

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT  
GETABEC PUBLIC COMPANY LIMITED AND SUBSIDIARIES  
FOR THE YEAR ENDED DECEMBER 31, 2016

Member Crowe Horwath International  
100/72, 22nd Floor,  
100/2 Vongvanij Building B, Rama 9 Rd.,  
Huaykwang, Bangkok 10310, Thailand

Telephone: (662) 645 0109  
Fax : (662) 645 0110  
<http://www.ans.co.th>

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders and the Board of Directors of Getabec Public Company Limited

#### Opinion

I have audited the accompanying consolidated and separate financial statements of Getabec Public Company Limited and its subsidiaries, and of Getabec Public Company Limited, respectively, which comprise the consolidated and separate statements of financial position as at December 31, 2016, and the consolidated and separate statements of profit or loss and other comprehensive income, statements of changes in shareholders' equity, and statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position as at December 31, 2016 and the consolidated and separate financial performance and cash flows for the year then ended of Getabec Public Company Limited and its subsidiaries, and of Getabec Public Company Limited, respectively, in accordance with Thai Financial Reporting Standards (TFRSs).

#### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are 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.



## **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 year. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

### ***Recognition of Revenue from Construction Contracts***

#### ***Risk***

The Group has revenue from construction contracts for the year ended December 31, 2016 amount of Baht 835.64 million. The Group recognized revenue based on the stage of completion of contracts which it assessed with reference to the proportion of contract costs incurred for the work performed as at the statement of financial position date, relative to the estimated total costs of the contract at completion. The recognition of revenue, therefore, relies on estimates on the stage of completion of each contract. Profit or loss on contracts is a key risk for the audit because of the judgment involved in preparing suitable estimates of the forecast costs on such contracts which could affect the amount of revenue recognized in the year ended December 31, 2016.

#### ***Auditor's Response***

My audit procedures included selecting samples of those contracts that could have a significant impact on the Group's financial results in order to:

- Assess the appropriateness of Management's estimated total construction cost by verification with reliable sources of external and internal audit evidence;
- Verify the costs incurred with purchase documents;
- Test the calculations of the state of completion; and
- Compare the state of completion with the information from the Company's engineers.

In addition, I also conducted site visits for certain significant projects from the selected sampled items.



#### ***Liability from product warranty***

##### ***Risk***

As mentioned in Note to the Financial Statement No.16, warranty obligations arose from the contracts and sale of goods provided by the Group to the customers. The Group identifies specific instances where warranty exposure has arisen and then records its best estimate of its future obligation. The estimation requires judgment made by the Management.

##### ***Auditor's Response***

I obtained the report on the warranty obligation liability estimations that specify the starting and ending dates of the warranty periods, as prepared by the Company's engineers. I selected contracts on a random basis and then conducted test calculations of their warranty obligations and approval verification, and then compared these with the actual, current and previous annual warranty statistics.

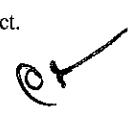
#### ***Liability for contract delay***

##### ***Risk***

As mentioned in Note to the Financial Statement No.7, the Group has obligations from contract delays for which it owes penalties. The estimation of the liabilities from the contract delays requires judgment by Management.

##### ***Auditor's Response***

I verified the contracts which are delayed with the terms specified in the agreements, calculated the obligation liability incurred, followed-up on the evidence from the negotiation with the counter party, and then considered the appropriateness of the provision on the liability from the delay contract.





### **Other information**

Management is responsible for the other information. The other information comprises the Annual Report for the year 2016, but does not include the consolidated and separate financial statements and my auditor's report thereon. The Annual Report for the year 2016 is expected to be made available to me after the date of this auditor's report.

My opinion on the 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our 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 those charged with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**


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

In preparing the financial statements, management is responsible for assessing the Group'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 or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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.



As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. A description of an audit is provided in the attached Appendix.

I communicate with those charged with governance regarding, among other matters, 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.

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 our 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 our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Atipong Atipongsakul

Certified Public Accountant

Registration Number 3500

ANS Audit Company Limited

Bangkok, February 28, 2017

## Appendix

My procedures include the following:

- 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 Group'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 cause significant doubt on the Group'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 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 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 consolidated and separate 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.



GETABEC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2016

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2016	2015	2016	2015
<b>ASSETS</b>					
Current assets					
Cash and cash equivalents	5	275,321,484.11	46,989,454.22	231,395,379.13	24,520,813.66
Trade and other receivables - net	4, 6	206,971,083.91	126,655,778.68	165,977,653.57	110,372,099.16
Unbilled works in progress - net	4, 7	93,976,053.05	119,514,376.59	58,638,004.32	102,735,555.33
Inventories - net	8	124,075,092.45	93,729,601.96	80,654,670.57	90,231,139.16
Total current assets		700,343,713.52	386,889,211.45	536,665,707.59	327,859,607.31
Non-current assets					
Deposits at financial institutions pledged as collateral	4, 9	15,872,218.19	15,685,365.52	15,872,218.19	15,685,365.52
Investments in subsidiary companies - cost	10	-	-	51,741,290.00	48,248,790.00
Property, plant and equipment - net	11	179,885,292.18	184,704,255.14	156,337,454.20	161,367,294.16
Land held for future projects	12	10,500,000.00	10,500,000.00	12,600,000.00	12,600,000.00
Intangible assets - net	13	4,970,399.87	2,559,123.72	3,984,636.77	2,099,321.05
Withholding tax refundable		9,065,379.82	4,891,338.15	7,002,109.97	2,138,286.68
Retentions		4,678,226.84	5,408,525.00	4,678,226.84	5,408,525.00
Deferred tax assets	14	12,323,518.30	11,422,642.24	10,684,273.26	9,816,777.14
Other non-current assets		1,644,497.86	2,287,999.74	1,255,211.01	1,709,058.01
Total non-current assets		238,939,533.06	237,459,249.51	264,155,420.24	259,073,417.56
Total assets		939,283,246.58	624,348,460.96	800,821,127.83	586,933,024.87

**GETABEC**  
Getabec Public Company Limited

.....Director

(Mr. Suchat Mongkhonaripong)

.....Director

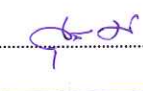
(Miss Surang Mongkholaripong)

GETABEC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2016

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2016	2015	2016	2015
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	4, 15	50,817,983.59	39,114,115.56	29,214,371.68	34,815,306.21
Trade and other payables	4, 16	182,771,063.94	203,882,153.49	150,850,432.61	181,464,934.26
Short-term loans from subsidiary	4	-	-	-	30,000,000.00
Current portion of liabilities under financial lease agreements	17	1,776,490.26	4,411,273.14	1,776,490.26	4,411,273.14
Current portion of long-term loans from financial institution	18	6,225,560.00	5,304,000.00	6,225,560.00	5,304,000.00
Income tax payables		5,563,219.98	-	-	-
Advance received from customers	4, 7	34,376,504.70	27,339,821.73	34,376,504.70	29,752,130.31
Liability on contract delay	7	8,790,000.00	8,790,000.00	8,790,000.00	8,790,000.00
Total current liabilities		290,320,822.47	288,841,363.92	231,233,359.25	294,537,643.92
<b>Non-current liabilities</b>					
Liabilities under financial lease agreement - net	17	2,919,267.44	3,589,989.80	2,919,267.44	3,589,989.80
Long-term loan from financial institution - net	18	5,558,172.86	7,081,024.69	5,558,172.86	7,081,024.69
Employee benefit obligations	19	16,704,704.00	12,310,591.00	14,981,758.00	10,680,807.00
Total non-current liabilities		25,182,144.30	22,981,605.49	23,459,198.30	21,351,821.49
Total liabilities		315,502,966.77	311,822,969.41	254,692,557.55	315,889,465.41
<b>Shareholders' equity</b>					
<b>Authorized share capital</b>					
Common share 960,000,000 shares, Baht 0.25 par value	20	240,000,000.00	240,000,000.00	240,000,000.00	240,000,000.00
<b>Issued and paid-up share capital</b>					
Common share 720,000,000 shares, Baht 0.25 par value	20		180,000,000.00		180,000,000.00
Common share 960,000,000 shares, Baht 0.25 par value	20	240,000,000.00		240,000,000.00	
Discount from purchasing of investment in subsidiaries - net	10	19,386,435.03	19,386,435.03	-	-
Premium on share capital - net	20	203,361,677.38	-	203,361,677.38	-
<b>Retained earnings</b>					
Appropriated - legal reserve	21	16,400,000.00	14,500,000.00	16,400,000.00	14,500,000.00
Unappropriated		144,396,086.10	98,469,061.55	86,366,892.90	76,543,559.46
Other components of shareholders' equity		234,032.80	168,371.50	-	-
Total equity attributable to equity holders of the Company		623,778,231.31	312,523,868.08	546,128,570.28	271,043,559.46
Non-controlling interests		2,048.50	1,623.47	-	-
Total shareholders' equity		623,780,279.81	312,525,491.55	546,128,570.28	271,043,559.46
Total liabilities and shareholders' equity		939,283,246.58	624,348,460.96	800,821,127.83	586,933,024.87

 Director  
(Mr. Suchat Mongkhonarping)

  
Getabec Public Company Limited

 Director  
(Miss Surang Mongkholaripong)



