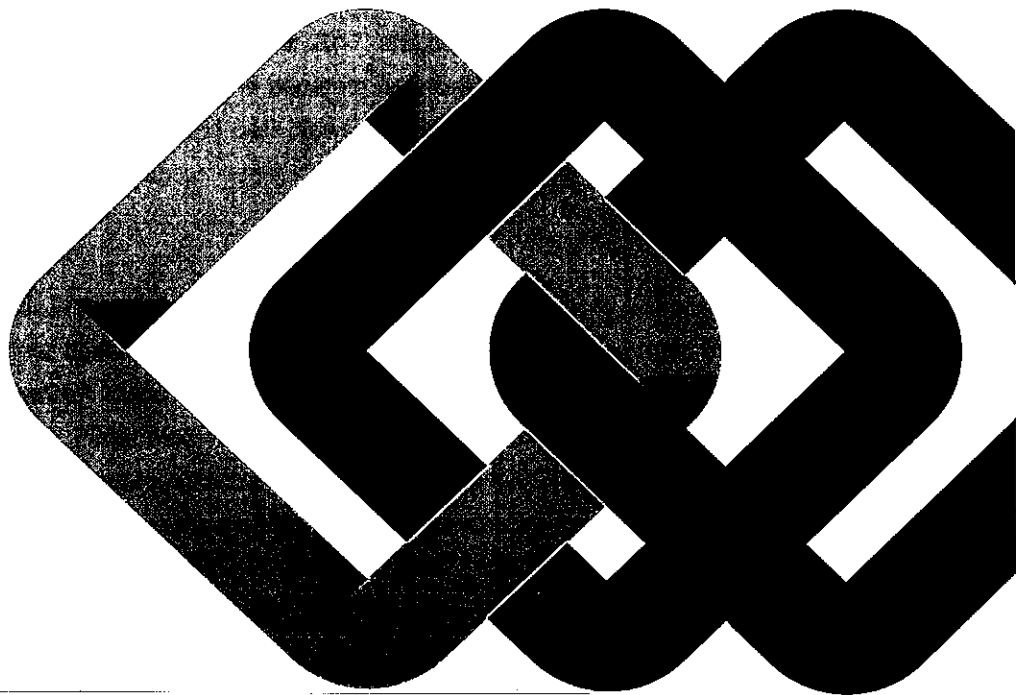




Independent Auditor's Report and Consolidated  
Financial Statements of

**Sahathai Terminal Public Company Limited and its  
subsidiaries**

For the Year Ended 31 December 2017



## INDEPENDENT AUDITOR'S REPORT

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18th Floor Capital Tower  
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To the Shareholders of Sahathai Terminal Public Company Limited  
(Formerly name "Sahathai Terminal Company Limited")

### *Opinion*

I have audited the consolidated financial statements of Sahathai Terminal Public Company Limited and subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2017, the related consolidated statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes disclosure, including a summary of significant accounting policies, and I have also audited the separate financial statements of Sahathai Terminal Public Company Limited (the "Company"), which comprise the separate statement of financial position as at 31 December 2017, the related separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes disclosure, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of Sahathai Terminal Public Company Limited and subsidiaries as at 31 December 2017, and consolidated financial performance and cash flows for the year then ended, and the separate financial position as at 31 December 2017, and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### *Basis for Opinion*

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

*Namin*

**Key Audit Matters**

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter under my professional judgement and summary of responding audit procedures is presented below:

The key audit matter	Responding Audit Procedures
<p><b><u>Revenue recognition</u></b></p> <p>For the year 2017, the Group and the Company have service income in the consolidated and separate financial statements of Baht 1,345.33 million and Baht 1,269.47 million, respectively, which comprise the revenue from terminal business, in-land transportation business, rental area for container and warehouse business and other related services</p> <p>I focus on the appropriateness of revenues recognition, since the service income is significant to the consolidated and separate financial statements.</p> <p>Refer to the note 29 to financial statements and significant accounting policies.</p>	<p>I made an inquiry of management to obtain an understanding the service income. I assessed appropriateness of accounting policy for the revenue recognition.</p> <p>I tested the revenue recognition by assessing and testing the Company's IT system and its internal controls with respect to the revenue cycle.</p> <p>I tested supporting documents for service income transactions occur during the year and near the end of the accounting period, and reviewing credit notes after the year end.</p> <p>I performed analytical procedures on service income for considering reasonableness of transaction. I also review the service income made through the journal voucher.</p> <p>I also considered the adequacy of disclosures in the relation to service income in the notes to financial statements.</p>

*Namin*

*Other matters*

The consolidated statement of financial position as at 31 December 2016, the related consolidated statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended and the separate statement of financial position as at 31 December 2016, the related separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, presented as comparative information, were audited by an auditor in the same office as mine, who issued his audit report dated 28 February 2017 expressed an unmodified opinion.

*Other Information*

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available for my review after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

*Namir*

*Responsibilities of Management and Those Charged with Governance for the preparation of Consolidated and Separate Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

*Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements*

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

*Namin*

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among significant matter, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

*Navin*

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

*Narin Churamongkol*

**Mr. Narin Churamongkol**

Certified Public Accountant

Registration No. 8593

Grant Thornton Limited

Bangkok

20 February 2018

SAHATHAI TERMINAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
(FORMERLY NAME "SAHATHAI TERMINAL COMPANY LIMITED AND SUBSIDIARIES")  
STATEMENTS OF FINANCIAL POSITION

(Unit: Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2017	31 December 2016	31 December 2017	31 December 2016
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5	245,205,615	37,423,741	199,829,228	33,368,642
Trade and other accounts receivable - general customers	6	133,205,125	131,011,028	133,139,748	130,999,088
- related companies	6,7	20,875,433	44,427,687	28,434,994	51,588,904
Short-term loan to subsidiary company	7	-	-	100,000,000	16,000,000
Accrued income		25,723,293	14,108,338	25,502,967	14,108,338
Prepaid expenses		9,425,794	7,832,100	5,329,889	7,832,100
Spare parts and supplies		5,651,120	3,004,771	5,651,120	3,004,771
Other current assets	8	46,163,587	31,089,321	18,609,965	4,734,854
<b>Total current assets</b>		<b>486,249,967</b>	<b>268,896,986</b>	<b>516,497,911</b>	<b>261,636,697</b>
<b>NON-CURRENT ASSETS</b>					
Restricted deposits with bank	9	-	100,000	-	100,000
Investment in subsidiaries	10	-	-	260,250,000	89,250,000
Investment in associated company	11	9,503,686	1,781,266	12,000,000	2,000,000
Property, building and equipment - net	12	1,753,187,231	1,281,782,201	793,495,102	687,900,586
Computer software - net	13	14,204,911	15,825,338	13,834,358	15,451,981
Leasehold right - net	14	27,469,536	27,482,556	27,469,536	27,482,556
Income tax withheld at sources		15,175,485	17,169,545	15,174,236	17,168,475
Accrued sub-lease income - subsidiary company	7	-	-	19,240,245	11,278,764
Other non-current assets	15	33,878,945	36,840,252	32,495,945	34,661,302
<b>Total non-current assets</b>		<b>1,853,419,794</b>	<b>1,380,981,158</b>	<b>1,173,959,422</b>	<b>885,293,664</b>
<b>TOTAL ASSETS</b>		<b>2,339,669,761</b>	<b>1,649,878,144</b>	<b>1,690,457,333</b>	<b>1,146,930,361</b>

The accompanying notes form an integral part of these financial statements.



SAHATHAI TERMINAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
(FORMERLY NAME "SAHATHAI TERMINAL COMPANY LIMITED AND SUBSIDIARIES")  
STATEMENTS OF FINANCIAL POSITION

(Unit: Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2017	31 December 2016	31 December 2017	31 December 2016
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Bank overdrafts	16	-	285,041	-	-
Short-term loan from related company	7	99,165,706	50,000,000	99,165,706	50,000,000
Trade accounts payable		87,185,345	103,910,182	81,049,917	102,565,099
Amount due to related companies	7	48,463,162	167,122,244	42,952,603	140,701,079
Account payable for purchase of fixed assets		70,635,381	109,967,242	12,307,537	7,061,507
Current portion of :					
- Liabilities under finance lease agreements	18	24,225,328	17,923,327	11,803,374	11,377,013
- Long-term loan	17	490,308,331	154,608,822	164,908,331	132,608,822
Accrued expenses	20	40,456,513	56,830,506	35,757,260	54,628,185
Other current liabilities	21	33,656,559	17,939,944	32,587,625	16,835,972
<b>Total current liabilities</b>		<b>894,096,325</b>	<b>678,587,308</b>	<b>480,532,353</b>	<b>515,777,677</b>
<b>NON-CURRENT LIABILITIES</b>					
Liabilities under finance lease agreements - net	18	101,465,438	98,737,285	34,549,492	41,975,818
Long-term loan - net	17	356,340,496	455,986,260	181,643,696	220,595,080
Deferred income tax liabilities - net	22	12,057,189	11,023,175	13,932,855	14,226,366
Liabilities under employee benefits obligation	19	9,952,589	7,672,164	9,952,589	7,672,164
Accrued rental expense		12,666,320	8,446,904	12,666,320	8,446,904
Deposit received from lessee - subsidiary company	7	-	-	13,440,000	13,440,000
- other companies		31,508,344	25,668,694	21,238,909	16,297,969
<b>Total non-current liabilities</b>		<b>523,990,376</b>	<b>607,534,482</b>	<b>287,423,861</b>	<b>322,654,301</b>
<b>TOTAL LIABILITIES</b>		<b>1,418,086,701</b>	<b>1,286,121,790</b>	<b>767,956,214</b>	<b>838,431,978</b>

The accompanying notes form an integral part of these financial statements.

