

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors and Shareholders of
Chow Steel Industries Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of **Chow Steel Industries Public Company Limited and its subsidiaries** as at 30 June 2016, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2016, the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of **Chow Steel Industries Public Company Limited** for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

PRADIT RODLOYTUK
Certified Public Accountant
Registration No. 218

Ast Master Co., Ltd.
15 August 2016

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

INTERIM FINANCIAL STATEMENTS

AND INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016

EXPRESSED IN THAI BAHT

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2016

	Notes	In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		30 June 2016	31 December 2015	30 June 2016	31 December 2015
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<u>ASSETS</u>					
CURRENT ASSETS					
Cash and cash equivalents	6	224,585,826	178,308,991	74,402,048	34,042,073
Trade accounts receivable and other receivables	7	2,411,168,480	1,197,898,855	975,375,078	748,172,809
Short-term loan to subsidiaries	5.1	-	-	2,897,483,450	1,826,779,332
Inventories	8	580,891,402	958,401,905	529,401,969	913,354,704
Project costs under development	9	388,140,465	534,288,150	-	-
Account receivable - Revenue Department		65,564,759	94,601,864	9,167,322	20,846,544
Other current assets		5,931,897	3,751,966	2,564,988	182,665
Total current assets		<u>3,676,282,829</u>	<u>2,967,251,731</u>	<u>4,488,394,855</u>	<u>3,543,378,127</u>
NON-CURRENT ASSETS					
Deposits pledged as collateral	10	2,154,036,052	1,120,768,883	350,093,576	335,250,000
Investment in subsidiaries	11	-	-	447,285,391	185,938,031
Investment in joint ventures	12	208,623,580	217,092,272	-	-
Property, plant and equipment	13	3,998,117,059	3,495,075,431	1,091,716,120	1,145,876,690
Intangible assets	14	277,407,349	242,667,956	1	1
Deferred tax assets	22	11,852,945	5,792,223	-	-
Other non-current assets	15	57,347,589	43,709,274	4,280,925	2,159,103
Total non-current assets		<u>6,707,384,574</u>	<u>5,125,106,039</u>	<u>1,893,376,013</u>	<u>1,669,223,825</u>
TOTAL ASSETS		<u><u>10,383,667,403</u></u>	<u><u>8,092,357,770</u></u>	<u><u>6,381,770,868</u></u>	<u><u>5,212,601,952</u></u>

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

 Director
 (Mr. Anavin Jiratomsiri)

 Director
 (Ms. Koo Man Wai)

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2016

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		30 June 2016	31 December 2015	30 June 2016	31 December 2015
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
<u>LIABILITIES AND SHAREHOLDERS' EQUITY</u>					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	16	4,953,612,773	3,771,464,638	2,801,799,068	2,371,479,045
Trade accounts payable and other payables	17	248,829,454	323,707,174	63,540,462	19,553,262
Current portion of long-term loan	18	1,399,702,502	657,009,200	1,208,424,020	621,186,630
Long-term loan - classified as current liability	18	-	211,660,670	-	211,660,670
Current portion of liabilities under					
finance lease agreements	19	40,919	38,358	-	-
Short-term loan from related person and related parties	5.1	4,000,000	4,000,000	-	-
Accrued income tax		17,595,814	40,247,218	-	-
Other current liabilities		20,275,478	15,851,889	2,405,763	2,553,843
Total current liabilities		6,644,056,940	5,023,979,147	4,076,169,313	3,226,433,450
NON-CURRENT LIABILITIES					
Long-term loans from financial Institutions	18	2,327,689,688	1,737,979,702	986,019,820	698,866,666
Liabilities under finance lease agreements	19	31,977	60,377	-	-
Deferred tax liabilities	22	13,657,831	13,657,831	13,657,831	13,657,831
Employee benefit obligations	20	5,350,288	4,349,223	4,019,494	3,437,161
Total non-current liabilities		2,346,729,784	1,756,047,133	1,003,697,145	715,961,658
Total liabilities		8,990,786,724	6,780,026,280	5,079,866,458	3,942,395,108

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Director
(Mr. Anavin Jiratomsiri)

Director
(Ms. Koo Man Wai)

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2016

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
Notes	30 June 2016	31 December 2015	30 June 2016	31 December 2015	
	(Unaudited)	(Audited)	(Unaudited)	(Audited)	
<u>LIABILITIES AND</u>					
<u>SHAREHOLDERS' EQUITY (CONTINUED)</u>					
SHAREHOLDERS' EQUITY					
Share capital - Common shares, Baht 1 par value					
Authorized share capital					
	800,000,000 common shares	800,000,000	800,000,000	800,000,000	800,000,000
Issued and paid-up share capital					
	800,000,000 common shares	800,000,000	800,000,000	800,000,000	800,000,000
	Premium on share capital	380,845,258	380,845,258	380,845,258	380,845,258
Difference from change in					
	investment in subsidiaries	(7,898,077)	(38,585,104)	-	-
Retained earnings					
	Appropriated for legal reserve	13,788,260	13,788,260	13,788,260	13,788,260
	Unappropriated	52,011,045	940,087	52,639,566	20,942,000
Other components of shareholder's equity					
	Total equity attributable to the parent company	1,314,327,003	1,207,714,759	1,301,904,410	1,270,206,844
	Non-controlling interests	78,553,676	104,616,731	-	-
	Total Shareholders' equity	1,392,880,679	1,312,331,490	1,301,904,410	1,270,206,844
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	10,383,667,403	8,092,357,770	6,381,770,868	5,212,601,952

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

 Director
 (Mr. Anavin Jiratomsiri)

 Director
 (Ms. Koo Man Wai)

(Unaudited)

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE - MONTH PERIOD ENDED 30 JUNE 2016