GETABEC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED DECEMBER 31, 2016

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2016	2015	2016	2015
	3, 28				
Revenue from contract work	4, 25	835,639,414.79	773,833,120.68	663,490,992.98	687,326,091.94
Revenue from services	4, 25	156,678,480.93	147,522,176.92	154,720,321.89	145,634,100.34
Cost of contract work	4, 24	(677,509,170.33)	(635,690,705.43)	(587,510,386.56)	(577,162,357.87)
Cost of services	4, 24	(113,828,952.12)	(99,654,683.43)	(110,974,171.60)	(99,049,449.58)
<b>Gross profit</b>		<b>200,979,773.27</b>	<b>186,009,908.74</b>	<b>119,726,756.71</b>	<b>156,748,384.83</b>
Reversal of liability on contract delay	7	-	13,440,000.00	-	-
Dividend incomes	4, 10, 22, 25	-	-	10,049,866.00	10,000,366.69
Other income	4, 25	25,490,519.23	13,510,679.60	25,370,529.91	8,773,998.15
Profit before expenses		226,470,292.50	212,960,588.34	155,147,152.62	175,522,749.67
Selling expenses	24	(68,377,715.29)	(66,105,491.59)	(47,973,702.62)	(48,425,850.28)
Administrative expenses	4, 24	(66,163,705.18)	(63,627,067.45)	(58,823,587.38)	(56,154,351.34)
Profit before financial costs and income tax expense		91,928,872.03	83,228,029.30	48,349,862.62	70,942,548.05
Financial costs	4, 24	(4,106,598.75)	(3,618,347.59)	(7,271,331.85)	(4,119,036.53)
Profit before income tax expense		87,822,273.28	79,609,681.71	41,078,530.77	66,823,511.52
Income tax expense	14, 23	(14,937,274.50)	(10,704,028.45)	(4,195,105.33)	(7,007,677.92)
<b>Profit for the years</b>		<b>72,884,998.78</b>	<b>68,905,653.26</b>	<b>36,883,425.44</b>	<b>59,815,833.60</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified to profit or loss</i>					
Defined benefit plan actuarial losses		(2,521,769.00)	(2,176,005.02)	(2,650,115.00)	(957,958.02)
Income tax on other comprehensive income relating to items that will not be reclassified		504,353.80	435,201.00	530,023.00	191,591.60
<i>Items that may be reclassified subsequently to profit or loss</i>					
Foreign currency translation differences		65,661.30	189,421.50	-	-
<b>Other comprehensive income (loss) for the years</b>		<b>(1,951,753.90)</b>	<b>(1,551,382.52)</b>	<b>(2,120,092.00)</b>	<b>(766,366.42)</b>
<b>Total comprehensive income for the years</b>		<b>70,933,244.88</b>	<b>67,354,270.74</b>	<b>34,763,333.44</b>	<b>59,815,833.60</b>
Profit attributable to :					
Equity holders of the parent		72,884,441.12	68,905,537.69	36,883,425.44	59,815,833.60
Non-controlling interests		557.66	115.57	-	-
		<b>72,884,998.78</b>	<b>68,905,653.26</b>	<b>36,883,425.44</b>	<b>59,815,833.60</b>
Total comprehensive income attributable to :					
Equity holders of the parent		70,932,685.85	67,354,155.17	34,763,333.44	59,815,833.60
Non-controlling interests		559.03	115.57	-	-
		<b>70,933,244.88</b>	<b>67,354,270.74</b>	<b>34,763,333.44</b>	<b>59,815,833.60</b>
<b>Earnings per share</b>					
Basic earning per share					
Basic earnings per share (Baht)	3.16	0.08	0.13	0.04	0.11
Weighted average number of common shares (share)		907,540,984	547,616,438	907,540,984	547,616,438

.....Director  
(Mr. Suchat Mongkhonaripong)

**GETABEC**  
Getabec Public Company Limited

.....Director  
(Miss Surang Mongkholaripong)

GETABEC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY  
FOR THE YEAR ENDED DECEMBER 31, 2016

Unit : Baht

Consolidated financial statements										
Other components of equity										
Other comprehensive										
Income (Loss)										
Currency translation										
Total holders' equity of the Company										
Non-controlling interests										
Total shareholders' equity										
Notes	Share capital Issued and paid - up	Premium on share capital	Discount from purchasing of investment in subsidiary	Appropriated	Retained earnings Unappropriated					
Balance at January 1, 2016	180,000,000.00	-	19,386,435.03	14,500,000.00	98,469,061.55	168,371.50		312,523,868.08	1,623.47	312,525,491.55
Changes in shareholders' equity for the years :										
20	60,000,000.00	216,000,000.00	-	-	-	-		276,000,000.00	-	276,000,000.00
20	-	(12,638,322.62)	-	-	-	-		(12,638,322.62)	-	(12,638,322.62)
21	-	-	-	1,900,000.00	(1,900,000.00)	-		-	-	-
22	-	-	-	-	(23,040,000.00)	-		(23,040,000.00)	(134.00)	(23,040,134.00)
Total comprehensive income for the years										
	-	-	-	-	72,884,441.12	65,661.30		72,950,102.42	557.66	72,950,660.08
Actuarial loss										
	-	-	-	-	(2,017,416.57)	-		(2,017,416.57)	1.37	(2,017,415.20)
Balance as at December 31, 2016	240,000,000.00	203,361,677.38	19,386,435.03	16,400,000.00	144,396,086.10	234,032.80		623,778,231.31	2,048.50	623,780,279.81
Balance at January 1, 2015										
Changes in shareholders' equity for the years :										
Increasing ordinary shares										
20	65,000,000.00	-	-	-	-	-		65,000,000.00	-	65,000,000.00
Legal reserve										
21	-	-	-	11,268,075.31	(11,268,075.31)	-		-	-	-
Dividend										
22	-	-	-	-	(232,500,133.31)	-		(232,500,133.31)	-	(232,500,133.31)
Total comprehensive income for the years										
	-	-	-	-	68,905,537.69	189,421.50		69,094,959.19	115.57	69,095,074.76
Actuarial loss										
	-	-	-	-	(1,740,804.02)	-		(1,740,804.02)	-	(1,740,804.02)
Balance as at December 31, 2015	180,000,000.00	-	19,386,435.03	14,500,000.00	98,469,061.55	168,371.50		312,523,868.08	1,623.47	312,525,491.55

.....  
(Mr. Suchat Mongkhonaripong)  
Director

**GETABEC**  
Getabec Public Company Limited

.....  
(Miss Surang Mongkholaripong)  
Director

**GETABEC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Notes	Unit: Baht				
		Separate financial statements				
		Share capital	Premium on share capital	Retained earnings	Total	
		Issued and paid - up		Appropriated	Unappropriated	
Balance at January 1, 2016		180,000,000.00	-	14,500,000.00	76,543,559.46	271,043,559.46
Changes in shareholders' equity for the years :						
Increasing ordinary shares	20	60,000,000.00	216,000,000.00	-	-	276,000,000.00
Directly attributable expenses of the initial public offering	20	-	(12,638,322.62)	-	-	(12,638,322.62)
Legal reserve	21	-	-	1,900,000.00	(1,900,000.00)	-
Dividend	22	-	-	-	(23,040,000.00)	(23,040,000.00)
Total comprehensive income for the years		-	-	-	36,883,425.44	36,883,425.44
Actuarial loss		-	-	-	(2,120,092.00)	(2,120,092.00)
Balance as at December 31, 2016		240,000,000.00	203,361,677.38	16,400,000.00	86,366,892.90	546,128,570.28
Balance at January 1, 2015		115,000,000.00	-	3,231,924.69	261,262,167.59	379,494,092.28
Changes in shareholders' equity for the years :						
Increasing ordinary shares	20	65,000,000.00	-	-	-	65,000,000.00
Legal reserve	21	-	-	11,268,075.31	(11,268,075.31)	-
Dividend	22	-	-	-	(232,500,000.00)	(232,500,000.00)
Total comprehensive income for the years		-	-	-	59,815,833.60	59,815,833.60
Actuarial loss		-	-	-	(766,366.42)	(766,366.42)
Balance as at December 31, 2015		180,000,000.00	-	14,500,000.00	76,543,559.46	271,043,559.46

.....Director  
**(Mr. Suchat Mongkhonaripong)**

.....Director  
**(Miss Surang Mongkholaripong)**

**GETABEC**  
 Getabec Public Company Limited



**GETABEC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Cash flows from operating activities:</b>				
Profit before income tax expense	87,822,273.28	79,609,681.71	41,078,530.77	66,823,511.52
Adjustments to reconcile profit to net cash provided by (used in)				
operating activities:				
Depreciation and amortization	21,939,656.28	22,206,190.55	21,714,823.71	20,272,508.53
Allowance for doubtful accounts (Reversal)	(842,735.67)	(1,979,723.44)	539,218.13	3,998,817.67
Withholding tax written-off	-	72,977.44	-	-
Estimation of employee benefit obligations	1,872,344.00	1,301,868.00	1,650,836.00	1,254,096.00
Liability from product warranty	568,090.36	5,843,843.16	494,352.63	3,952,074.67
Reversal of liability on contract delay	-	(15,172,000.00)	-	(1,732,000.00)
Dividend received from subsidiary	-	-	(10,049,866.00)	(10,000,366.69)
Interest income	(1,010,450.57)	(651,792.23)	(908,992.76)	(562,041.32)
Finance costs	4,106,598.75	3,618,347.59	7,271,331.85	4,119,036.53
Gain from operating activities before changes in				
operating assets and liabilities	114,455,776.43	94,849,392.78	61,790,234.33	88,125,636.91
Changes in operating assets - (increase) decrease :				
Trade and other receivables	(73,377,636.86)	6,676,251.73	(56,361,705.47)	22,791,926.92
Unbilled works in progress	25,538,323.54	16,762,222.96	44,097,551.01	(36,205,501.13)
Inventories	(30,345,490.49)	(29,900,770.80)	9,576,468.59	(25,767,054.09)
Retentions	730,298.16	4,477,497.00	730,298.16	4,477,497.00
Other non-current assets	1,413,013.28	56,844.70	453,847.00	(146,973.81)
Changes in operating liabilities - increase (decrease) :				
Trade and other payables	(25,303,723.73)	51,336,570.38	(32,201,551.40)	62,578,457.95
Advance received from customers	3,596,188.83	821,663.34	4,624,374.39	3,826,923.09
Cash provided by operating activities	16,706,749.16	145,079,672.09	32,709,516.61	119,680,912.84
Payment for employee benefit obligations	-	(675,790.00)	-	(675,790.00)
Income tax paid	(15,362,738.44)	(14,281,842.02)	(10,045,010.33)	(9,782,610.77)
Refund of income tax	648,608.59	-	648,608.59	-
Net cash provided by operating activities	1,992,619.31	130,122,040.07	23,313,114.87	109,222,512.07