SAHATHAI TERMINAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
(FORMERLY NAME "SAHATHAI TERMINAL COMPANY LIMITED AND SUBSIDIARIES")  
STATEMENTS OF FINANCIAL POSITION

(Unit : Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2017	31 December 2016	31 December 2017	31 December 2016
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)</b>					
<b>SHAREHOLDERS' EQUITY</b>					
Share capital - common share at Baht 0.5 par value (2016: Baht 100 par value)					
Registered - 460,000,000 shares (2016: 1,700,000 shares)	23	230,000,000	170,000,000	230,000,000	170,000,000
Issued and fully paid - up - 460,000,000 shares (2016: 1,700,000 shares)		230,000,000	170,000,000	230,000,000	170,000,000
Premium on share capital	24	460,325,896	-	460,325,896	-
Retained earnings					
- Appropriated for legal reserve	26	7,347,130	2,663,288	7,347,130	2,663,288
- Unappropriated		170,526,492	113,484,880	224,828,093	135,835,095
Equity attributable to the Company's shareholders		868,199,518	286,148,168	922,501,119	308,498,383
Non - controlling interests in subsidiaries	10	53,383,542	77,608,186	-	-
Total Shareholders' Equity		921,583,060	363,756,354	922,501,119	308,498,383
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>2,339,669,761</b>	<b>1,649,878,144</b>	<b>1,690,457,333</b>	<b>1,146,930,361</b>

The accompanying notes form an integral part of these financial statements.

SAHATHAI TERMINAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
(FORMERLY NAME "SAHATHAI TERMINAL COMPANY LIMITED AND SUBSIDIARIES")  
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEARS ENDED 31 DECEMBER

(Unit: Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Services income	7,30	1,345,331,783	1,080,478,486	1,269,469,929	1,101,367,692
Cost of services	7,28	(1,102,917,248)	(844,670,847)	(1,018,938,538)	(854,342,205)
Gross profit		242,414,535	235,807,639	250,531,391	247,025,487
Other income	30	19,226,890	16,956,440	21,984,295	17,510,824
Profit before expenses		261,641,425	252,764,079	272,515,686	264,536,311
Selling expenses	7,28	(20,822,321)	(27,050,689)	(20,822,321)	(26,948,189)
Administrative expenses	7,28	(152,260,046)	(128,766,854)	(129,448,508)	(123,706,660)
Total expenses		(173,082,367)	(155,817,543)	(150,270,829)	(150,654,849)
Operating profit		88,559,058	96,946,536	122,244,857	113,881,462
Equity in net loss of associated company	11	(2,277,580)	(218,734)	-	-
Profit before finance costs and income tax		86,281,478	96,727,802	122,244,857	113,881,462
Finance costs	7	(44,097,053)	(30,122,998)	(25,211,927)	(23,395,872)
Profit before income tax		42,184,425	66,604,804	97,032,930	90,485,590
Income tax benefit (income tax)	22	(4,683,615)	7,011,301	(3,356,090)	4,672,923
Profit for the year		37,500,810	73,616,105	93,676,840	95,158,513
<b>Other comprehensive income (loss) for the year :</b>					
Items not to be subsequently reclassified to profit or loss					
Actuarial gain (net of tax)	17	-	6,772,962	-	6,772,962
Total other comprehensive income		-	6,772,962	-	6,772,962
Total comprehensive income for the year		37,500,810	80,389,067	93,676,840	101,931,475
<b>Allocation of income (loss)</b>					
Portion of the Company's shareholders		61,725,454	79,845,097	93,676,840	95,158,513
Portion of non - controlling interest in subsidiaries	10	(24,224,644)	(6,228,992)	-	-
		37,500,810	73,616,105	93,676,840	95,158,513
<b>Allocation of comprehensive income (loss)</b>					
Portion of the Company's shareholders		61,725,454	86,618,059	93,676,840	101,931,475
Portion of non - controlling interest in subsidiaries	10	(24,224,644)	(6,228,992)	-	-
		37,500,810	80,389,067	93,676,840	101,931,475
<b>Basic earnings per share</b>					
Profit (Baht per share)	25	0.17	0.23	0.26	0.28
Weighted average number of common share (share)		354,465,753	340,000,000	354,465,753	340,000,000

The accompanying notes form an integral part of these financial statements.

SAHATHAI TERMINAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
(FORMERLY NAME "SAHATHAI TERMINAL COMPANY LIMITED AND SUBSIDIARIES")  
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEARS ENDED 31 DECEMBER

(Unit: Baht)

	Equity attributable to the Company's Shareholders							Total shareholders' equity
	Notes	Issued and fully paid - up share capital	Premium on Share capital	Retained earnings		Total	Non-controlling interests' equity	
				Appropriated for legal reserve	Unappropriated			
<u>Consolidated financial statements</u>								
Balance as at 1 January 2016		170,000,000	-	2,663,288	26,866,821	199,530,109	40,962,178	240,492,287
Proceeds from paid-up capital from non-controlling interest		-	-	-	-	-	42,875,000	42,875,000
Transactions with shareholder		170,000,000	-	2,663,288	26,866,821	199,530,109	42,875,000	42,875,000
Comprehensive income (loss) for the year		-	-	-	86,618,059	86,618,059	(6,228,992)	80,389,067
Balance as at 31 December 2016		170,000,000	-	2,663,288	113,484,880	286,148,168	77,608,186	363,756,354
Balance as at 1 January 2017		170,000,000	-	2,663,288	113,484,880	286,148,168	77,608,166	363,756,354
Increase share capital	23,24	60,000,000	460,325,896	-	-	520,325,896	-	520,325,896
Appropriated for legal reserve	26	-	-	4,663,842	(4,663,842)	-	-	-
Transactions with shareholder		60,000,000	460,325,896	4,663,842	(4,663,842)	520,325,896	-	520,325,896
Comprehensive income (loss) for the year		-	-	-	61,725,454	61,725,454	(24,224,644)	37,500,810
Balance as at 31 December 2017		230,000,000	460,325,896	7,347,130	170,526,492	868,199,518	53,383,542	921,583,060

The accompanying notes form an integral part of these financial statements.

SAHATHAI TERMINAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
(FORMERLY NAME "SAHATHAI TERMINAL COMPANY LIMITED AND SUBSIDIARIES")  
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEARS ENDED 31 DECEMBER

	Notes	Issued and fully paid - up share capital	Share premium	Retained earnings		Total	(Unit: Baht)
				Appropriated for Legal reserve	Unappropriated		
<u>Separate financial statements</u>							
Balance as at 1 January 2016		170,000,000	-	2,663,288	33,903,620	206,566,908	
Comprehensive income for the year		-	-	-	101,931,475	101,931,475	
Balance as at 31 December 2016		170,000,000	-	2,663,288	135,835,095	308,498,383	
Balance as at 1 January 2017		170,000,000	-	2,663,288	135,835,095	308,498,383	
Increase share capital	23,24	60,000,000	460,325,896	-	-	520,325,896	
Appropriated for legal reserve	26	-	-	4,663,842	(4,663,842)	-	
Transactions with shareholder		60,000,000	460,325,896	4,663,842	(4,663,842)	520,325,896	
Comprehensive income for the year		-	-	-	93,676,840	93,676,840	
Balance as at 31 December 2017		230,000,000	460,325,896	7,347,130	224,828,093	922,501,119	

The accompanying notes form an integral part of these financial statements.

SAHATHAI TERMINAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
(FORMERLY NAME "SAHATHAI TERMINAL COMPANY LIMITED AND SUBSIDIARIES)  
STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED 31 DECEMBER

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Cash flows from operating activities :</b>				
Income before income tax	42,184,425	66,604,804	97,032,930	90,485,590
<b>Adjustments to reconcile income before income tax to net cash provided from (used in) operating activities</b>				
Depreciation and amortization	98,840,581	77,274,564	76,689,899	76,194,675
Equity in net loss of associated company	2,277,580	218,734	-	-
Loss from sales of fixed assets	75,441	147,313	75,441	147,313
Written-off non-refundable withholding tax	1,867,135	6,976,258	1,867,135	6,976,258
Provision for employee benefits obligation expenses	2,280,425	3,923,024	2,280,425	3,923,024
Interest expense	44,097,053	30,122,998	25,211,927	23,395,872
<b>Cash provided from operations before changes in operating assets and liabilities</b>	<b>191,622,640</b>	<b>185,267,695</b>	<b>203,157,757</b>	<b>201,122,732</b>
<b>Decrease (increase) in operating assets:</b>				
Trade and other accounts receivable - general customers	(2,194,097)	18,529,017	(2,140,660)	18,540,957
- related companies	23,552,254	(59,609,839)	23,153,910	(66,295,476)
Accrued income	(11,614,955)	(9,690,173)	(11,394,629)	(9,690,173)
Prepaid expenses	(1,593,694)	(886,675)	2,502,211	(886,675)
Spare parts and supplies	(2,646,349)	3,684,211	(2,646,349)	3,684,211
Other current assets	(15,074,266)	(27,010,806)	(13,875,111)	(1,075,216)
Accrued sub-lease income - subsidiary	-	-	(7,961,481)	(11,278,764)
Other non - current assets	2,961,307	4,012,537	2,165,357	1,836,587
<b>Increase (decrease) in operating liabilities:</b>				
Trade accounts payable	(16,724,837)	36,982,573	(21,515,182)	35,637,490
Amount due to related companies	(115,768,443)	30,283,804	(97,605,782)	3,862,639
Accrued expenses	(15,637,761)	11,944,099	(15,166,843)	11,717,679
Other current liabilities	15,716,615	4,650,631	15,751,653	3,546,659
Deposit received from lessee - other companies	15,210,375	7,524,259	4,940,940	7,524,259
Accrued rental expenses	4,219,416	8,446,904	4,219,416	8,446,904
<b>Cash provided from operations</b>	<b>72,028,205</b>	<b>214,128,237</b>	<b>83,585,207</b>	<b>206,693,813</b>
Interest paid	(44,223,924)	(28,821,901)	(25,558,703)	(23,140,809)
Withhold tax refunded	7,826,104	9,405,398	7,826,104	9,405,398
Income tax paid	(11,348,780)	(8,748,196)	(11,348,601)	(8,747,404)
<b>Net cash provided from operating activities</b>	<b>24,281,605</b>	<b>185,963,538</b>	<b>54,504,007</b>	<b>184,210,998</b>

The accompanying notes form an integral part of these financial statements.