	Notes	In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2016	2015	2016	2015
Revenues					
Revenues from sales and services		508,416,272	975,514,098	268,448,852	241,373,991
Other income		24,360,286	26,796,454	55,713,150	39,634,969
Gain on foreign exchange rate		51,489,744	20,487,048	28,092,086	1,462,464
Total revenues		<u>584,266,302</u>	<u>1,022,797,600</u>	<u>352,254,088</u>	<u>282,471,424</u>
Expenses					
Cost of sales and services		440,197,096	835,807,841	258,285,523	184,129,822
Selling expenses		4,197,791	3,707,671	5,032,610	7,480,419
Administrative expenses		74,457,710	100,982,522	21,509,227	21,640,640
Total expenses		<u>518,852,597</u>	<u>940,498,034</u>	<u>284,827,360</u>	<u>213,250,881</u>
Profit before share of loss from investment in joint ventures and financial costs and income tax expense					
		65,413,705	82,299,566	67,426,728	69,220,543
Share of loss from investment in joint ventures		(416,075)	(4,288,647)	-	-
Profit before financial costs and income tax expense		<u>64,997,630</u>	<u>78,010,919</u>	<u>67,426,728</u>	<u>69,220,543</u>
Financial costs		(57,695,266)	(35,062,797)	(54,133,788)	(36,619,466)
Profit before income tax expense		<u>7,302,364</u>	<u>42,948,122</u>	<u>13,292,940</u>	<u>32,601,077</u>
Income tax expense	22	(3,915,201)	(1,927,344)	-	-
Profit for the period		<u>3,387,163</u>	<u>41,020,778</u>	<u>13,292,940</u>	<u>32,601,077</u>
Other comprehensive income					
Other comprehensive to be reclassified to profit or loss in subsequent period					
Exchange differences on translating financial statements		10,420,633	(38,231,911)	-	-
Total other comprehensive income for the period		<u>10,420,633</u>	<u>(38,231,911)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u>13,807,796</u>	<u>2,788,867</u>	<u>13,292,940</u>	<u>32,601,077</u>
Profit attributable to:					
Equity holders of the parent		2,245,198	35,076,216	13,292,940	32,601,077
Non-controlling interests		1,141,965	5,944,562	-	-
		<u>3,387,163</u>	<u>41,020,778</u>	<u>13,292,940</u>	<u>32,601,077</u>
Total comprehensive income attributable to:					
Equity holders of the parent		16,997,611	2,151,613	13,292,940	32,601,077
Non-controlling interests		(3,189,815)	637,254	-	-
		<u>13,807,796</u>	<u>2,788,867</u>	<u>13,292,940</u>	<u>32,601,077</u>
Basic earnings per share					
Profit attributable to equity holders of the parent		<u>0.004</u>	<u>0.051</u>	<u>0.017</u>	<u>0.041</u>

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

Director
(Mr. Anavin Jiratomsiri)

Director
(Ms. Koo Man Wai)

(Unaudited)

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX - MONTH PERIOD ENDED 30 JUNE 2016

	Notes	In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
	2016	2015	2016	2015	
Revenues					
Revenues from sales and services		1,749,878,224	1,627,708,386	928,016,867	885,215,356
Other income		75,416,123	37,948,166	107,113,562	77,958,539
Gain on foreign exchange rate		27,193,877	-	61,869,358	565,133
Total revenues		<u>1,852,488,224</u>	<u>1,665,656,552</u>	<u>1,096,999,787</u>	<u>963,739,028</u>
Expenses					
Cost of sales and services		1,565,860,397	1,403,943,614	897,486,607	745,890,350
Selling expenses		15,036,924	13,479,029	19,261,908	17,469,858
Administrative expenses		117,185,056	158,687,753	42,683,513	46,819,925
Loss on foreign exchange rate		-	19,124,085	-	-
Total expenses		<u>1,698,082,377</u>	<u>1,595,234,481</u>	<u>959,432,028</u>	<u>810,180,133</u>
Profit before share loss from investment in joint venture companies and financial costs and income tax expense					
Share of gain from investment in joint venture	12	(1,006,538)	(5,011,487)	-	-
Profit before financial costs and income tax expense					
Financial costs		(85,968,342)	(55,771,879)	(105,870,193)	(70,932,575)
Profit before income tax expense					
Income tax expense	22	(9,355,445)	(1,961,471)	-	-
Profit for the period					
		<u>58,075,522</u>	<u>7,677,234</u>	<u>31,697,566</u>	<u>82,626,320</u>
Other comprehensive income					
Other comprehensive to be reclassified to profit or loss in subsequent period					
Exchange differences on translating financial statements		22,473,667	(13,348,119)	-	-
Total other comprehensive income for the period					
		<u>22,473,667</u>	<u>(13,348,119)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period					
		<u>80,549,189</u>	<u>(5,670,885)</u>	<u>31,697,566</u>	<u>82,626,320</u>
Profit (Loss) attributable to:					
Equity holders of the parent		51,070,958	17,730,916	31,697,566	82,626,320
Non-controlling interests		7,004,564	(10,053,682)	-	-
		<u>58,075,522</u>	<u>7,677,234</u>	<u>31,697,566</u>	<u>82,626,320</u>
Total comprehensive income attributable to:					
Equity holders of the parent		75,925,217	7,503,348	31,697,566	82,626,320
Non-controlling interests		4,623,972	(13,174,233)	-	-
		<u>80,549,189</u>	<u>(5,670,885)</u>	<u>31,697,566</u>	<u>82,626,320</u>
Basic earnings per share					
Profit attributable to equity holders of the parent		<u>0.06</u>	<u>0.02</u>	<u>0.04</u>	<u>0.10</u>

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

Director
(Mr. Anavin Jiratomsiri)

Director
(Ms. Koo Man Wai)

(Unaudited)

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX - MONTH PERIOD ENDED 30 JUNE 2016

	Issued and paid-up share capital	Premium on share capital	Difference from change in investment in subsidiaries	Retained earnings		Other components of equity			Total equity of the parent	Non-controlling interests	Total
				Appropriated for legal reserve	Unappropriated	Revaluation surplus on land - net of tax	Exchange differences on translating financial statements	Total other components of shareholders' equity			
Balance as at 1 January 2015	800,000,000	380,845,258	(38,585,104)	13,788,260	107,225,353	37,911,326	(5,245,602)	32,665,724	1,295,939,491	82,667,555	1,378,607,046
Addition investment in subsidiaries											
by non-controlling interests	-	-	-	-	-	-	-	-	-	20,327,770	20,327,770
Profit for the period	-	-	-	-	17,730,916	-	-	-	17,730,916	(10,053,682)	7,677,234
Other comprehensive income for the period	-	-	-	-	-	-	(10,227,568)	(10,227,568)	(10,227,568)	(3,120,551)	(13,348,119)
Total comprehensive income for the period	-	-	-	-	17,730,916	-	(10,227,568)	(10,227,568)	7,503,348	(13,174,233)	(5,670,885)
Balance as at 30 June 2015	<u>800,000,000</u>	<u>380,845,258</u>	<u>(38,585,104)</u>	<u>13,788,260</u>	<u>124,956,269</u>	<u>37,911,326</u>	<u>(15,473,170)</u>	<u>22,438,156</u>	<u>1,303,442,839</u>	<u>89,821,092</u>	<u>1,393,263,931</u>
Balance as at 1 January 2016	800,000,000	380,845,258	(38,585,104)	13,788,260	940,087	54,631,325	(3,905,067)	50,726,258	1,207,714,759	104,616,731	1,312,331,490
Decrease in non - controlling interests											
from additional interest in subsidiary	-	-	30,687,027	-	-	-	-	-	30,687,027	(30,687,027)	-
Profit for the period	-	-	-	-	51,070,958	-	-	-	51,070,958	7,004,564	58,075,522
Other comprehensive income for the period	-	-	-	-	-	-	24,854,259	24,854,259	24,854,259	(2,380,592)	22,473,667
Total comprehensive income for the period	-	-	-	-	51,070,958	-	24,854,259	24,854,259	75,925,217	4,623,972	80,549,189
Balance as at 30 June 2016	<u>800,000,000</u>	<u>380,845,258</u>	<u>(7,898,077)</u>	<u>13,788,260</u>	<u>52,011,045</u>	<u>54,631,325</u>	<u>20,949,192</u>	<u>75,580,517</u>	<u>1,314,327,003</u>	<u>78,553,676</u>	<u>1,392,880,679</u>