.....Director  
  
**(Mr. Suchat Mongkhonaripong)**



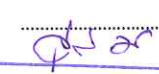
.....Director  
  
**(Miss Surang Mongkholaripong)**

**GETABEC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED DECEMBER 31, 2016**

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Cash flows from investing activities:</b>				
Increase in current investments	-	916,929.00	-	-
Decrease (increase) in restricted deposits at financial institution	(186,852.67)	3,980,819.07	(186,852.67)	3,980,819.07
Payment for investment in subsidiary	-	-	(3,492,500.00)	(1,634,500.00)
Dividend income from subsidiary	-	-	10,049,866.00	10,000,366.69
Payment for acquisition of fixed assets	(16,115,855.59)	(13,398,433.43)	(15,818,655.59)	(13,191,933.43)
Payment for acquisition of intangible assets	(3,416,113.88)	(1,650,142.38)	(2,751,643.88)	(1,317,262.38)
Interest income received	4,660,491.02	568,424.71	1,125,925.69	475,522.65
Net cash used in investing activities	(15,058,331.12)	(9,582,403.03)	(11,073,860.45)	(1,686,987.40)
<b>Cash flows from financing activities:</b>				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	11,703,868.03	11,817,130.65	(5,600,934.53)	15,221,358.57
Increase (decrease) in short-term loan from subsidiary - net	-	-	(30,000,000.00)	28,469,518.94
Proceeds of long-term loan from financial institutions	5,000,000.00	-	5,000,000.00	-
Repayment of long-term loan from financial institutions	(5,601,291.83)	(4,346,469.20)	(5,601,291.83)	(4,346,469.20)
Repayment of liabilities under financial leases agreements	(3,305,505.24)	(4,755,127.34)	(3,305,505.24)	(4,755,127.34)
Proceeds from ordinary shares	276,000,000.00	65,000,000.00	276,000,000.00	65,000,000.00
Directly attributable expenses of the initial public offering	(12,638,322.62)	-	(12,638,322.62)	-
Finance costs paid	(6,786,533.94)	(4,351,309.23)	(6,178,634.73)	(4,119,036.53)
Dividends paid	(23,040,000.00)	(232,499,500.00)	(23,040,000.00)	(232,500,000.00)
Dividend payment for non-controlling interests	(134.00)	(133.31)	-	-
Net cash provided by (used in) financing activities	241,332,080.40	(169,135,408.43)	194,635,311.05	(137,029,755.56)
Difference from currency translation of financial statements	65,661.30	189,421.50	-	-
Net increase (decrease) in cash and cash equivalents	228,332,029.89	(48,406,349.89)	206,874,565.47	(29,494,230.89)
Cash and cash equivalents at beginning of the years	46,989,454.22	95,395,804.11	24,520,813.66	54,015,044.55
Cash and cash equivalents at end of the years	275,321,484.11	46,989,454.22	231,395,379.13	24,520,813.66

**GETABEC**  
Getabec Public Company Limited

.....  
  
.....Director  
**(Mr. Suchat Mongkhonaripong)**

.....  
  
.....Director  
**(Miss Surang Mongkholaripong)**

# GETABEC PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

## NOTES TO FINANCIAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2016

### 1. GENERAL INFORMATION

Getabec Public Company Limited ("The Company") was incorporated as a limited company under Thai law on July 13, 1983. On September 18, 2015, the entity changed its name to Getabec Public Company Limited and registered as a public company limited with the Ministry of Commerce. Its office is located at 335/7, Srinakharin Road, Nongborn, Pravej, Bangkok. The Company has eight branches throughout Thailand.

The Company is principally engaged in the manufacture and distribution of steam boilers and hot water boilers including boiler installation and repair.

Mongkhonaripong Group is a major shareholder, holding 74.99% of the paid up share capital of the Company.

### 2. BASIS FOR PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions ("FAP") in conformity with generally accepted accounting principles in Thailand.

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated September 28, 2011, issued under the Accounting Act B.E. 2543


The accompanying financial statements have been prepared in the Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided by translating from the Thai version of the financial statements.

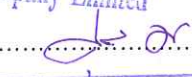
The preparation of the financial statements in conformity with Thai Financial Reporting Standards ("TFRS") requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

The financial statements are prepared on the historical cost basis, except as disclosed in respective accounting policies.

  
Getabec Public Company Limited

  
.....Director  
(Mr. Suchat Mongkhonaripong)

  
.....Director  
(Miss Surang Mongkholaripong)



### Basis for preparation of the consolidated financial statements

- a) The consolidated financial statements relate to Getabec Public Company Limited and its subsidiaries (together referred to as the "Group")

Details of the Company's subsidiaries as at December 31, 2016 and 2015 are as follows:

Name	Country of incorporation	Type of business	Percentage of holding	
			2016	2015
German-Thai Boiler Engineering Cooperation Company Limited	Thailand	Temporarily halted main business operation and then leased its land and building to the parent company.	99.99	99.99
Getabec International Company Limited	Thailand	Sale of steam boilers including boiler installation and repair.	99.99	99.99
Getabec Vietnam Company Limited	Vietnam	Sale of steam boilers including boiler installation.	100.00	100.00

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated as from the date on which the Company obtains control, and continue as consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Assets and liabilities denominated in foreign currencies in the financial statement of the subsidiary company in overseas are translated into Thai Baht at exchange rates at the end of reporting period. Revenue and expenses are translated into Thai Baht at exchange rates using monthly average exchange rates. The difference from currency translation is presented in "Difference on exchange rate from currency translation" in the Statements of Changes in Shareholders' Equity.
- f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

The separate financial statements, which presented investments in subsidiaries under the cost method, have been prepared solely for the benefit of the public.

  
.....Director  
(Mr. Suchat Mongkhonarping)

  
.....Director  
(Miss Surang Mongkholarping)

## **New financial reporting standards**

### **a. Financial reporting standards that became effective during the current year**

During the year, the Company and subsidiaries have adopted the revised (revised 2015) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

### **b. Financial reporting standard that will become effective in the future**

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2016) which is effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The management of the Company and its subsidiaries believe that the revised and new financial reporting standards and interpretations will not have any significant impact on the financial statements when they are initially applied. However, one standard involves changes to key principles, which are summarised below.

#### **TAS 27 (revised 2016) Separate Financial Statements**

This revised standard stipulates an additional option to account for investments in subsidiaries in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.



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.....  
**(Mr. Suchat Mongkhonaripong)**

Director

.....  
  
.....  
**(Miss Surang Mongkholaripong)**

Director

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Incomes recognition

- Sales are recognized upon the delivery or transfer of risk and rewards of ownership of goods to the buyer and represent the invoiced value, excluding value added tax, after deducting goods returns and discounts.
- Revenues from contract work are recognized on the percentage of completion method which is computed in accordance with the proportion of actual cost incurred as compared to the total estimated cost of the contract.
- Revenues from services for installation, repair and maintenance are recognized when the services are completely rendered to customers or recognized in accordance with the period of the contract of service rendered.
- Other income and interest income are recognized on the accrual basis.
- Commission income is recognized when cash received.

#### 3.2 Expenses recognition

Expenses are recognized on the accrual basis.

##### Operating leases

Payments made under operating leases are recognized in the statements of profit or loss on a straight line basis over the terms of the lease. Lease incentives received are recognized in the statements of profit or loss as an integral part of the total lease payments made. Contingent rentals are charged to the statements of profit or loss in the accounting period in which they are incurred.

##### Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liabilities. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liabilities.

#### 3.3 Accounts in foreign currencies

Transactions in foreign currencies are translated into Baht at the rate of exchange prevailing on the transaction dates. Assets and liabilities in foreign currencies at the end of the year are translated into Baht at the rate of exchange prevailing on that date.

Gain or loss upon translation is included in the statement of profit or loss.

#### 3.4 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank, bank deposit with an original maturity of three months or less and not subject to withdrawal restrictions.

#### 3.5 Current investments

Current investments consist of bank deposits over 3 months and up to 1 year.



.....Director  
  
(Mr. Suchat Mongkhonaripong)

.....Director  
  
(Miss Surang Mongkholaripong)



### 3.6 Trade and other receivables

Trade and other receivable are carried at their net realizable value. The Company sets up allowance for doubtful accounts based on the estimated collection losses that may be incurred in collection of receivables. The allowance is based on collection experience and the current status of receivables.

### 3.7 Unbilled works in progress

Unbilled works in progress are stated at the net realizable value which is recognized in accordance with the percentage of completion method by using the proportion of actual cost incurred as compared to the total estimated cost of the contract.

### 3.8 Inventories

Inventories are stated at the lower of cost or net realizable value.

Costs of raw material comprise costs of purchase and direct expenses related to the purchase.

Costs of finished goods and works in process comprise raw material, direct labor, direct expenses and overheads.

The Company's inventories are accounted for by using the cost method as follows:

Type	Cost methods
Raw material, spare parts and supplies	First-in, first-out
Goods in transit	Specific
Works in process	Specific

The Company sets up allowance for the decline in value of inventories on the basis of damage, long outstanding or obsolete inventories.

Net realizable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

### 3.9 Investments in subsidiaries

Investments in subsidiaries are stated at cost net from allowance on impairment (if any).



.....  
  
.....Director  
(Mr. Suchat Mongkhonaripong)

.....  
  
.....Director  
(Miss Surang Mongkholaripong)

### 3.10 Property, building improvements and equipment

Land is stated at cost less impairment losses (if any).