SAHATHAI TERMINAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
(FORMERLY NAME "SAHATHAI TERMINAL COMPANY LIMITED AND SUBSIDIARIES)  
STATEMENTS OF CASH FLOWS (CONTINUED)  
FOR THE YEARS ENDED 31 DECEMBER

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Cash flows from investing activities :</b>				
Decrease in restricted deposit with bank	100,000	-	100,000	-
Collection of loans to subsidiary	-	-	16,000,000	-
Increase in short-term loan to subsidiary company	-	-	(100,000,000)	(16,000,000)
Increase in investment in subsidiary company	-	-	(171,000,000)	(44,625,000)
Increase in investment in associate company	(10,000,000)	(2,000,000)	(10,000,000)	(2,000,000)
Proceeds from sales of fixed assets	1,462,599	50,701	1,462,599	50,701
Acquisition of fixed assets	(587,920,925)	(255,747,686)	(171,013,825)	(20,620,532)
Acquisition of computer software	(39,760)	(13,848,930)	-	(13,466,930)
Payment for leasehold right	(4,624,200)	(7,500,000)	(4,624,200)	(7,500,000)
<b>Net cash used in investing activities</b>	<b>(601,022,286)</b>	<b>(279,045,915)</b>	<b>(439,075,426)</b>	<b>(104,161,761)</b>
<b>Cash flows from financing activities :</b>				
Increase (decrease) in bank overdraft	(285,041)	283,127	-	(1,914)
Proceeds from short-term loan from related parties	99,165,706	-	99,165,706	-
Repayment for short-term loan from related company	(50,000,000)	-	(50,000,000)	-
Repayment for liabilities under finance lease agreements	(20,737,751)	(8,486,001)	(11,807,722)	(6,772,868)
Proceeds from long-term loan from bank	393,004,620	143,892,180	128,199,000	21,501,000
Repayment for long-term loan from bank	(156,950,875)	(111,794,417)	(134,850,875)	(111,794,417)
Proceeds from share capital increment - net	520,325,896	-	520,325,896	-
Proceeds from paid-up share capital from non - controlling interest	-	42,875,000	-	-
<b>Net cash provided from (used in) financing activities</b>	<b>784,522,555</b>	<b>66,769,889</b>	<b>551,032,005</b>	<b>(97,068,199)</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>207,781,874</b>	<b>(26,312,488)</b>	<b>166,460,586</b>	<b>(17,018,962)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>37,423,741</b>	<b>63,736,229</b>	<b>33,368,642</b>	<b>50,387,604</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>245,205,615</b>	<b>37,423,741</b>	<b>199,829,228</b>	<b>33,368,642</b>
<b>Non - cash transactions</b>				
1. Leasehold right not yet paid	6,500,000	10,000,000	6,500,000	10,000,000
2. Finance lease agreements to acquire fixed assets	29,767,905	115,120,914	4,807,757	50,100,000
3. Accounts payable from purchase of fixed assets	-	109,967,242	-	7,061,507

The accompanying notes form an integral part of these financial statements.

**SAHATHAI TERMINAL PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**(FORMERLY NAME "SAHATHAI TERMINAL COMPANY LIMITED AND SUBSIDIARIES)**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017 AND 2016**

1. GENERAL INFORMATION

Sahathai Terminal Public Company Limited was incorporated as a limited company under The Civil and Commercial Code of Thailand on 10 March 2008. The Company changed its status to public company limited and registered the change of its name to "Sahathai Terminal Public Company Limited" on 3 May 2017. The Company's shares were approved for trading in Market for Alternative Investment "MAI" under the Stock Exchange of Thailand on 29 September 2017. The Company has its registered office at 51/1 Moo 3, Poo Chao Samingprai Road, Bangyapraek, Phrapradaeng, Samutprakarn.

The Company is engaged primarily in coastal port and services, coastal port arrangement consultancy, tug boat services, inland transport and related merchant marine business.

As at 31 December 2017 and 2016, the Company's major shareholders during the year are as follow :

	2017	2016
	Percentage (%)	Percentage (%)
Rattana Holding Co., Ltd.	34.56	46.75
"Karuchit" Family	17.42	24.39

2. BASIS OF FINANCIAL STATEMENTS PREPARATION

(a) Statement of compliance

The accompanying financial statements have been prepared in accordance with the Accounting Act B.E. 2543, Thai Financial Reporting Standards ("TFRS") issued under the Accounting Professions Act B.E. 2547 and the financial reporting requirements promulgated by the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535. These financial statements are officially prepared in the Thai language. The translation of these financial statements to other languages must be in compliance with the official report in Thai.

The Federation of Accounting Professions has issued new and revised TFRS, interpretations and guidance effective for annual accounting periods beginning on or after 1 January 2017. The changes were to align with the corresponding International Financial Reporting Standards, with most of the changes relating to the revision of wording and terminology, the provision of interpretations and accounting guidance to the users of the standards. The initial application of these new and revised TFRS has no material effect on the financial statements.



In addition, the Federation of Accounting Professions has issued new and revised TFRS, interpretations and guidance, which will be effective on or after 1 January 2018. The changes were to align with the corresponding International Financial Reporting Standards with most of the changes relating to the revision of wording and terminology, and the provision of interpretations and accounting guidance to users of the standards. The Group do not plan to adopt these TFRS early. The Company has made a preliminary assessment of the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date.

<i>Items</i>	<i>Measurement basis</i>
Net defined benefit liability	Present value of the defined benefit obligation, as explained in Note 19

(c) Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income, and expenses. Actual results may differ from their estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

*Assumptions and estimation uncertainties*

Information about significant areas of estimation uncertainties that have a significant risk of resulting in material adjustments to the amounts recognized in the financial statements is included in the following notes:

Note 22	Current and deferred taxation
Note 19	Measurement of defined benefit obligations

### *Measurement of fair values*

The Group has established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

The Group regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, the Company assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

#### (d) Basis of preparation and consolidation

Bangkok Barge Terminal Co., Ltd.'s subsidiary company, is primarily engaged in coastal port management and related merchant marine business, which is 51.00% owned subsidiaries.

On 30 March 2017, the Company incorporated in a new company "Bangkok Container Depot Service Company Limited", which is 99.99% owned subsidiary of the Company and is engaged in providing containers repair and maintenance services.

On 10 November 2017, the Company incorporated in a new company "Bangkok Trucking Service Company Limited", which is 99.99% owned subsidiary of the Company and is engaged in providing transportation by land.

The consolidated financial statements include the financial statements of Sahathai Terminal Public Company Limited and its subsidiaries, Bangkok Barge Terminal Co., Ltd., Bangkok Container Depot Service Co., Ltd. and Bangkok Trucking Service Co., Ltd. which the Company held at 51.00%, 99.99% and 99.99% shareholdings, respectively.

The percentage of subsidiaries' total assets as at 31 December 2017 and 2016, and total revenues for the years ended 31 December 2017 and 2016 as included in the consolidated financial statements are as follows:

<u>Subsidiaries</u>	Percentage of subsidiaries' total assets to consolidated total assets		Percentage of subsidiaries' total revenues to consolidated total revenues	
	As at 31 December		For the years ended 31 December	
	2017	2016	2017	2016
Bangkok Barge Terminal Co., Ltd.	31.14	38.32	13.06	1.00
Bangkok Container Depot Service Co., Ltd.	14.90	-	0.00	-
Bangkok Trucking Service Co., Ltd.	0.00	-	0.00	-

Significant intercompany balances and transactions and investment in subsidiaries have been eliminated from the consolidated financial statements.

The consolidated financial statements have been prepared with the same accounting policies for the same accounting transactions or accounting events as used for the preparation of separate financial statements.

#### Subsidiary

Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### Foreign currencies

Foreign currency transactions are translated into the functional currency (Thai Baht), using the exchange rate prevailing at the dates of the transactions (spot exchange rate).

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated into the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are recognized in profit or loss as incurred.

#### Cash and cash equivalents

Cash and cash equivalents include cash on hand and highly liquid cash at banks (which do not have restriction of usage) that are readily convertible to cash on maturity date with insignificant risk of change in value.

#### Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and directing the Company's operations.

#### Trade accounts receivable and allowance for doubtful accounts

Trade accounts receivable are stated at the net realizable value. The Group provides allowance for doubtful accounts equal to the estimated collection losses that may incur in the collection process. The estimated losses are based on historical collection experiences coupled with a review of the current status of receivables.

#### Accrued income

Revenues which have been recognized as income after rendering of services but not yet billed to the customers are presented as "accrued income" in statement of financial position.

#### Investment in subsidiary company

Investment in subsidiary in the separate statement of financial position is accounted for by the cost method. The Company immediately recognizes gain or loss on sale of investment in the statement of profit or loss and other comprehensive income in the year the investment is sold. In the case of impairment, the Company immediately recognizes loss from impairment as expense in the statement of profit or loss and other comprehensive income. The Company recognizes dividend income upon the subsidiary's declaration of the payment.

#### Investment in associated company

Investment in associated company in consolidated statement of financial position is accounted for by the equity method, and investment in associated company in the separate statement of financial position is accounted for by the cost method.

The Company makes the adjustments to devalue this investment when there is an indication of impairment.

## Property, building and equipment

### *Recognition and measurement*

#### *Owned assets of the Group*

Property, building and equipment are stated at cost less accumulated depreciation and impairment losses (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for its intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of building and equipment have different useful lives, they are accounted for as separate items (major components) of building and equipment.

Gains and losses on disposal of an item of property, building and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, building and equipment, and are recognised net within other income/expense in profit or loss.

#### *Leased assets*

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, building and equipment acquired by way of finance leases is capitalized at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

#### *Subsequent costs*

The cost of replacing a part of an item of building and equipment is recognised as part of the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The costs of the day-to-day servicing of building and equipment are recognized in profit or loss as incurred.

#### *Depreciation*

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of building and equipment. The estimated useful lives are as follows:

Concrete yard for providing service	10 - 20	years
Building and improvement	5 - 8	years
Tools and equipment	3 - 5	years
Fixture and office equipment	3 - 5	years
Vehicles	5	years
Cranes	10 - 25	years

No depreciation is provided on land and assets under construction or under installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

#### *Impairment*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of asset will be determined for comparison purpose.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

#### Computer software

Computer software with definite useful lives is stated at cost less accumulated amortization and allowance for impairment. Amortization is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of 10 years.

#### Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

#### Trade and other accounts payable

Trade and other accounts payable are stated at cost.

#### Revenue recognition

##### *Service income*

Service income is recognized when service has been rendered and can be measured reliably.

#### *Rental income*

Rental income under service agreements is recognized in statements of profit loss and other comprehensive income on the straight – line basis.

#### *Interest income*

Interest income is recognized in profit or loss on an accrual basis.

