

Independent Auditor's Report on Review of Interim Financial Information

To the shareholders and the board of directors of Demco Public Company Limited

I have reviewed the accompanying consolidated and the separate company statements of financial position as at June 30, 2017, the related consolidated and the separate statements of comprehensive income, for the three-month and six-month periods then ended, changes in shareholders' equity, and cash flows for the six-month period then ended, and condensed notes to financial statements of Demco Public Company Limited and its subsidiaries, and of Demco Public Company Limited, respectively. 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 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 interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Emphasis of Matter

I draw attention to the note to financial statements No.4 "Change in accounting policies", the Company restated the interim consolidated financial statements for the three-month and six-month periods ended June 30, 2016 in order to reflect the effect from this restatement. However, I did not qualified from the reviewed in respect on this matter.

C&A Audit Office Co., Ltd.

(Miss. Jintana Mahavanich)

Certified public accountant (Thailand) no. 4687

Bangkok : August 11, 2017

Demco Public Company Limited and Its Subsidiary Company

Statement of Financial Position

As at June 30, 2017

(Unit : Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|------|-----------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Assets | | | | | |
| Current assets | | | | | |
| Cash and cash equivalents | 9 | 405,726,260.37 | 745,532,824.42 | 328,474,463.62 | 705,626,488.93 |
| Trade and other receivable | 10 | 1,425,182,233.18 | 1,388,698,230.83 | 1,388,307,822.53 | 1,314,610,540.38 |
| Unbilled installments on completed work | 11 | 728,727,744.18 | 992,876,506.59 | 728,727,744.18 | 992,876,506.59 |
| Short-term loans | 19 | 25,389,284.78 | 25,303,984.78 | 32,075,244.59 | 35,312,303.97 |
| Inventories | 12 | 366,053,543.63 | 316,566,046.78 | 134,703,886.44 | 138,921,711.85 |
| Other current assets | 13 | 225,352,818.93 | 185,569,361.23 | 225,084,113.12 | 178,927,173.07 |
| Total current assets | | <u>3,176,431,885.07</u> | <u>3,654,546,954.63</u> | <u>2,837,373,274.48</u> | <u>3,366,274,724.79</u> |
| Non-current assets | | | | | |
| Restricted deposits at financial institutions | 14 | 31,500,000.00 | 31,500,000.00 | 31,500,000.00 | 31,500,000.00 |
| Investments in associates | 15 | 1,372,088,481.78 | 1,400,723,547.40 | 1,208,409,236.78 | 1,208,409,236.78 |
| Investments in joint ventures | 16 | 77,550,803.51 | 72,796,776.88 | 60,823,500.00 | 60,823,500.00 |
| Investments in subsidiary | 17 | - | - | 602,724,280.09 | 532,367,641.12 |
| Other long-term investment | 18 | 1,132,685,645.00 | 1,132,685,645.00 | 1,132,685,645.00 | 1,132,685,645.00 |
| Long-term loans | 19 | - | - | 337,723,158.79 | 286,712,583.83 |
| Investments property | 20 | 6,800,000.00 | 6,800,000.00 | 6,800,000.00 | 6,800,000.00 |
| Property, plant and equipment | 21 | 358,494,447.64 | 346,001,455.02 | 194,562,836.52 | 199,115,082.72 |
| Intangible assets | 22 | 590,598,478.14 | 415,517,496.94 | 6,239,862.63 | 7,540,280.13 |
| Deferred tax assets | 23 | 267,161,528.56 | 257,537,204.06 | 262,661,655.19 | 252,911,368.93 |
| Other non-current assets | | 104,496,982.03 | 135,635,432.26 | 1,705,345.00 | 4,971,367.00 |
| Total non-current assets | | <u>3,941,376,366.66</u> | <u>3,799,197,557.56</u> | <u>3,845,835,520.00</u> | <u>3,723,836,705.51</u> |
| Total assets | | <u><u>7,117,808,251.73</u></u> | <u><u>7,453,744,512.19</u></u> | <u><u>6,683,208,794.48</u></u> | <u><u>7,090,111,430.30</u></u> |
| Liabilities and shareholders' equity | | | | | |
| Current liabilities | | | | | |
| Bank overdraft and short-term loans from financial institutions | 25 | 1,834,481,329.96 | 1,795,220,454.47 | 1,750,417,975.40 | 1,722,304,251.97 |
| Trade and other payable | 26 | 1,474,865,916.20 | 1,608,922,757.16 | 1,481,338,714.57 | 1,644,036,957.36 |
| Current portion of long-term loans | 30 | 81,150,935.11 | 262,217,081.74 | 76,188,898.09 | 255,676,264.19 |
| Short-term loan | 27 | 1,300,000.00 | 61,300,000.00 | 1,300,000.00 | 61,300,000.00 |
| Short-term provisions | 28 | 119,429,023.61 | 196,243,463.43 | 119,129,023.61 | 195,943,463.43 |
| Other current liabilities | 29 | 46,141,498.05 | 40,349,614.89 | 39,363,509.52 | 33,564,810.94 |
| Total current liabilities | | <u>3,557,368,702.93</u> | <u>3,964,253,371.69</u> | <u>3,467,738,121.19</u> | <u>3,912,825,747.89</u> |

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

Demeco Public Company Limited and Its Subsidiary Company

Statement of Financial Position

As at June 30, 2017

(Unit : Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|---|------|-----------------------------------|-------------------------|-------------------------------|-------------------------|
| | | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| | | (Unaudited but reviewed) | (Audited) | (Unaudited but reviewed) | (Audited) |
| Liabilities and shareholders' equity | | | | | |
| Non-current liabilities | | | | | |
| Long-term loans | 30 | 443,710,808.47 | 452,446,671.24 | 416,539,828.94 | 423,910,203.40 |
| Employee benefit obligation | 31 | 59,763,088.00 | 55,122,951.00 | 47,437,671.00 | 43,738,827.00 |
| Deferred tax liabilities | 23 | 50,633.64 | 52,836.01 | - | - |
| Total non-current liabilities | | <u>503,524,530.11</u> | <u>507,622,458.25</u> | <u>463,977,499.94</u> | <u>467,649,030.40</u> |
| Total liabilities | | <u>4,060,893,233.04</u> | <u>4,471,875,829.94</u> | <u>3,931,715,621.13</u> | <u>4,380,474,778.29</u> |
| Shareholders' equity | | | | | |
| Share capital | 32 | | | | |
| Registered share capital | | | | | |
| 822,683,573 ordinary shares of Baht 1 each | | <u>822,683,573.00</u> | <u>822,683,573.00</u> | <u>822,683,573.00</u> | <u>822,683,573.00</u> |
| Issued and paid-up share capital | | | | | |
| 730,344,251 ordinary shares of Baht 1 each | | <u>730,344,251.00</u> | <u>730,344,251.00</u> | <u>730,344,251.00</u> | <u>730,344,251.00</u> |
| Premium on common shares | | <u>1,916,040,428.64</u> | <u>1,916,040,428.64</u> | <u>1,916,040,428.64</u> | <u>1,916,040,428.64</u> |
| Premium on treasury stock | | <u>151,947,248.00</u> | <u>151,947,248.00</u> | <u>151,947,248.00</u> | <u>151,947,248.00</u> |
| Capital reserve for expired share-based payment | 33 | <u>16,360,538.99</u> | <u>16,360,538.99</u> | <u>16,360,538.99</u> | <u>16,360,538.99</u> |
| Surplus(discount)from change in | | | | | |
| shareholding interest in subsidiary | | <u>(874,411.66)</u> | <u>(874,411.66)</u> | <u>-</u> | <u>-</u> |
| Retained earnings (deficit) | | | | | |
| Appropriated | | | | | |
| Legal reserve | | <u>81,640,676.87</u> | <u>81,640,676.87</u> | <u>81,640,676.87</u> | <u>81,640,676.87</u> |
| Unappropriated | | <u>140,045,849.76</u> | <u>65,930,749.97</u> | <u>(144,839,970.15)</u> | <u>(186,696,491.49)</u> |
| Total shareholders'equity of the parent company | | <u>3,035,504,581.60</u> | <u>2,961,389,481.81</u> | <u>2,751,493,173.35</u> | <u>2,709,636,652.01</u> |
| Non-controlling interest | | <u>21,410,437.09</u> | <u>20,479,200.44</u> | <u>-</u> | <u>-</u> |
| Total shareholders' equity | | <u>3,056,915,018.69</u> | <u>2,981,868,682.25</u> | <u>2,751,493,173.35</u> | <u>2,709,636,652.01</u> |
| Total liabilities and shareholders' equity | | <u>7,117,808,251.73</u> | <u>7,453,744,512.19</u> | <u>6,683,208,794.48</u> | <u>7,090,111,430.30</u> |

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

(Unaudited but reviewed)

Demco Public Company Limited and Its Subsidiary Company

Statements of Comprehensive Income

For the three-month periods ended June 30, 2017

(Unit : Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|-------|-----------------------------------|-----------------------------|-------------------------------|-------------------------|
| | | June 30, 2017 | June 30, 2016 (Restated) | June 30, 2017 | June 30, 2016 |
| Revenues | | | | | |
| Revenues from sales and service | | 838,447,053.79 | 1,553,073,918.51 | 743,967,165.96 | 1,504,725,654.55 |
| Revenues from construction under concession arrangements | 4 | 96,173,624.24 | 134,857,493.02 | - | - |
| Other income | 15 | 12,588,124.90 | 16,021,220.59 | 94,849,903.47 | 91,002,127.55 |
| Total revenues | | <u>947,208,802.93</u> | <u>1,703,952,632.12</u> | <u>838,817,069.43</u> | <u>1,595,727,782.10</u> |
| Expenses | | | | | |
| Cost of sales and services | | 755,495,494.06 | 1,460,943,011.93 | 676,928,513.80 | 1,417,935,153.68 |
| Cost of construction under concession arrangements | 4 | 85,103,375.29 | 124,868,049.09 | - | - |
| Selling expenses | | 2,894,333.04 | 2,590,109.03 | - | - |
| Administrative expenses | 7 | 81,657,643.01 | 117,759,076.98 | 73,017,689.46 | 112,911,272.20 |
| Other expenses | | 112,597.34 | - | 229,183.52 | 132,124.86 |
| Finance cost | | 11,929,766.57 | 25,155,115.77 | 23,467,817.59 | 24,017,534.17 |
| Total expenses | | <u>937,193,209.31</u> | <u>1,731,315,362.80</u> | <u>773,643,204.37</u> | <u>1,554,996,084.91</u> |
| Share of profit (loss) of associates and investment in joint ventures | | | | | |
| | 15,16 | 12,706,561.38 | 26,857,740.86 | - | - |
| Profit (loss) before corporate income tax | | 22,722,155.00 | (504,989.82) | 65,173,865.06 | 40,731,697.19 |
| Income tax expenses (revenue) | 34 | 115,777.86 | (5,118,947.88) | (2,550,660.46) | (5,182,035.96) |
| Profit (loss) from continuing operations | | <u>22,606,377.14</u> | <u>4,613,958.06</u> | <u>67,724,525.52</u> | <u>45,913,733.15</u> |
| Profit (loss) for the period | | <u>22,606,377.14</u> | <u>4,613,958.06</u> | <u>67,724,525.52</u> | <u>45,913,733.15</u> |
| Other comprehensive income (loss) | | | | | |
| Items that will not be reclassified to profit or loss | | | | | |
| Actuarial (gains) losses arising from post-employment benefits | | (401,215.00) | - | (401,215.00) | - |
| Income tax relating to components of other comprehensive income for the period | | 80,243.00 | - | 80,243.00 | - |
| Other comprehensive income (loss) for the period, net of tax | | <u>(320,972.00)</u> | <u>-</u> | <u>(320,972.00)</u> | <u>-</u> |
| Total comprehensive income | | <u>22,285,405.14</u> | <u>4,613,958.06</u> | <u>67,403,553.52</u> | <u>45,913,733.15</u> |
| Profit (loss) attributable to : | | | | | |
| Owners of the parent | 4 | 22,064,962.95 | 3,672,796.55 | | |
| Non-controlling interest | 4 | 541,414.19 | 941,161.51 | | |
| Total | | <u>22,606,377.14</u> | <u>4,613,958.06</u> | | |
| Total owners comprehensive income (loss) attributable to : | | | | | |
| Owners of the parent | 4 | 21,743,990.95 | 3,672,796.55 | | |
| Non-controlling interest | 4 | 541,414.19 | 941,161.51 | | |
| Total | | <u>22,285,405.14</u> | <u>4,613,958.06</u> | | |
| Earning (loss) per share of equity attributable to the company | | | | | |
| Basic earning (loss) per share | 35 | 0.03 | 0.01 | 0.09 | 0.06 |
| Diluted earning (loss) per share | 35 | 0.03 | 0.01 | 0.09 | 0.06 |