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

Depreciation is computed by the straight-line method based on useful lives of the assets as follows:

	Years
Buildings	20
Leasehold improvement	20
Machine, tools and equipment	5 and 10
Office furniture and fixtures	5
Vehicles	5

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

### 3.11 Intangible assets

Computer software is considered as intangible assets and is stated at cost less accumulated amortization and impairment (if any). Intangible assets are amortized by the straight-line method over their estimated useful lives of 5 years.

### 3.12 Trade and other payables

Trade and other payables are stated at cost.

### 3.13 Employee benefits

#### *Short-term benefits*

The Company recognized salaries, wages, bonuses and social security contributions as expenses on an accrual basis.

#### *Post-employment benefits - defined benefit plan*

The employee benefit obligations in relation to the severance payment under the labor law and other defined benefits are recognized as a charge to results of operations over the employee's service period. It is calculated by the estimation of the amount of future benefit to be earned by the employee in return for the service provided to the Company and the subsidiary through the service period up to the retirement age and the amount is discounted to determine the present value. The reference discount rate is the yield rate of government bonds as at the reporting date. The calculation is based on the actuarial technique using the Projected Unit Credit Method.

When the actuarial assumptions are changed, the Company recognizes actuarial gains or losses in other comprehensive income in the period in which they arise.



.....Director  
  
(Mr. Suchat Mongkhonaripong)

.....Director  
  
(Miss Surang Mongkholaripong)



### 3.14 Provisions

A provision is recognized in the statements of financial position when the Group has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation, if the effect is material.

### 3.15 Income tax

Income tax expenses for the year comprise current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that they relate to items recognized directly in shareholders' equity or in other comprehensive income.

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

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.


Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the end of reporting period date.


In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgments about future events. New information may become available that causes the Group to change its judgment regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expenses in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of reporting period date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

  
  
Getabec Public Company Limited

.....Director  
  
(Mr. Suchat Mongkhonaripong)

.....Director  
  
(Miss Surang Mongkholaripong)

### 3.16 Basic earnings per share

Basic earnings per share are computed by dividing profit for the year by the weighted average number of ordinary shares outstanding during the year.

### 3.17 Significant accounting judgements and estimates

#### *Allowance for doubtful accounts*

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

#### *Allowance for diminution in inventory value*

In determining an allowance for diminution in inventory value, the management needs to make judgement in estimating loss from slow moving and deteriorated inventories including the effect from declining in net realisable value of inventories.

#### *Impairment of investments*

Management assesses the impairment of investments in subsidiary companies by considering the operating result and the future business plan of the subsidiaries. Such consideration is based on management's judgement.

#### *Allowances for impairment of assets*

The Company and subsidiaries consider an asset as impaired when there is an indication that an asset may be impaired. If any such indication exists when there has been a significant decline in the fair value, the Company and subsidiaries make an estimate of the asset recoverable amount. The determination of the recoverable amount requires judgment. An impairment loss is recognized as an expense in the statement of income.

#### *Property, plant and equipment*

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimated useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodic basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

#### *Leases*

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

  
Getabec Public Company Limited

.....  
  
.....Director  
(Mr. Suchat Mongkhonaripong)

.....  
  
.....Director  
(Miss Surang Mongkholaripong)

#### *Post-employment benefits under defined benefit plans*

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rates, future salary increase rates, mortality rates and staff turnover rates.

#### *Provisions*

Provisions are recognized when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### *Deferred tax assets*

The Company and subsidiaries recognized deferred tax assets for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

#### **4. TRANSACTIONS WITH RELATED PARTIES**

Related parties are those parties linked to the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at agreed prices on the basis determined by the Company and the related parties concerned. The Company and its related parties were as follows:

Name	Nature of business	Nature of relationships
<u>Subsidiaries</u>		
German-Thai Boiler Engineering Cooperation Co.,Ltd	Temporarily halted main business operation and then leased its land and building to the parent company.	99.99 % holding of interest
Getabec International Co.,Ltd	Sale of steam boilers including boiler installation and repair.	99.99 % holding of interest
Getabec Vietnam Co.,Ltd	Sale of steam boilers including boiler installation	100.00 % holding of interest
<u>Related companies</u>		
Getabec Holding Co.,Ltd	Office rental service.	Common major shareholders
F7 rent Co.,Ltd	Property rental service	Common major shareholders and directors



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*(Signature)*  
.....  
**(Mr.Suchat Mongkhonaripong)**

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*(Signature)*  
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**(Miss Surang Mongkholaripong)**

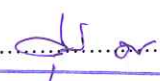


Significant transactions between the Company and related parties for the years ended December 31, 2016 and 2015 were as follows:

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
Pricing Policy		2016	2015	2016	2015
<u>Revenues</u>					
Revenue from contract work	Cost plus margin	-	-	95,334,294.58	16,998,647.89
Revenue from services	Cost plus margin	-	-	1,148,551.40	382,360.00
<u>Other incomes</u>					
Management income	Mutually agreed	-	-	7,440,000.00	2,640,000.00
Dividend income	As declared	-	-	10,049,866.00	10,000,366.69
<u>Cost</u>					
Purchase of spare parts and cost of services	Cost plus margin	-	-	6,698,185.57	3,591,243.20
<u>Expenses</u>					
Financial costs	7.37% P.A.	-	-	3,772,632.31	732,961.64
Land and Building rental	Mutually agreed	3,572,874.00	3,152,064.00	4,545,162.00	4,124,352.00
Management remuneration		21,954,072.97	27,152,794.00	20,478,760.97	23,977,194.00



.....  
  
 Director  
 (Mr. Suchat Mongkhonaripong)

.....  
  
 Director  
 (Miss Surang Mongkholaripong)

Significant balances with related parties as at December 31, 2016 and 2015 were as follows:

		Unit : Baht	
		Consolidated financial statements	Separate financial statements
		2016	2015
<u>Assets</u>			
Trade receivables	-	-	19,633,369.90
Other receivables			
- Accrued consulting fees	-	-	21,400.00
- Cash advances	-	-	290,306.84
- Advance for subcontract	-	-	2,430,000.00
Unbilled work in progress	-	-	7,972,983.19
			-
<u>Liabilities</u>			
Other payables			
- Rental payable	-	-	132,384.00
- Accrued interest	-	-	1,072,486.43
Advance received from customers	-	-	2,412,308.57
Accrued directors and management's benefits	8,215,248.97	16,314,755.37	8,215,248.97
Short-term loans from subsidiary	-	-	30,000,000.00

During the year 2016, the short-terms loan from Getabec International Co., Ltd was fully settled prior to the maturity.

#### **Lease agreements with subsidiaries and related parties**

As at December 31, 2016 and 2015, the Company has Land and Buildings Rental Agreements with its subsidiary and related companies. Total rental charges per month are Baht 0.43 million.

#### **Syndicated credit facilities with subsidiaries and related parties**

As at December 31, 2016 and 2015, the Company had syndicated credit facilities with subsidiaries from financial institutions totaling Baht 384 million. These credit facilities are secured by the guarantee from the Company and its subsidiaries, and by pledge of fixed deposits, mortgage of land and structures and machinery of the Company and subsidiaries, mortgage of land of a director, and the guarantee by a director of the Company.



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 Director  
 (Mr. Suchat Mongkhonaripong)

.....  
  
 Director  
 (Miss Surang Mongkholaripong)

## 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2016 and 2015 are as follows:

Unit : Baht				
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash in hand	721,246.88	719,838.96	693,000.00	697,000.00
Cash at Bank - current account	35,115,868.99	30,954,811.58	278,134.20	16,030,316.94
- savings account	239,484,368.24	15,314,803.68	230,424,244.93	7,793,496.72
Total cash and cash equivalents	275,321,484.11	46,989,454.22	231,395,379.13	24,520,813.66

## 6. TRADE AND OTHER RECEIVABLES - NET

Trade and other receivables as at December 31, 2016 and 2015 consisted of:

Unit : Baht				
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade receivables				
Trade receivable - related parties	-	-	19,633,369.90	3,595.20
Trade receivable - others	190,018,580.41	115,501,935.73	135,209,843.40	96,540,695.64
Total trade receivables	190,018,580.41	115,501,935.73	154,843,213.30	96,544,290.84
<u>Less</u> Allowance for doubtful account	(5,274,150.64)	(6,116,886.31)	(4,491,896.64)	(3,952,678.51)
Total trade receivables - net	184,744,429.77	109,385,049.42	150,351,316.66	92,591,612.33
Other receivables				
Prepaid expenses	2,748,506.80	6,336,608.05	2,431,046.79	5,423,775.65
Advances for inventories	10,758,872.46	1,545,488.62	8,912,600.92	1,445,488.62
Advances for subcontract	321,500.00	2,459,701.01	111,500.00	4,044,835.31
Revenue Department receivable	7,043,328.86	4,903,660.35	2,971,592.62	4,574,422.41
Accrued consulting fee - related parties	-	-	21,400.00	235,400.00
Advances - related parties	-	-	290,306.84	290,306.84
Others	1,354,446.02	2,025,271.23	887,889.74	1,766,258.00
Total other receivables	22,226,654.14	17,270,729.26	15,626,336.91	17,780,486.83
Trade and other receivables - net	206,971,083.91	126,655,778.68	165,977,653.57	110,372,099.16



Director

Public Company Limited

Director

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(Mr. Suchat Mongkhonaripong)

(Miss Surang Mongkholaripong)