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

 Director
 (Mr. Anavin Jiratomsiri)

 Director
 (Ms. Koo Man Wai)

(Unaudited)

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED
SEPARATE STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX - MONTH PERIOD ENDED 30 JUNE 2016

	In Baht						Total
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Other components of equity		
			Appropriated for legal reserve	Unappropriated	Revaluation surplus on land - net of tax	Total other components of shareholders' equity	
Balance as at 1 January 2015	800,000,000	380,845,258	13,788,260	99,107,295	37,911,326	37,911,326	1,331,652,139
Profit for the period	-	-	-	82,626,320	-	-	82,626,320
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	82,626,320	-	-	82,626,320
Balance as at 30 June 2015	<u>800,000,000</u>	<u>380,845,258</u>	<u>13,788,260</u>	<u>181,733,615</u>	<u>37,911,326</u>	<u>37,911,326</u>	<u>1,414,278,459</u>
Balance as at 1 January 2016	800,000,000	380,845,258	13,788,260	20,942,000	54,631,326	54,631,326	1,270,206,844
Profit for the period	-	-	-	31,697,566	-	-	31,697,566
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	31,697,566	-	-	31,697,566
Balance as at 30 June 2016	<u>800,000,000</u>	<u>380,845,258</u>	<u>13,788,260</u>	<u>52,639,566</u>	<u>54,631,326</u>	<u>54,631,326</u>	<u>1,301,904,410</u>

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

Director
(Mr. Anavin Jiratomsiri)

Director
(Ms. Koo Man Wai)

(Unaudited)

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE SIX - MONTH PERIOD ENDED 30 JUNE 2016

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	67,430,967	9,638,705	31,697,566	82,626,320
Adjustment to reconcile profit to net cash provided by (used in)				
operating activities				
Loss on diminution in value of inventories	(28,866,633)	-	(28,866,633)	-
Depreciation	77,970,916	71,658,233	54,593,968	54,399,062
Amortization	5,487,234	889,202	-	-
Loss on disposal of equipment	-	357,144	-	357,144
Eliminated transaction gain from joint ventures	7,462,153	-	-	-
Unrealized loss on foreign exchange rate	52,808,244	6,162,170	7,780,103	6,967,417
Share of loss (gain) from investment in joint ventures	(1,006,538)	5,011,487	-	-
Employee benefit obligations	1,001,065	1,527,711	582,333	1,091,412
Interest expenses	85,968,342	55,771,879	105,870,193	70,932,575
Profit from operating activities before change in				
operating assets and liabilities	268,255,750	151,016,531	171,657,530	216,373,930
Decrease (increase) in operating assets				
Trade and other receivables	(1,213,269,625)	(581,447,869)	(227,202,269)	186,585,153
Inventories	406,377,136	147,131,635	412,819,369	147,132,648
Project costs under development	146,147,685	54,387,702	-	-
Account receivable - Revenue Department	29,037,105	13,411,387	11,679,222	18,043,900
Other current assets	2,179,931	(2,897,419)	345,239	269,795
Other non-current assets	13,638,316	(7,271,923)	3,679	(5,999)
Increase (decrease) in operating liabilities				
Trade and other payables	(74,877,720)	(58,216,221)	33,923,403	(103,139,044)
Other current liabilities	4,423,587	2,641,434	(148,175)	(214,842)
Cash received (paid) from operating activities	(418,087,835)	(281,244,743)	403,077,998	465,045,541
Interest paid	(212,664,617)	(74,700,211)	(98,826,708)	(70,376,140)
Income tax paid	(26,566,605)	(2,173,687)	(290,043)	(221,720)
Net cash provided by (used in) operating activities	(657,319,057)	(358,118,641)	303,961,247	394,447,681

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

Director
(Mr. Anavin Jiratomsiri)

Director
(Ms. Koo Man Wai)

(Unaudited)

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX - MONTH PERIOD ENDED 30 JUNE 2016

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash paid for investment in subsidiaries	-	-	(261,347,360)	(66,788,031)
Cash paid for purchase investment from non-controlling interests	(60,983,175)	-	-	-
Cash paid for investment in joint venture	-	(212,050,000)	-	-
Increase in deposits pledged as collateral	(1,023,927,169)	(989,535,431)	(14,843,481)	(860,875,000)
Increase in short-term loans to a subsidiary	-	-	(1,029,363,757)	(920,985,447)
Cash paid for acquisition of plant and equipment (cash flows information)	(406,887,307)	(43,998,980)	(433,398)	(12,426,360)
Cash paid for intangible assets	(2,887,824)	(8,037)	-	-
Cash paid for assets	-	-	(1,835,459)	-
Proceed from disposal of equipment	-	700,935	-	700,935
Net cash provided by used in investing activities	<u>(1,494,685,475)</u>	<u>(1,244,891,513)</u>	<u>(1,307,823,455)</u>	<u>(1,860,373,903)</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase in short-term loans from financial institutions	1,182,148,135	791,099,436	430,320,023	790,260,972
Decrease in non - controlling interests	60,983,175	-	-	-
Decrease in non - controlling interests from additional interest in subsidiary	955,862,500	2,142,648,706	616,672,160	1,873,574,625
Cash paid for long-term loans	(23,160,270)	(34,000,000)	(2,770,000)	(34,000,000)
Cash paid for liabilities under finance lease agreements	(25,840)	(10,159,344)	-	-
Decrease in short-term loans from related parties	-	(8,000,000)	-	-
Cash received from addition investment in subsidiaries by non-controlling interests	-	20,327,770	-	-
Net cash provided by financing activities	<u>2,175,807,700</u>	<u>2,901,916,568</u>	<u>1,044,222,183</u>	<u>2,629,835,597</u>
Exchange differences on translating financial statements	<u>22,473,667</u>	<u>(13,348,119)</u>	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	46,276,835	1,285,558,295	40,359,975	1,163,909,375
Cash and cash equivalents, beginning of period	<u>178,308,991</u>	<u>83,433,808</u>	<u>34,042,073</u>	<u>28,831,781</u>
Cash and cash equivalents, end of period	<u><u>224,585,826</u></u>	<u><u>1,368,992,103</u></u>	<u><u>74,402,048</u></u>	<u><u>1,192,741,156</u></u>
<u>SUPPLEMENT DISCLOSURE OF CASH FLOWS INFORMATION</u>				
<u>Cash paid for acquisition of plant and equipment</u>				
Acquisition of plant and equipment during the period	407,852,576	57,398,295	433,398	12,426,360
<u>Adjust</u> Decrease in accounts payable from acquisition of assets	-	(152,178)	-	-
Capitalized interest	(965,269)	(13,247,137)	-	-
Cash paid for acquisition of plant and equipment	<u><u>406,887,307</u></u>	<u><u>43,998,980</u></u>	<u><u>433,398</u></u>	<u><u>12,426,360</u></u>

