

## **Independent Auditor's Report**

To the shareholders of Triple i Logistics Public Company Limited

### **My opinion**

In my opinion, the consolidated financial statements of Triple i Logistics Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2017, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

### **What I have audited**

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2017;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

### **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 consolidated and separate financial statements section of my report. I am independent of the Group and the Company 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 period. This matter, revenue recognition, was 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.

Key audit matter	How my audit addressed the key audit matter
<p><b>Revenue Recognition</b></p> <p>The Group provides a domestic and international freight forwarding service, and integrated logistics services. The Group's aggregate service revenues amounted to Baht 2,272 million, representing 99% of total revenues. Service revenues are recognised when the services have been rendered according to conditions in the service agreement, taking into account the customer's requirements as to whether the transportation is only to the origin or until the destination, as disclosed in Note 2.18 to the financial statements "Accounting policy for revenue recognition".</p> <p>I focused on the accuracy of revenue recognition by examining whether the revenue transactions were valid and were rendered in the period in which they were incurred.</p>	<p>I tested the revenue recognition of the Group by carrying out the following procedures:</p> <ul style="list-style-type: none"><li>- Evaluated and validated the key controls over the revenue cycle of the Group, by talking to the Group's personnel to understand the revenue cycle and internal controls, and sampling revenue transactions to validate key controls relating to the recording of revenue at the appropriate recognition point according to the service conditions. This included examining supporting documents such as the bill of lading or airway bill, and quotation, as well as examining that service invoices were reviewed and approved by an authorised person, and examining cash receipts from customers with service invoices and transactions in the bank statements.</li><li>- Performed substantive tests on transactions by sampling each type of service revenue transaction to check that the Group has provided services to the customers and recorded revenue at the appropriate recognition point as per the service conditions, as well as examining the invoices with the bill of lading or airway bill to see that the transactions are valid. For revenue transactions that have been collected, cash receipt transactions were traced to invoices and transactions in the bank statements.</li><li>- Sent the account receivable confirmation requests by focusing on customers with large transactions and an outstanding balance to check that the Group's revenues represent valid revenue transactions and that the accounts receivable existed.</li><li>- Performed analytical procedures on the Group's revenue by each revenue type to consider whether there's irregularity in the fluctuation of revenues or not. This included testing the appropriateness of the journal entries related to revenues, including other related adjusting entries in order to assess if there were any invalid revenue transactions or not.</li></ul> <p>I didn't find any material exceptions from carrying out the above procedures. Revenue recognition was in accordance with accounting policy and the available evidence.</p>

### **Other information**

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

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

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

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

### **Responsibilities of the directors for the consolidated and separate financial statements**

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated and separate financial statements**

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate 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.

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

PricewaterhouseCoopers ABAS Ltd.

**Vichien Khingmontri**  
Certified Public Accountant (Thailand) No. 3977  
Bangkok  
20 February 2018

**TRIPLE I LOGISTICS PUBLIC COMPANY LIMITED**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**

**31 DECEMBER 2017**

**Triple i Logistic Public Company Limited**  
**Statements of Financial Position**  
**As at 31 December 2017**

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	6	746,463,152	226,214,951	582,975,952	38,620,580
Short-term investments	7	4,132,988	4,086,742	-	-
Trade and other receivables, net	8	406,243,208	508,272,532	83,895,912	29,033,665
Short-term loans to related parties	29.7	2,250,000	1,400,000	308,640,800	50,290,800
Short-term loan to third parties		-	1,292,131	-	-
Inventories		1,601,277	1,438,150	-	-
Other current assets	9	21,530,511	19,406,162	950,224	584,644
<b>Total current assets</b>		<b>1,182,221,136</b>	<b>762,110,668</b>	<b>976,462,888</b>	<b>118,529,689</b>
<b>Non-current assets</b>					
Restricted bank deposits		-	95,066	-	-
Investments in subsidiaries	10	-	-	55,698,570	53,698,570
Investments in associates	11.1	21,890,831	21,933,820	5,065,215	5,065,215
Investments in joint ventures	11.2	15,981,014	16,400,161	187,494	187,494
Other long-term investments		13,250	13,250	-	-
Long-term loans to related parties	29.8	-	8,800,000	-	-
Investment properties, net	12	-	-	90,068,699	94,206,081
Property, plant and equipment, net	13	254,123,452	194,986,058	17,555,930	9,041,280
Intangible assets, net	14	10,354,845	4,495,834	1,768,459	114,962
Deferred tax assets	15	10,349,447	4,810,736	1,057,010	838,785
Deposits for securing contracts		42,581,240	33,943,570	1,756,630	420,500
Other non-current assets	16	18,085,966	16,189,040	3,080,434	1,124,336
<b>Total non-current assets</b>		<b>373,380,045</b>	<b>301,667,535</b>	<b>176,238,441</b>	<b>164,697,223</b>
<b>Total assets</b>		<b>1,555,601,181</b>	<b>1,063,778,203</b>	<b>1,152,701,329</b>	<b>283,226,912</b>