#### Finance costs

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available-for-sale financial assets that are recognized in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss using the effective interest method.

#### Income tax

The income tax expense for the year comprises current and deferred income taxes. Current and deferred income taxes are recognized in profit or loss, except to the extent that they relate to items recognized directly in equity or other comprehensive income.

#### *Current income tax*

Current income tax is the expected tax payable or claimable on the taxable income or loss for the year, using tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to tax payable in respect of earlier years.

#### *Deferred income tax*

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts corresponding items used for income tax computation purpose. Deferred income tax is measured at the tax rate that are expected to be applied to the temporary differences when they reverse, using tax rate enacted or substantively enacted at the end of the reporting period.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of each reporting year and reduced to the extent that the related tax benefit will be realized.

#### Employee benefits

##### *Short-term employment benefits*

Salaries, wages, bonuses, contribution to the social security and provident fund, are recognised as expenses when incurred on the accrual basis.

*Post-employment benefits (Defined contribution plans)*

The Company and its employees have jointly established a contributory provident fund plan for which monthly contribution is made by employees and by the Company. The fund assets are held in a separate trusteed fund. The Company's contributions are recognized as expenses when incurred.

*Post-employment benefits (Defined benefit plans)*

The Company has obligations in respect of the severance payments for employees upon retirement under the Labour Law.

The obligation under the defined benefit plan is assessed by the actuary, using the projected unit credit method.

Actuarial gain or loss for the computation of post-employment benefits is recognized under other comprehensive income.

Long – term finance lease operating

Leases of equipment where the Company assumes substantially all the benefits and risks of ownership are classified as finance leases. Assets under finance leases are capitalized at the fair value or estimated present value of the underlying lease payments, whichever is lower. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the outstanding finance balance. Future lease payments, net of financial charges, are recognized as liabilities under finance lease agreements. The financial charge is recognized in the statement of profit or loss over the lease period. Assets acquired under finance lease agreements are depreciated over their useful lives.

Lease of asset under which all the risk and benefit of ownership are effectively retained by the lessor is classified as operating lease. Payment made under operating lease is recognized in the statement of profit or loss on a straight – line basis over the lease period. When an operating lease is terminated before the expiry date of the lease period, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

*Determining whether an arrangement contains a lease*

At inception of an arrangement, the Company determines whether such arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Company the right to control the use of the underlying asset.

Segment information

Segment results that are reported to the Company's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment information is presented by geography as primary format.



Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year.

Dividend payment

Dividend payment is recorded in the financial statements in the period in which they are approved by the Shareholders or Board of Directors of the Company and subsidiary.

Provisions for liabilities and expenses and contingent assets

Provisions for liabilities and expenses are recognized in the financial statements when the Group and its subsidiary have a present legal or constructive obligation as a result of past events with probable outflow of resources to settle the obligation and where a reliable estimate of the amount can be made. The contingent assets will be recognized as separate assets only when the realization is virtually certain.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGMENTS, AND CAPITAL RISK MANAGEMENT

4.1 Critical accounting estimates, assumption and judgments

a. Impairment of receivables

The Group provides allowances for doubtful accounts to reflect impairment of trade accounts receivable for estimated losses that may incur if customers do not make the required payments. The allowances are based on consideration of historical collection experience coupled with a review of the ages of outstanding receivables at the end of the fiscal period.

b. Impairment of investments

The Company treats investments as impaired when there has been a significant or prolonged decline in their fair value. The determination of what is "significant" or "prolonged" requires management judgment.

c. Building and equipment, and computer software

Management determines the estimated useful lives and residual values of building and equipment, and computer software and revise the depreciation and amortization charges where useful lives and residual values previously estimated have changed or subject to be written down for their technical obsolescence or if they are no longer in use.

d. Leases

In determining whether a lease is to be classified as an operating lease or finance lease, management is required to use judgment whether significant risk and reward of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

e. Post-employment benefits

The obligation under defined benefit plan is determined based on actuarial valuation. Inherent within this calculation are assumption as to discount rate, future salary increase, mortality rate and other demographic factors. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality table for the country. Actual post-retirement costs may ultimately differ from this estimate.

f. Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deductible temporary differences can be utilized. In addition, management judgment is required in assessing the impact of any legal or economic limits or uncertainties in tax jurisdictions.

g. Impairment of assets

The Group treats asset as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires management judgment.

4.2 Capital risk management

The Company's objectives in the management of capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends payment for shareholders, return capital, issue new shares, or sell assets to reduce debts.

5. CASH AND CASH EQUIVALENTS

The balances as at 31 December 2017 and 2016 consist of:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash on hand	896,181	314,912	537,745	194,012
Cash at banks - Current accounts	149,790,621	32,758	114,967,600	32,758
Cash at banks - Savings accounts	94,518,813	37,076,071	84,323,883	33,141,872
Total	<u>245,205,615</u>	<u>37,423,741</u>	<u>199,829,228</u>	<u>33,368,642</u>

Saving deposits with banks bear interest at the floating rates determined by bank.

6. TRADE AND OTHER ACCOUNTS RECEIVABLE

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Other parties	133,205,125	131,011,028	133,139,748	130,999,088
Related parties	20,875,433	44,427,687	28,434,994	51,588,904
Total	<u>154,080,558</u>	<u>175,438,715</u>	<u>161,574,742</u>	<u>182,587,992</u>

The outstanding balances of trade and other accounts receivable as at 31 December 2017 and 2016 are classified by aging as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Trade and other accounts receivable</u>				
<u>- general customers</u>				
Not yet due	77,076,003	91,156,440	77,010,626	91,144,500
Past due:				
0 – 90 days	52,455,855	39,080,409	52,455,855	39,080,409
91 – 180 days	2,104,244	623,412	2,104,244	623,412
181 – 365 days	1,517,980	150,767	1,517,980	150,767
More than 365 days	51,043	-	51,043	-
Total	<u>133,205,125</u>	<u>131,011,028</u>	<u>133,139,748</u>	<u>130,999,088</u>

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Trade and other accounts receivable</u>				
<u>– related companies</u>				
Not yet due	20,754,804	43,977,647	18,697,815	43,267,742
Past due:				
0 – 90 days	115,301	343,040	9,737,179	4,304,962
91 – 180 days	2,204	107,000	-	3,267,200
181 – 365 days	3,124	-	-	749,000
Total	<u>20,875,433</u>	<u>44,427,687</u>	<u>28,434,994</u>	<u>51,588,904</u>
 Total trade and other accounts - receivable	 <u>154,080,558</u>	 <u>175,438,715</u>	 <u>161,574,742</u>	 <u>182,587,992</u>

The normal credit term granted by the Group is 30 days.

#### 7. RELATED PARTIES TRANSACTIONS

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related companies which are related through common shareholding and/or directorship. These financial statements reflected the effects of significant transactions with related companies in the normal course of business, based on market prices, or based on the basis mutually agreed, if transactions are made with non-comparative market prices.

Relationships with key management and other related parties were as follows:

Related parties	Relationship
Bangkok Barge Terminal Co., Ltd.	Subsidiary
Bangkok Container Depot Service Co., Ltd.	Subsidiary
Bangkok Trucking Service Co., Ltd.	Subsidiary
Bangkok Barge Service Co., Ltd.	Associated
Saha Thai Steel Pipe Public Co., Ltd	Co-shareholders
Sahathai Property & Development Co., Ltd.	Co-shareholders
K.R.C. Logistics Co., Ltd.	Co-shareholders
Mitsui O.S.K. Line (Thailand) Co., Ltd.	Subsidiary's shareholder
Maybank Kim Eng Securities (Thailand) Public Co., Ltd.	Co-director

Significant transactions with related companies for the years ended 31 December 2017 and 2016 consist of:

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
		For the years ended 31 December			
	Pricing Policy	2017	2016	2017	2016
<u>Related companies</u>					
Service income	At Market Price	278,753,028	117,006,006	142,019,588	109,108,227
Other income	At Agreed Price	520,556	2,645,282	520,556	2,645,282
Sales of asset	At Market Price	-	100,000	-	100,000
Cost of services	At Market Price	174,836	3,818,206	174,836	3,818,206
Dock rental	At Agreed Price	19,379,032	24,262,320	19,379,032	24,262,320
Selling and administrative expenses	At Agreed Price	1,462,690	9,156,386	1,462,690	9,156,386
Purchase of assets	At Market Price	31,233,887	39,918,340	18,907,412	11,010,971
Interest expenses	At Agreed Price	5,565,831	2,005,479	5,565,831	2,005,479
<u>Associated company</u>					
Service income	At Market Price	17,615,838	-	17,615,838	-
<u>Subsidiaries</u>					
Service income	At Market Price	-	-	80,936,132	6,984,131
Sub-lease income	At Agreed Price	-	-	21,401,481	24,718,764
Other income	At Agreed Price	-	-	2,779,863	740,968
<u>Key management personnel compensation</u>					
Current employment benefits		30,089,364	25,903,540	27,583,226	25,143,540
Post employment benefits		811,619	1,396,504	811,619	1,396,504
Total		<u>30,900,983</u>	<u>27,300,044</u>	<u>28,394,845</u>	<u>26,540,044</u>

Significant balances with related parties as at 31 December 2017 and 2016 consisted of:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<u>Trade accounts receivable</u>				
Subsidiaries	-	-	17,331,839	12,548,539
Associated company	839,459	125,566	839,459	125,566
Related companies	20,035,974	44,302,121	10,263,696	38,914,799
Total	<u>20,875,433</u>	<u>44,427,687</u>	<u>28,434,994</u>	<u>51,588,904</u>
<u>Short-term loan to</u>				
Subsidiary	-	-	100,000,000	16,000,000
<u>Accrued sub-lease income</u>				
Subsidiary	-	-	19,240,245	11,278,764
<u>Short-term loan from</u>				
Related parties	<u>99,165,706</u>	<u>50,000,000</u>	<u>99,165,706</u>	<u>50,000,000</u>
<u>Amount due to related companies</u>				
Subsidiaries	-	-	1,143,022	231,075
Associated company	24,897,628	2,184,850	24,897,628	2,184,850
Related companies	23,565,534	164,937,394	16,911,953	138,285,154
Total	<u>48,463,162</u>	<u>167,122,244</u>	<u>42,952,603</u>	<u>140,701,079</u>
<u>Deposit from lessee</u>				
Subsidiary	-	-	13,440,000	13,440,000

As at 31 December 2017, the Company has short - term loan to Bangkok Barge Terminal Co., Ltd. of Baht 100.00 million. This loan is not collateralized and repayable at call with interest rate at 5.50% per annum.