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

(Unaudited but reviewed)

Demco Public Company Limited and Its Subsidiary Company

Statements of Comprehensive Income

For the six-month periods ended June 30, 2017

(Unit : Baht)

| | Note | Consolidated financial statements | | Separate financial statements | |
|--|-------|-----------------------------------|-----------------------------|-------------------------------|-------------------------|
| | | June 30, 2017 | June 30, 2016 (Restated) | June 30, 2017 | June 30, 2016 |
| Revenues | | | | | |
| Revenues from sales and service | | 1,993,020,973.42 | 2,950,710,095.58 | 1,780,396,220.71 | 2,842,513,389.97 |
| Revenues from construction under concession arrangements | 4 | 166,728,417.10 | 154,512,593.54 | - | - |
| Other income | 15 | 24,866,243.37 | 20,610,793.40 | 102,701,123.24 | 92,723,281.59 |
| Total revenues | | <u>2,184,615,633.89</u> | <u>3,125,833,482.52</u> | <u>1,883,097,343.95</u> | <u>2,935,236,671.56</u> |
| Expenses | | | | | |
| Cost of sales and services | | 1,771,771,680.63 | 2,772,223,596.91 | 1,612,114,195.80 | 2,680,219,837.03 |
| Cost of construction under concession arrangements | 4 | 150,431,887.20 | 143,067,216.24 | - | - |
| Selling expenses | | 5,454,443.05 | 5,104,075.03 | - | - |
| Administrative expenses | 7,28 | 207,300,571.12 | 524,168,456.78 | 188,703,694.14 | 512,636,067.51 |
| Other expenses | | 611,246.59 | 263,725.27 | 60,996.39 | 220,161.36 |
| Finance cost | | 38,933,944.46 | 44,137,863.19 | 48,927,240.54 | 41,689,426.75 |
| Total expenses | | <u>2,174,503,773.05</u> | <u>3,488,964,933.42</u> | <u>1,849,806,126.87</u> | <u>3,234,765,492.65</u> |
| Share of profit (loss) of associates and investment in joint ventures | | | | | |
| | 15,16 | 64,618,961.01 | 73,158,861.34 | - | - |
| Profit (loss) before corporate income tax | | 74,730,821.85 | (289,972,589.56) | 33,291,217.08 | (299,528,821.09) |
| Income tax expenses (revenue) | 34 | (1,263,500.19) | (73,522,751.89) | (9,513,289.86) | (73,683,078.57) |
| Profit (loss) from continuing operations | | <u>75,994,322.04</u> | <u>(216,449,837.67)</u> | <u>42,804,506.94</u> | <u>(225,845,742.52)</u> |
| Profit (loss) for the period | | <u>75,994,322.04</u> | <u>(216,449,837.67)</u> | <u>42,804,506.94</u> | <u>(225,845,742.52)</u> |
| Other comprehensive income (loss) | | | | | |
| Items that will not be reclassified to profit or loss | | | | | |
| Actuarial (gains) losses arising from post-employment benefits | | (1,184,982.00) | - | (1,184,982.00) | - |
| Income tax relating to components of other comprehensive income for the period | | 236,996.40 | - | 236,996.40 | - |
| Other comprehensive income (loss) for the period, net of tax | | <u>(947,985.60)</u> | <u>-</u> | <u>(947,985.60)</u> | <u>-</u> |
| Total comprehensive income | | <u>75,046,336.44</u> | <u>(216,449,837.67)</u> | <u>41,856,521.34</u> | <u>(225,845,742.52)</u> |
| Profit (loss) attributable to : | | | | | |
| Owners of the parent | 4 | 75,063,085.39 | (217,446,722.28) | | |
| Non-controlling interest | 4 | 931,236.65 | 996,884.61 | | |
| Total | | <u>75,994,322.04</u> | <u>(216,449,837.67)</u> | | |
| Total owners comprehensive income (loss) attributable to : | | | | | |
| Owners of the parent | 4 | 74,115,099.79 | (217,446,722.28) | | |
| Non-controlling interest | 4 | 931,236.65 | 996,884.61 | | |
| Total | | <u>75,046,336.44</u> | <u>(216,449,837.67)</u> | | |
| Earning (loss) per share of equity attributable to the company | | | | | |
| Basic earning (loss) per share | 35 | 0.10 | (0.30) | 0.06 | (0.31) |
| Diluted earning (loss) per share | 35 | 0.10 | (0.30) | 0.06 | (0.31) |

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

(Unaudited but reviewed)

Demco Public Company Limited and Its Subsidiary Company

Statements of Cash Flows

For the six-month periods ended June 30, 2017

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|------------------|-------------------------------|------------------|
| | June 30, 2017 | June 30, 2016 | June 30, 2017 | June 30, 2016 |
| | | (Restated) | | |
| Cash flows from operating activities | | | | |
| Profit (loss) before corporate income tax | 74,730,821.85 | (289,972,589.56) | 33,291,217.08 | (299,528,821.09) |
| Adjustments to reconcile profit (loss) before corporate income tax to cash provided from (used in) operating activities | | | | |
| Depreciation | 18,733,820.62 | 15,499,908.58 | 11,662,585.84 | 9,590,200.04 |
| Amortization | 1,597,389.32 | 1,751,294.33 | 1,300,416.50 | 1,448,514.05 |
| Doubtful debts (reversal) | (287,056.40) | (370,549.56) | (287,056.40) | (370,549.56) |
| Allowance for net realisable value of inventories and (reversal) | (1,179,561.50) | (1,415,487.35) | (312,491.38) | (1,067,376.75) |
| (Gain) loss from disposal of fixed assets | 60,925.51 | 219,410.06 | 61,017.97 | 217,306.36 |
| (Gain) loss from disposal of intangible assets | (21.58) | 2,855.00 | (21.58) | 2,855.00 |
| Unrealized (gain) loss from exchange rate | (2,105,709.12) | (1,462,946.55) | (2,103,441.12) | (1,462,946.55) |
| (Gain) from construction concession arrangements | (12,350,253.12) | (11,445,377.30) | - | - |
| Share-based payment | - | 2,784,600.00 | - | 2,784,600.00 |
| Share of (profit) loss of associates and jointly ventures | (64,618,961.01) | (73,158,861.34) | - | - |
| Employee benefit expenses | 4,153,529.00 | 3,752,870.00 | 3,365,342.00 | 3,051,426.00 |
| Dividend income | - | - | (88,500,000.00) | (76,500,000.00) |
| Interest income | (1,300,099.69) | (2,917,070.42) | (8,422,702.03) | (4,464,777.93) |
| Finance cost | 38,933,944.46 | 44,137,863.19 | 48,927,240.54 | 41,689,426.75 |
| Earning profit (loss) from operations before changes in operating assets and liabilities | 56,368,768.34 | (312,594,080.92) | (1,017,892.58) | (324,610,143.68) |
| (Increase) decrease in trade and other receivable | 19,822,554.21 | (410,280,849.59) | (10,646,298.97) | (452,883,579.52) |
| (Increase) decrease in unbilled installments on completed work | 264,148,762.41 | (208,810,269.54) | 264,148,762.41 | (208,810,269.54) |
| (Increase) decrease in inventories | (48,307,935.35) | (67,974,332.94) | 4,530,316.79 | (96,182,981.15) |
| (Increase) decrease in other current assets | (211,098.39) | (8,605,982.28) | (170,441.47) | (8,687,960.49) |
| (Increase) decrease in other non-current assets | 37,577,077.67 | (71,547,389.95) | 3,266,022.00 | 2,039,334.00 |
| Increase (decrease) in trade and other payable | (117,985,030.60) | 190,945,024.29 | (163,413,734.71) | 206,431,744.00 |
| Increase (decrease) in short-term provisions | (76,814,439.82) | (81,694,393.85) | (76,814,439.82) | (81,694,393.85) |
| Increase (decrease) other current liabilities | 5,791,883.16 | 5,865,599.53 | 5,798,698.58 | 7,891,685.50 |
| Cash received (payment) from operating activities | 140,390,541.63 | (964,696,675.25) | 25,680,992.23 | (956,506,564.73) |

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

(Unaudited but reviewed)

Demco Public Company Limited and Its Subsidiary Company

Statements of Cash Flows

For the six-month periods ended June 30, 2017

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|--------------------|-------------------------------|--------------------|
| | June 30, 2017 | June 30, 2016 | June 30, 2017 | June 30, 2016 |
| | | (Restated) | | |
| Cash flows from operating activities (continue) | | | | |
| Cash received from interest income | 509,936.74 | 2,086,879.98 | 492,994.06 | 2,060,033.04 |
| Cash payment from employee benefits | (1,458,774.00) | - | (1,458,774.00) | - |
| Cash payment from corporate income tax | (54,360,448.98) | (60,330,561.70) | (46,166,073.08) | (56,740,669.46) |
| Cash payment for financial cost | (32,134,446.83) | (39,735,772.91) | (41,393,751.79) | (37,352,072.23) |
| Net cash provided (used) from operating activities | 52,946,808.56 | (1,062,676,129.88) | (62,844,612.58) | (1,048,539,273.38) |
| Cash flows from investment activities | | | | |
| (Increase) decrease in short-term loan | (85,300.00) | (1,135,000.00) | 3,383,358.45 | (6,135,000.00) |
| Cash payment for long-term loan | - | - | (51,497,098.09) | (166,981,560.36) |
| Cash received for sales of fixed assets | 137,936.55 | 1,862,686.23 | 137,843.09 | 1,861,751.65 |
| Cash received for sales of intangible assets | 22.58 | - | 22.58 | - |
| Cash payment for purchase investment in subsidiaries | - | - | (70,356,638.97) | (40,719,124.37) |
| Cash payment for purchase of fixed assets | (29,126,734.48) | (36,260,054.37) | (6,331,895.46) | (31,998,428.33) |
| Cash payment for purchase intangible assets | (181,089,315.62) | (138,928,343.16) | (168,500.00) | (579,140.00) |
| Cash received from dividend income | 30,750,000.00 | 76,500,000.00 | 30,750,000.00 | 106,500,000.00 |
| Net cash provided (used) from investing activities | (179,413,390.97) | (97,960,711.30) | (94,082,908.40) | (138,051,501.41) |
| Cash flows from financing activities | | | | |
| Increase (decrease) in bank overdrafts and short-term loans from financial institutions | 39,677,081.79 | 695,307,840.69 | 28,527,661.73 | 705,307,840.69 |
| Increase (decrease) from short-term loans | (60,000,000.00) | 60,000,000.00 | (60,000,000.00) | 60,000,000.00 |
| Cash received from long-term loans | 29,100,000.00 | 316,000,000.00 | 29,100,000.00 | 316,000,000.00 |
| Cash received from capital increment from exercise right | - | 173,737.90 | - | 173,737.90 |
| Cash payment for long-term loans | (214,275,000.00) | (15,540,000.00) | (212,055,000.00) | (13,320,000.00) |
| Cash payment for liabilities under financial lease liabilities | (7,842,063.43) | (7,820,670.83) | (5,797,166.06) | (5,552,919.05) |
| Increase (decrease) in non-controlling interest | - | 3,881,315.63 | - | - |
| Cash payment for dividend | - | (23,281.42) | - | (23,281.42) |
| Net cash provided (used) from financing activities | (213,339,981.64) | 1,051,978,941.97 | (220,224,504.33) | 1,062,585,378.12 |
| Net increase (decrease) in cash and cash equivalents | (339,806,564.05) | (108,657,899.21) | (377,152,025.31) | (124,005,396.67) |
| Cash and cash equivalents at the beginning balance | 745,532,824.42 | 639,892,112.56 | 705,626,488.93 | 611,624,831.97 |
| Cash and cash equivalents at the ending balance | 405,726,260.37 | 531,234,213.35 | 328,474,463.62 | 487,619,435.30 |