Director \_\_\_\_\_  
(Mr. Tipp Dalal)

Director \_\_\_\_\_  
(Mr. Viraj Nobnomtham)

The accompanying notes on pages 15 to 63 are an integral part of of these consolidated and separate financial statements.

Triple i Logistic Public Company Limited  
 Statements of Financial Position  
 As at 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions	17.1	4,728,224	45,486,972	-	-
Trade and other payables	18	332,516,342	585,150,012	23,809,779	26,353,532
Current portion of long-term loans from financial institutions	17.2	6,620,250	8,717,250	-	-
Current portion of finance lease liabilities	17.3	9,232,119	6,767,248	3,675,882	1,657,329
Other current liabilities	19	35,121,816	24,342,497	2,661,473	1,389,651
<b>Total current liabilities</b>		<b>388,218,751</b>	<b>670,463,979</b>	<b>30,147,134</b>	<b>29,400,512</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions	17.2	1,832,454	8,194,888	-	-
Finance lease liabilities	17.3	21,205,838	17,530,025	10,654,032	5,244,206
Employee benefit obligations	20	23,284,427	19,799,486	4,913,892	4,193,923
Other non-current liabilities		6,067,165	6,547,927	812,378	857,379
<b>Total non-current liabilities</b>		<b>52,389,884</b>	<b>52,072,326</b>	<b>16,380,302</b>	<b>10,295,508</b>
<b>Total liabilities</b>		<b>440,608,635</b>	<b>722,536,305</b>	<b>46,527,436</b>	<b>39,696,020</b>

Director \_\_\_\_\_  
 (Mr. Tipp Dalal)

Director \_\_\_\_\_  
 (Mr. Viraj Nobnomtham)

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**Triple i Logistic Public Company Limited**  
**Statements of Financial Position**  
**As at 31 December 2017**

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Liabilities and equity (continued)</b>					
<b>Equity</b>					
Share capital	21				
Authorised share capital					
615,000,000 ordinary shares at a par value of Baht 0.50 each (31 December 2016: 2,150,000 ordinary shares at a par value of Baht 100 each)		307,500,000	215,000,000	307,500,000	215,000,000
Issued and paid-up share capital					
604,500,000 ordinary shares at a par value of Baht 0.50 each (31 December 2016: 2,150,000 ordinary shares at a par value of Baht 100 each)		302,250,000	215,000,000	302,250,000	215,000,000
Share premium, net	21	687,965,894	-	687,965,894	-
Surplus from business combination under common control		30,726,984	30,726,984	-	-
Surplus from share-based payments		19,209,586	18,765,038	19,209,586	18,765,038
Discount from changes in shareholding of subsidiary		(187,500)	(187,500)	-	-
Retained earnings					
Appropriated - Legal reserve	23	14,401,628	2,400,000	85,946,785	-
Unappropriated		63,542,208	74,956,718	10,801,628	9,765,854
Other components of equity		(2,916,254)	(419,342)	-	-
<b>Equity attributable to owners of the parent</b>		<b>1,114,992,546</b>	<b>341,241,898</b>	<b>1,106,173,893</b>	<b>243,530,892</b>
Non-controlling interests		-	-	-	-
<b>Total equity</b>		<b>1,114,992,546</b>	<b>341,241,898</b>	<b>1,106,173,893</b>	<b>243,530,892</b>
<b>Total liabilities and equity</b>		<b>1,555,601,181</b>	<b>1,063,778,203</b>	<b>1,152,701,329</b>	<b>283,226,912</b>

Director \_\_\_\_\_  
(Mr. Tipp Dalal)

Director \_\_\_\_\_  
(Mr. Viraj Nobnomtham)

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**Triple i Logistic Public Company Limited**  
**Statements of Comprehensive Income**  
**For the year ended 31 December 2017**