As at 31 December 2016, the Company has short - term loan from Saha Thai Steel Pipe Public Co., Ltd. of Baht 50.00 million. This loan is not collateralized and repayable at call with interest rate at 4.00% per annum.

As at 31 December 2017, the Company has short-term loan from related parties of Baht 99.17 million. This loan is not collateralized and repayable on 30 September 2018 with an interest rate of 5.00% per annum.

As at 31 December 2017 and 2016, deposit from subsidiary company represents a seaport rental deposit for the 30 years period ended 30 June 2045.

8. OTHER CURRENT ASSETS

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Refundable input VAT	19,913,250	19,724,635	-	-
Undue input VAT	19,803,108	7,325,343	15,398,695	3,610,650
Advances	6,413,284	3,934,230	3,211,270	1,124,204
Others	33,945	105,113	-	-
Total	<u>46,163,587</u>	<u>31,089,321</u>	<u>18,609,965</u>	<u>4,734,854</u>

9. RESTRICTED DEPOSITS WITH BANK

As at 31 December 2016, the Company's saving deposit of Baht 0.1 million is restricted for usage from the pledge as collaterals for letters of guarantee issued by a local bank for performance bond.

10. INVESTMENT IN SUBSIDIARIES

As at 31 December 2017 and 2016, investment in subsidiaries are detailed below:

Company	Nature of Business	Paid-up Capital (Thousand Baht)		Shareholding percentage (%)		At Cost (Thousand Baht)	
		2017	2016	2017	2016	2017	2016
Bangkok Barge Terminal Co., Ltd.	Coastal port management and other related merchant marine business services.	175,000	175,000	51.00	51.00	89,250	89,250
Bangkok Container Depot Service Co., Ltd.	Provides repair and maintenance services of containers.	170,000	-	99.99	-	170,000	-
Bangkok Trucking Service Co., Ltd.	Providing transportation by land	1,000	-	99.99	-	1,000	-
Total						<u>260,250</u>	<u>89,250</u>

Summary of financial information of subsidiaries before eliminating are as follow:

	Bangkok Barge Terminal Co., Ltd.	Bangkok Container Depot Service Co., Ltd.	Bangkok Trucking Service Co., Ltd.	Bangkok Barge Terminal Co., Ltd.
	For the year ended 31 December			
	2017			2016
Total revenue	181,452,124	17,060	339	11,184,591
Total expenses	(230,890,172)	(5,097,488)	(23,181)	(23,896,820)
Loss for the period	(49,438,048)	(5,080,428)	(22,842)	(12,712,229)
Other comprehensive income	-	-	-	-
Comprehensive loss for the period	(49,438,048)	(5,080,428)	(22,842)	(12,712,229)
Attributable to non-controlling interest	(24,244,644)	-	-	(6,228,992)
Current assets	74,684,187	12,565,575	1,011,336	36,050,165
Non-current assets	653,011,193	336,725,881	3	623,532,340
Current liabilities	268,762,704	(8,776,374)	(34,181)	(212,248,996)
Non-current liabilities	349,986,671	(175,595,510)	-	(288,949,456)
Net assets	108,946,005	164,919,572	977,158	158,384,053
Attributable to non-controlling interest	53,383,542	-	-	77,608,186
Net cash provided from (used in) operations activities	(23,843,734)	(7,217,454)	11,336	8,186,535
Net cash used in investing activities	(80,341,134)	(335,778,276)	-	(241,943,149)
Net cash provided from financing activities	135,293,750	352,196,800	1,000,000	224,463,088
Net cash flow increase (decrease)	31,108,882	9,201,070	1,011,336	(9,293,526)



## 11. INVESTMENT IN ASSOCIATED COMPANY

Investment in associated company is detailed below:

Name of entities	Type of Business	(Unit: million Baht)							
		Paid – up Capital		Percent of shareholding		Consolidated F/S (equity method)		Separate F/S (cost method)	
		31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016	31 Dec 2017	31 Dec 2016
Bangkok Barge Service Co., Ltd.	Management of domestic barge	30.00	5.00	40	40	9.50	1.78	12.00	2.00

Movements in investment in associated company during the year ended 31 December 2017 are as follows:

	(Unit: Baht)	
	Consolidated financial statements (equity method)	Separated financial statements (cost method)
Balance as at 1 January 2017	1,781,266	2,000,000
Investment during the period - cost	10,000,000	10,000,000
<u>Less</u> Share loss of associated company	(2,277,580)	-
Balance as at 31 December 2017	9,503,686	12,000,000

On 27 September 2016, the Company entered a shareholder agreement with Global Thai Depot Co., Ltd. and South-East Asia Medlog Logistic Co Pte. Ltd. to jointly established "Bangkok Barge Service Co., Ltd." engaged primarily in management of domestic barge with registered share capital of Baht 5,000,000 (with 50,000 common shares at par value of Baht 100 each), the Company owned 40% of share capital. The Company considered the facts based on the voting right and other mutual agreements in accordance with the joint venture agreement, and conclude that it has influence for participating in the financial and operating policy decisions but does not have overall control of the operating policies. The Company therefore, considered that Bangkok Barge Service Co., Ltd. as associated company and accounts for financial transactions by the equity method in consolidated financial statements.

12. PROPERTY, BUILDING AND EQUIPMENT – NET

(Unit: baht)

	Consolidated financial statements							Total	
	Land and land improvement	Concrete yard for service	Building improvement	Machinery and equipment	Furniture and office equipment	Vehicles	Cranes		Construction in process
<b>Cost</b>									
1 January 2016	176,445,354	153,215,722	129,949,064	49,517,683	25,627,762	42,725,447	447,138,566	49,749,190	1,074,368,788
Increase	-	-	435,000	1,139,469	3,161,073	1,065,420	82,256,268	402,149,337	490,206,567
Decrease	-	-	(117,648)	-	(1,605,849)	-	-	-	(1,723,497)
Transfer in / (Transfer out)	76,207,072	175,219,226	97,876,738	1,660,000	1,820,606	600,000	73,930,710	(427,314,352)	-
31 December 2016	252,652,426	328,434,948	228,143,154	52,317,152	29,003,592	44,390,867	603,325,544	24,584,175	1,562,851,858
Increase	313,281,968	-	1,001,600	5,493,415	7,457,377	4,425,234	-	237,326,650	568,986,244
Decrease	-	-	-	-	(1,135,759)	(3,408,594)	-	-	(4,544,353)
Transfer in / (Transfer out)	-	32,228,543	127,873,287	17,603,023	5,346,100	-	22,753,438	(205,804,391)	-
31 December 2017	565,934,394	360,663,491	357,018,041	75,413,590	40,671,310	45,407,507	626,078,982	56,106,434	2,127,293,749
<b>Accumulated Depreciation</b>									
1 January 2016	-	23,527,960	52,879,974	26,131,301	10,235,789	25,320,278	68,828,362	-	206,923,664
Depreciation for the year	-	10,997,928	16,341,856	8,941,511	4,877,229	8,079,877	26,333,075	-	75,571,476
Accumulated depreciation for disposals	-	-	(53,640)	-	(1,371,843)	-	-	-	(1,425,483)
31 December 2016	-	34,525,888	69,168,190	35,072,812	13,741,175	33,400,155	95,161,437	-	281,069,657
Depreciation for the year	-	22,972,787	23,360,357	7,338,842	6,258,654	4,514,955	31,597,579	-	96,043,174
Accumulated depreciation for disposals	-	-	-	-	(947,719)	(2,058,594)	-	-	(3,006,313)
31 December 2017	-	57,498,675	92,528,547	42,411,654	19,052,110	35,856,516	126,759,016	-	374,106,518

(Unit: baht)

Consolidated financial statements

	Land and land improvement	Concrete yard for service	Building improvement	Machinery and equipment	Furniture and office equipment	Vehicles	Cranes	Construction in process	Total
<b>Net book value</b>									
31 December 2016	252,652,426	293,909,060	158,974,964	17,244,340	15,262,417	10,990,712	508,164,107	24,584,175	1,281,782,201
31 December 2017	565,934,394	303,164,816	264,489,494	33,001,936	21,619,200	9,550,991	499,319,966	56,106,434	1,753,187,231
<b>Depreciation for the year 2016</b>									
Cost of service								69,590,442	
Selling and administrative								5,981,034	
Total								<u>75,571,476</u>	
<b>Depreciation for the year 2017</b>									
Cost of service								85,271,147	
Selling and administrative								10,772,027	
Total								<u>96,043,174</u>	

(Unit : baht)

## Separate financial statements

	Machinery							Total	
	Land and land improvement	Concrete yard for service	Building improvement	Machinery and equipment	Furniture and office equipment	Vehicles	Cranes		Construction in process
<b>Cost</b>									
1 January 2016	-	153,215,722	129,949,064	49,517,683	25,627,762	42,725,447	447,138,566	43,657,211	891,831,455
Increase	-	-	400,000	959,610	1,598,671	1,065,420	42,599,598	31,158,740	77,782,039
Decrease	-	-	(117,648)	-	(1,605,849)	-	-	-	(1,723,497)
Transfer in / (Transfer out)	-	355,360	7,312,434	-	332,040	600,000	44,981,385	(53,581,219)	-
31 December 2016	-	153,571,082	137,543,850	50,477,293	25,952,624	44,390,867	534,719,549	21,234,732	967,889,997
Increase	-	-	148,200	5,338,445	5,146,532	4,425,234	-	166,009,201	181,067,612
Decrease	-	-	-	-	(1,135,759)	(3,408,594)	-	-	(4,544,353)
Transfer in / (Transfer out)	-	31,334,060	111,971,830	17,603,023	-	-	-	(160,908,913)	-
31 December 2017	-	184,905,142	249,663,880	73,418,761	29,963,397	45,407,507	534,719,549	26,335,020	1,144,413,256
<b>Accumulated Depreciation</b>									
1 January 2016	-	23,527,960	52,879,974	26,131,301	10,235,789	25,320,278	68,828,362	-	206,923,664
Depreciation for the year	-	10,598,190	16,191,908	8,930,246	4,799,362	8,079,877	25,891,647	-	74,491,230
Accumulated depreciation for disposals	-	-	(53,640)	-	(1,371,843)	-	-	-	(1,425,483)
31 December 2016	-	34,126,150	69,018,242	35,061,547	13,663,308	33,400,155	94,720,009	-	279,989,411
Depreciation for the year	-	11,436,940	18,538,962	7,117,579	4,651,096	4,514,955	27,675,524	-	73,935,056
Accumulated depreciation for disposals	-	-	-	-	(947,719)	(2,058,594)	-	-	(3,006,313)
31 December 2017	-	45,563,090	87,557,204	42,179,126	17,366,685	35,856,516	122,395,533	-	350,918,154
<b>Net book value</b>									
31 December 2016	-	119,444,932	68,525,608	15,415,746	12,289,316	10,990,712	439,999,540	21,234,732	687,900,586
31 December 2017	-	139,342,052	162,106,676	31,239,635	12,596,712	9,550,991	412,324,016	26,335,020	793,495,102