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

(Unaudited but reviewed)

Demco Public Company Limited and Its Subsidiary Company
Statements of Changes in Shareholders' Equity
For the six-month periods ended June 30, 2017

(Unit : Baht)

Consolidated financial statements

| | Note | Issued and paid-up share capital | Premium on common share | Premium on treasury stock | Capital reserve | Capital reserve | Surplus(discount) | Retained earnings | | Total shareholders of the parent (Restated) | Non- controlling interests (Restated) | Total shareholders' equity (Restated) |
|--|------|--|----------------------------|------------------------------|---------------------------------------|----------------------------|--|-------------------------------|-----------------------|--|--|--|
| | | | | | for expired share-based payment | for share-based payment | from change in shareholding interest in subsidiary | Appropriated legal reserve | Unappropriated | | | |
| Ending balance as at December 31, 2016 | | 730,344,251.00 | 1,916,040,428.64 | 151,947,248.00 | 16,360,538.99 | - | (874,411.66) | 81,640,676.87 | 65,930,749.97 | 2,961,389,481.81 | 20,479,200.44 | 2,981,868,682.25 |
| Total comprehensive income (loss) for the period | | - | - | - | - | - | - | - | 74,115,099.79 | 74,115,099.79 | 931,236.65 | 75,046,336.44 |
| Ending balance as at June 30, 2017 | | <u>730,344,251.00</u> | <u>1,916,040,428.64</u> | <u>151,947,248.00</u> | <u>16,360,538.99</u> | <u>-</u> | <u>(874,411.66)</u> | <u>81,640,676.87</u> | <u>140,045,849.76</u> | <u>3,035,504,581.60</u> | <u>21,410,437.09</u> | <u>3,056,915,018.69</u> |
| Ending balance as at December 31, 2015 | | | | | | | | | | | | |
| (Audited) | | 730,332,568.00 | 1,915,878,373.74 | 151,947,248.00 | - | 13,575,938.99 | (874,411.66) | 81,640,676.87 | 226,762,787.06 | 3,119,263,181.00 | 14,674,249.97 | 3,133,937,430.97 |
| Capital incremental | 32 | 11,683.00 | 162,054.90 | - | - | - | - | - | - | 173,737.90 | - | 173,737.90 |
| Capital reserve for share-based payment | 33 | - | - | - | - | 2,784,600.00 | - | - | - | 2,784,600.00 | - | 2,784,600.00 |
| Capital increase of subsidiary company | 17 | - | - | - | - | - | - | - | - | - | 3,881,315.63 | 3,881,315.63 |
| Total comprehensive income (loss) for the period | 4 | | | | | | | | | | | |
| (Restated) | | - | - | - | - | - | - | - | (217,446,722.28) | (217,446,722.28) | 996,884.61 | (216,449,837.67) |
| Ending balance as at June 30, 2016 (Restated) | | <u>730,344,251.00</u> | <u>1,916,040,428.64</u> | <u>151,947,248.00</u> | <u>-</u> | <u>16,360,538.99</u> | <u>(874,411.66)</u> | <u>81,640,676.87</u> | <u>9,316,064.78</u> | <u>2,904,774,796.62</u> | <u>19,552,450.21</u> | <u>2,924,327,246.83</u> |

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

(Unaudited but reviewed)

Demco Public Company Limited and Its Subsidiary Company

Statements of Changes in Shareholders' Equity

For the six-month period ended June 30, 2017

(Unit : Baht)

Separate financial statements

| | Note | Issued and paid-up share capital | Premium on common share | Premium on treasury stock | Capital reserve | Capital reserve | Retained earnings | | Total |
|---|------|--|----------------------------|------------------------------|---------------------------------------|----------------------------|-------------------------------|-------------------------|-------------------------|
| | | | | | for expired share-based payment | for share-based payment | Appropriated legal reserve | Unappropriated | |
| Ending balance as at December 31, 2016 | | 730,344,251.00 | 1,916,040,428.64 | 151,947,248.00 | 16,360,538.99 | - | 81,640,676.87 | (186,696,491.49) | 2,709,636,652.01 |
| Total comprehensive income (loss) for the periods | | - | - | - | - | - | - | 41,856,521.34 | 41,856,521.34 |
| Ending balance as at June 30, 2017 | | <u>730,344,251.00</u> | <u>1,916,040,428.64</u> | <u>151,947,248.00</u> | <u>16,360,538.99</u> | <u>-</u> | <u>81,640,676.87</u> | <u>(144,839,970.15)</u> | <u>2,751,493,173.35</u> |
| Ending balance as at December 31, 2015 | | 730,332,568.00 | 1,915,878,373.74 | 151,947,248.00 | - | 13,575,938.99 | 81,640,676.87 | 64,509,630.46 | 2,957,884,436.06 |
| Capital incremental | 32 | 11,683.00 | 162,054.90 | - | - | - | - | - | 173,737.90 |
| Capital reserve for share-based payment | 33 | - | - | - | - | 2,784,600.00 | - | - | 2,784,600.00 |
| Total comprehensive income (loss) for the periods | | - | - | - | - | - | - | (225,845,742.52) | (225,845,742.52) |
| Ending balance as at June 30, 2016 | | <u>730,344,251.00</u> | <u>1,916,040,428.64</u> | <u>151,947,248.00</u> | <u>-</u> | <u>16,360,538.99</u> | <u>81,640,676.87</u> | <u>(161,336,112.06)</u> | <u>2,734,997,031.44</u> |

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

Demco Public Company Limited ("the company") was registered as a limited company under the Thailand Civil and Commercial Code on June 1, 1992 with registration no.0105535084271, the company was transformed to be a public company with registration no.0107549000092 on May 26, 2006. The core business of the company operates as contractor of electric system construction and service work in the field of electric engineering and all type of telecommunication. and sell electric system equipment.

The company 's registered office at 59 Moo 1, Suanphrikthai, Muang, Pathumthani, Thailand

For reporting purposes, the company and its subsidiary are referred as "the group".

The interim financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 (Revised 2016) "Interim Financial Reporting" and accounting practices generally accepted in Thailand. The Company present the condensed notes to interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.

The statements of financial position as at December 31, 2016, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited

The unaudited results of operations presented in the three-month and six-month period ended June 30, 2017 are not necessarily an indication nor anticipation of the operating results for the full year

Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statements for the three-month and six-month period ended June 30,2017 should be read in conjunction with the audited financial statements for the year ended December 31,2016.

Use of estimates and judgement

The preparation of interim financial information requires management to make judgements, estimates and assumption that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. 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 consolidated financial statements for the year ended December 31,2016

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

During the period, the Group has adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 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 Group's financial statements

During 2016, management revisited condition in Concession Agreement, other between Demco Delaos Co., Ltd. and Luangprabang Municipality, Laos PDR relating agreement, the business objective of the Company and practice in industry therefore, management considered that the nature of business and condition in agreements on above are meet criteria of TFRIC 12 - Service concession arrangements. Management believes that the new accounting policy is more appropriate and reflects better the economic benefit for their business

The effects of change in accounting policy above to the financial statement as follows

| | (Unit : Baht) | | |
|--|-----------------------------------|----------------|----------------|
| | Consolidated financial statements | | |
| | Originally stated | Adjustment | Restated |
| Statements of Comprehensive Income | | | |
| For the three-month periods ended June 30, 2016 | | | |
| Revenues from construction | - | 134,857,493.02 | 134,857,493.02 |
| Cost of construction | - | 124,868,049.09 | 124,868,049.09 |
| Profit (loss) before corporate income tax | (10,494,433.75) | 9,989,443.93 | (504,989.82) |
| Profit (loss) for the period | (5,375,485.87) | 9,989,443.93 | 4,613,958.06 |
| Profit (loss) attributable to : | | | |
| Owners of the parent | (5,317,703.00) | 8,990,499.55 | 3,672,796.55 |
| Non-controlling interest | (57,782.87) | 998,944.38 | 941,161.51 |
| Total owners comprehensive income (loss) attributable to : | | | |
| Owners of the parent | (5,317,703.00) | 8,990,499.55 | 3,672,796.55 |
| Non-controlling interest | (57,782.87) | 998,944.38 | 941,161.51 |
| The effects of the above on earnings (loss) per share | | | |
| Basic earning (loss) per share | (0.01) | 0.02 | 0.01 |
| Diluted earning (loss) per share | (0.01) | 0.02 | 0.01 |

(Unit : Baht)

| | Consolidated financial statements | | |
|--|-----------------------------------|----------------|------------------|
| | Originally stated | Adjustment | Restated |
| Statements of Comprehensive Income | | | |
| For the six-month periods ended June 30, 2016 | | | |
| Revenues from construction | - | 154,512,593.54 | 154,512,593.54 |
| Cost of construction | - | 143,067,216.24 | 143,067,216.24 |
| Profit (loss) before corporate income tax | (301,417,966.86) | 11,445,377.30 | (289,972,589.56) |
| Profit (loss) for the period | (227,895,214.97) | 11,445,377.30 | (216,449,837.67) |
| Profit (loss) attributable to : | | | |
| Owners of the parent | (227,747,561.85) | 10,300,839.57 | (217,446,722.28) |
| Non-controlling interest | (147,653.12) | 1,144,537.73 | 996,884.61 |
| Total owners comprehensive income (loss) attributable to : | | | |
| Owners of the parent | (227,747,561.85) | 10,300,839.57 | (217,446,722.28) |
| Non-controlling interest | (147,653.12) | 1,144,537.73 | 996,884.61 |
| The effects of the above on earnings (loss) per share | | | |
| Basic earning (loss) per share | (0.31) | 0.01 | (0.30) |
| Diluted earning (loss) per share | (0.31) | 0.01 | (0.30) |

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 December 31,2016.

The basis of consolidation used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended December 31,2016.