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

Director
(Mr. Anavin Jiratomsiri)

Director
(Ms. Koo Man Wai)

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

1. GENERAL INFORMATION

Chow Steel Industries Public Company Limited was incorporated in Thailand. The principal business operation of the Company is to produce and sell of steel billet. Its major shareholders are Jiratomsiri's Group (owned 57%). The address of its registered office is located at as follows:

- Head Office is located at 209/1 KKP.Tower, 18th Fl, Unit 3, Sukhumvit 21 (Asoke), Klongtoey Nua, Wattana, Bangkok.
- Factory branch1 is located at 518/1 Moo 9 Nongki District, Kabinburi, Prachinburi.
- Factory branch 2 is located at 518/3 Moo 9 Nongki District, Kabinburi, Prachinburi.

The Company was listed on the Stock Exchange of Thailand on 21 December 2011 and the Company's stocks were traded on the MAI (Market of Alternative Investment).

2. BASIS FOR INTERIM FINANCIAL STATEMENTS PREPARATION

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2015) Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2015. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended 31 December 2015.

The preparation of interim financial statements in conformity with Thai Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Basis for interim consolidation

The interim consolidated financial statements included the financial statements of the Company and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2015, with no structural changes related to subsidiaries occurring during the current period.

For the convenience of the user, an English translation of the financial statements has been prepared from the statutory financial statements that are issued in the Thai language.

3. NEW ACCOUNTING STANDARDS

During the period, the Group has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2015.

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

5. TRANSACTIONS WITH RELATED PERSON AND COMPANIES

5.1 Balances of transactions with subsidiary, related persons and companies

Balances of transactions among the Company with subsidiary, related persons and companies as at 30 June 2016 and 31 December 2015 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
<u>Trade accounts receivable (Note 7)</u>				
Related Companies	2,615,068	1,464,238	-	-
<u>Other receivables (Note 7)</u>				
Subsidiaries	-	-	296,459,316	145,682,583
Related Companies	910,000	910,000	-	-
Total	910,000	910,000	296,459,316	145,682,583
<u>Short-term loan to</u>				
Subsidiaries				
Balance, beginning of the period/year	-	-	1,826,779,332	1,021,026,683
<u>Add</u> Increase during the period/year	-	-	1,877,564,850	3,987,001,338
<u>Less</u> Decrease during the period/year	-	-	(866,576,036)	(3,162,811,263)
Unrealized gain (loss) on foreign exchange rate	-	-	59,715,304	(18,437,426)
Balance, end of the period/year	-	-	2,897,483,450	1,826,779,332
<u>Other payables (Note 17)</u>				
Subsidiaries	-	-	10,667	879,611
Related companies	1,659,483	489,787	15,000	-
Total	1,659,483	489,787	25,667	879,611
<u>Short-term loan from</u>				
Related companies				
Balance, beginning of the period/year	2,000,000	10,000,000	-	-
<u>Add</u> Increase during the period/year	-	2,000,000	-	-
<u>Less</u> Decrease during the period/year	-	(10,000,000)	-	-
Balance, end of the period/year	2,000,000	2,000,000	-	-

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Related person				
Balance, beginning of the period/year	2,000,000	-	-	-
<u>Add</u> Increase during the period/year	-	2,000,000	-	-
<u>Less</u> Decrease during the period/year	-	-	-	-
Balance, end of the period/year	2,000,000	2,000,000	-	-
Total	4,000,000	4,000,000	-	-
<u>Other current liabilities</u>				
Subsidiaries	-	-	108,560	108,560

5.2 Revenues and expenses transactions with related parties

Revenues and expenses transactions with related parties for the three - month periods ended 30 June 2016 and 2015 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>Rental income</u>				
Subsidiaries	-	-	327,956	321,055
<u>Interest income</u>				
Subsidiaries	-	-	51,890,025	33,255,747
<u>Transportation expense</u>				
Subsidiaries	-	-	4,937,894	7,363,299
<u>Legal fee</u>				
Related company	721,719	825,187	233,819	775,137
<u>Directors and management's benefits</u>	2,989,986	2,402,142	2,173,236	2,036,297

Revenues and expenses transactions with related parties for the six - month periods ended 30 June 2016 and 2015 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<u>Rental income</u>				
Subsidiaries	-	-	655,912	642,111
<u>Interest income</u>				
Subsidiaries	-	-	100,644,534	60,130,048

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
<u>Transportation expense</u>				
Subsidiaries	-	-	18,912,192	17,142,738
<u>Legal fee</u>				
Related company	1,704,719	1,065,413	1,126,819	1,015,363
<u>Directors and management's benefits</u>	6,639,972	6,688,073	4,136,472	4,638,602

6. CASH AND CASH EQUIVALENTS

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Cash	253,991	188,700	95,780	78,783
Current Deposits	72,922,870	35,367,674	71,366,060	23,620,003
Saving Deposits	151,303,489	134,350,645	2,930,208	2,026,409
Fixed Deposits	105,476	8,401,972	10,000	8,316,878
Total	224,585,826	178,308,991	74,402,048	34,042,073