Trade receivables can be classified by age analysis as at December 31, 2016 and 2015 as follows:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Trade receivables - related companies</b>				
Current	-	-	19,633,369.90	3,595.20
Total	-	-	19,633,369.90	3,595.20
<b>Trade receivables - others</b>				
Current	143,855,585.57	92,493,747.98	89,829,102.56	81,455,433.75
Overdue up to 3 months	37,375,579.79	6,563,074.69	37,375,579.79	2,424,243.66
Overdue 3 - 6 months	2,768,418.76	4,821,192.28	2,768,418.76	3,201,305.25
Overdue 6 - 12 months	1,525,370.60	5,570,425.85	1,525,370.60	5,570,425.85
Overdue more than 12 months	4,493,625.69	6,053,494.93	3,711,371.69	3,889,287.13
Total	190,018,580.41	115,501,935.73	135,209,843.40	96,540,695.64
<u>Less</u> Allowance for doubtful accounts	(5,274,150.64)	(6,116,886.31)	(4,491,896.64)	(3,952,678.51)
Net	184,744,429.77	109,385,049.42	150,351,316.66	92,591,612.33

## 7. UNBILLED WORKS IN PROGRESS - NET

Unbilled works in progress as at December 31, 2016 and 2015 consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Unbilled works in progress				
Gross amounts due from customer				
for contract work	98,347,644.06	129,179,137.60	63,009,595.33	107,107,146.34
<u>Less</u> Allowance for doubtful accounts	(4,371,591.01)	(9,664,761.01)	(4,371,591.01)	(4,371,591.01)
Total unbilled works in progress - net	93,976,053.05	119,514,376.59	58,638,004.32	102,735,555.33



.....  
 (Mr. Suchat Mongkhonaripong) Director

.....  
 (Miss Surang Mongkholaripong) Director



Additional information for the contracts regarding the unbilled works in progress as at December 31, 2016 and 2015 were as follows:-

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cost of contracts plus realizable profit at present	507,848,021.27	619,481,771.61	368,874,718.36	459,193,180.36
Advance received from customers	34,376,504.70	27,339,821.73	34,376,504.70	29,752,130.31
Liability on contract delay	8,790,000.00	8,790,000.00	8,790,000.00	8,790,000.00

In 2015, a subsidiary and its customer had a settlement agreement, for not charging the fines. In the 2nd quarter of 2015, the management of the subsidiary therefore, reversed the liability for the fine from the delay of work of Baht 13.44 million.

#### 8. INVENTORIES - NET

Inventories as at December 31, 2016 and 2015 consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Raw material, spare parts and supplies	118,702,801.82	90,671,749.60	75,288,271.77	87,178,992.15
Work in process	7,355,361.51	4,761,346.77	7,355,361.51	4,761,186.77
Goods in transit	4,351,550.46	4,631,126.93	4,345,658.63	4,625,581.58
Total	130,409,713.79	100,064,223.30	86,989,291.91	96,565,760.50
<u>Less</u> Allowance for devalued stocks	(6,334,621.34)	(6,334,621.34)	(6,334,621.34)	(6,334,621.34)
Total inventories - net	124,075,092.45	93,729,601.96	80,654,670.57	90,231,139.16

#### 9. PLEDGED DEPOSITS AT FINANCIAL INSTITUTIONS

As at December 31, 2016 and 2015, the Company pledged deposits as collateral for its letters of guarantee and short-term loans from banks (Notes 15 and 29.1).

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Getabec Public Company Limited

.....  
  
 Director  
 (Mr. Suchat Mongkhonarping)

.....  
  
 Director  
 (Miss Surang Mongkhonarping)



# 10. INVESTMENTS IN SUBSIDIARY COMPANIES - AT COST

Investments in subsidiary companies - at cost presented in the separate financial statements as at December 31, 2016 and 2015 consisted of:

Unit : Baht

Name	Country of incorporation	Nature of business	Percentage of Holding		Issued and paid - up		At cost		Dividend received during the year	
			2016	2015	2016	2015	2016	2015	2016	2015
1.) German-Thai Boiler Engineering Cooperation Co.,Ltd	Thailand	Temporarily halted main business operation and then leased its land and building to the parent company.	99.99%	99.99%	30,000,000	30,000,000	29,999,990.00	29,999,990.00	-	-
2.) Getabec International Co.,Ltd	Thailand	Sale of steam boilers including boiler installation and repair.	99.99%	99.99%	15,000,000	15,000,000	14,999,800.00	14,999,800.00	10,049,866.00	10,000,366.69
3.) Getabec Vietnam Co.,Ltd	Vietnam	Sale of steam boilers including boiler installation	100%	100%	USD 200,000	USD 100,000	6,741,500.00	3,249,000.00	-	-
Total investment in subsidiaries - at cost							51,741,290.00	48,248,790.00	10,049,866.00	10,000,366.69

In 2016, the Company additionally invested in the increase capital of Getabec Vietnam Company Limited of USD 100,000.


..... Director  
(Mr. Suchat Mongkhonapong)


..... Director  
(Miss Surang Mongkholarpeng)



In 2008, the Company purchased common shares in two subsidiaries from shareholders who are also shareholders of the Company as follows;

1. 149,998 common shares in Getabec International Company Limited, at the price of Baht 100 per share, totaling Baht 15 million, representing 99.99% of the issued and paid-up share capital. Transfer and payment of shares were made on January 14, 2009.
2. 5,999,998 common shares in German-Thai Boiler Engineering Cooperation Company Limited, at the price of Baht 5 per share, totaling Baht 30 million, representing 99.99% of the issued and paid-up share capital. Transferring and payment of shares were made on January 14, 2009.

The difference between the purchase prices of the investments and their net book values at the date of purchase is as follows;

	Unit : Baht
Purchase price was lower than net book value - Getabec International Co., Ltd	11,688,389.92
Purchase price was lower than net book value - German-Thai Boiler Engineering Cooperation Co., Ltd	7,698,045.11
Total purchase prices of the investments lower than their net book values	19,386,435.03

The Company recorded the different amounts of cost which were lower than the book value as discount from purchasing investments from subsidiaries shown under the shareholders' equity.

OK



.....Director  
  
(Mr. Suchat Mongkhonaripong)

.....Director  
  
(Miss Surang Mongkholaripong)

Property, plant and equipment as at December 31, 2016 and 2015 consisted of:

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Director

(Mr. Suchat Mongkhonapiny)

(Miss Surang Mongkholaripong)

**GETABLE**

Getatec Public Company Limited

Unit : Baht

Separate financial statements

	Land	Building	Leasehold improvement	Office furniture and fixtures	Machine and factory equipment	Vehicles	Construction in progress	Total
<u>At cost</u>								
As at December 31, 2015	23,888,630.00	50,957,903.93	19,611,225.30	25,924,433.04	100,982,822.77	21,861,881.65	10,992,316.52	254,219,213.21
Purchases during the year	-	-	466,776.80	3,886,566.51	7,398,048.36	-	4,067,263.92	15,818,655.59
Disposals during the year	-	-	-	-	-	-	-	-
Transfers in (out) during the year	-	8,561,316.20	-	-	6,048,264.24	-	(14,609,580.44)	-
As at December 31, 2016	23,888,630.00	59,519,220.13	20,078,002.10	29,810,999.55	114,429,135.37	21,861,881.65	450,000.00	270,037,868.80
<u>Accumulated depreciation</u>								
As at December 31, 2015	-	(5,228,169.55)	(2,393,930.85)	(20,066,062.90)	(47,737,722.47)	(17,426,033.28)	-	(92,851,919.05)
Depreciation for the year	-	(2,656,382.30)	(997,685.41)	(2,858,944.79)	(11,467,318.32)	(2,868,164.73)	-	(20,848,495.55)
Depreciation - disposal during the year	-	-	-	-	-	-	-	-
As at December 31, 2016	-	(7,884,551.85)	(3,391,616.26)	(22,925,007.69)	(59,205,040.79)	(20,294,198.01)	-	(113,700,414.60)
<u>Book value</u>								
As at December 31, 2015	23,888,630.00	45,729,734.38	17,217,294.45	5,858,370.14	53,245,100.30	4,435,848.37	10,992,316.52	161,367,294.16
As at December 31, 2016	23,888,630.00	51,634,668.28	16,686,385.84	6,885,991.86	55,224,094.58	1,567,683.64	450,000.00	156,337,454.20

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..... Director  
 (Miss Surang Mongkholaripong)

..... Director  
 (Mr. Suchat Mongkholanipong)



Depreciations are presented in the statements of profit or loss for the years ended December 31, 2016 and 2015 as follows:

	Unit : Baht	
	2016	2015
Consolidated financial statements	20,934,818.55	21,710,493.92
Separate financial statements	20,848,495.55	19,855,200.83

The gross carrying amounts of equipment fully depreciated, but still in use as at December 31, 2016 and 2015 in the consolidated financial statement totaling Baht 48.98 million and Baht 37.71 million respectively, and in separate financial statements totaling Baht 40.78 million and Baht 29.92 million, respectively.

As at December 31, 2016 and 2015, the Company had machine and vehicles under financial lease agreements with the net book values of Baht 6.54 million and Baht 14.28 million, respectively.

The land and buildings and part of machinery are mortgaged as collateral for credit facilities from financial institutions. (Notes 15 and 18)

## 12. LAND HELD FOR FUTURE PROJECTS

In June 2012, the Company purchased land for future projects from a subsidiary, which had since been liquidated, at the price of Baht 12.60 million in the separate financial statements and stated at Baht 10.50 million as the subsidiary's cost in the consolidated financial statements.