During the period the group had significant business transaction with related party are as follows

Relationships between the related parties were as follows:

| <u>Company's name and related persons</u> | <u>Relationship</u> |
|---|--|
| Demco Industry Co., Ltd. | Subsidiary company by direct holding and common director |
| Demco Power Co., Ltd. | Subsidiary company by direct holding and common director |
| Demco Delaos Co., Ltd. | Subsidiary company by direct holding and common director |
| Udon Thani Solar Power Co., Ltd. | Joint ventures |
| Indochina Green Energy Co., Ltd. | Joint ventures |
| Mekhong Green Power Co., Ltd. | Joint ventures |

| <u>Company's name and related persons</u> | <u>Relationship</u> |
|---|--|
| Ticon Demco Power 6 Co., Ltd. | Joint ventures |
| Ticon Demco Power 11 Co., Ltd. | Joint ventures |
| Demco Power 15 Co., Ltd. | Joint ventures |
| Demco Power 16 Co., Ltd. | Joint ventures |
| Demco Power 17 Co., Ltd. | Joint ventures |
| Aeolus Power Co., Ltd. | Associated company by direct holding and common director |
| K.R.TWO Co., Ltd. | Subsidiary company of Aeolus Power Co., Ltd. |
| First Korat Wind Co., Ltd. | Subsidiary company of Aeolus Power Co., Ltd. |
| CIN (THAILAND) Co., Ltd. | Associated company by direct holding and common director |
| CIN Gas Lopburi Co.,Ltd. | Subsidiary CIN (THAILAND) Co., Ltd. |
| CIN Gas Maha Sarakham Co.,Ltd. | Subsidiary CIN (THAILAND) Co., Ltd. |
| Khao Kor Wind Power Co.,Ltd | The company is shareholder of Khao Kor Wind Power Co.,Ltd |
| Sustainable energy corporation Co., Ltd. | The company is shareholder of Sustainable energy corporation Co., Ltd. |
| Mr.Sawasd Puipunthavong | Shareholder company |

The pricing policies for particular types of transactions are explained further below.

| Transactions | Pricing policy |
|-----------------------|--------------------------------------|
| Revenue from sales | Cost plus margin |
| Revenue from services | By contract |
| Interest income | Interest rate of 4.50%-12% per annum |
| Other income | Agreement price |
| Purchases | Cost plus margin |
| Cost services | By contract |
| Rental expenses | By contract |
| Advisory fee | By contract |
| Loss production | By Addendum |

7.1 Asset and liability with related entities as follows :

(Unit : Baht)

| | <u>Consolidated financial statements</u> | | <u>Separate financial statements</u> | |
|--------------------------|--|--------------------------|--------------------------------------|--------------------------|
| | As at | | As at | |
| | <u>June 30, 2017</u> | <u>December 31, 2016</u> | <u>June 30, 2017</u> | <u>December 31, 2016</u> |
| Demco Industry Co., Ltd. | | | | |
| Trade payable | - | - | 34,999,997.46 | 34,999,997.46 |
| Payable of project | - | - | 102,682,641.06 | 102,682,641.06 |
| Payable of retention | - | - | 11,603,491.50 | 11,603,491.50 |
| Accrued expenses | - | - | 43,870.00 | 43,870.00 |

7.1 Asset and liability with related entities as follows : (continue)

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Demco Power Co., Ltd. | | | | |
| Trade receivable-sale | - | - | 31,330.67 | 64,247.08 |
| Other receivable | - | - | 58,155,787.33 | 64,432,995.83 |
| Trade payable | - | - | 203,739.24 | 5,606,067.05 |
| Payable of project | - | - | 855,154.70 | 7,472,888.56 |
| Accrued expenses | - | - | 64,949.00 | 274,455.00 |
| Demco Delaos Co., Ltd. | | | | |
| Trade receivable-sale | - | - | 2,062,098.74 | - |
| Loan to related company | - | - | 344,409,118.60 | 296,720,903.02 |
| Accrued interest | - | - | 13,699,875.49 | 6,220,349.64 |
| Ticon Demco Power 6 Co., Ltd. | | | | |
| Trade receivable-service | 1,260,664.13 | 1,466,433.37 | 1,260,664.13 | 1,466,433.37 |
| Ticon Demco Power 11 Co., Ltd. | | | | |
| Trade receivable-service | 2,319,070.26 | 2,524,839.50 | 2,319,070.26 | 2,524,839.50 |
| Demco Power 15 Co., Ltd. | | | | |
| Trade receivable-service | 1,365,000.00 | 1,415,297.22 | 1,365,000.00 | 1,415,297.22 |
| Advance to relate company | 380,000.00 | 55,000.00 | 380,000.00 | 55,000.00 |
| Demco Power 16 Co., Ltd. | | | | |
| Trade receivable-service | 1,276,000.00 | 1,597,724.00 | 1,276,000.00 | 1,597,724.00 |
| Demco Power 17 Co., Ltd. | | | | |
| Trade receivable-service | 880,000.00 | 981,436.92 | 880,000.00 | 981,436.92 |
| Advance to relate company | 210,000.00 | - | 210,000.00 | - |
| K.R.TWO Co., Ltd. | | | | |
| Trade receivable-service | 56,709,999.79 | 56,709,999.79 | 56,709,999.79 | 56,709,999.79 |
| Accrued expenses | 39,869,218.00 | 30,807,724.55 | 39,869,218.00 | 30,807,724.55 |
| First Korat Wind Co., Ltd. | | | | |
| Trade receivable-service | 50,290,000.02 | 50,290,000.02 | 50,290,000.02 | 50,290,000.02 |
| Accrued expenses | - | 35,154,660.31 | - | 35,154,660.31 |
| Udon Thani Solar Power Company Limited | | | | |
| Advances to related company | 1,002,700.00 | 2,924,596.47 | 1,002,700.00 | 2,924,596.47 |
| Receivable from guarantee | 6,000,000.00 | 6,000,000.00 | 6,000,000.00 | 6,000,000.00 |

7.1 Asset and liability with related entities as follows : (continue)

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Indochina Green Energy Company Limited | | | | |
| Trade receivable-service | 1,273,654.71 | 1,273,654.71 | 1,273,654.71 | 1,273,654.71 |
| Advances to related company | - | 1,880,029.27 | - | 1,880,029.27 |
| Receivable from guarantee | 6,000,000.00 | 6,000,000.00 | 6,000,000.00 | 6,000,000.00 |
| Mekhong Green Power Company Limited | | | | |
| Loan to related company | 2,500,000.00 | 2,500,000.00 | 2,500,000.00 | 2,500,000.00 |
| Accrued revenue | 600,000.00 | 451,232.88 | 600,000.00 | 451,232.88 |
| Advances to related company | 2,172,700.00 | 3,746,292.34 | 2,172,700.00 | 3,746,292.34 |
| Receivable from guarantee | 6,000,000.00 | 6,000,000.00 | 6,000,000.00 | 6,000,000.00 |
| CIN (THAILAND) Co., Ltd. | | | | |
| Loan from related company | 1,300,000.00 | 1,300,000.00 | 1,300,000.00 | 1,300,000.00 |
| Loan to related company | 42,500.00 | - | 42,500.00 | - |
| CIN Gas Lopburi Co.,Ltd. | | | | |
| Loan to related company | 17,500.00 | - | 17,500.00 | - |
| CIN Gas Maha Sarakham Co.,Ltd. | | | | |
| Loan to related company | 17,500.00 | - | 17,500.00 | - |

7.2 Revenue and expense transactions as follows

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------------|-----------------------------------|---------------|-------------------------------|--------------|
| | For the three-month period ended | | | |
| | June 30,2017 | June 30 ,2016 | June 30 ,2017 | June 30,2016 |
| Demco Industry Co., Ltd. | | | | |
| Cost of services | - | - | 73,633.33 | 86,333.33 |
| Rental expenses | - | - | 42,000.00 | - |
| Demco Power Co., Ltd. | | | | |
| Revenue from sales | - | - | 29,425.00 | 17,580.00 |
| Other income | - | - | 243,985.00 | 208,526.00 |
| Cost of sale | - | - | 323,340.50 | 799,837.00 |
| Cost of services | - | - | 967,657.00 | 7,132,720.00 |
| Other expense | - | - | - | 3,100.00 |
| Demco Derlao Co., Ltd. | | | | |
| Revenue from sales | - | - | 2,062,098.74 | 5,764,286.24 |
| Interest income | - | - | 3,703,572.57 | 1,201,761.08 |

7.2 Revenue and expense transactions as follows (continue)

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------------------|-----------------------------------|----------------|-------------------------------|----------------|
| | For the three-month period ended | | | |
| | June 30,2017 | June 30 ,2016 | June 30 ,2017 | June 30,2016 |
| K.R.TWO Co., Ltd. | | | | |
| Loss of Production | 9,769,839.00 | 13,863,891.85 | 9,769,839.00 | 13,863,891.85 |
| First Korat Wind Co., Ltd. | | | | |
| Loss of Production | - | 23,230,530.86 | - | 23,230,530.86 |
| Mekhong Green Power Company Limited | | | | |
| Interest income | 74,794.52 | 74,590.16 | 74,794.52 | 74,590.16 |
| Mr. Sawasd Puipunthavong | | | | |
| Advisor | 120,000.00 | 120,000.00 | 120,000.00 | 120,000.00 |
| | | | | (Unit : Baht) |
| | Consolidated financial statements | | Separate financial statements | |
| | For the six-month periods ended | | | |
| | June 30,2017 | June 30 ,2016 | June 30 ,2017 | June 30,2016 |
| Demco Industry Co., Ltd. | | | | |
| Cost of services | - | - | 151,166.69 | 351,638.33 |
| Rental expenses | - | - | 84,000.00 | 75,000.00 |
| Demco Power Co., Ltd. | | | | |
| Revenue from sales | - | - | 113,229.00 | 156,499.00 |
| Other income | - | - | 479,057.00 | 416,735.00 |
| Sale of fixed assets | - | - | - | 1,830,000.00 |
| Cost of sale | - | - | 20,874,420.50 | 1,315,512.00 |
| Cost of services | - | - | 5,288,574.00 | 19,907,305.00 |
| Purchase of fixed assets | - | - | - | 467,450.00 |
| Other expense | - | - | - | 63,100.00 |
| Demco Derlao Co., Ltd. | | | | |
| Revenue from sales | - | - | 2,062,098.74 | 13,799,591.28 |
| Interest income | - | - | 7,139,301.79 | 1,575,106.97 |
| K.R.TWO Co., Ltd. | | | | |
| Loss of Production | 39,869,218.00 | 102,300,856.13 | 39,869,218.00 | 102,300,856.13 |
| First Korat Wind Co., Ltd. | | | | |
| Loss of Production | - | 164,398,599.47 | - | 164,398,599.47 |
| Mekhong Green Power Company Limited | | | | |
| Interest income | 148,767.12 | 149,180.32 | 148,767.12 | 149,180.32 |
| Mr. Sawasd Puipunthavong | | | | |
| Advisor | 240,000.00 | 240,000.00 | 240,000.00 | 240,000.00 |

7.2 Revenue and expense transactions as follows (continue)

According to the Addendum to BOP Contract of Huay Bong, DEMCO has to be responsible for Loss Production involving WTGs' foundation improvement. Primarily calculated method was agreed by both parties, the owner and DEMCO. But later, during April-June 2017, the owner has proposed to review calculating method.

Currently, the Company is considering the revised Loss Production during the preparation of financial statements for the quarter report ended June 30, 2017. Right now the Company obtained Loss Production recognition by the information got from the owner, KR2, which being verified correctness of the calculation by the technical experts. After final conclusion, Loss Production recognition may be changed does's significant once.

7.3 Management benefit expenses

| | (Unit : Baht) | | | |
|------------------------------|-----------------------------------|---------------|-------------------------------|---------------|
| | Consolidated financial statements | | Separate financial statements | |
| | For the three-month periods ended | | | |
| | June 30,2017 | June 30,2016 | June 30,2017 | June 30,2016 |
| Short term employee benefits | 7,721,510.00 | 7,075,148.00 | 6,789,180.00 | 6,189,698.00 |
| Post-employment benefits | 393,226.00 | 360,950.00 | 330,906.00 | 303,909.00 |
| Share-based payments | - | 174,967.36 | - | 174,967.36 |
| Total | 8,114,736.00 | 7,611,065.36 | 7,120,086.00 | 6,668,574.36 |
| | | | | (Unit : Baht) |
| | Consolidated financial statements | | Separate financial statements | |
| | For the six-month periods ended | | | |
| | June 30,2017 | June 30,2016 | June 30,2017 | June 30,2016 |
| Short term employee benefits | 14,544,709.00 | 14,403,745.00 | 12,698,809.00 | 12,664,165.00 |
| Post-employment benefits | 786,451.00 | 721,901.00 | 661,811.00 | 607,818.00 |
| Share-based payments | - | 349,934.72 | - | 349,934.72 |
| Total | 15,331,160.00 | 15,475,580.72 | 13,360,620.00 | 13,621,917.72 |

The group has the following significant non-cash transaction:

| | (Unit : Million Baht) | | | |
|--|-----------------------------------|--------------|-------------------------------|--------------|
| | Consolidated financial statements | | Separate financial statements | |
| | As at | | As at | |
| | June 30,2017 | June 30,2016 | June 30,2017 | June 30,2016 |
| Purchase of fixed asset with credit line | 10.08 | 7.23 | 1.04 | 5.22 |

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|-------------------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30,2017 | December 31, 2016 | June 30,2017 | December 31, 2016 |
| Cash | 2,878,860.56 | 3,239,067.57 | 2,098,203.71 | 2,413,469.28 |
| Bank - saving accounts | 283,068,260.75 | 591,429,786.14 | 274,946,194.19 | 582,223,421.60 |
| Bank - current accounts | 119,678,192.25 | 150,781,135.75 | 51,329,118.91 | 120,906,763.09 |
| Bank - fixed accounts | 100,946.81 | 82,834.96 | 100,946.81 | 82,834.96 |
| Total | 405,726,260.37 | 745,532,824.42 | 328,474,463.62 | 705,626,488.93 |

The deposits interest rate was determined by bank, and fixed accounts carrying rate at 0.80% - 0.90% per annum.