7. TRADE ACCOUNTS RECEIVABLES AND OTHER RECEIVABLES

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Trade accounts receivable related companies (Note 5.1)	2,615,068	1,464,238	-	-
Trade accounts receivable – other companies	1,601,267,489	826,435,204	653,998,930	579,216,772
Total Trade Accounts Receivable	1,603,882,557	827,899,442	653,998,930	579,216,772
Other receivables - related companies (Note 5.1)	910,000	910,000	296,459,316	145,682,583
Other receivables - other companies	593,428,395	99,136,094	4,198,720	5,758,905
Prepaid expenses	35,730,001	142,238,969	8,169,344	7,410,399
Advances payment for inventories	140,149,752	26,509,551	12,548,768	10,104,150
Advance payment	37,067,775	101,204,799	-	-
Total	2,411,168,480	1,197,898,855	975,375,078	748,172,809

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

Trade accounts receivable classify by aging as at 30 June 2016 and 31 December 2015 are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Trade accounts receivable - related companies				
Within credit terms	284,130	-	-	-
Overdue:				
Less than 3 months	866,700	1,464,238	-	-
6 - 12 months	1,464,238	-	-	-
Total trade accounts receivable - related companies	2,615,068	1,464,238	-	-
Trade accounts receivable - other companies				
Within credit terms	738,486,667	504,729,048	503,857,264	341,759,869
Overdue:				
Less than 3 months	535,026,532	233,237,968	-	232,456,903
3 - 6 months	172,948,347	57,749,899	77,699,266	-
6 - 12 months	128,747,332	33,907,318	67,442,400	8,189,029
Over 12 months	29,275,640	28,000	8,189,029	-
Total trade accounts receivable - other companies	1,604,484,518	829,652,233	657,187,959	582,405,801
Less Allowance for doubtful accounts	(3,217,029)	(3,217,029)	(3,189,029)	(3,189,029)
Trade accounts receivable - other companies	1,601,267,489	826,435,204	653,998,930	579,216,772
Total Trade Accounts Receivable	1,603,882,557	827,899,442	653,998,930	579,216,772

At the stage of development solar power projects in Japan, the Company appointed a lawyer firm in Japan to be an Escrow Agent to maintain Escrow Accounts that opened with a Japanese bank on behalf of the Escrow Agent for the purpose to use for the solar power generation business in Japan. The Company is the authorized person for approval of disbursements. In addition, the Company has no right to receive the interest from such Escrow Accounts. As at 30 June 2016 the Group has the outstanding balance of Escrow Accounts of Baht 3.36 million, which included in "Other receivables - other companies" in the consolidated financial statements (31 December 2015: amounting to Baht 0.1 million).

The Company entered into trade credit insurance agreement with an insurance company for risk coverage of overdue account receivable. The agreement period is during 15 July 2015 to 14 January 2017. During the year 2015, the Company is proceeding the claims of an outstanding account receivable which has the insurance limit amounted of Baht 115.0 million from insurance company.

The Company expected to receive the compensation in 2016. In part of the exceeding insurance limit amount, the Company is calling the repayment from the account receivable directly. The management expected to receive totally within 2016

The management of the Group believes that allowance for doubtful debts in the financial statements is adequate in the current circumstances.

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

8. INVENTORIES

Consolidated financial statements

	In Baht					
	Cost		Allowance for diminution of inventories		Inventories - net	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Finished goods	450,760,430	767,123,275	(14,576,769)	(32,048,384)	436,183,660	735,074,891
Raw materials	43,933,223	124,245,656	(2,811,104)	(14,206,123)	41,122,119	110,039,533
Supplementary						
Material	35,249,981	46,218,118	(4,898,632)	(4,898,632)	30,351,348	41,319,486
Supplies	75,615,686	74,349,407	(2,381,412)	(2,381,412)	73,234,275	71,967,995
Total	<u>605,559,320</u>	<u>1,011,936,456</u>	<u>(24,667,917)</u>	<u>(53,534,551)</u>	<u>580,891,402</u>	<u>958,401,905</u>

Separate financial statements

	In Baht					
	Cost		Allowance for diminution of inventories		Inventories - net	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Finished goods	399,455,771	722,237,729	(14,576,769)	(32,048,384)	384,879,002	690,189,345
Raw materials	43,933,223	124,245,656	(2,811,104)	(14,206,123)	41,122,119	110,039,533
Supplementary						
Material	35,249,981	46,218,118	(4,898,632)	(4,898,632)	30,351,348	41,319,486
Supplies	75,430,912	74,187,752	(2,381,412)	(2,381,412)	73,049,500	71,806,340
Total	<u>554,069,887</u>	<u>966,889,255</u>	<u>(24,667,917)</u>	<u>(53,534,551)</u>	<u>529,401,969</u>	<u>913,354,704</u>

During the period, the Group and the Company recognized reversal of allowance for diminution of inventory amounted Baht 28.87 million (31 December 2015 the Company recognized allowance for diminution of inventories amounted of Baht 25.3 million to reflect the net realizable value.) This was included in cost of sales.

9. Project costs under development

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Project costs under development	362,439,434	513,338,118	-	-
Capitalized Interest	25,701,031	20,950,032	-	-
Total	<u>388,140,465</u>	<u>534,288,150</u>	<u>-</u>	<u>-</u>

The Group is developing the generating and selling projects from renewable energy in Japan.

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

10. DEPOSITS PLEDGED AS COLLATERAL

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Fixed Accounts	1,976,616,052	948,018,883	172,673,576	162,500,000
Bill of Exchange	177,420,000	172,750,000	177,420,000	172,750,000
Total	<u>2,154,036,052</u>	<u>1,120,768,883</u>	<u>350,093,576</u>	<u>335,250,000</u>

As at 30 June 2016 and 31 December 2015 the Group and the Company have fixed deposits and bill of exchanged were pledged as collateral for performance guarantee and payment of electricity fee (Note 24.2) and loans facilities from financial institutions (Notes 16 and 18).

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

11. INVESTMENT IN SUBSIDIARIES

Separate financial statements

Company's name	Nature of business	Paid-up share capital (Million Baht)		Percentage of holding (%)		In Baht	
		30 June 2016	31 December 2015	30 June 2016	31 December 2015	Investment - At cost	
						30 June 2016	31 December 2015
Vertex Logistics Service Co., Ltd.	Logistics	18.0	18.0	40.0	40.0	7,200,000	7,200,000
Chow Energy Public Co., Ltd.	Holding company invests in Power Supply	570.0	308.7	87.36	76.67	440,085,391	178,738,031
					Total	447,285,391	185,938,031

Chow Steel Industries Public Company Limited has power of control in Vertex Logistics Service Co., Ltd, therefore, the Company accounted for as a subsidiary and included in the preparation for the Group's consolidated financial statements.