OK



.....Director  
  
 (Mr. Suchat Mongkhonaripong)

.....Director  
  
 (Miss Surang Mongkholaripong)

### 13. INTANGIBLE ASSETS - NET

Intangible assets as at December 31, 2016 and 2015 consisted of:

	Unit : Baht			
	Consolidated financial statements			
	As at December	Movement during the year		As at December
	31, 2015	Increase	Decrease	31, 2016
Intangible assets	3,442,941.38	3,416,113.88	-	6,859,055.26
<u>Less</u> Accumulated amortisation	(883,817.66)	(1,004,837.73)	-	(1,888,655.39)
Total intangible assets - net	2,559,123.72	2,411,276.15	-	4,970,399.87

	Unit : Baht			
	Separate financial statements			
	As at December	Movement during the year		As at December
	31, 2015	Increase	Decrease	31, 2016
Intangible assets	2,875,661.38	2,751,643.88	-	5,627,305.26
<u>Less</u> Accumulated amortisation	(776,340.33)	(866,328.16)	-	(1,642,668.49)
Total intangible assets - net	2,099,321.05	1,885,315.72	-	3,984,636.77

### 14. DEFERRED TAX

Deferred tax as at December 31, 2016 and 2015 consisted of:

		Unit : Baht			
		Consolidated financial statements		Separate financial statements	
		2016		2015	
		2016		2015	
Deferred tax assets		12,323,518.30	11,422,642.24	10,684,273.26	9,816,777.14

**GETABEC**  
Getabec Public Company Limited

.....Director  
*(Mr. Suchat Mongkhonaripong)*

.....Director  
*(Miss Surang Mongkholaripong)*

Movements in deferred tax assets and deferred tax liabilities during the year 2016 were as follows:

Unit : Baht

	Consolidated financial statements			Separate financial statements		
	As at January	comprehensive	As at December	As at January	comprehensive	As at December
	1, 2016	Profit (loss)	income	1, 2016	Profit (loss)	income
<b>Deferred tax assets</b>						
Allowance for doubtful accounts	1,565,942.40	(90,000.00)	-	1,409,491.60	(90,000.00)	-
Allowance for devalued stocks	1,266,924.27	-	-	1,266,924.27	-	-
Depreciation	217,131.72	(1,564.61)	-	217,131.72	(1,564.61)	-
Liability on contract delay	1,758,000.00	-	-	1,758,000.00	-	-
Liability from product warranty	4,152,525.65	113,618.07	-	3,029,068.15	98,870.53	-
Provision for employee benefit obligations	2,462,118.20	374,468.80	504,353.80	2,136,161.40	330,167.20	530,023.00
<b>Total</b>	<b>11,422,642.24</b>	<b>396,522.26</b>	<b>504,353.80</b>	<b>9,816,777.14</b>	<b>337,473.12</b>	<b>530,023.00</b>

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*Mr. Suchat Mongkhonaripong*

.....Director

*Miss Surang Mongkholaripong*

.....Director

(Mr. Suchat Mongkhonaripong)

(Miss Surang Mongkholaripong)

Movements in deferred tax assets and deferred tax liabilities during the year 2015 were as follows:

Unit : Baht

	Consolidated financial statements			Separate financial statements		
	As at January	Profit (loss)	comprehensive income	As at January	Profit (loss)	comprehensive income
	1, 2015	31, 2015	1, 2015	1, 2015	31, 2015	1, 2015
<b>Deferred tax assets</b>						
Allowance for doubtful accounts	879,064.20	-	1,565,942.40	722,613.40	686,878.20	-
Allowance for devalued stocks	1,266,924.27	-	1,266,924.27	1,266,924.27	-	-
Depreciation	178,431.29	-	217,131.72	178,431.29	38,700.43	-
Liability on contract delay	4,792,400.00	-	1,758,000.00	2,104,400.00	(346,400.00)	-
Liability from product warranty	2,983,757.02	-	4,152,525.65	2,238,653.22	790,414.93	-
Provision for employee benefit obligations	1,901,701.60	125,215.60	435,201.00	1,828,908.60	115,661.20	191,591.60
Total	12,002,278.38	(1,014,837.14)	435,201.00	8,339,930.78	1,285,254.76	191,591.60

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*h. Sorn*

.....Director

*Chor*

.....Director

(Mr. Suchat Mongkhonaripong)

(Miss Surang Mongkholaripong)



# 15. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions as at December 31, 2016 and 2015 consisted of:

		Unit : Baht	
		Consolidated financial statements	Separate financial statements
		2016	2015
		2016	2015
Bank overdrafts		1,972,929.17	-
Trust receipts		48,845,054.42	39,114,115.56
Total		50,817,983.59	39,114,115.56

		Credit line (Unit : Baht)	
		Consolidated financial statements	Separate financial statements
		2016	2015
		2016	2015
Bank overdrafts		25,800,000.00	25,800,000.00
Trust receipts		80,000,000.00	80,000,000.00
Promissory notes		10,000,000.00	30,000,000.00
Total		115,800,000.00	135,800,000.00

As at December 31, 2016 and 2015, the Group had short-term credit facilities from financial institutions. They were guaranteed by the Company and its subsidiaries, by pledge of fixed deposits and mortgage of land of a director, and pledge of fixed deposits and mortgage of land and structures and machinery of the Company and subsidiaries, and were guaranteed by a director of the Company.



.....Director  
  
 (Mr. Suchat Mongkhonaripong)

.....Director  
  
 (Miss Surang Mongkholaripong)

## 16. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, 2016 and 2015 consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade payables				
Trade payables - other	124,643,705.94	146,628,328.96	101,772,744.74	132,089,944.22
Total trade payables	124,643,705.94	146,628,328.96	101,772,744.74	132,089,944.22
Other payables				
Accrued expenses	11,547,736.93	11,003,520.75	9,739,425.15	8,092,690.08
Revenue Department payable	7,092,665.01	2,792,987.97	6,328,012.38	2,303,572.17
Accrued withholding tax	2,696,266.83	2,033,618.15	2,544,270.83	1,877,291.32
Accrued interest - related parties	-	-	1,072,486.43	732,961.64
Accrued management and employee benefits	13,153,664.26	20,112,014.04	11,493,708.97	20,112,014.04
Liability from product warranty	21,330,718.63	20,762,628.27	15,639,693.42	15,145,340.79
Retentions	1,000,000.00	-	1,000,000.00	-
Others	1,306,306.34	549,055.35	1,260,090.69	1,111,120.00
Total other payables	58,127,358.00	57,253,824.53	49,077,687.87	49,374,990.04
Total trade and other payables	182,771,063.94	203,882,153.49	150,850,432.61	181,464,934.26

OK



.....Director  
  
 (Mr. Suchat Mongkhonaripong)

.....Director  
  
 (Miss Surang Mongkholaripong)

## 17. LIABILITIES UNDER FINANCIAL LEASE AGREEMENTS - NET

Liability under financial lease agreements as at December 31, 2016 and 2015 consisted of:

	Unit : Baht	
	Consolidated / Separate financial statements	
	2016	2015
Due within 1 year		
Minimum payments	1,956,947.52	4,834,970.13
Finance cost	(180,457.26)	(423,696.99)
Present value of minimum payments	1,776,490.26	4,411,273.14
Due over 1 year but not over 5 years		
Minimum payments	2,942,785.44	3,716,163.80
Finance cost	(23,518.00)	(126,174.00)
Present value of minimum payments	2,919,267.44	3,589,989.80

As at December 31, 2016 and 2015, the Company and subsidiaries entered into financial lease agreements with local financial institutions for leasing machineries and vehicles. These agreements are repayable in 36 to 60 equal monthly installments up to the year 2019. The ownership of the assets purchased under the hire-purchase agreements will be transferred to the Company when the last installment is paid. The above financial lease agreements are collateralized by the Company's director.

## 18. LONG-TERM LOAN FROM FINANCIAL INSTITUTION - NET

Long-term loan from financial institution as at December 31, 2016 and 2015 consisted of:

	Unit : Baht	
	Consolidated / Separate financial statements	
	2016	2015
Long-term loan from financial institution	11,783,732.86	12,385,024.69
Less Current portion of long-term loan from financial institution	(6,225,560.00)	(5,304,000.00)
Long-term loan from financial institution - net	5,558,172.86	7,081,024.69

  
Getabec Public Company Limited

  
.....Director  
(Mr. Suchat Mongkhonaripong)

  
.....Director  
(Miss Surang Mongkholaripong)

The Company entered into two long-term loan agreements with a domestic bank. The repayment terms and conditions of the loans are as follow:

On August 30, 2011, the Company entered into the long-term loan agreements with a domestic bank for long-term credit facilities totaling Baht 22 million for purposes of building construction. Principal and interest are repayable in 84 monthly installments. The first installment payment of principal is in May 2012 and will complete in April 2019. Long-term loans from financial institution bear interest at the MLR. These credit facilities were secured by the guarantee by the Company and the subsidiary and by the mortgage of the subsidiary's land and the mortgage of the Company structures and the guarantee by a director of the Company.

Under the conditions on the loan agreements, the Company must comply with certain conditions such as:

- Debt to Equity Ratio must not exceed 3 : 1
- Debt Service Coverage Ratio: DSCR shall be at least 1.25 times

On March 7, 2016, the Company entered into the long-term loan agreements with a domestic bank for long-term credit facilities totaling Baht 7.27 million for purposes of building construction, renovation of factories and offices. Principal and interest are repayable in 54 monthly installments. The first installment payment of principal is in June 2016 and will complete in November 2020. Long-term loans from financial institution bear interest at the MLR. These credit facilities were secured by the mortgage of the subsidiary's land and the mortgage of the Company structures and the guarantee by a director of the Company.