The company has aging analysis of trade receivable are as follows :

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30,2017 | December 31, 2016 | June 30,2017 | December 31, 2016 |
| Trade receivable sales | | | | |
| Not yet due | 82,893,442.88 | 166,638,223.76 | 11,056,631.00 | 67,658,721.50 |
| Over due | | | | |
| Not over 3 months | 17,969,103.85 | 29,275,338.55 | 5,467,111.50 | 4,322,136.60 |
| More than 3-6 months | 3,728,361.50 | 1,104,676.00 | 3,728,361.50 | - |
| More than 6-9 months | - | 521,200.00 | - | - |
| Over 12 months | 4,151,641.12 | 5,965,169.43 | 4,151,641.12 | 5,965,169.43 |
| Total | 108,742,549.35 | 203,504,607.74 | 24,403,745.12 | 77,946,027.53 |
| <u>Less</u> Allowance for doubtful debt | (720,185.91) | (720,185.91) | (720,185.91) | (720,185.91) |
| Net trade receivable-sale | 108,022,363.44 | 202,784,421.83 | 23,683,559.21 | 77,225,841.62 |

The company has aging analysis of trade receivable are as follows :

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30,2017 | December 31, 2016 | June 30,2017 | December 31, 2016 |
| Trade receivable service | | | | |
| Not yet due | 380,046,896.85 | 247,439,280.20 | 378,776,240.35 | 244,781,400.20 |
| Over due | | | | |
| Not over 3 months | 74,134,735.91 | 163,437,073.13 | 73,770,935.91 | 162,843,651.13 |
| More than 3-6 months | 47,641,110.73 | 37,291,822.47 | 47,641,110.73 | 37,291,822.47 |
| More than 6-9 months | - | 15,272,758.06 | - | 15,272,758.06 |
| Over 12 months | 217,752,086.92 | 220,453,739.28 | 217,752,086.92 | 220,453,739.28 |
| Total | 719,574,830.41 | 683,894,673.14 | 717,940,373.91 | 680,643,371.14 |
| <u>Less</u> Allowance for doubtful debt | - | (1,816,655.74) | - | (1,816,655.74) |
| Total trade receivable service-net | 719,574,830.41 | 682,078,017.40 | 717,940,373.91 | 678,826,715.40 |
| Total trade receivable-net | 827,597,193.85 | 884,862,439.23 | 741,623,933.12 | 756,052,557.02 |
| Cheques returned | 4,246,320.18 | 4,246,320.18 | 4,246,320.18 | 4,246,320.18 |
| <u>Less</u> Allowance for doubtful debt | (4,246,320.18) | (4,246,320.18) | (4,246,320.18) | (4,246,320.18) |
| Cheques returned-net | - | - | - | - |
| Total trade receivable-net | 827,597,193.85 | 884,862,439.23 | 741,623,933.12 | 756,052,557.02 |
| <u>Trade receivable from subsidiary</u> | | | | |
| Trade receivable–sales | | | | |
| Not yet due | - | - | 2,075,075.70 | 21,025.50 |
| Over due | | | | |
| Not over 3 months | - | - | 18,353.71 | 43,221.58 |
| Net-trade receivable-sale | - | - | 2,093,429.41 | 64,247.08 |
| Total trade receivable from subsidiary | - | - | 2,093,429.41 | 64,247.08 |
| Total trade receivable | 827,597,193.85 | 884,862,439.23 | 743,717,362.53 | 756,116,804.10 |

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30,2017 | December 31, 2016 | June 30,2017 | December 31, 2016 |
| <u>Other receivable</u> | | | | |
| Advance to supplier for purchase of goods and services | 117,778,210.15 | 110,606,588.92 | 108,035,761.85 | 107,785,091.62 |
| Receivable from guarantee | 290,989,642.77 | 267,701,378.14 | 289,146,116.72 | 262,048,350.23 |
| Receivable revenue department | 5,716,906.10 | 5,726,824.63 | - | - |
| Prepaid expenses | 31,869,564.53 | 24,932,267.20 | 29,806,659.83 | 23,253,948.64 |
| Advance | 43,085,518.51 | 48,425,282.32 | 42,810,022.18 | 48,405,137.82 |
| Accrued dividend | 88,500,000.00 | 30,750,000.00 | 88,500,000.00 | 30,750,000.00 |
| Other receivable | 11,796,439.07 | 13,748,471.15 | 69,952,226.40 | 78,181,466.98 |
| Other | 7,848,758.20 | 1,944,979.24 | 16,339,673.02 | 8,069,740.99 |
| Total other receivable | 597,585,039.33 | 503,835,791.60 | 644,590,460.00 | 558,493,736.28 |
| Total trade and other receivable | 1,425,182,233.18 | 1,388,698,230.83 | 1,388,307,822.53 | 1,314,610,540.38 |
| <u>Trade receivable excluding subsidiary</u> | | | | |

The trade receivable , holding unpaid debts more than 12 months of amount Baht 221.18 Million, The management has assessed and considered that the company can collection money from trade accounts receivable as details are follow:

The trade receivable amount Baht 107 Million, whom be debts of group associated company. According to Addendum on March 28, 2014, they will repayment when the company remedy completed accordance in Note 30.

The trade receivable of amount Baht 92.29 Million is facing with temporary lacking of liquidity, And right now the debtor has set debt settlement plan and has begun to pay back for the company.However, the company has been gradually paid back the debt from such accounts receivables and at present, the mentioned receivables have been being improved shareholders' structure and the major shareholders insisted to be responsible for the outstanding liabilities of the receivables.

The trade account receivable of amount Baht 9.42 Million is awaiting money receiving from its service made for company in the group.

The trades receivable of amount Baht 7.10 Million, of which debts of the related parties. Management ensure that the debtor can pay all the debts to the company due to the company because all of them have got profits from their operating and results deferring payment to the company.

The trades receivable of amount Baht 1.94 Million,would be paid to the company when a receivable get payment from its owner.

The trades receivable of amount Baht 3.43 Million, is expected to be paid within the year 2017

As at June 30, 2017 and December 31, 2016 the company has transferred received money or transferred claimant right in the chance to receive debt repayment from trade account receivable in type of service work in amount of Baht 182.19 Million and Baht 192.46 Million respectively for several financial institutions so as to be collateral in the request of credit facility from such financial institutions in accordance as disclosed in the notes 24.

Parent company

As at June 30, 2017 and December 31, 2016 the company has transferred claimant right in the chance to receive debt repayment from unbilled installments on completed work in amount of Baht 139.84 Million and Baht 156.34 Million respectively for several financial institutions so as to be collateral in the request of credit facility from such banks in accordance as disclose in the notes 24.

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30,2017 | December 31, 2016 | June 30,2017 | December 31, 2016 |
| Finished goods | 149,200,346.74 | 184,872,310.20 | 125,102,036.54 | 151,883,934.60 |
| Work in process | 47,036,126.56 | 26,998,216.93 | 21,182.18 | 21,182.18 |
| Project work in progress | 23,115,879.41 | 864,298.14 | 23,115,879.41 | 864,298.14 |
| Raw materials | 171,081,058.49 | 129,657,474.87 | 8,268.58 | 8,268.58 |
| Supplies | 1,410,557.37 | 1,143,733.08 | - | - |
| Total | 391,843,968.57 | 343,536,033.22 | 148,247,366.71 | 152,777,683.50 |
| <u>Less</u> Allowance for diminution in value of inventories | (25,790,424.94) | (26,969,986.44) | (13,543,480.27) | (13,855,971.65) |
| Net | 366,053,543.63 | 316,566,046.78 | 134,703,886.44 | 138,921,711.85 |

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|-----------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30,2017 | December 31, 2016 | June 30,2017 | December 31, 2016 |
| Withholding tax | 197,481,725.16 | 157,685,933.89 | 197,413,379.53 | 151,247,306.45 |
| Other | 27,871,093.77 | 27,883,427.34 | 27,670,733.59 | 27,679,866.62 |
| Total | 225,352,818.93 | 185,569,361.23 | 225,084,113.12 | 178,927,173.07 |

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|------------------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30,2017 | December 31, 2016 | June 30,2017 | December 31, 2016 |
| Bank - saving accounts | 27,000,000.00 | 27,000,000.00 | 27,000,000.00 | 27,000,000.00 |
| Bank-fixed accounts | 4,500,000.00 | 4,500,000.00 | 4,500,000.00 | 4,500,000.00 |
| Total | 31,500,000.00 | 31,500,000.00 | 31,500,000.00 | 31,500,000.00 |

As at June 30, 2017 and December 31, 2016 all amount of deposits in bank above has to be guaranteed about credit to financial institutions in accordance as disclosed in note no. 24.

| | (Unit : Baht) | |
|---------------------------------------|-----------------------------------|-------------------------------|
| | Consolidated financial statements | Separate financial statements |
| Net book value as at December 31,2016 | 1,400,723,547.40 | 1,208,409,236.78 |
| Share of net profit of associates | 59,864,934.38 | - |
| Less Dividend income | (88,500,000.00) | - |
| Net book value as at June 30,2017 | 1,372,088,481.78 | 1,208,409,236.78 |

All of the associated company are founded in Thailand with the following details:

| Company name | Type of business | Percentage of shareholdings | | Paid-up capital | |
|--------------------------------|-----------------------|-----------------------------|-------------------|------------------|-------------------|
| | | As at | | As at | |
| | | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Aeolus Power Co., Ltd | holding company | 25% | 25% | 1,301,301,300.00 | 1,301,301,300.00 |
| CIN (THAILAND) Company Limited | providing electricity | 26% | 26% | 6,000,000.00 | 6,000,000.00 |
| | Total | | | 1,307,301,300.00 | 1,307,301,300.00 |

| Company name | (Unit : Baht) | | | |
|---------------------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | Consolidated financial statements | | | |
| | On equity method | | | |
| | As at | | | |
| | June 30, 2017 | December 31, 2016 | Separate financial statements | |
| | | | On cost method | |
| | | | As at | |
| | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| 1 Aeolus Power Co., Ltd | 1,371,508,430.65 | 1,400,108,136.28 | 1,206,849,236.78 | 1,206,849,236.78 |
| 2 CIN (THAILAND) Co., Ltd | 580,051.13 | 615,411.12 | 1,560,000.00 | 1,560,000.00 |
| Total | 1,372,088,481.78 | 1,400,723,547.40 | 1,208,409,236.78 | 1,208,409,236.78 |

| Company name | Dividend received | | | |
|-----------------------|-----------------------------------|---------------|---------------------------------|---------------|
| | For the three-month periods ended | | For the six-month periods ended | |
| | June 30, 2017 | June 30, 2016 | June 30, 2017 | June 30, 2016 |
| Aeolus Power Co., Ltd | 88,500,000.00 | 76,500,000.00 | 88,500,000.00 | 76,500,000.00 |

In accordance with the minutes of the board of directors' meeting No.2/2017 held on June 5, 2017, Aeolus Co., Ltd. Wa: entitled to receive dividends from First Korat Wind Co., Ltd. ("FKW") amounting to Baht 255 Million and K.R.TWO Co.,Ltd. ("KR2") amounting to Baht 234 Million. FKW and KR2 will distribute the dividends to its shareholders no later than July 31,2017 Aeolus Power Co., Ltd. approved interim dividends payment for periods ended December 1, 2016 to June 2, 2017 amounting to Baht 354 Million and dividends paid to Demco amounting to Baht 88.50 Million. Round of dividend will be paid with in one month than the date on which received dividend from FKW and KR2.