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

The movements of investment in subsidiaries for the six - month ended 30 June 2016 for the separate financial statements are as follows :

	<u>In Baht</u>
As at 1 January 2016	185,938,031
Paid share subscription	200,364,090
Increase from investment in non-controlling interest	<u>60,983,270</u>
As at 30 June 2016	<u>447,285,391</u>

On 4 May 2016, Chow Energy Public Company Limited, the subsidiary made a call for unpaid portion from 25% to 100% of its issued and paid-up capital. Its issued and paid up capital, as a result, increased from Baht 2.50 to Baht 10.00 per share. The Company paid for such additional shares subscription amounting to Baht 200.36 million. The Company's Percentage of interest on the subsidiary remains unchanged at 76.67%

As at 1 January 2016 ,the Company hold the share of Chow Energy Public Company Limited with the holding interest of 76.67% of its issued and paid-up capital. During the six month period ended 30 June 2016 the Company increase it's holding percentage by acquiring the portions of share from Non-controlling interest by the amount of 60.95 Baht million .As a result ,the Company's ownership interest in the subsidiary as at 30 June 2016 changed from 76.67% to 87.83%

As at 23 June 2016 The Chow Energy Public Company Limited has become a public company limited

As at June 30,2016 The investments in Chow Energy of 16,984,320 shares, accounting for Bath 160.98 million have been pledqed as a collateral for long-term credit facility of one certain bank.

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

12. INVESTMENT IN JOINT VENTURES

12.1 Details of joint ventures

Company's name	Nature of business	Country of incorporation	Shareholding percentage		In Baht			
			Consolidated financial statements		At Cost		At Equity Method	
			30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Overseas Green Energy Co., Ltd.	Management in Power generation	Thailand	40	40	6,400,000	6,400,000	5,208,474	4,780,569
RICI International Investment Pte. Ltd.	Investment in Power generation	Singapore	40	40	206,050,000	206,050,000	203,415,106	212,311,703
Total					<u>212,450,000</u>	<u>212,450,000</u>	<u>208,623,580</u>	<u>217,092,272</u>

12.2 Summarized financial information of joint ventures

Financial information of the associates are summarized below

Company's name	Issued and paid-up capital (including share premium)		Total assets		Total liabilities		Total revenues for the six - month ended 30 June		Profit (loss) for the six - month ended 30 June	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015	30 June 2016	31 December 2015	2016	2015	2016	2015
	Overseas Green Energy Co., Ltd.	16,000,000	16,000,000	19,792,295	13,104,321	3,472,991	1,152,899	7,521,158	22,215	1,069,763
RICI International Investment Pte. Ltd.	515,125,000	515,125,000	1,937,916,879	584,268,339	1,260,812	645,660	15,352,975	12,765,326	(3,586,109)	(12,358,230)
Total	<u>531,125,000</u>	<u>531,125,000</u>	<u>1,957,709,174</u>	<u>597,372,660</u>	<u>4,733,803</u>	<u>1,798,559</u>	<u>22,874,133</u>	<u>12,787,541</u>	<u>(2,516,346)</u>	<u>(12,528,718)</u>

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

12.3 Share of profit (loss)

During the period, the Group has recognized its share of profit (loss) from investments in associates in the consolidated financial statements for the six-month period ended 30 June as follows:

Company's name	In Baht	
	Consolidated financial statements	
	Share of profit (loss)	
	2016	2015
Overseas Green Energy Co., Ltd.	427,905	(68,195)
RICI International Investment Pte. Ltd.	(1,434,444)	(4,943,292)
Total	(1,006,539)	(5,011,487)

	In Baht	
	Consolidated financial statements	
	30 June 2016	31 December 2015
Changes in investments in joint ventures		
Beginning balance of period/yea	217,092,272	390,420
Additional investment	-	212,050,000
Share of profit (loss)	(1,006,539)	4,651,852
Eliminated transaction	(7,462,153)	-
Ending balance of period/year	208,623,580	217,092,272

13. PROPERTY, PLANT AND EQUIPMENT

	In Baht	
	Consolidated financial statements	Separate financial statements
For the six-month period ended 30 June 2016		
Net book value, beginning of period	3,495,075,431	1,145,876,690
Additions	407,852,576	433,398
Depreciation	(77,970,916)	(54,593,968)
Accumulated exchange differences on translating financial statements	173,159,968	-
Net book value, end of period	3,998,117,059	1,091,716,120

As at 30 June 2016 and 31 December 2015, net book value of property, plant and equipment of the Group amounting to Baht 1,627.38 million and 1,554.33 million, respectively, are mortgaged as collateral for loans from financial institutions (Notes 16 and 18).

As at 30 June 2016 and 31 December 2015, assets under finance lease agreements included above, comprise of vehicle and fixtures and office equipment with net book value of Baht 29.70 million and 29.83 million, respectively.

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

As at 30 June 2016 and 31 December 2015, net book value of property, plant and equipment of the Company amounting to Baht 947.79 million and Baht 948.04 million, respectively are mortgaged as collateral for loans from financial institutions (Notes 16 and 18). The Company arranged for an independent professional valuer to appraise the value of certain assets in 2015 on an asset-by-asset basis. The basis of the revaluation Land were revalued using the market approach.

14. Intangible assets

	In Baht	
	Consolidated financial statements	Separate financial statements
For the six-month period ended 30 June 2016		
Net book value, beginning of period	242,667,956	1
Additions	2,887,824	-
Amortization	(5,485,922)	-
Accumulate exchange differences on translating financial statements	37,337,491	-
Net book value, end of period	<u>277,407,349</u>	<u>1</u>

15. OTHER NON – CURRENT ASSET

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Share purchase deposit	33,670,000	33,670,000	-	-
Other deposit	22,165,493	8,817,221	2,768,829	937,050
Withholding taxes	1,512,096	1,222,053	1,512,096	1,222,053
Total assets other non - current	<u>57,347,589</u>	<u>43,709,274</u>	<u>4,280,925</u>	<u>2,159,103</u>

Share purchase deposit

The board of directors' Meeting of Chow Steel Industries Public Company Limited on 9 June 2015 passed a special resolution to have Chow International Company Limited invested in solar power project in Republic of the Philippines. The project size is approximately 25 megawatt and the project value is approximately Baht 1,500 million. The Company appointed Premier Solution Company Limited to be the solar power developer of Chow International Company Limited.