Under the conditions on the loan agreements, the Company must comply with certain conditions such as:

- Debt to Equity Ratio must not exceed 2 : 1
- Debt Service Coverage Ratio: DSCR shall be at least 1.25 times



.....Director  
  
(Mr. Suchat Mongkhonaripong)

  
.....Director  
(Miss Surang Mongkholaripong)



## 19. EMPLOYEE BENEFIT OBLIGATIONS

Movement of the present value of employee benefits obligation for the years ended December 31, 2016 and 2015 were as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statement	
	2016	2015	2016	2015
Employee benefit at beginning of year	12,310,591.00	9,508,507.98	10,680,807.00	9,144,542.98
Included in profit or loss:				
Current service cost	1,366,546.00	930,929.00	1,212,416.00	897,060.00
Interest cost	505,798.00	370,939.00	438,420.00	357,036.00
Included in other comprehensive income:				
Actuarial (gains) losses arising from				
Financial assumptions changes	2,831,090.00	2,413,826.00	2,032,420.00	1,206,913.00
Experience adjustments	(309,321.00)	(237,820.98)	617,695.00	(248,954.98)
Benefit paid during the year	-	(675,790.00)	-	(675,790.00)
Employee benefit obligations at end of year	16,704,704.00	12,310,591.00	14,981,758.00	10,680,807.00

Employee benefit expenses in the statements of profit or loss for the year ended December 31, 2016 and 2015, consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statement	
	2016	2015	2016	2015
Cost of contract work	636,834.38	715,021.80	636,834.38	715,021.80
Cost of services	560,469.60	362,231.88	338,961.60	314,459.88
Selling expenses	186,096.51	116,050.68	186,096.51	116,050.68
Administrative expenses	488,943.51	108,563.64	488,943.51	108,563.64
Total employee benefit expenses	1,872,344.00	1,301,868.00	1,650,836.00	1,254,096.00

The Group has defined benefit plan in accordance with severance payment under the labor law and other defined benefit plan for the retired employee who has the service period as specified in the plan.

The actuarial assumption of discount rate is estimated from weighted average of yield rate of government bonds as at the end of reporting date that reflects the estimated timing of benefit payments.

The actuarial assumption of mortality rate for reasonable estimation of probability of retirement in the future is estimated from mortality table.

  
 .....  
 (Mr. Suchat Mongkhonaripong)

  
 Getabee Public Company Limited

  
 .....  
 (Miss Surang Mongkholaripong)

Principal actuarial assumptions as at December 31, 2016 and 2015 (represented by the weighted-average) consisted of:

	(Percentage (%)/annum)			
	Consolidate financial statements		Separate financial statements	
	2016	2015	2016	2015
Discount rate	2.01 - 2.60	3.94 - 3.96	2.01	3.94
Future salary increase rate	6.42 - 7.27	6.38 - 7.24	6.42	6.38
Mortality rate	100% of Thai Mortality Ordinary Tables of 2008		100% of Thai Mortality Ordinary Tables of 2008	
Turnover rate				
Under 20 years old	24	55	24	55
20 - 29 years old	24	29	24	29
30 - 39 years old	12 - 13	12 - 14	13	14
40 - 49 years old	4 - 13	5 - 14	13	14
50 - 57 years old	8	5	8	5
58 - 59 years old	0	5	0	5
Above 59 years old	0	0	0	0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at 31 December 2016 are summarised below:

	Unit : Baht			
	Change of the present value of the employee benefit obligations			
	Consolidated financial statement		Separate financial statement	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(1,523,063.00)	1,782,269.00	(1,241,994.00)	1,436,129.00
Salary increase rate	1,684,688.00	(1,476,788.00)	1,358,550.00	(1,204,494.00)
Turnover rate	(1,078,858.00)	1,448,041.00	(1,380,854.00)	1,193,498.00

As at December 31, 2016, the maturity analysis of undiscounted cash flows of benefit payments was as follows:

	Unit : Baht	
	Consolidate financial statement	Separate financial statement
Within 1 year	722,633.00	722,633.00
Over 1 and up to 5 years	5,676,686.00	5,676,686.00
Over 5 years	10,305,385.00	8,582,439.00

**GETABEE**  
Getabec Public Company Limited

..... Director  
(Mr. Suchat Mongkhonarping)

..... Director  
(Miss Surang Mongkholaripong)

## 20. SHARE CAPITAL

In March 2016, the Company offered its new common shares to the Group's employees and the public by issuing 240,000,000 common shares at a price of Baht 1.15 per share and the shares of the Company began trading in the Market for Alternative Investment on March 21, 2016. Directly attributable expenses of the initial public offering amounted to Baht 12.64 million were deductible from the premium on share capital.

The Company's Board of Directors' Meeting No.17/2015 held on August 14, 2015, resolved to:

- Increase the authorised share capital from Baht 115 million to Baht 180 million by issuing new 6.5 million common shares at the par value of Baht 10 each, to existing shareholders in proportion to their shareholding. Paid-up capital was made on August 2015.
- Covert to a public company limited, change its name to Getabec Public Company Limited, and change the par value of the Company's shares from Baht 10 to Baht 0.25 and increase the authorised share capital from Baht 180 million to Baht 240 million, by issuing new 240 million common shares at the par value of Baht 0.25 each, totaling Baht 60 million, by the allotment and issuance to the initial public offering. The company registered with the Ministry of Commerce as a public company limited on September 18, 2015.

## 21. LEGAL RESERVE

Legal reserve is set up under the Public Limited Companies Act B.E. 2535. The Company is required to set aside to a statutory reserve at least 5 percent of its net income, until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

## 22. DIVIDEND PAYMENT

The Company's Ordinary General Shareholders' Meeting held on March 11, 2016, approved to pay dividends from the results of the Company's operations for the year 2015 at Baht 0.032 per share, 720 million shares, totaling Baht 23.04 million.

The subsidiary's Ordinary General Shareholders' Meeting held on March 28, 2016, approved to pay dividends from retained earnings as at December 31, 2015 at Baht 67.00 per share, 0.15 million shares, totaling Baht 10.05 million.

The Company's Ordinary General Shareholders' Meeting, held on April 2, 2015, approved to pay dividends from the results of the Company's operations for the year 2014 at Baht 5 per share, 11.50 million shares, totaling Baht 57.50 million.

The Board of Directors' Meeting No.17/2015, held on August 14, 2015, resolved to pay interim dividends from retained earnings as at December 31, 2014 at Baht 15.22 per share, 11.50 million shares, totaling Baht 175.00 million.


The subsidiary's Extraordinary Shareholders' Meeting No.1/2015, held on December 25, 2015, resolved to pay dividends from retained earnings as at December 31, 2014 at Baht 66.67 per share, 0.15 million shares, totaling Baht 10 million.



Getabec Public Company Limited

Director

(Mr. Suchat Mongkhonaripong)



Director

(Miss Surang Mongkholaripong)



### 23. INCOME TAX EXPENSES

Income tax recognized for the years ended December 31, 2016 and 2015 are as follows:

	Unit : Baht			
	Consolidated		Separate financial statements	
	2016	2015	2016	2015
<b>Current tax expense</b>				
Current year	15,333,796.76	9,689,191.31	4,532,578.45	8,292,932.68
<b>Deferred tax expense</b>				
Movements in temporary differences	(396,522.26)	1,014,837.14	(337,473.12)	(1,285,254.76)
<b>Total</b>	<b>14,937,274.50</b>	<b>10,704,028.45</b>	<b>4,195,105.33</b>	<b>7,007,677.92</b>

Reconciliation of effective tax rate

	Consolidated financial statements			
	2016		2015	
	Tax rate (%)	Unit : Baht	Tax rate (%)	Unit : Baht
Profit before income tax		87,822,273.28		79,609,681.71
Income tax using the corporate tax rate	20	17,564,454.66	20	15,921,936.34
Non-taxable income		(561,965.27)		(1,390,537.11)
Exemption from income tax on profit received from BOI		-		(4,640,089.90)
Double expenses by the Revenue Code		(252,454.50)		(559,876.77)
Taxable expenses by the Revenue Code		(2,527,664.52)		-
Non-deductible expenses		650,168.31		973,412.80
Unrecognised tax loss *		50,841.41		58,637.40
Others		13,894.41		340,545.69
Income tax expense	17	14,937,274.50	13	10,704,028.45

\* As at December 31, 2016 and 2015, a subsidiary had current losses for income tax amounting to Baht 0.25 million and Baht 0.29 million, respectively. Due to the uncertainty of their utilization, the Management, therefore, has determined that it will not recognise the deferred tax on this unutilized tax loss.



Getabec Public Company Limited

Director

Director

(Miss Surang Mongkholaripong)

(Mr. Suchat Mongkhonaripong)



Separate financial statements

	2016		2015	
	Tax rate		Tax rate	
	(%)	Unit: Baht	(%)	Unit: Baht
Profit before income tax		41,078,530.77		66,823,511.52
Income tax using the corporate tax rate	20	8,215,706.15	20	13,364,702.30
Non-taxable income		(2,010,046.53)		(2,000,000.00)
Exemption from income tax on profit received from BOI		-		(4,640,089.90)
Double expenses by the Revenue Code		(252,454.50)		(437,368.64)
Taxable expenses by the Revenue Code		(2,527,664.52)		-
Non-deductible expenses		769,564.73		720,434.16
Income tax expense	10	4,195,105.33	10	7,007,677.92

**Income tax reduction**

According to Royal Decree No. 577 B.E. 2557, dated November 10, 2014, the corporate income tax rate continued at 20% on net profit for the accounting periods beginning on January 1, 2015 to December 31, 2015. The Act of Legislation amended Revenue Code No.42 B.E. 2559, dated March 3, 2016, grants the corporate income tax rate 20% on net profit for the accounting periods beginning on January 1, 2016 onwards.



.....  
  
 Director  
 (Mr. Suchat Mongkhonaripong)

.....  
  