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
		Baht	Baht	Baht	Baht
Revenues from services		2,271,953,814	2,051,337,380	62,842,171	61,101,556
Revenues from sales		22,617,337	24,238,144	-	-
Costs of services		(1,755,242,277)	(1,606,300,194)	(20,763,889)	(17,054,854)
Costs of sales		(7,888,121)	(3,999,427)	-	-
<b>Gross profit</b>		<b>531,440,753</b>	<b>465,275,903</b>	<b>42,078,282</b>	<b>44,046,702</b>
Dividend income		-	-	212,390,691	38,666,852
Other income	24	15,484,366	24,704,432	33,794,585	2,475,110
Selling expenses		(110,916,019)	(115,657,656)	(5,552,966)	(6,821,694)
Administrative expenses		(281,048,180)	(260,411,455)	(66,394,737)	(50,716,516)
Gain (loss) on exchange rates, net		(10,186,717)	(3,361,880)	171,107	96,442
Finance costs	25	(5,561,837)	(4,865,653)	(672,628)	(100,009)
Share of profits from investments in associates and joint ventures	11	16,678,065	14,159,409	-	-
<b>Profit before income tax</b>		<b>155,890,431</b>	<b>119,843,100</b>	<b>215,814,334</b>	<b>27,646,887</b>
Income tax expense	27	(26,253,313)	(25,343,240)	218,225	316,284
<b>Profit for the period</b>		<b>129,637,118</b>	<b>94,499,860</b>	<b>216,032,559</b>	<b>27,963,171</b>
<b>Other comprehensive income (loss):</b>					
Items that will be reclassified subsequently to profit and loss					
Currency translation differences		(2,496,912)	(521,196)	-	-
Other comprehensive loss for the year		(2,496,912)	(521,196)	-	-
<b>Total comprehensive income for the period</b>		<b>127,140,206</b>	<b>93,978,664</b>	<b>216,032,559</b>	<b>27,963,171</b>

Director \_\_\_\_\_  
(Mr. Tipp Dalal)

Director \_\_\_\_\_  
(Mr. Viraj Nobnomtham)

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Triple i Logistic Public Company Limited  
 Statements of Comprehensive Income  
 For the year ended 31 December 2017

	Note	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Profit attributable to:</b>					
Owners of the parent		129,637,118	89,433,872	216,032,559	27,963,171
Non-controlling interests		-	5,065,988	-	-
		<u>129,637,118</u>	<u>94,499,860</u>	<u>216,032,559</u>	<u>27,963,171</u>
<b>Total comprehensive income</b>					
<b>attributable to:</b>					
Owners of the parent		127,140,206	89,027,668	216,032,559	27,963,171
Non-controlling interests		-	4,950,996	-	-
		<u>127,140,206</u>	<u>93,978,664</u>	<u>216,032,559</u>	<u>27,963,171</u>
<b>Earnings per share</b>					
Basic earnings per share	28	<u>0.2629</u>	<u>0.2080</u>	<u>0.4381</u>	<u>0.0650</u>
Diluted earnings per share	28	<u>0.2620</u>	<u>-</u>	<u>0.4367</u>	<u>-</u>

Director \_\_\_\_\_  
 (Mr. Tipp Dalal)

Director \_\_\_\_\_  
 (Mr. Viraj Nobnomtham)

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Triple i Logistic Public Company Limited  
**Statements of Changes in Equity**  
**For the year ended 31 December 2017**

Separate financial statements (Bath)							
	Notes	Issued and	Share	Surplus from	Retained earnings (deficits)		Total equity
		paid-up		premium, net	share-based	Appropriated	
		ordinary shares		payments	- Legal reserve	Unappropriated	
<b>Opening balance as at 1 January 2017</b>		215,000,000	-	18,765,038	-	9,765,854	243,530,892
Increase in share capital, net	21	87,250,000	687,965,894	-	-	-	775,215,894
Dividends paid	22	-	-	-	-	(129,050,000)	(129,050,000)
Legal reserve	23	-	-	-	10,801,628	(10,801,628)	-
Share-based payments	21	-	-	444,548	-	-	444,548
Other comprehensive income for the year		-	-	-	-	216,032,559	216,032,559
<b>Closing balance as at 31 December 2017</b>		<u>302,250,000</u>	<u>687,965,894</u>	<u>19,209,586</u>	<u>10,801,628</u>	<u>85,946,785</u>	<u>1,106,173,893</u>
<b>Opening balance as at 1 January 2016</b>		215,000,000	-	18,150,659	-	(18,197,317)	214,953,342
Share-based payments		-	-	614,379	-	-	614,379
Other comprehensive income for the year		-	-	-	-	27,963,171	27,963,171
<b>Closing balance as at 31 December 2016</b>		<u>215,000,000</u>	<u>-</u>	<u>18,765,038</u>	<u>-</u>	<u>9,765,854</u>	<u>243,530,892</u>

