<b>Total</b>	<b>-</b>	<b>1</b>	<b>9</b>	<b>15</b>
<b>Other income</b>				
Subsidiaries	-	-	29	18
<b>Dividend income</b>				
Subsidiaries	-	-	387	330
For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
	2018 Million Baht	2017 Million Baht	2018 Million Baht	2017 Million Baht
<b>Sales of gas</b>				
Subsidiaries	-	-	948	505
Joint ventures	113	186	-	-
Other related parties - the same shareholders and directors	7	6	4	3
<b>Total</b>	<b>120</b>	<b>192</b>	<b>952</b>	<b>508</b>
<b>Wharfing service income</b>				
Subsidiaries	-	-	21	20
<b>Interest income</b>				
Subsidiaries	-	-	18	28
Joint ventures	-	1	-	1
<b>Total</b>	<b>-</b>	<b>1</b>	<b>18</b>	<b>29</b>
<b>Other income</b>				
Subsidiaries	-	-	58	36
<b>Dividend income</b>				
Subsidiaries	-	-	1,344	330

**23 Related party transactions (continued)**

The following material transactions were carried out with subsidiaries and related parties: (continued)

**iv) Purchases of goods and services**

For the three-month period ended 30 June	Consolidated financial information		Separate financial information	
	2018 Million Baht	2017 Million Baht	2018 Million Baht	2017 Million Baht
<b>Purchase of goods</b>				
Subsidiaries	-	-	52	79
<b>Purchases of equipment</b>				
Subsidiaries	-	-	20	16
<b>Transportation expenses</b>				
Subsidiaries	-	-	77	54
<b>Wharfing expenses</b>				
Subsidiaries	-	-	10	10
<b>Rental expenses</b>				
Subsidiaries	-	-	1	1
Other related parties - the same shareholders and directors	7	8	3	3
Total	7	8	4	4
<b>Interest expenses</b>				
Subsidiaries	-	-	4	3
<b>Other expenses</b>				
Subsidiaries	-	-	2	2
Other related parties - the same shareholders and directors	8	7	4	4
Total	8	7	6	6

**23 Related party transactions (continued)**

The following material transactions were carried out with subsidiaries and related parties: (continued)

**iv) Purchases of goods and services (continued)**

For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
	2018 Million Baht	2017 Million Baht	2018 Million Baht	2017 Million Baht
<b>Purchase of goods</b>				
Subsidiaries	-	-	104	80
<b>Purchases of equipment</b>				
Subsidiaries	-	-	43	31
<b>Transportation expenses</b>				
Subsidiaries	-	-	152	152
<b>Wharfing expenses</b>				
Subsidiaries	-	-	18	17
<b>Rental expenses</b>				
Subsidiaries	-	-	2	2
Other related parties - the same shareholders and directors	15	15	6	6
Total	15	15	8	8
<b>Interest expenses</b>				
Subsidiaries	-	-	7	5
<b>Other expenses</b>				
Subsidiaries	-	-	4	3
Other related parties - the same shareholders and directors	15	17	7	8
Total	15	17	11	11

**v) Directors' and key management remunerations**

For the three-month period ended 30 June	Consolidated financial information		Separate financial information	
	2018 Million Baht	2017 Million Baht	2018 Million Baht	2017 Million Baht
Short-term employee benefits	21	14	11	7
Post-employment benefits	-	-	-	-
Total	21	14	11	7

For the six-month period ended 30 June	Consolidated financial information		Separate financial information	
	2018 Million Baht	2017 Million Baht	2018 Million Baht	2017 Million Baht
Short-term employee benefits	35	28	18	15
Post-employment benefits	1	-	-	-
Total	36	28	18	15

## **24 Commitments and contingent liabilities**

As at 30 June 2018, the Group has the significant outstanding commitments and contingent liabilities as follows:

### **a) Contingent liabilities**

#### **The assessments of value added tax**

A subsidiary received the notice of assessment letter for value added tax underpayment, including a penalty and surcharge from the Revenue Department. The assessment was issued because the subsidiary did not pay value added tax on transportation service income arising from time charter party contracts. The Revenue Department deemed that this service is classified as property rental, not transportation which is exempt for value added tax. The notification letters of value added tax underpayment are as follows:

- In June 2011, the notice of assessment letter of value added tax underpayment, including a penalty and surcharge, was for the period from October to December 2010 totalling Baht 8.85 million. The subsidiary appealed against the assessment to the Administrative Appeal Committee of the Revenue Department in the same year. The Administrative Appeal Committee issued a judgement agreeing with the Revenue Department's assessment in November 2014. The subsidiary paid the value added tax assessment including the penalty and surcharge in accordance with the Administrative Appeal Committee's assessment and filed a petition to the Central Tax Court to withdraw the judgment in March 2015.  
  