 Director  
 (Miss Surang Mongkholaripong)

## 24. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2016 and 2015 consisted of:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Changes in inventories (increased) decreased	(30,345,490.49)	(29,900,770.80)	9,576,468.59	(25,767,054.09)
Purchase of goods	383,884,050.70	374,021,203.10	306,124,873.80	340,038,804.64
Labor costs - person and other companies	200,802,867.30	159,850,789.52	162,774,467.25	136,281,438.03
Depreciation and amortisation	21,939,656.28	22,206,190.55	21,714,823.71	20,272,508.53
Employee benefits	222,490,949.87	218,488,234.14	202,171,733.26	198,822,059.36
Travelling expenses	16,714,434.37	18,275,472.46	14,923,639.87	16,370,494.05
Royalty fee	14,588,085.22	11,391,628.23	10,317,087.11	9,377,975.00
Finance cost	4,106,598.75	3,618,347.59	7,271,331.85	4,119,036.53
Allowance for doubtful debt	989,218.13	5,890,162.09	989,218.13	4,916,017.67
Transportation costs	11,837,277.19	21,404,473.41	10,094,028.35	20,345,516.24

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.....Director  
  
 (Mr. Suchat Mongkhonaripong)

.....Director  
  
 (Miss Surang Mongkholaripong)

## 25. PROMOTIONAL PRIVILEGES

The Company is promoted by the BOI. Details of the promotional certificate is as follows:

1. Promotion No.	2440(2)/2010
2. Investment promotion grant date	December 29, 2010
3. Date of right.	April 25, 2014
4. Promoted manufacturing activities	Manufacture of machinery, equipment and parts
5.Privileges are the Company gains	
5.1 Exemption from income tax on profit revived totaling not exceed than 100% of investment excluding the cost of land and working capital from the date of the first earned revenue from operation.	8 Years
5.2 Exemption from income tax on dividends from the operation that has been promoted as 5.1.	8 Years
5.3 Exemption from import duties for imported raw materials and essential materials for use in production for export for a period from the date of the first import.	1 Year
5.4 Exemption of import duties for imported goods which have been expoerted for a period from the date of the first import.	1 Year

The Company must comply with certain terms and conditions prescribed in the promotional certificates.

The Company's revenues divided according promoted activities and non-promoted activities for the years ended December 31, 2016 and 2015 are summarized as follows:



.....Director  
(Mr.Suchat Mongkhonaripong)

.....Director  
(Miss Surang Mongkholaripong)

	Unit : Baht		
	Separate financial statements		
	Promoted Activities	Non-promoted Activities	Total
<b><u>For the year ended December 31, 2016</u></b>			
Revenue from contract work	144,406,971.95	519,084,021.03	663,490,992.98
Revenue from services	-	154,720,321.89	154,720,321.89
Other income	-	35,420,395.91	35,420,395.91
Total	144,406,971.95	709,224,738.83	853,631,710.78
<b><u>For the year ended December 31, 2015</u></b>			
Revenue from contract work	79,703,316.60	576,193,689.89	655,897,006.49
Revenue from services	-	148,992,043.50	148,992,043.50
Other income	-	69,546,044.86	69,546,044.86
Total	79,703,316.60	794,731,778.25	874,435,094.85

## 26. FINANCIAL INSTRUMENTS

### Financial risk management policies

The Company is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Company does not hold or issue derivative financial instruments for speculative or trading purposes.

### Interest rate risk

Interest rate risk arises from future movements in market interest rates that will affect the results of the Company's operations and its cash flows. Management believes that the interest rate risk is minimal because the interest rates on overdrafts and loans are at market rate and all of the loans have short-term maturities. Accordingly, the Company does not hedge such risk.

### Foreign currency risk

The Company is exposed to foreign currency risk relating to purchase denominated in foreign currency.

### Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Company as and when they fall due. To manage this risk, the Company generally requests customers to open letters of credit. The Company does not expect any counterparties to fail to meet their obligations.



Getabec Public Company Limited

.....  
  
 (Mr. Suchat Mongkhonaripong)  
 Director

.....  
  
 (Miss Surang Mongkholaripong)  
 Director



#### Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

#### Fair values

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

Because the financial instruments have short-term maturities, the Company used the following methods and assumptions in estimating the fair values of financial instruments:

Cash and cash equivalents, trade and other receivable; carrying values approximate their fair values.

Trade and other payable; fair value is based on the carrying value in the statements of financial position.

Short-term loans from financial institutions; carrying values approximate their fair values.

## 27. CAPITAL MANAGEMENT

The management of the Company has a capital management policy to maintain a strong capital base by emphasis on planning and determining operating strategies that result in good business performance and sustained cash flow management. In addition, the Company considers investing in projects which have good rates of return, appropriate working capital management, strong financial position and appropriate investment structure so as to sustain future operations and to maintain the interests and confidence of shareholders, investors, creditors and other parties.

## 28. SEGMENT INFORMATION

The Company and subsidiaries' businesses are mainly steam boilers selling including boiler installation and repair. The segmented information for the years ended December 31, 2016 and 2015 are as follows:



  
.....Director  
(Mr. Suchat Mongkhonaripong)

  
.....Director  
(Miss Surang Mongkholaripong)

Unit : Baht

Consolidated financial statements

	For the year ended December 31, 2016		For the year ended December 31, 2015	
	Domestic	Oversea	Total	
Revenue from contract work	633,883,460.12	201,755,954.67	835,639,414.79	773,833,120.68
Revenue from services	150,328,310.09	6,350,170.84	156,678,480.93	147,522,176.92
Cost of contract work	(535,444,121.53)	(142,065,048.80)	(677,509,170.33)	(635,690,705.43)
Cost of services	(109,721,292.08)	(4,107,660.04)	(113,828,952.12)	(99,654,683.43)
<b>Gross profit</b>	<b>139,046,356.60</b>	<b>61,933,416.67</b>	<b>200,979,773.27</b>	<b>186,009,908.74</b>
Reversal of liability on contract delay			-	13,440,000.00
Other income			25,490,519.23	13,510,679.60
Selling expenses			(68,377,715.29)	(66,105,491.59)
Administrative expenses			(66,163,705.18)	(63,627,067.45)
Finance costs			(4,106,598.75)	(3,618,347.59)
Income tax expense			(14,937,274.50)	(10,704,028.45)
<b>Profit for the year</b>			<b>72,884,998.78</b>	<b>68,905,653.26</b>
Defined benefit plan actuarial loss - net of income tax			(2,017,415.20)	(1,740,804.02)
Foreign currency translation differences			65,661.30	189,421.50
<b>Total comprehensive income for the year</b>			<b>70,933,244.88</b>	<b>67,354,270.74</b>
<b>As at December 31, 2016 and 2015</b>				
Property, plant and equipment - net			179,885,292.18	184,704,255.14
Total assets			939,283,246.58	624,348,460.96



Getabec Public Company Limited

..... Director

(Mr. Suchat Mongkhonapong)

..... Director

(Miss Surang Mongkholaripong)

## Unit : Baht

## Separate financial statements

	For the year ended December 31, 2016			For the year ended December 31, 2015		
	Domestic	Oversea	Total	Domestic	Oversea	Total
Revenue from contract work	584,667,681.93	78,823,311.05	663,490,992.98	582,832,108.23	104,493,983.71	687,326,091.94
Revenue from services	151,476,861.49	3,243,460.40	154,720,321.89	140,183,623.97	5,450,476.37	145,634,100.34
Cost of contract work	(532,036,841.75)	(55,473,544.81)	(587,510,386.56)	(511,197,916.22)	(65,964,441.65)	(577,162,357.87)
Cost of services	(110,061,138.48)	(913,033.12)	(110,974,171.60)	(97,752,715.15)	(1,296,734.43)	(99,049,449.58)
<b>Gross profit</b>	<b>94,046,563.19</b>	<b>25,680,193.52</b>	<b>119,726,756.71</b>	<b>114,065,100.83</b>	<b>42,683,284.00</b>	<b>156,748,384.83</b>
Dividend income			10,049,866.00			10,000,366.69
Other income			25,370,529.91			8,773,998.15
Selling expenses			(47,973,702.62)			(48,425,850.28)
Administrative expenses			(58,823,587.38)			(56,154,351.34)
Finance costs			(7,271,331.85)			(4,119,036.53)
Income tax expense			(4,195,105.33)			(7,007,677.92)
<b>Profit for the year</b>			<b>36,883,425.44</b>			<b>59,815,833.60</b>
Defined benefit plan actuarial loss - net of income tax			(2,120,092.00)			(766,366.42)
<b>Total comprehensive income for the years</b>			<b>34,763,333.44</b>			<b>59,049,467.18</b>
<b>As at December 31, 2016 and 2015</b>						
Property, plant and equipment - net			156,337,454.20			161,367,294.16
Total assets			800,821,127.83			586,933,024.87

**GETABEC**  
Getabec Public Company Limited

.....Director  
(Mr. Suchat Mongkholairipong)

.....Director  
(Miss Surang Mongkholairipong)

## 29. COMMITMENTS AND CONTINGENT LIABILITIES

Commitments and contingent liabilities as at December 31, 2016 and 2015 consisted of:

29.1 The Company and subsidiaries had contingent liabilities from bank guarantees in the amount of Baht 212.66 million, Euro 0.32 million and USD 0.06 million (2015 : Baht 147.58 million and Euro 0.32 million) which were issued by banks.

29.2 The Company and subsidiaries had contingent liabilities from unused letter of credit in the amount of Baht 0.13 million, USD 0.10 million, Euro 0.50 million and Yuan 0.95 million (2015 : Euro 0.45 million and USD 0.02 million).

29.3 The Company and subsidiaries had commitments with respect to Building Rental and Service Agreements in the amounts of Baht 0.96 million per month, These agreement periods are 1-8 years.

29.4 The Company entered into commission agreements with a foreign counterparty. Under the term of contracts, the Company is entitled to earn commission income of USD 0.45 million in exchange for referring the customers and providing service as project coordinator.

For the year ended December 31, 2016, the Company recognized commission income from such counterparty of Baht 15.05 million or USD 0.43 million as other income in the statement of profit or loss based on the cash received.

29.5 As at December 31, 2016, the Company has contingent liability on the fine from the delay of Baht 2.55 million since the Company is unable to deliver the products to the counterparties as the schedule in the agreements. At present, these are under negotiation.

The management of the Company believes that there will be no significant losses incurred, therefore, no additional provision for the fine from the delay has been made in the financial statements.

## 30. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's board of directors to be issued on February 28, 2017.

OK



.....Director

(Mr. Suchat Mongkhonaripong)

.....Director  
(Miss Surang Mongkholaripong)