Separate financial statements

	Land and land improvement	Concrete yard for service	Building improvement	Machinery and equipment	Furniture and office equipment	Vehicles	Cranes	Construction in process	Total
<b>Depreciation for the year 2016</b>									
Cost of service									68,659,811
Selling and administrative									5,831,419
<b>Total</b>									<u>74,491,230</u>
<b>Depreciation for the year 2017</b>									
Cost of service									68,619,409
Selling and administrative									5,315,647
<b>Total</b>									<u>73,935,056</u>

The gross amount of the Company's fully depreciated property, plant and equipment, that are still in use as at 31 December 2017, amounted to Baht 66.76 million (2016 : Baht 47.25 million).

*Security*

As at 31 December 2017, the Group and the Company have securities, for interest – bearing liabilities, comprise the property, building, and equipment with net book value of Baht 1,207.43 million and Baht 266.12 million, respectively (31 December 2016: Baht 266.12 million and Baht 531.21 million, respectively)

Effective 1 October 2017, the Company change estimated useful life of plant and equipment from years of 5 – 8 years to 10 – 20 years. The Company therefore, has depreciated for plant and equipment for the year ended 31 December 2017 decreased by Baht 2.48 million.

13. COMPUTER SOFTWARE – NET

	(Unit: Baht)	
	Consolidated financial statements	Separate financial statements
<b>Cost</b>		
1 January 2016	2,709,300	2,709,300
Increase	13,848,930	13,466,930
31 December 2016	<u>16,558,230</u>	<u>16,176,230</u>
Increase	39,760	-
31 December 2017	<u>16,597,990</u>	<u>16,176,230</u>
<b>Accumulated amortization</b>		
1 January 2016	(742)	(742)
Amortization for the year	(732,150)	(723,507)
31 December 2016	<u>(732,892)</u>	<u>(724,249)</u>
Amortization for the year	(1,660,187)	(1,617,623)
31 December 2017	<u>(2,393,079)</u>	<u>(2,341,872)</u>
<b>Net Book Value</b>		
31 December 2016	15,825,338	15,451,981
31 December 2017	<u>14,204,911</u>	<u>13,834,358</u>
<b>Depreciation for the year 2016</b>		
Administrative expense	732,150	723,507
<b>Depreciation for the year 2017</b>		
Administrative expense	1,660,187	1,617,623

14. LEASEHOLD RIGHT - NET

	(Unit: Baht)
	Consolidated and Separate financial statements
<b>Cost</b>	
1 January 2016	28,787,241
Increase	-
31 December 2016	<u>28,787,241</u>
Increase	1,124,200
31 December 2017	<u>29,911,441</u>
<b>Accumulated amortization</b>	
1 January 2016	(333,747)
Amortization for the year	(970,938)
31 December 2016	<u>(1,304,685)</u>
Amortization for the year	(1,137,220)
31 December 2017	<u>(2,441,905)</u>
<b>Net Book Value</b>	
31 December 2016	<u>27,482,556</u>
31 December 2017	<u>27,469,536</u>
<b>Depreciation for the year 2016</b>	
Administrative expense	970,938
<b>Depreciation for the year 2017</b>	
Administrative expense	1,137,220

During year 2015, the Company entered a land lease agreement for a period of 30 years to improve the land and sub-lease to Bangkok Barge Terminal Co., Ltd. for its operation. Under the said agreement, the Company has to pay the leasehold right to landlord totaling Baht 28.79 million.

As at 31 December 2017, the Company has leasehold right payable of Baht 6.50 million, which is recorded in accrued expenses. The Company will have to make installment of Baht 4.38 million per annum.

15. OTHER NON – CURRENT ASSET

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Rental deposit	28,189,392	28,888,114	28,189,392	28,888,114
Director's insurance premium	4,121,553	5,588,188	4,121,553	5,588,188
Advance payment for purchase of fixed assets	1,350,000	2,177,450	-	-
Others	218,000	186,500	185,000	185,000
<b>Total</b>	<b>33,878,945</b>	<b>36,840,252</b>	<b>32,495,945</b>	<b>34,661,302</b>

The Company entered life insurance contracts for directors who had committed themselves as guarantors for the Company's long-term loan with financial institutions (Note 17) 3 loan agreements for the period of 5-10 years. The Company's directors have identified the Company as the beneficiary under the insurance policy.

16. BANK OVERDRAFT

As at 31 December 2017 and 2016, the Company has short - term loans from financial institutions as follows:

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Bank overdrafts	-	285,041	-	-

As at 31 December 2017, the Company and subsidiaries have overdraft facilities from a financial institution of Baht 10.00 million and Baht 20.00 million, respectively (2016: 5.00 million and 20 million), with interest rate at MOR per annum. These credit lines are guaranteed by the mortgages of the Company's machinery and the subsidiary's land and construction, respectively. (Note 12)



## 17. LOANS FROM FINANCIAL INSTITUTIONS

As at 31 December 2017 and 2016, the Company has long - term loans as follows:

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Long - term loans	846,648,827	610,595,082	346,552,027	353,203,902
<u>Less Current portion</u>	<u>(490,308,331)</u>	<u>(154,608,822)</u>	<u>(164,908,331)</u>	<u>(182,608,822)</u>
Long - term loans - net	<u>356,340,496</u>	<u>455,986,260</u>	<u>181,643,696</u>	<u>220,595,080</u>

Movement in long-term loans for the years ended 31 December 2017 and 2016 are as follows:

	(Unit: Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	2017	2016	2017	2016
Balance - beginning of the year	610,595,082	578,497,319	353,203,902	443,497,319
Additions of loan	393,004,620	143,892,180	128,199,000	21,501,000
Repayments during the year	(156,950,875)	(111,794,417)	(134,850,875)	(111,794,417)
Balance - end of the year	<u>846,648,827</u>	<u>610,595,082</u>	<u>346,552,027</u>	<u>353,203,902</u>

As at 31 December 2017, the Company has long – term loan facilities from financial institution of Baht 642.50 million for construction terminal port. This loan bears interest at market rate and, is repayable approximately Baht 11.37 million per month. These loans are guaranteed by the mortgage of machine (Note 12), collateralized by the mortgages of Sahathai Property & Development Co., Ltd.'s land and construction thereon, and guaranteed by certain directors of the Company, and by Sahathai Steel Pipe Public Co., Ltd and Sahathai Property & Development Co., Ltd. In addition, the Company has to maintain financial ratios as determined in loan agreement. As at 31 December 2017, the Company was able to maintain financial ratios in compliance with the loan agreement.

As at 31 December 2017, the subsidiaries have long-term loan facility from a financial institution of Baht 970 million for purchase of land and construction for coastal port. This loan bears interest rates at market rate, and is repayable according to loan agreement. This loan is collateralized by the subsidiary's land and construction thereon (Note 12). In addition, the subsidiary has to maintain financial ratios as determined in the loan agreements. As at 31 December 2017, the subsidiary was not able maintain the financial ratio in compliance with the condition of a loan agreement, the subsidiary therefore, reclassified outstanding long-term loan balance, which is not able to maintain financial ratio, of Baht 317.90 million as current liabilities at full amount.

However, the subsidiary has negotiated with the bank to waive the covenants of such financial ratio. The subsidiary obtained letter for the waiver of the covenants from such bank dated 9 February 2018 granting to relieve to all covenant condition under the loan agreements for the period ended 31 December 2017.

As at 31 December 2017, the subsidiaries have credit facilities which have not yet been withdrawn of Baht 217.81 million and Baht 14.79 million, respectively.

#### 18. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

Liabilities under finance lease agreements as at 31 December 2017 and 2016 are as follows;

		(Unit: Baht)					
		Consolidated financial statements					
		2017			2016		
	Future minimum lease payments	Interest	Present value of minimum lease payments	Future minimum lease payments	Interest	Present value of minimum lease payments	
Due within one year	29,021,818	(4,796,490)	24,225,328	22,520,003	(4,596,676)	17,923,327	
Due after one year but not over five years	110,423,365	(8,957,927)	101,465,438	109,253,168	(10,515,883)	98,737,285	
Total	<u>139,445,183</u>	<u>(13,754,417)</u>	<u>125,690,766</u>	<u>131,773,171</u>	<u>(15,112,559)</u>	<u>116,660,612</u>	

		(Unit: Baht)					
		Separate financial statements					
		2017			2016		
	Future minimum lease payments	Interest	Present value of minimum lease payments	Future minimum lease payments	Interest	Present value of minimum lease payments	
Within one year	13,579,990	(1,776,616)	11,803,374	13,516,302	(2,139,289)	11,377,013	
After one year but not over five years	36,909,978	(2,360,486)	34,549,492	45,707,940	(3,732,122)	41,975,818	
Total	<u>50,489,968</u>	<u>(4,137,102)</u>	<u>46,352,866</u>	<u>59,224,242</u>	<u>(5,871,411)</u>	<u>53,352,831</u>	

19. LIABILITIES UNDER EMPLOYEE BENEFITS OBLIGATION

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Statements of financial position</b>				
Post-employment benefits obligation	9,952,589	7,672,164	9,952,589	7,672,164
<b>Statements of profit or loss and other comprehensive income</b>				
<i>Recognize in profit or loss</i>				
Post-employment benefits	2,280,425	4,284,380	2,280,425	4,284,380
<i>Recognize in other comprehensive income</i>				
Actuarial gain recognised in the year - net of tax	-	6,772,962	-	6,772,962

The Group has obligation under Thai Labour Protection Act, B.E. 2541 to provide retirement benefits to employees based on pensionable remuneration and length of service.