In accordance with the minutes of the board of directors' meeting No.2/2016 held on May 24, 2016, Aeolus Co., Ltd. Wa: entitled to receive dividends from First Korat Wind Co., Ltd. ("FKW") amounting to Baht 174 Million and K.R.TWO Co.,Ltd. ("KR2") amounting to Baht 132 Million. FKW and KR2 will distribute the dividends to its shareholders no later than May 31,2016 Aeolus Power Co., Ltd. approved interim dividends payment for periods ended December 1, 2015 to April 30, 2016 amounting to Baht 306 Million and dividends paid to Demco amounting to Baht 76.50 Million. Round of dividend will be paid when received dividend from FKW and KR2.

(Unit : Baht)

| Company name | Consolidated financial statements | | | |
|-------------------------|-----------------------------------|---------------|---------------------------------|---------------|
| | Share of net profit of associates | | | |
| | For the three-month period ended | | For the six-month periods ended | |
| June 30, 2017 | June 30, 2016 | June 30, 2017 | June 30, 2016 | |
| Aeolus Power Co., Ltd | 10,250,710.30 | 25,764,952.21 | 59,900,294.37 | 71,038,983.83 |
| CIN (THAILAND) Co., Ltd | (23,529.99) | (14,779.46) | (35,359.99) | (29,738.41) |
| Total | 10,227,180.31 | 25,750,172.75 | 59,864,934.38 | 71,009,245.42 |

None of the Company's associates are publicly listed do not have published price quotations.

The share of profit for the three-month and six-month periods ended June 30, 2017 and 2016 of all associates were calculated from the financial statements for the three-month and six-month periods ended June 30, 2017 and 2016. The company has to recognize share of gain(loss) of associatesat company's percentage of holdings only which the financial statements prepared by their managements.

| | (Unit : Baht) | |
|---------------------------------------|-----------------------------------|-------------------------------|
| | Consolidated financial statements | Separate financial statements |
| Net book value as at December 31,2016 | 72,796,776.88 | 60,823,500.00 |
| Share of net profit of joint venture | 4,754,026.63 | - |
| Net book value as at June 30,2017 | 77,550,803.51 | 60,823,500.00 |

Consolidated financial statements

| Company name | Type of business | Percentage of shareholdings (Percentage) | | On equity method | |
|--|--------------------------|--|-------------------|------------------|-------------------|
| | | As at | | As at | |
| | | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Ticon Demco Power 6 Co., Ltd. | providing electricity | 49% | 49% | 2,497,782.31 | 2,371,228.14 |
| Ticon Demco Power 11 Co., Ltd. | | 49% | 49% | 2,028,442.26 | 1,926,626.15 |
| Demco Power 15 Co., Ltd. | | 51% | 51% | 2,855,052.78 | 2,800,984.93 |
| Demco Power 16 Co., Ltd. | | 51% | 51% | 3,238,398.03 | 3,092,307.61 |
| Demco Power 17 Co., Ltd. | | 51% | 51% | 3,245,521.00 | 3,078,744.61 |
| Udon Thani Solar Power Company Limited | | 45.71 % | 45.71 % | 21,621,101.54 | 20,159,776.47 |
| Indochina Green Energy Company Limited | | 45.71 % | 45.71 % | 21,810,647.90 | 20,379,280.74 |
| Mekhong Green Power Company Limited | | 45.71 % | 45.71 % | 20,253,857.69 | 18,987,828.23 |
| | | | | | |
| | | | Total | | 77,550,803.51 |

(Unit : Baht)

Separate financial statements

Carrying amounts based on cost method

| Company name | As at | |
|--|---------------|-------------------|
| | June 30, 2017 | December 31, 2016 |
| Ticon Demco Power 6 Co., Ltd. | 2,449,700.00 | 2,449,700.00 |
| Ticon Demco Power 11 Co., Ltd. | 1,959,700.00 | 1,959,700.00 |
| Demco Power 15 Co., Ltd. | 2,804,700.00 | 2,804,700.00 |
| Demco Power 16 Co., Ltd. | 2,804,700.00 | 2,804,700.00 |
| Demco Power 17 Co., Ltd. | 2,804,700.00 | 2,804,700.00 |
| Udon Thani Solar Power Company Limited | 16,000,000.00 | 16,000,000.00 |
| Indochina Green Energy Company Limited | 16,000,000.00 | 16,000,000.00 |
| Mekhong Green Power Company Limited | 16,000,000.00 | 16,000,000.00 |
| | 60,823,500.00 | 60,823,500.00 |

Consolidated financial statements

| Company name | Share of net profit of associates | | | |
|--|-----------------------------------|---------------------|---------------------------------|---------------------|
| | For the three-month period ended | | For the six-month periods ended | |
| | June 30, 2017 | June 30, 2016 | June 30, 2017 | June 30, 2016 |
| Ticon Demco Power 6 Co., Ltd. | 80,764.26 | 86,121.96 | 126,554.17 | 150,669.41 |
| Ticon Demco Power 11 Co., Ltd. | 64,513.78 | 62,891.11 | 101,816.11 | 104,380.62 |
| Demco Power 15 Co., Ltd. | 71,135.79 | 73,325.30 | 54,067.85 | 86,780.66 |
| Demco Power 16 Co., Ltd. | 102,950.04 | 107,981.74 | 146,090.42 | 156,744.75 |
| Demco Power 17 Co., Ltd. | 110,426.77 | 144,101.74 | 166,776.39 | 235,077.53 |
| Udon Thani Solar Power Company Limited | 721,917.43 | 223,046.68 | 1,461,325.07 | 483,893.46 |
| Indochina Green Energy Company Limited | 721,529.63 | 249,551.96 | 1,431,367.16 | 552,533.57 |
| Mekhong Green Power Company Limited | 606,143.37 | 160,547.62 | 1,266,029.46 | 379,535.92 |
| | <u>2,479,381.07</u> | <u>1,107,568.11</u> | <u>4,754,026.63</u> | <u>2,149,615.92</u> |

None of the joint ventures are publicly listed and consequently do not have published price quotations.

| | (Unit : Baht) |
|---------------------------------------|-------------------------------|
| | Separate financial statements |
| Net book value as at December 31,2016 | 532,367,641.12 |
| capital increase | 70,356,638.97 |
| Net book value as at June 30,2017 | <u>602,724,280.09</u> |

Detail of Investments of subsidiary company

(Unit : Baht)

| Company name | Registered share capital | Percentage of shareholdings (%) | Separate financial statements | | | |
|--------------------------|--------------------------|---------------------------------|-------------------------------|-------------------|-----------------------|-----------------------|
| | | | Issued and paid-up | | On cost method | |
| | | | As at | | As at | |
| | | | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Demco Industry Co., Ltd. | 260,000,000.00 | 100 | 190,000,000.00 | 190,000,000.00 | 167,600,000.00 | 167,600,000.00 |
| Demco Power Co., Ltd. | 200,000,000.00 | 100 | 200,000,000.00 | 200,000,000.00 | 200,000,000.00 | 200,000,000.00 |
| Demco Delaos Co., Ltd. | 639,600,000.00 | 90 | 253,449,464.87 | 183,092,825.90 | 235,124,280.09 | 164,767,641.12 |
| | | | | | <u>602,724,280.09</u> | <u>532,367,641.12</u> |

None of the subsidiary company are publicly listed and consequently do not have published price quotations.

Subsidiary (Demco Delaos Co., Ltd.)

During 2017, Demco paid-up additional share capital to Demco delaos Co., Ltd amount 1.92 Milion shares, with a par value of 1.23 USD per share. And DEMCO paid share above amount Baht 70.36 Million. Percentage of shareholding unchanged

During 2016, Demco paid-up additional share capital to Demco delaos Co., Ltd amount 1.92 Milion shares, with a par value of 0.59 USD per share. And DEMCO paid share above amount Baht 40.72 Million. Percentage of shareholding unchanged

| | Consolidated and separate financial statements | | | | | |
|-------|--|-------------------|----------------------------------|-------------------------|-------------------------|-------------------------|
| | Percentage of shareholdings (%) | | Issued and paid-up share capital | | Cost method | |
| | As at | | As at | | As at | |
| | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| | 3.87 | 3.87 | 1,088,373,000.00 | 1,088,373,000.00 | 799,999,940.00 | 799,999,940.00 |
| | 12.87 | 12.87 | 1,530,000,000.00 | 1,530,000,000.00 | 114,114,285.00 | 114,114,285.00 |
| | 14.28 | 14.28 | 1,530,000,000.00 | 1,530,000,000.00 | 218,571,420.00 | 218,571,420.00 |
| Total | | | <u>4,148,373,000.00</u> | <u>4,148,373,000.00</u> | <u>1,132,685,645.00</u> | <u>1,132,685,645.00</u> |

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|----------------------|-------------------------------|-----------------------|
| | As at | | As at | |
| | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Current Asset | | | | |
| Short-term loans to others | 22,811,784.78 | 22,803,984.78 | 22,811,784.78 | 22,803,984.78 |
| Short -term loans to related parties | 2,577,500.00 | 2,500,000.00 | 9,263,459.81 | 12,508,319.19 |
| Total | <u>25,389,284.78</u> | <u>25,303,984.78</u> | <u>32,075,244.59</u> | <u>35,312,303.97</u> |
| Non current Asset | | | | |
| Other long-term loans to related parties | - | - | 337,723,158.79 | 286,712,583.83 |
| Total loans | <u>25,389,284.78</u> | <u>25,303,984.78</u> | <u>369,798,403.38</u> | <u>322,024,887.80</u> |

The group company's land not used for operations are pledged against credit facility which received from financial institution in accordance as disclosed in the notes 24.