In order that on 19 June 2015, Premier Solution Company Limited had paid USD 1 million (Baht 33.7 million) for share purchase deposit of a Company in Republic of the Philippines. Such deposit could be regained when the Company cancel the due diligence.

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

16. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Overdrafts	8,627,432	459,400,674	-	-
Bills of exchange	3,204,586,643	2,923,465,127	2,259,975,370	1,982,880,208
Short- term loans	1,740,398,698	388,598,837	541,823,698	388,598,837
Total	<u>4,953,612,773</u>	<u>3,771,464,638</u>	<u>2,801,799,068</u>	<u>2,371,479,045</u>

As at 30 June 2016, the Group and the Company have overdraft and short-term loan facilities of Baht 7,795.1 million and Baht 6,118.3 million, respectively, (31 December 2015 : Baht 7,923.4 million and Baht 5,530.0 million, respectively), bear interest at the rate of MMR, Prime+1% per annum.

The overdrafts and short-term loans from financial institutions are secured by fixed deposits (Note 10), property, plant and equipment (Note 13) and guarantee by the director.

As at 30 June 2016, the Group and the Company have unsecured bills of exchange with interest 3.90% - 4.20% of Baht 3,027.2 million and Bath 2,087.5 million, respectively.

17. ACCOUNTS PAYABLE AND OTHER PAYABLES

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Account payables – Other company	179,382,875	294,825,038	24,085,141	7,929,371
Other payables				
Accrued expenses	10,811,880	12,635,352	10,142,383	10,566,261
Unearned revenue	1,327,406	-	-	-
Other payables - related companies (Note 5.1)	1,659,483	489,787	25,667	879,611
- other companies	55,647,810	15,756,997	29,287,271	178,019
Total Other payable	<u>69,446,579</u>	<u>28,882,136</u>	<u>39,455,321</u>	<u>11,623,891</u>
Total Accounts payable and other payables	<u>248,829,454</u>	<u>323,707,174</u>	<u>63,540,462</u>	<u>19,553,262</u>

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

18. LONG - TERM LOANS FROM FINANCIAL INSTITUTIONS

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Long-term loans from financial institutions				
Long-term loan – classified as current liability	-	211,660,670	-	211,660,670
Current portion				
- Loan from financial institutions	206,255,835	61,809,200	14,977,353	25,986,630
Debentures	1,193,446,667	595,200,000	1,193,446,667	595,200,000
Total current portion	1,399,702,502	657,009,200	1,208,424,020	621,186,630
Long-term portion				
- Loan from financial institutions	1,584,119,688	1,039,113,036	242,449,820	-
Debentures portion	743,570,000	698,866,666	743,570,000	698,866,666
Total long-term portion	2,327,689,688	1,737,979,702	986,019,820	698,866,666
Total long term loans from financial institutions	3,727,392,190	2,606,649,572	2,194,443,840	1,531,713,966

18.1 Long-term loans from financial institutions

	In Baht			
	Consolidated Financial statements		Separate Financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Long-term loans from financial institutions	1,790,375,523	1,312,582,906	257,427,173	237,647,300
<u>Less</u> Current portion	(206,255,835)	(61,809,200)	(14,977,353)	(25,986,630)
<u>Less</u> Long-term loan – classified as current liability	-	(211,660,670)	-	(211,660,670)
Net	1,584,119,688	1,039,113,036	242,449,820	-

As at 30 June 2016, the loans from financial institutions of Baht 1,790.38 million (31 December 2015: Baht 1,312.58 million) bear interest at the rate of MLR - 0.5% per annum. The loans will be repaid on a monthly basis as stipulated in the loan agreements. Such credit facilities are guaranteed by fixed deposits (Note 10) property, plant and equipment (Note 13) and guarantee by the director.

On 4 September 2015, the subsidiary issued unsecured bill at exchange for borrowing from a financial institutions of Thailand amounted of Baht 150 million. The maturity date is within 2 March 2017.

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

The movements of long-term loans from financial institutions for the six - month period ended 30 June 2016 are as follows:

	In Baht	
	Consolidated financial statements	Separate financial statements
Transactions during the six-month period ended 30 June 2016		
Balance, beginning of the period	1,312,582,906	237,647,300
Additions of loan	310,862,500	-
Decrease during the period	(23,160,270)	(2,770,000)
Debt issuance fee	368,265	882,874
Unrealized (gain) loss on foreign exchange rate	100,229,100	21,667,000
Exchange differences on translating financial statement	89,493,022	-
Balance, end of the period	<u>1,790,375,523</u>	<u>257,427,174</u>

The maturity periods of long-term loans are as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Current portion due within 1 year	<u>206,255,835</u>	<u>273,469,870</u>	<u>14,977,353</u>	<u>237,647,300</u>
Due within 1-3 years	1,008,673,378	526,183,221	242,449,821	-
Due within 3-5 years	86,859,760	75,943,238	-	-
Due over 5 years	<u>488,586,550</u>	<u>436,986,577</u>	-	-
Total portion over 1 year	<u>1,584,119,688</u>	<u>1,039,113,036</u>	<u>242,449,821</u>	-
Total long-term loans from financial institutions	<u>1,790,375,523</u>	<u>1,312,582,906</u>	<u>257,427,174</u>	<u>237,647,300</u>

The loan agreement contains normal covenants pertaining to matters such as the maintenance of a certain debt-to-equity ratio. According to the conditions stipulated in the loan agreements, the Company agrees not to mortgage or otherwise encumber its assets with any other parties throughout the loan period. In addition, the Company has to comply with certain covenants, pertaining to matters such as maintaining certain financial ratios. As at the end of the reporting period, the Company was unable to maintain certain financial ratios as stipulated in the loan agreements, to comply with generally accepted accounting principles, the Company therefore reclassified such loan as current liability.

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

18.2 Debentures

	In Baht	
	Consolidated financial statements	Separate financial statements
Balance, beginning of the period	1,294,066,667	1,294,066,667
Issue of debentures	645,000,000	645,000,000
Debenture issuance fee	(14,560,000)	(14,560,000)
Amortization	12,510,000	12,510,000
Balance, end of the period	1,937,016,667	1,937,016,667

On 25 June 2015 the Company issued syndicated, not secure and not representative debentures for two tranches at 600,000 units each tranche, at Baht 1,000 each. The debentures will due on 25 December 2016 and 25 June 2017. The debentures bear interest at the rates of 5.15% and 5.25% per annum and pay interest by quarter, starting on 25 September 2015. The Company used the consideration, net of debenture issuance fee for working capital both short-term and long-term operations of the Company.