The Group has movement in the provision for employee benefits for the years ended 31 December 2017 and 2016 are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Balance as at 1 January	7,672,164	11,853,986	7,672,164	11,853,986
Current service cost is recognized in profit or loss	2,119,864	3,923,024	2,119,864	3,923,024
Finance cost	160,561	361,356	160,561	361,356
Actuarial gains	-	(8,466,202)	-	(8,466,202)
Balance as at 31 December	9,952,589	7,672,164	9,952,589	7,672,164

*Assumptions used in the actuarial insurance*

The main assumptions used in the actuarial estimate at the reporting date (expressed as weighted average) are as follow:

	2017	2016
Discount rate	2.14% per year	2.14% per year
Increase rate of the future salaries	7.18% per year	7.18% per year
Staff turnover rate	20.85% per year	20.85% per year
Retirement age	60 years	60 years
Number of employees	326 persons	326 persons
Mortality rate	100% TMO 2008	100% TMO 2008

*The sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Unit: Baht)

	Effect to the defined benefit obligation	
	Consolidated and Separate	
	financial statements	
	2017	2016
Discount rate (Increased by 1.0 percent per year)	(372,989)	(407,726)
Discount rate (Decreased by 1.0 percent per year)	422,732	464,301
Increase rate of the future salaries (Increased by 1.0 percent per year)	387,908	466,768
Increase rate of the future salaries (Decreased by 1.0 percent per year)	(348,731)	(418,064)

Actuarial gain

(Unit: Baht)

	Consolidated and Separate	
	financial statements	
	2016	
Gain from experience assumptions		3,389,914
Gain from demographic adjustment		5,886,746
Loss from financial assumptions		(810,458)
Actuarial gains		8,466,202

20. ACCRUED EXPENSES

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Accrued cost of services	18,792,342	34,012,691	17,686,228	34,012,691
Accrued leasehold right	6,500,000	10,000,000	6,500,000	10,000,000
Accrued bonus	5,000,000	6,000,000	5,000,000	6,000,000
Accrued withholding tax	5,357,533	3,033,566	3,704,395	2,485,762
Accrued interest expenses	2,763,768	-	1,497,829	-
Others	2,042,870	3,784,249	1,368,808	2,129,732
Total	<u>40,456,513</u>	<u>56,830,506</u>	<u>35,757,260</u>	<u>54,628,185</u>

21. OTHER CURRENT LIABILITIES

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Undue output VAT	10,230,483	8,397,944	9,628,881	8,039,976
Advances received from customer	18,547,172	2,053,722	18,547,172	2,053,722
Output VAT	3,670,411	4,419,339	3,670,411	4,372,041
Others	1,208,493	3,068,939	741,161	2,370,233
Total	<u>33,656,559</u>	<u>17,939,944</u>	<u>32,587,625</u>	<u>16,835,972</u>

## 22. INCOME TAX

### *Deferred income tax*

	(Unit: Baht)		
	Consolidated financial statements		
	Recognized as income (expense)		
	1 January 2017	Profit or loss	Other comprehensive income
			31 December 2017
<b>Deferred income tax assets :</b>			
From provision for employee benefits obligation	1,534,433	456,085	-
From taxable loss of subsidiary carried forward not exceed 5 year	4,127,265	-	-
<b>Total</b>	<b>5,661,698</b>	<b>456,085</b>	<b>-</b>
			<b>6,117,783</b>
<b>Deferred income tax liabilities :</b>			
From carrying value of assets exceeding tax basis	(16,684,873)	(1,490,099)	-
<b>Deferred income tax liabilities - net</b>	<b>(11,023,175)</b>	<b>(1,034,014)</b>	<b>-</b>
			<b>(12,057,189)</b>

	(Unit: Baht)		
	Consolidated financial statements		
	Recognized as income (expense)		
	1 January 2016	Profit or loss	Other comprehensive income
			31 December 2016
<b>Deferred income tax assets:</b>			
From provision for employee benefits obligation	2,371,541	856,132	(1,693,240)
From taxable loss of subsidiary carried forward not exceed 5 years	864,813	3,262,452	-
<b>Total</b>	<b>3,236,354</b>	<b>4,118,584</b>	<b>(1,693,240)</b>
			<b>5,661,698</b>
<b>Deferred income tax liabilities :</b>			
From carrying value of assets exceeding tax basis	(22,169,888)	5,485,015	-
<b>Deferred income tax liabilities - net</b>	<b>(18,933,534)</b>	<b>9,603,599</b>	<b>(1,693,240)</b>
			<b>(11,023,175)</b>

	(Unit: Baht)			
	Separate financial statements			
	Recognized as income (expense)			
	1 January 2017	Profit or loss	Other comprehensive income	31 December 2017
<b>Deferred income tax assets:</b>				
From provision for employee benefits obligation	1,534,433	456,085	-	1,990,518
<b>Deferred income tax liabilities :</b>				
From carrying value of assets exceeding tax basis	(15,760,799)	(162,574)	-	(15,923,373)
<b>Deferred income tax liabilities - net</b>	<b>(14,226,366)</b>	<b>293,511</b>	<b>-</b>	<b>(13,932,855)</b>

	(Unit : Baht)			
	Separate financial statements			
	Recognized as income (expense)			
	1 January 2016	Profit or loss	Other comprehensive income	31 December 2016
<b>Deferred income tax assets:</b>				
From provision for employee benefits obligation	2,371,541	856,132	(1,693,240)	1,534,433
<b>Deferred income tax liabilities :</b>				
From carrying value of assets exceeding tax basis	(22,169,888)	6,409,089	-	(15,760,799)
<b>Deferred income tax liabilities - net</b>	<b>(19,798,347)</b>	<b>7,265,221</b>	<b>(1,693,240)</b>	<b>(14,226,366)</b>

*Income tax recognised in profit or loss*

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Current income tax expense	3,649,601	2,592,298	3,649,601	2,592,298
The amount of deferred income tax benefit relating to the initial and reversal of temporary differences	1,034,014	(9,603,599)	(293,511)	(7,265,221)
<b>Income tax expense ( income tax benefit )</b>	<b>4,683,615</b>	<b>(7,011,301)</b>	<b>3,356,090</b>	<b>(4,672,923)</b>

*Income tax recognised in other comprehensive income*

(Unit : Baht)

	Consolidated and separate financial statements					
	2017			2016		
	Before income tax	Income (Expense) income tax	Net from income tax	Before income tax	Income (Expense) income tax	Net from income tax
Actuarial gain	-	-	-	8,466,202	(1,693,240)	6,772,962

*Reconciliation of effective tax rate*

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Income tax benefit	42,184,425	66,604,804	97,032,930
Income tax rate	20	20	20	20
Income tax rate calculated from tax rate	8,436,885	13,320,961	19,406,586	18,097,118
Reconciling item :				
Non – deductible expense	1,746,867	2,318,477	1,746,867	2,318,477
Elimination	318,942	1,766,037	-	-
Addition deductible income tax benefit	(4,714,593)	(5,358,912)	(4,714,593)	(5,358,912)
Exempt income tax for the promoted business	(13,082,770)	(19,729,606)	(13,082,770)	(19,729,606)
Current year taxable losses which not recognized as deferred tax	2,611,054	671,742	-	-
Income tax expense (Income tax benefit)	4,683,615	(7,011,301)	3,356,090	(4,672,923)

23. SHARE CAPITAL

At the 2017 Annual General Meeting of the Shareholder held on 21 April 2017, the shareholders passed the resolutions as follows:

- 23.1 Changed par value of common share from Baht 100 par value to Baht 0.50 par value with corresponding change to the total number of registered shares from 1,700,000 shares to 340,000,000 shares.



23.2 Increased share capital by issuing new 120,000,000 common shares at Baht 0.50 par value resulting in total shares increase from 340,000,000 shares to 460,000,000 shares. The increase of 120,000,000 shares will be restricted as following:

- Employees and directors of the Company will be offered shares not exceeding 6,000,000 shares.
- Initial Public Offering (IPO) to general public for 114,000,000 shares.

24. PREMIUM ON SHARE CAPITAL

	Baht
Proceeds from initial public offering	540,000,000
<u>Less:</u> Value of share capital on 120 million shares at Baht 0.50 per share	(60,000,000)
<u>Less:</u> Expenses for initial public offering	(19,674,104)
Premium on share capital	<u>460,325,896</u>

25. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of common shares outstanding during the period.

As discussed in Note 23.1, the Company's registered capital was changed from 1,700,000 shares at Baht 100 par value to 340,000,000 shares at Baht 0.50 par value. The Company adjusted the number of common shares as if they were issued and changed the par value of share at the beginning of the earliest period. Consequently, the Company's basic earnings per share for the year ended 31 December 2016 were changed as follows;

(Unit: Baht)

	Consolidated financial		Separate financial statements	
	statements		statements	
	For the year ended 31 December 2016			
	Previously reported	Revised	Previously reported	Revised
Profit for the year portion of the Company's shareholders	79,845,097	79,845,097	95,158,513	95,158,513
Weighted average number of common shares (share)	1,700,000	340,000,000	1,700,000	340,000,000
Earnings per share (Baht)	46.97	0.23	55.98	0.28

26. LEGAL RESERVE

Under the Public Companies Act B.E. 1992, the Company is required to set aside as a legal reserve at least 5 percent of its annual net profit, after deduction of deficit (if any), until the reserve reaches 10 percent of the registered capital. The legal reserve is not distributable for dividends.

## 27. PROVIDENT FUND

The Company and staff have established a contributory Provident Fund. This Provident Fund has already been registered under the Provident Fund Act, B.E. 2530. Under the Fund plan, staff has to contribute to the fund at the specific rate and will be entitled to receive the fund when staff is no longer member in accordance with regulation of the fund. The Company's contribution to the Fund for the years 2017, amounted to Baht 2.51 million (2016: Baht 2.26 million).