(Unit : Baht)

| | Consolidated Financial statements | Separate Financial statements |
|--|--------------------------------------|----------------------------------|
| Net book valued - as at December 31, 2016 | 346,001,455.02 | 199,115,082.72 |
| <u>Add</u> Acquisitions during period - at cost | 31,425,675.30 | 7,309,200.70 |
| <u>Less</u> Disposals during period - net book value as at disposal date | (198,862.06) | (198,861.06) |
| Depreciation - for the period | (18,733,820.62) | (11,662,585.84) |
| Net book valued - as at June 30, 2017 | <u>358,494,447.64</u> | <u>194,562,836.52</u> |

The company's land, building and improvement including some machine are pledged against credit facility which received from financial institution in accordance with the note 24

(Unit : Baht)

| | Consolidated Financial statements | Separate Financial statements |
|--|--------------------------------------|----------------------------------|
| Net book valued - as at December 31, 2016 | 415,517,496.94 | 7,540,280.13 |
| <u>Add</u> Acquisitions during period | 176,678,371.52 | - |
| <u>Less</u> Disposals during period - net book value as at disposal date | (1.00) | (1.00) |
| Amortization - for the period | (1,597,389.32) | (1,300,416.50) |
| Net book valued - as at June 30, 2017 | <u>590,598,478.14</u> | <u>6,239,862.63</u> |

Deferred tax assets and liabilities were as follows :

(Unit : Baht)

| Consolidated financial statements | | | | | |
|-----------------------------------|-----------------------------|-----------------------|-------------------------|-----------------------------|-----------------------|
| As at June 30, 2017 | | | As at December 31, 2016 | | |
| Deferred tax assets | Deferred tax liabilities | Net | Deferred tax assets | Deferred tax liabilities | Net |
| 273,939,650.98 | (6,778,122.42) | 267,161,528.56 | 263,928,582.04 | (6,391,377.98) | 257,537,204.06 |
| - | (50,633.64) | (50,633.64) | - | (52,836.01) | (52,836.01) |
| <u>273,939,650.98</u> | <u>(6,828,756.06)</u> | <u>267,110,894.92</u> | <u>263,928,582.04</u> | <u>(6,444,213.99)</u> | <u>257,484,368.05</u> |

(Unit : Baht)

| Separate financial statements | | | | | |
|-------------------------------|-----------------------------|----------------|-------------------------|-----------------------------|----------------|
| As at June 30, 2017 | | | As at December 31, 2016 | | |
| Deferred tax assets | Deferred tax liabilities | Net | Deferred tax assets | Deferred tax liabilities | Net |
| 268,272,037.98 | (5,610,382.79) | 262,661,655.19 | 258,231,856.04 | (5,320,487.11) | 252,911,368.93 |

| | Consolidated financial statements | | Separate financial statements | |
|--|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | As at | | As at | |
| | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Deferred tax assets | | | | |
| Allowance for Trade receivable | 993,301.22 | 1,356,632.37 | 993,301.22 | 1,356,632.37 |
| Allowance for other current assets | 3,144,522.67 | 3,324,784.71 | 3,144,522.67 | 3,324,784.71 |
| Allowance for diminution in value of inventories | 5,158,085.00 | 5,393,997.30 | 2,708,696.05 | 2,771,194.33 |
| Allowance impairment of investment property | 240,000.00 | 240,000.00 | 240,000.00 | 240,000.00 |
| Employee benefit obligations | 13,885,597.75 | 13,060,788.00 | 12,422,674.55 | 11,786,123.40 |
| Short-term provisions | 23,825,804.72 | 39,188,692.68 | 23,825,804.72 | 39,188,692.68 |
| Loss carry forward | 227,872,179.12 | 202,736,565.30 | 227,872,179.12 | 202,736,565.30 |
| Actuarial gain(loss) from employmentt benefits | (3,183,187.75) | (3,420,184.15) | (2,935,140.35) | (3,172,136.75) |
| Other | 2,003,348.25 | 2,047,305.83 | - | - |
| Total | <u>273,939,650.98</u> | <u>263,928,582.04</u> | <u>268,272,037.98</u> | <u>258,231,856.04</u> |
| Deferred tax liabilities | | | | |
| Liabilities by contract of financial lease | 5,612,674.65 | 5,142,407.22 | 4,394,301.38 | 4,018,680.34 |
| Depreciation of assets | 1,216,081.41 | 1,301,806.77 | 1,216,081.41 | 1,301,806.77 |
| Total | <u>6,828,756.06</u> | <u>6,444,213.99</u> | <u>5,610,382.79</u> | <u>5,320,487.11</u> |
| Net | <u>267,110,894.92</u> | <u>257,484,368.05</u> | <u>262,661,655.19</u> | <u>252,911,368.93</u> |

The company has credit in form of bank overdraft, letter of guarantee, short-term loans from financial institutions and long-term loans, the company has transferred claimant right or transferred right to receive debt repayment from trading account receivable under note 10 and unbilled installments on completed work note 11, investment property under note 20, land building and improvement and machines under note 21, including restricted deposits at financial institutions note 14 are securities in order to guarantee credit facilities above, in addition the group transfer beneficiary from insurance in assets of the group company to the financial institution.

| | Consolidated financial statements | | Separate financial statements | |
|---------------------------------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Bank overdrafts | 20,610.38 | - | 20,610.38 | - |
| Short-term loans from trust receipts | 1,207,976,602.80 | 850,220,454.47 | 1,200,805,459.80 | 847,304,251.97 |
| Short-term loans from promissory note | 626,484,116.78 | 945,000,000.00 | 549,591,905.22 | 875,000,000.00 |
| Total | 1,834,481,329.96 | 1,795,220,454.47 | 1,750,417,975.40 | 1,722,304,251.97 |

Parent company

(Unit : Baht)

| | Aging (month) | Interest rate | Amount | |
|---------------------------------------|---------------|---------------|------------------|-------------------|
| | | | As at | |
| | | | June 30, 2017 | December 31, 2016 |
| Bank overdrafts | - | MOR | 20,610.38 | - |
| Short-term loans from trust receipts | 1-6 | 2.30%-3.90% | 1,200,805,459.80 | 847,304,251.97 |
| Short-term loans from promissory note | 1-7 | 3.50% - 6.87% | 549,591,905.22 | 875,000,000.00 |
| Total | | | 1,750,417,975.40 | 1,722,304,251.97 |

As at June 30,2017 and December 31,2016 credit line on bank overdrafts and short-term loans from financial institution, securities and co-directors' guarantees. As disclosed in the notes 24

Subsidiary (Demco Power Co., Ltd.)

(Unit : Baht)

| | Aging (month) | Interest rate | Amount | |
|---------------------------------------|---------------|---------------|---------------|-------------------|
| | | | As at | |
| | | | June 30, 2017 | December 31, 2016 |
| Short-term loans from trust receipts | 2 | 2.30%-2.40% | 7,171,143.00 | 2,916,202.50 |
| Short-term loans from promissory note | 2-3 | 4.50% - 6.50% | 76,892,211.56 | 70,000,000.00 |
| Total | | | 84,063,354.56 | 72,916,202.50 |

As at June 30,2017 and December 31,2016 Credit line of bank overdrafts and short-term loans from financial institutions under note 24 have parent company jointly guarantee.

| | Consolidated financial statements | | Separate financial statements | |
|------------------------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Trade payable | 640,367,969.53 | 873,012,015.13 | 704,195,655.29 | 953,523,240.80 |
| Advance from customers | 471,800,569.98 | 273,028,290.05 | 440,400,275.88 | 265,304,597.95 |
| Account payable of retention | 155,984,282.92 | 178,261,754.67 | 144,252,922.69 | 175,985,216.98 |
| Account payable of stock | 97,923,706.42 | 97,923,706.42 | 97,923,706.42 | 97,923,706.42 |
| Accrued expense | 83,660,381.06 | 118,839,738.92 | 81,179,798.41 | 112,673,151.83 |
| Other | 25,129,006.29 | 67,857,251.97 | 13,386,355.88 | 38,627,043.38 |
| Total | 1,474,865,916.20 | 1,608,922,757.16 | 1,481,338,714.57 | 1,644,036,957.36 |

(Unit : Baht)

Consolidated financial statements

/Separate financial statements

| | As at | |
|--|-----------------|-------------------|
| | June 30, 2017 | December 31, 2016 |
| | Short-term loan | 1,300,000.00 |

Parent company

All amount of short-term loan are in form of bill of exchange, with interest rate at 3.50% per annum period of repayment about 9 months.

(Unit : Baht)

| | Consolidated financial statements | | Separate financial statements | |
|-----------------------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Remedy work provisions | 119,129,023.61 | 195,943,463.43 | 119,129,023.61 | 195,943,463.43 |
| Other short-term provisions | 300,000.00 | 300,000.00 | - | - |
| Total | 119,429,023.61 | 196,243,463.43 | 119,129,023.61 | 195,943,463.43 |

(Unit : Million Baht)

| | Separate financial statements | | | |
|---------------------------------|-------------------------------|------|-------------|------------|
| | Provisions | | | |
| | as at June 30, 2017 | | | |
| | Provisions | | | Provisions |
| Beginning balance | Add | Paid | End balance | |
| - Remedy work expense | 169.22 | - | 70.26 | 98.96 |
| - Consultants and Other expense | 26.72 | - | 6.55 | 20.17 |
| Total | 195.94 | - | 76.81 | 119.13 |

For the six-month periods ended June 30, 2016 the company reviewed and revised estimate additional cost foundations remedy from December 31 2015 of amount Baht 105.11 Million. In detail disclosed in the notes to financial statements for the year ended December 31, 2016

| | Consolidated financial statements | | Separate financial statements | |
|-------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| | Output tax deferred | 46,051,898.05 | 40,259,614.89 | 39,273,909.52 |
| Other | 89,600.00 | 90,000.00 | 89,600.00 | 90,000.00 |
| Total | 46,141,498.05 | 40,349,614.89 | 39,363,509.52 | 33,564,810.94 |

| | Consolidated financial statements | | Separate financial statements | |
|---|--|-------------------|-------------------------------|-------------------|
| | As at | | As at | |
| | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| | Loan (Credit line of Baht 41.73 Million) | 30,630,000.00 | 32,850,000.00 | - |
| Loan (Credit line of Baht 200 Million) | 146,720,000.00 | 137,600,000.00 | 146,720,000.00 | 137,600,000.00 |
| Loan (Credit line of Baht 345 Million) | 331,775,000.00 | 343,850,000.00 | 331,775,000.00 | 343,850,000.00 |
| Long-term bills | - | 180,000,000.00 | - | 180,000,000.00 |
| Total | 509,125,000.00 | 694,300,000.00 | 478,495,000.00 | 661,450,000.00 |
| Less Current portion of long-term loans | (72,000,000.00) | (250,275,000.00) | (67,560,000.00) | (245,835,000.00) |
| Net | 437,125,000.00 | 444,025,000.00 | 410,935,000.00 | 415,615,000.00 |

Movement of long-term loans for the six-month periods ended June 30, 2017 are as follows

| | (Unit : Baht) | |
|---|-----------------------|-----------------------|
| | Consolidated | Separate |
| | Financial statements | Financial statements |
| Beginning Balance | 694,300,000.00 | 661,450,000.00 |
| <u>Add</u> Received loans during the period | 29,100,000.00 | 29,100,000.00 |
| <u>Less</u> Repayment loans during the period | (214,275,000.00) | (212,055,000.00) |
| Ending Balance | <u>509,125,000.00</u> | <u>478,495,000.00</u> |

Liabilities by contract of financial leased-net

| | (Unit : Baht) | | | |
|--|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | As at | | As at | |
| | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Less than 1 year | 9,676,901.20 | 12,598,812.60 | 9,095,647.24 | 10,459,976.76 |
| More than 1 year up to 5 years | 6,855,150.05 | 8,779,915.44 | 5,831,000.62 | 8,642,955.44 |
| Total | 16,532,051.25 | 21,378,728.04 | 14,926,647.86 | 19,102,932.20 |
| <u>Less</u> Interest payment in the future | (795,307.67) | (1,014,975.06) | (692,920.83) | (966,464.61) |
| Present value of liabilities under financial lease agreement | 15,736,743.58 | 20,363,752.98 | 14,233,727.03 | 18,136,467.59 |
| <u>Less</u> Current portion of liabilities under financial lease agreement | (9,150,935.11) | (11,942,081.74) | (8,628,898.09) | (9,841,264.19) |
| Liabilities under financial lease agreement-net | 6,585,808.47 | 8,421,671.24 | 5,604,828.94 | 8,295,203.40 |
| Total long-term loans | <u>443,710,808.47</u> | <u>452,446,671.24</u> | <u>416,539,828.94</u> | <u>423,910,203.40</u> |

Employee benefit obligations are as follow :

| | (Unit : Baht) | |
|--|----------------------|----------------------|
| | Consolidated | Separate |
| | Financial statements | Financial statements |
| Employee benefit obligations as at December 31, 2016 | 55,122,951.00 | 43,738,827.00 |
| <u>Add</u> Employee benefit during the period | 4,153,529.00 | 3,365,342.00 |
| Financial cost (interest) during the period | 760,400.00 | 607,294.00 |
| <u>Less</u> Payments employee benefit during the period | (1,458,774.00) | (1,458,774.00) |
| <u>Add (Less)</u> Actuarial (gains) losses arising from post-employment benefits | 1,184,982.00 | 1,184,982.00 |
| Employee benefit obligations as at June 30, 2017 | <u>59,763,088.00</u> | <u>47,437,671.00</u> |