In May 2016, the Central Tax Court judged for the Revenue Department to return the value added tax together with the penalty and surcharge totalling Baht 5.54 million with an interest rate of 7.5% per annum. The Revenue Department filed the appeal and the subsidiary filed the defence to the Central Tax Court in the same year. The Central Tax Court processed the appeal and the defence of both parties to the Supreme Court. As at 30 June 2018, the case is currently being reviewed by the Supreme Court.
- In June 2017, the notice of assessment letter of value added tax underpayment, including penalty and surcharge, was for the period from May to December 2012 totalling Baht 11.62 million. The subsidiary filed a partial tax payment of Baht 3.94 million and recorded this as expense in the same year. The remaining of Baht 7.68 million was the penalty and surcharge.
- In January 2018, the notice of assessment letter of value added tax underpayment, including penalty and surcharge, was for the period from February to April 2013 totalling Baht 4.03 million. The subsidiary filed a partial tax payment of Baht 1.28 million and recorded this as expense in the period. The remaining of Baht 2.75 million was the penalty and surcharge.

**24 Commitments and contingent liabilities** (continued)

As at 30 June 2018, the Group has the significant outstanding commitments and contingent liabilities as follows:  
(continued)

**a) Contingent liabilities** (continued)

**The assessments of corporate income tax**

The subsidiary received notification letters for corporate income tax underpayment, including penalty and surcharge from the Revenue Department. The assessment was issued because service income arising from the subsidiary's time charter party contracts had been granted promotional privileges by the Office of the Board of Investment under promotion certificates. So this is service income according to the notification of the Director-General of the Revenue Department (No.72) - Rules, procedures and conditions for exemption from income tax on a company or juristic partnership for international marine shipping. The Revenue Department classified this service as property rental, which is not granted promotional privileges under the certificates. The notification letters of corporate income tax underpayment are as follows:

- In November 2017, notifications of corporate income tax underpayment, including penalty and surcharge, were for the year 2012 and 2014 totalling Baht 58.47 million and Baht 33.81 million, respectively. The subsidiary filed a partial tax payment of Baht 34.61 million and recorded this as expenses in the same year. The remaining of Baht 57.67 million was the penalty and surcharge.
- In January 2018, a notification of corporate income tax underpayment, including penalty and surcharge, was for the year 2013 totalling Baht 51.28 million. The subsidiary filed a partial tax payment of Baht 19.17 million and recorded this as expense in the period. The remaining of Baht 32.11 million was the penalty and surcharge.

The subsidiary was permitted to defer the tax payment until the Administrative Appeal Committee issues a judgement and appealed against the assessments to the Administrative Appeal Committee of the Revenue Department for the assessments of value added tax and corporate income tax. As at 30 June 2018, the cases are currently being reviewed by the Administrative Appeal Committee.

As a result of the judgement by the Central Tax Court of the assessment of value added tax from October to December 2010, the Group's management considers that if the cases are appealed to the Supreme Court, the outcome will match with the judgement from the Central Tax Court. Therefore, the Group didn't recognize the expense and contingent liability relating to the value added tax, penalty and surcharge on service income arising from the time charter party contracts from 2010 to date in the financial information.

**b) Letter of guarantee**

The Group and the Company have bank guarantees issued on its behalf as follows:

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
Letters of guarantee	1,235	1,231	310	323
Letters of credit	6,084	3,707	-	460

The Group has available credit facilities with commercial banks for letter of credit, trust receipt, cheque discounted, letter of guarantee and forward contract. The credit facilities are secured by the subsidiaries and personal guarantees by the Company's directors.