## 28. EXPENSES BY NATURE

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Salaries, wages and other employee benefits	181,608,012	154,869,495	160,826,111	151,023,176
Freight and transferring expense	431,930,864	317,904,123	376,373,533	316,395,620
Dock rental expense	161,267,836	119,562,698	161,417,836	135,037,178
Ship rental expense	206,087,915	150,335,722	206,087,915	150,335,722
Crane rental expense	13,145,500	12,501,833	17,749,718	12,425,333
Fuel expense	30,969,976	27,421,695	27,976,454	27,166,915
Cleaning and repair container	31,329,854	27,148,076	31,329,854	27,148,076
Depreciation and amortization	98,840,581	77,274,564	76,689,899	76,185,675
Insurance expense	5,001,249	3,880,337	4,412,473	3,807,556
Electricity expense	17,581,581	13,399,561	15,084,671	13,226,991
Repair and maintenance expense	34,875,373	21,913,774	-	21,913,774
Written-off the non-refundable withholding tax	1,867,135	6,976,258	-	6,976,258
Other expense	61,453,739	67,300,254	91,260,903	63,354,780
Total	<u>1,275,959,615</u>	<u>1,000,488,390</u>	<u>1,169,209,367</u>	<u>1,004,997,054</u>

## 29. SEGMENT REPORTING

The Company has adopted TFRS 8 Operating Segments. The standard financial reporting requires that a company must specify the operating segments based on internal reports of the Company. The report has been reviewed by the top decision makers, most operating on a regular basis to allocate resources to segments and assessing the performance of the segment. The management considers the Company provide terminal port service to its customers including terminal business, in-land transportation, container yard and warehouse, and other related services.

The Company business operations categorized by type of service income for the years ended 31 December 2017 and 2016 are as follows:

		Consolidated financial statements						(Unit: Million Baht)					
		Terminal business		In-land transportation business		Container yard and warehouse business		Other related services		Eliminated		Total	
		2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
<b>Service income</b>		1,097.82	926.01	95.27	58.02	125.23	78.55	132.60	49.79	(105.59)	(31.89)	1,345.33	1,080.48
<b>Cost of services</b>												(1,102.92)	(844.67)
<b>Gross profit</b>												242.41	235.81
<b>Depreciation and amortization</b>												98.84	77.27
<b>Finance costs</b>												44.10	30.12
<b>Profit for the year</b>												37.50	73.62
<b>Trade accounts receivable</b>												154.09	175.44
<b>Property, building and equipment - net</b>												1,753.19	1,281.78
<b>Other assets</b>												432.39	192.66
<b>Total assets</b>												2,339.67	1,649.88
<b>Major Customer</b>													

For the year ended 31 December 2017 and 2016, the major revenues arose from private container shipping companies amounted to Baht 222.40 million and Baht 85.66 million, respectively.

### 30. INVESTMENT PROMOTION PRIVILEGES

The Company has received privileges under the Promotion of Investment Act B.E. 2520 (A.D.1977), as follows:

<u>Certificate No.</u>	<u>Date</u>	<u>Promoted activity types</u>	<u>Commence date of revenues generated</u>	<u>Expire date</u>
59-0101-0-00-1-0	19 January 2016	coastal port and services	19 January 2016	18 January 2024

The privileges include the following:

- Exemption from import duty on approved imported machinery.
- Exemption from corporate income tax on profits from the promoted activities not exceeding Baht 192,500,000 for a period of eight years, commencing the date that income was first derived.
- Exemption from income tax on dividends paid to the shareholders from the profit of the promoted operations during the period in which the corporate income tax is exempted.

As a promoted company, the Company must comply with certain conditions and restrictions provided for in the promotional certificates.

Under the Announcement of the Board of Investment No. Por 14/1998, dated 30 December 1998, regarding revenue reporting of a promoted industry, the Company is required to report its revenues in the consolidated financial statements separately for promoted and the non – promoted businesses for the years ended 31 December 2017 and 2016 as follows:

(Unit: Baht)

	Consolidated financial statements		
	For the years ended 31 December		
	Promoted business	Non - promoted business	Total
<b>2017</b>			
Revenue from services	976,499,762	368,832,021	1,345,331,783
Other revenue	2,821,428	16,405,462	19,226,890
Total	979,321,190	385,237,483	1,364,558,673
<b>2016</b>			
Revenue from services	889,069,167	191,409,319	1,080,478,486
Other revenue	4,828,319	12,128,121	16,956,440
Total	893,897,486	203,537,440	1,097,434,926

(Unit : Baht)

## Separate financial statements

For the years ended 31 December

	Promoted business	Non - promoted business	Total
<b>2017</b>			
Revenue from services	870,589,400	398,880,529	1,269,469,929
Other revenue	2,816,369	19,167,926	21,984,295
Total	873,405,769	418,048,455	1,291,454,224
<b>2016</b>			
Revenue from services	889,069,167	212,298,525	1,101,367,692
Other revenue	4,828,319	12,682,505	17,510,824
Total	893,897,486	224,981,030	1,118,878,516

31. FINANCIAL INSTRUMENTSInterest Rate Risk

As at 31 December 2017, the Group has financial assets and financial liabilities with exposure to interest rate risk as follows:

(Unit : Million Baht)

	Consolidated financial statements						Average interest rate (%)	
	Floating interest rate maturing in:			Fixed interest rate maturing in:				
	1 year or less	Over 1 to 5 years	More than 5 years	1 year or less	Over 1 to 5 years	More than 5 years		Total
Cash at banks	245.21	-	-	-	-	-	245.21	Market Rate
Short – term loan from related company	-	-	-	99.17	-	-	99.17	5.00%
Liabilities under finance lease agreements	-	-	24.22	101.47	-	-	125.69	Fixed Rate
Long – term loan from financial institution	490.31	356.34	-	-	-	-	846.65	Market Rate

(Unit: Million Baht)

	Separate financial statements						Average interest rate (%)	
	Floating interest rate maturing in:			Fixed interest rate maturing in:				
	1 year or less	Over 1 to 5 years	More than 5 years	1 year or less	Over 1 to 5 years	More than 5 years		Total
Cash at banks	199.83	-	-	-	-	-	199.83	Market Rate
Short – term loan to related company	100.00	-	-	-	-	-	100.00	5.50%
Short – term loan from related company	-	-	-	99.17	-	-	99.17	5.00%
Liabilities under finance lease agreements	-	-	11.80	34.55	-	-	46.35	Fixed Rate
Long – term loan from financial institution	164.91	181.64	-	-	-	-	346.55	Market Rate

As at 31 December 2016, the Group has financial assets and financial liabilities with exposure to interest rate risk as follows:

(Unit: Million Baht)

	Consolidated financial statements						Average interest rate (%)	
	Floating interest rate maturing in:			Fixed interest rate maturing in:				
	1 year or less	Over 1 to 5 years	More than 5 years	1 year or less	Over 1 to 5 years	More than 5 years		Total
Cash at banks	37.42	-	-	-	-	-	37.42	Market Rate
Restricted deposit with bank	0.10	-	-	-	-	-	0.10	Market Rate
Short – term loan from related company	-	-	-	50.00	-	-	50.00	4.00%
Liabilities under finance lease agreements	-	-	17.92	98.74	-	-	116.66	Market Rate
Long – term loan from financial institution	154.61	455.99	-	-	-	-	610.60	Market Rate

(Unit: Million Baht)

	Separate financial statements						Average interest rate (%)	
	Floating interest rate maturing in:			Fixed interest rate maturing in:				
	1 year or less	Over 1 to 5 years	More than 5 years	1 year or less	Over 1 to 5 years	More than 5 years		Total
Cash at banks	33.37	-	-	-	-	-	33.37	Market Rate
Restricted deposit with bank	0.10	-	-	-	-	-	0.10	Market Rate
Short – term loan to subsidiary company	-	-	-	16.00	-	-	16.00	5.50%
Short – term loan from related company	-	-	-	50.00	-	-	50.00	4.00%
Liabilities under finance lease agreements	-	-	11.38	41.97	-	-	53.35	Market Rate
Long – term loan from financial institution	132.61	220.59	-	-	-	-	353.20	Market Rate

### Credit Risk

Credit risk is the risk that counterparties are unable or unwilling to meet commitments that they entered into with the Company. This risk is controlled by the application of credit approvals, limits and monitoring procedures. In the case of doubt about the collectability on accounts receivable, the Company provides allowance in the accounts as deemed necessary.

### Fair value of Financial Instruments

The following methods and assumptions are used to estimate the fair value of each class of the Company's financial instruments.

- Financial assets are shown at estimated fair value.
- Financial liabilities are shown at the book value which is considered fair value because such liabilities will be matured in short term.

### 32. COMMITMENTS

As at 31 December 2017, the Company has commitment under land lease agreement and barge rental as follows:

32.1 Land lease agreements have periods 3 - 30 years and have various ending, the last ending is December 2045 under condition in contracts. The Company has total commitment as follows:

<u>Year</u>	<u>Baht</u>
Within 1 year	159,388,800
2 – 5 years	436,213,800
More than 5 years	1,448,609,554

32.2 Barge rental agreements for a period of 3 years and have various ending period, last ending is December 2019 under condition in contracts. The Company has total commitment as follows:

<u>Year</u>	<u>Baht</u>
Within 1 year	180,500,000
2 – 5 years	198,600,000

32.3 As at 31 December 2017, the subsidiary has commitment from entering into purchasing land agreement using for operating of Baht 12.15 million.

### 33. RECLASSIFICATION

The Company reclassified certain accounts in the financial statements for the year ended 31 December 2016 to be comparable with the current period financial statements. There is no effect with on previously reported profit or loss and shareholders' equity. The details of reclassification are as follow:

(Unit: Baht)

Consolidated financial statements

	Before reclassification	Increase (decrease)	After reclassification
Trade accounts receivable			
- general customers	115,037,159	15,973,869	131,011,028
Trade accounts receivable			
- related companies	60,401,556	(15,973,869)	44,427,687
Payable for acquire fixed assets	119,337,967	(9,370,725)	109,867,242
Deposit received from lessee – other companies	16,297,969	9,370,725	25,668,694

Separate financial statements F/S

	Before reclassification	Increase (decrease)	After reclassification
Trade accounts receivable			
- general customers	115,025,219	15,973,869	130,999,088
Trade accounts receivable			
- related companies	67,562,773	(15,973,869)	51,588,904

34. APPROVAL OF FINANCIAL STATEMENT

These financial statements were approved by the Company's Board of Directors on 20 February 2018.