Consolidated and Separate financial statements

| | As at June 30, 2017 | | As at December 31, 2016 | |
|---|---------------------|----------------|-------------------------|------------------|
| | Number of shares | Amount | Number of shares | Amount |
| | (Shares) | (Baht) | (Shares) | (Baht) |
| Registered share capital | | | | |
| Beginning ordinary share | 822,683,573 | 822,683,573.00 | 946,528,100 | 946,528,100.00 |
| <u>Less</u> Decreased ordinary share | - | - | (123,844,527) | (123,844,527.00) |
| Ending ordinary shares | 822,683,573 | 822,683,573.00 | 822,683,573 | 822,683,573.00 |
| Issued and paid-up share capital | | | | |
| Beginning ordinary shares | 730,344,251 | 730,344,251.00 | 730,332,568 | 730,332,568.00 |
| <u>Add</u> Increased ordinary shares | - | - | 11,683 | 11,683.00 |
| Total ordinary shares before less treasury shares | 730,344,251 | 730,344,251.00 | 730,344,251 | 730,344,251.00 |

Reference shall be made to the resolution in Minutes of 2016 Annual General Meeting of Shareholders held on April 28, 2016 to decrease the company's registered capital from Baht 946,528,100 to Baht 822,683,573 by canceling the shares which have not yet been issued 123,844,527 shares at a par value of Baht 1 per share. the exercise of warrants representing the right to purchase newly issued ordinary shares were DEMCO-W5 41,712,468 shares, DEMCO-W6 78,617,459 shares and ESOP2 3,514,600 shares for totally 123,844,527 shares due to the warrants expired

During the year 2016, the company received the money amount Baht 0.17 Million from Warrant in-the-money exercising in SET resulting the company has the issued capital and paid-up share capital increase amount Baht 0.01 Million and has premium on share capital amount Baht 0.16 Million the company registered capital paid-up at the Ministry of Commerce since February 10, 2016.

Parent company

| | Unit | |
|---|---------------|-------------------|
| | As at | |
| | June 30, 2017 | December 31, 2016 |
| 33.1 Warrant (DEMCO-W6) | | |
| Total right of warrants | - | 38,053,393 |
| Exercise right of warrants balance forward | - | 437 |
| <u>Add</u> Exercise right of warrants during the period | - | 11,581 |
| Exercise right of warrants balance ended | - | 12,018 |
| Net total right of warrants | - | 38,041,375 |

DEMCO-W6 remaining warrants in number of 38.04 unit Million which expired from listed on the Stock Exchange of Thailand since February 6, 2016 and can not converted to ordinary share capital

| | As at | |
|---|---------------|-------------------|
| | June 30, 2017 | December 31, 2016 |
| 33.2 Warrant (DEMCO-ESOP#3) | | |
| Total right of warrants | - | 28,000,000 |
| Exercise right of warrants balance forward | - | 581,634 |
| <u>Add</u> Exercise right of warrants during the period | - | - |
| Exercise right of warrants balance ended | - | 581,634 |
| Net total right of warrants | - | 27,418,366 |

DEMCO-ESOP#3 amount of 27.42 unit Million have been expired on July 5, 2016 .The company transferred capital reserve for share-based payment to capital reserve for expired share-based payment which presented on "Shareholders' equity" of amount to Baht 16.36 Million.

For the three-month and six-month periods ended June 30, 2016 the Company recorded personnel expenses from DEMCO-ESOP3 amounting to Baht 1.39 Million and Baht 2.78 Million.respectively together with a corresponding increase in "Capital reserve for share-based payment transactions" in shareholders' equity.

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

| | (Unit : Baht) | | | |
|--|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | For the three-month periods ended | | | |
| | June 30, 2017 | June 30, 2016 | June 30, 2017 | June 30, 2016 |
| Current income tax : | | | | |
| Corporate income tax charge | 2,578,817.61 | - | - | - |
| Deferred tax : | | | | |
| Relating to origination and reversal | | | | |
| of temporary differences | (2,463,039.75) | (5,118,947.88) | (2,550,660.46) | (5,182,035.96) |
| Income tax expense reported in | | | | |
| the statements of comprehensive income | <u>115,777.86</u> | <u>(5,118,947.88)</u> | <u>(2,550,660.46)</u> | <u>(5,182,035.96)</u> |

| | (Unit : Baht) | | | |
|--|-----------------------------------|------------------------|-------------------------------|------------------------|
| | Consolidated financial statements | | Separate financial statements | |
| | For the six-month periods ended | | | |
| | June 30, 2017 | June 30, 2016 | June 30, 2017 | June 30, 2016 |
| Current income tax : | | | | |
| Corporate income tax charge | 8,126,030.27 | - | - | - |
| Deferred tax : | | | | |
| Relating to origination and reversal | | | | |
| of temporary differences | (9,389,530.46) | (73,522,751.89) | (9,513,289.86) | (73,683,078.57) |
| Income tax expense reported in | | | | |
| the statements of comprehensive income | <u>(1,263,500.19)</u> | <u>(73,522,751.89)</u> | <u>(9,513,289.86)</u> | <u>(73,683,078.57)</u> |

| | Consolidated financial statements | | Separate financial statements | |
|---|-----------------------------------|------------------|-------------------------------|------------------|
| | For the three-month period ended | | | |
| | June 30, 2017 | June 30, 2016 | June 30, 2017 | June 30, 2016 |
| Basic earnings per share | | | | |
| Net profit attributable to equity holders of the parent company (Unit : Baht) | 22,064,962.95 | 3,672,796.55 | 67,724,525.52 | 45,913,733.15 |
| Weighted average number of ordinary shares in issue (Unit : share) | 730,344,251 | 730,341,683 | 730,344,251 | 730,341,683 |
| Basic earnings per share (Baht per share) | 0.03 | 0.01 | 0.09 | 0.06 |
| | Consolidated financial statements | | Separate financial statements | |
| | For the six-month periods ended | | | |
| | June 30, 2017 | June 30, 2016 | June 30, 2017 | June 30, 2016 |
| Basic earnings per share | | | | |
| Net profit attributable to equity holders of the parent company (Unit : Baht) | 75,063,085.39 | (217,446,722.28) | 42,804,506.94 | (225,845,742.52) |
| Weighted average number of ordinary shares in issue (Unit : share) | 730,344,251 | 730,341,683 | 730,344,251 | 730,341,683 |
| Basic earnings per share (Baht per share) | 0.10 | (0.30) | 0.06 | (0.31) |

There is no dilutive effect of ordinary share in the financial statements for the three-month and six-month periods ended June 30, 2017 due to warrants expired.

There is no dilutive effect of ordinary share in the financial statements for the three-month and six-month periods ended June 30, 2016 since the exercise price of warrants was higher than the average market price for the period

Obligations commitment and contingent liabilities are as follows

36.1 Obligation about L/C D.L/C LG and AVAL are as follows :

| | Currency (Million) | Consolidated financial statements | | Separate financial statements | |
|---------------------------|-----------------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | | As at | | | |
| | | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Letter of credit | EUR | - | 0.18 | - | 0.18 |
| | USD | - | 0.19 | - | - |
| Domestic letter of credit | Baht | 3.77 | 0.38 | 3.77 | 0.38 |
| Letter of guarantee | EUR | 0.56 | 0.89 | 0.56 | 0.89 |
| | USD | 2.92 | 3.25 | 2.92 | 3.25 |
| | Baht | 2,762.17 | 3,240.05 | 2,745.26 | 3,221.70 |
| AVAL | Baht | 6.31 | 11.41 | 6.31 | 11.41 |

As at June 30,2017 and December 31, 2016 DEMCO used own credit line to provide letter of guarantee Baht 90.26 Million and Baht 90.26 Million respectively which issued by financial institutions in Thailand to support Wind Energy Holding Co., Ltd. and other affiliated companies for offering

36.2 Foreign exchange forward contract

The company had obligations under foreign exchange forward contract from financial institutions as follows :

Consolidated financial statements

| | Currency (Million) | and separate financial statements | |
|--|-----------------------|-----------------------------------|-------------------|
| | | As at | |
| | | June 30, 2017 | December 31, 2016 |
| Value of foreign exchange forward contract | EUR | - | 0.38 |
| | USD | - | 0.50 |
| Gain (loss) of fair value of foreign exchange contract | Baht | - | 0.94 |

Foreign exchange forward contracts used to derive Level 2 fair values. fair values measurement aboved is determined using a valuation technique and model. The inputs to this model are derived from observable marke data, taking into consideration of exchange rate, discount rate, maturity , the underlying price and the volatility of the underlying item. ,Which the calculation above determind by finanacial institutions (counter party)

36.3 Sub contractor contract

The parent

As at June 30, 2017 and December 31, 2016, the parent company has obligations to pay the sub contractor in the future amount Baht 450.60 Million and Baht 643.73 Million respectively

36.4 Electricity purchasing agreement

Subsidiaries, Associates, and Joint Ventures had 25-year electricity purchasing agreements with Metropolitan Electricity Authority (MEA). The Group has to follow the conditions in the agreements that to distribute electricity to MEA as a partner of agreement.

36.5 Construction contract of Water supply system

As at June 30,2017 and December 31,2016 one of subsidiaries had a commitment based on contract as follows

| | (Unit : Baht) | |
|---------------------------------------|----------------|-------------------|
| | As at | |
| | June 30, 2017 | December 31, 2016 |
| - Construction water system contracts | 161,884,548.20 | 204,758,375.00 |
| - Construction management | 3,049,750.00 | 3,049,750.00 |
| Total | 164,934,298.20 | 207,808,125.00 |

Parent company

As at June 30,2017 and December 31,2016 the aggregate amount of construction accumulated cost incurred and recognised profits or losses to date for contracts in progress of the company was approximately Baht 13,898.75 Million and Baht 12,738.90 Million respectively.

Subsidiary (Demco Industry Co., Ltd.)

As at December 31,2016 the aggregate amount of construction accumulated cost incurred and recognised profits or losses to date for contracts in progress of the company was approximately Baht 213.42 Million

38.1 Fair value

Given that almost financial assets are short-term, almost of financial liabilities are short-term and loans denominated in Thai Baht bearing the market interest rates, the Company's management believes that the fair value of financial assets and short-term financial liabilities does not materially differ from their carrying value

38.2 Foreign exchange risk

The company has exposure to foreign exchange rate risk because the company has assets dominated in foreign currencies. However, the management believes that the risk does not have a significant impact on the company's financial statements as the company has arranged foreign exchange forward contracts as disclosed in note 36.2.

As at June 30, 2017 and December 31, 2016, the group company has financial assets and financial liabilities denominated in foreign currencies are as follows :

| Transaction | Currency (Million) | Consolidated financial statements | | Separate financial statements | |
|--------------------------------|-----------------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | | As at | | As at | |
| | | June 30, 2017 | December 31, 2016 | June 30, 2017 | December 31, 2016 |
| Financial asset | | | | | |
| Foreign trade receivable | USD | 0.02 | - | 0.02 | - |
| | EUR | 0.42 | - | 0.42 | - |
| Financial liabilities | | | | | |
| Foreign trade accounts payable | USD | 0.74 | 0.93 | 0.74 | 0.93 |
| | EUR | 0.02 | 0.13 | 0.02 | 0.13 |
| Trust receipts | USD | 1.34 | 0.29 | 1.13 | 0.21 |
| | EUR | 0.26 | 0.44 | 0.26 | 0.44 |
| Obligation | | | | | |
| Letter of credit | USD | - | 0.19 | - | - |
| | EUR | - | 0.18 | - | 0.18 |
| Letter of guarantee | USD | 2.92 | 3.25 | 2.92 | 3.25 |
| | EUR | 0.56 | 0.89 | 0.56 | 0.89 |