On 27 November 2015 the Company issued syndicated, not secure and not representative debentures for one tranches at 100,000 units each tranche, at Baht 1,000 each. The debentures will due on 26 November 2020. The debentures bear interest at the rates of 5.60% and pay interest by quarter, starting on 26 February 2016. The Company used the consideration, net of debenture issuance fee for working capital both short-term and long-term operations of the Company.

On 11 January 2016 the Company issued syndicated, not secure and not representative debentures for one tranches at 645,000 units each tranche, at Baht 1,000 each. The debentures will due on 14 November 2018. The debentures bear interest at the rates of 5.25% and pay interest by quarter, starting on 14 January 2016. The Company used the consideration, net of debenture issuance fee for working capital both short-term and long-term operations of the Company.

19. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Liabilities under finance lease agreements	81,606	112,885	-	-
<u>Less</u> Deferred interest charges	(8,710)	(14,150)	-	-
	72,896	98,735	-	-
<u>Less</u> Current portion	(40,919)	(38,358)	-	-
Net	31,977	60,377	-	-

The ownership of assets under finance lease agreements will be transferred to the Company when the last installment is paid.

A subsidiary entered into the agreement with a financial institution to transfer right in collection from parent company for settlement of finance lease liabilities.

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

20. EMPLOYEE BENEFIT OBLIGATIONS

The reconciliations of retirement benefit obligations for the six-month period ended 30 June 2016 are as follows:

	In Baht	
	Consolidated financial statements	Separate financial statements
Balance, beginning of the period	4,349,223	3,437,161
Current service cost and interest cost	1,001,065	582,333
Balance, end of the period	<u>5,350,288</u>	<u>4,019,494</u>

21. NON-CONTROLLING INTERESTS

	In Baht
	Consolidated financial statement
	30 June 2016
Balance, beginning of period	104,616,731
Decrease in non - controlling interests from additional interest in subsidiary	(30,687,027)
Profit for the period	7,004,564
Other comprehensive income for the period	(2,380,592)
Balance, the end of period	<u>78,553,676</u>

22. INCOME TAX

	In Baht			
	Consolidated financial statements			
	For the three -month period		For the six-month period	
	30 June 2016	30 June 2015	30 June 2016	30 June 2015
Current income tax	8,330,331	1,970,974	15,416,167	2,048,731
Deferred tax	(4,415,130)	(43,630)	(6,060,722)	(87,260)
Income tax expense	<u>3,915,201</u>	<u>1,927,344</u>	<u>9,355,445</u>	<u>1,961,471</u>

Deferred tax assets is presented in the statements of financial position as follows:

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Deferred tax assets				
Employee benefit obligations	1,646,509	181,669	-	-
Accumulated tax losses	10,206,436	5,610,554	-	-
Total	<u>11,852,945</u>	<u>5,792,223</u>	<u>-</u>	<u>-</u>

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

	In Baht			
	Consolidated financial statements		Separate financial statements	
	30 June 2016	31 December 2015	30 June 2016	31 December 2015
Deferred tax liabilities				
Revaluation surplus on land	(13,657,831)	(13,657,831)	(13,657,831)	(13,657,831)
Total	(13,657,831)	(13,657,831)	(13,657,831)	(13,657,831)

As at 30 June 2016 and 31 December 2015, the deferred tax liabilities of Baht 13.7 million from revaluation surplus on land, which presented by offset with revaluation surplus on land, which presented in Other components of equity.

23. SEGMENT INFORMATION

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

The Group is engaged in the business of manufacturing and distribution of steel billet and logistic service. The Group operates in one geographical area in Thailand. The segment information can be classified into 2 segments as follows:

- a: Segment relating to distribution of steel billet
- b: Segment relating to investment and consultant for Renewable Power

Revenues and expenses classified by segment for the three-month periods ended 30 June 2016 and 2015 are as follows:

	In Million Baht					
	2016			2015		
	a	b	Total	a	b	Total
Sales and service income	269.48	238.94	508.42	241.49	734.02	975.51
Profit (loss) from segment	6.82	58.60	65.42	26.43	55.87	82.30

Revenues and expenses classified by segment for the six-month periods ended 30 June 2016 and 2015 are as follows:

	In Million Baht					
	2016			2015		
	a	b	Total	a	b	Total
Sales and service income	929.05	820.83	1,749.88	788.29	839.42	1,627.71
Profit (loss) from segment	65.43	88.98	154.41	(14.50)	84.92	70.42

Geographical segment

The financial information is classified by geographical segment . Revenue and asset are classified follow by geographical of customer and located of asset respectively.

CHOW STEEL INDUSTRIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS (CONTINUED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2016 (UNAUDITED)

Geographical segment information

	In Million Baht			
	Total Revenue		Total Asset	
	30 June 2016	30 June 2015	30 June 2016	31 December 2015
Thai	1,609.34	1,469.94	8,377.40	5,486.22
Japan	140.54	157.77	2,007.13	2,605.70
Germany	-	-	-	0.44
Total	1,749.88	1,627.71	10,384.53	8,092.36

24. COMMITMENT AND CONTINGENT LIABILITIES

24.1 Operating lease commitments and service agreements

24.1.1 As at 30 June 2016, a subsidiary in Thailand has entered into a Solar Rooftop Power Purchase Agreement with Metropolitan Electricity Authority ("MEA") total capacity of 7 Mwp. kilowatt the agreement term was 25 years.

24.1.2 The Company and its subsidiaries had entered into rental agreements shall pay rental and service fee in the future as follows:

	In Baht
	30 June 2016
Rental agreements	40,082,229
Other agreements	3,704,050
Total	<u>43,786,279</u>

24.2 Contingent liabilities

- As at 30 June 2016, the Company has letters of guarantee issued by bank for the payment of electricity fee amounting to Baht 64.2 million.
- As at 30 June 2016, a subsidiary has letter of guarantee issued by bank for performance guarantee of another subsidiary in a foreign country to engagement in business amounted of Baht 484.41 million (Yen 1,600 million). Fixed deposit was pledge as collateral for issuing such letter of guarantee in full amount.

25. LITIGATION

The company and affiliate company has filed the law sued against corporation and individuals as defendants on infringement of trade secret at Thai and Japanese Court. Later, it has been conciliated with corporation and some defendants until agreed on the settlement agreement and withdraw the case for some defendants from the court in both countries. Meanwhile the defendant has accepted and agreed to proceed the Development agreement with Premier Solution co., ltd which is one of the Chowsteel Industry Public Company's subsidiary company for development of Kyotamba Project.

26. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Board of Directors on 15 August 2016.