**24 Commitments and contingent liabilities (continued)**

As at 30 June 2018, the Group has the significant outstanding commitments and contingent liabilities as follows:  
(continued)

**c) Operating lease commitments**

The Group and the Company have lease commitments under non - cancellable from land, building and equipment lease agreements as follows:

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
Within 1 year	102	82	17	19
During 2 - 5 years	214	132	60	64
Later than 5 years	578	282	81	87
Total	894	496	158	170

**d) Capital commitments**

The Group and the Company have capital commitments at the statement of financial position date but not recognised in the interim financial information as follows:

As at	Consolidated financial information		Separate financial information	
	30 June 2018 Million Baht	31 December 2017 Million Baht	30 June 2018 Million Baht	31 December 2017 Million Baht
Property, plant and equipment	998	923	533	458

**25 Financial instruments**

**Interest rate and cross currency swap contracts**

The interest rate and cross currency swap contracts are entered to manage the exposure on fluctuation in interest rates and foreign currency exchange rate on specific transaction. The Group and the Company have the interest rate and cross currency swap contracts with financial institutions as at 30 June 2018 as follows:

Interest rate swap contracts

Interest rate swap contracts are entered into to manage exposure to fluctuations in interest rates. The Company entered into interest rate swap contracts by converting floating rates to fixed rates for the total amount of long-term loans of US Dollar 8.30 million (which equivalent to Baht 276.62 million). A subsidiary of the Company entered into interest rate swap contracts by converting floating rates to fixed rate for the total amount of long-term loans of Baht 100.55 million and total amount of long-term loans of US Dollar 1.41 million (which equivalent to Baht 46.73 million).

Cross currency swaps contracts

Cross currency swaps contract are entered into to manage exposure to fluctuations in currency exchange rates and interest rates by foreign exchange rates and exchange rates in advance. A subsidiary of the Company entered into such contract for total amount of long-term loans of Baht 752.38 million (which equivalent to US Dollar 21.87 million).

**25 Financial instruments (continued)**

**Interest rate and cross currency swap contracts (continued)**

The fair values of the financial instruments that the Group has not recognized in the statement of financial position are as follows:

As at	Consolidated financial information		Separate financial information	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	Million Baht	Million Baht	Million Baht	Million Baht
Interest rate and cross currency swap contracts - assets	23	31	3	3

The fair values of forward foreign exchange contracts and interest rate and cross currency swap contracts were calculated using the rates quoted by the Group's bankers which were based on market conditions existing at the statement of financial position date. The fair values are within level 2 of the fair value hierarchy.

**26 Events after the reporting date**

**a) Vessel acquisitions**

On 28 June 2018, a subsidiary entered into a vessel acquisition contract with a supplier amounting to USD 8.71 million or equivalent to Baht 288.95 million. The subsidiary paid deposit amounting to USD 0.87 million or equivalent to Baht 28.90 million. The vessel will be delivered to the subsidiary in August 2018. The source of fund for purchasing the vessel and its dry-docking was from the draw-down of loan from a local commercial bank of Baht 375 million which bears an annual interest rate of 3.00% per annum. The repayment of principal and interest are due within 5 years from the first installment. The loan is secured by the subsidiary's vessel as collateral and also guaranteed by the Company and another two subsidiaries. The subsidiary enters into cross currency swaps contract for the loan.

On 24 July 2018, the subsidiary entered into a vessel acquisition contract with a supplier amounting to USD 3.30 million or equivalent to Baht 109.45 million. The subsidiary paid deposit amounting to USD 0.33 million or equivalent to Baht 10.95 million. The vessel will be delivered to the subsidiary in September 2018.

**b) Dividend payment**

**The Company**

On 7 August 2018, at the Board of Directors' meeting of the Company, the board passed a resolution to approve the payment of interim dividends from retained earnings and operating results for the six-month period ended 30 June 2018 at Baht 0.25 per share, for 1,837.86 million shares, totalling Baht 459.47 million. The dividends will be paid to the shareholders on September 2018.

**Subsidiary**

On 7 August 2018, at the Board of Directors' meeting of Unique Gas and Petrochemical Public Company Limited, the board passed a resolution to approve the payment of interim dividends from retained earnings and operating results for the six-month period ended 30 June 2018 at Baht 35.00 per share, for 10.50 million shares, totalling Baht 367.50 million. The dividends will be paid to the shareholders on September 2018.

**c) Increase capital**

On 7 August 2018, at the Board of Directors' meeting of the Company, it passed a resolution to approve the increase of share capital of a subsidiary to entitle to the privileges of the Board of Investment. The capital increase is of Baht 103 million with 10.30 million shares at par value of Baht 10 each. The Company still maintains 100% ownership interest in the subsidiary.