Director \_\_\_\_\_  
(Mr. Tipp Dalal)

Director \_\_\_\_\_  
(Mr. Viraj Nobnomtham)

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**Triple i Logistic Public Company Limited**  
**Statements of Cash Flows**  
**For the year ended 31 December 2017**

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Cash flows from operating activities</b>					
Profit before income tax		155,890,431	119,843,100	215,814,334	27,646,887
Adjustments for:					
Depreciation and amortisation	12,13,14	41,431,401	32,720,023	7,531,661	2,154,564
Doubtful debt expenses		473,015	6,347,118	-	-
Share of (profit) loss from investments in associates and joint ventures	11	(16,678,065)	(14,159,409)	-	-
Loss from dissolution of associate		962,779	-	-	665,373
Gain on sales of equipment		(174,853)	(8,913,933)	-	-
Loss from write-offs of assets		154,632	152,756	-	-
Employment benefit obligations	20	3,484,941	5,308,623	719,968	2,153,356
Interest income		(2,630,393)	(62,322)	(4,362,469)	(1,197,218)
Dividend income		-	-	(212,384,691)	(38,666,852)
Expenses relating to share-based payments	21	444,548	614,379	444,548	614,379
Amortisation of deferred interest on finance leases	25	1,866,739	1,226,392	524,683	33,630
Finance costs	25	3,695,098	3,639,261	147,945	66,379
		188,920,273	146,715,988	8,435,979	(6,529,502)
Changes in working capital					
Operating assets decrease (increase)					
Trade and other receivables, net		129,813,377	(102,132,831)	(21,481,379)	(13,196,753)
Inventories		(163,127)	52,505	-	-
Other current assets		(4,360,805)	(4,813,877)	(365,579)	(462,425)
Other non-current assets		(6,096,499)	10,849,072	(2,244,559)	1,637,808
Operating liabilities increase(decrease)					
Trade and other payables		(283,326,891)	103,724,933	(2,455,421)	3,371,671
Other current liabilities		8,365,381	7,568,775	1,271,822	1,019,382
Other non-current liabilities		(61,400)	1,134,791	(45,000)	(124,377)
<b>Cash flows from operating activities</b>		33,090,309	163,099,356	(16,884,137)	(14,284,196)
Income tax paid		(30,246,834)	(22,354,486)	(1,047,668)	(39,041)
<b>Net cash generated from (used in) operating activities</b>		2,843,475	140,744,870	(17,931,805)	(14,323,237)

Director \_\_\_\_\_  
(Mr. Tipp Dalal)

Director \_\_\_\_\_  
(Mr. Viraj Nobnomtham)

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Triple i Logistic Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Cash flows from investing activities</b>					
Interest income received		2,695,940	2,518,139	3,479,820	1,212,700
Proceeds from sales of equipment		2,018,970	15,343,306	-	-
Payments for purchases of equipment and intangible assets		(89,984,801)	(29,456,261)	(2,478,178)	(52,571)
Proceeds from disposal of investments in subsidiaries		-	-	-	4,600,000
Proceeds from dissolution of associates	11.1	1,557,221	509,700	-	509,700
Payments for investments in subsidiaries	10	-	(187,500)	(2,000,000)	(2,737,449)
Payment for investments in associates and joint ventures	11.2	(1,499,950)	(509,700)	-	(509,700)
Proceeds from short-term loans to related parties	29.7	2,900,000	21,794,238	13,400,000	5,996,866
Payment for short-term loans to related parties	29.7	(3,750,000)	(11,485,248)	(271,750,000)	(5,400,000)
Proceeds from short-term loans to third parties		1,292,131	-	-	-
Payment for short-term loans to third parties		-	(1,292,131)	-	-
Payment for long-term loans to related parties	29.8	-	(8,800,000)	-	-
Proceeds from long-term loans to related parties	29.8	8,800,000	4,800,000	-	-
Net payments for short-term investments		-	15,204,934	-	-
Net received (payments) for restricted deposits		48,820	(899,849)	-	-
Dividends received in cash from subsidiaries	10	-	-	167,783,000	38,666,852
Dividends received in cash from associates and joint ventures	11	16,120,151	1,376,676	12,101,691	-
Proceeds from transferred business from subsidiary		-	-	-	5,390,880
<b>Net (used in) cash receipts from investing activities</b>		<b>(59,801,518)</b>	<b>8,916,304</b>	<b>(79,463,667)</b>	<b>47,677,278</b>

Director \_\_\_\_\_  
(Mr. Tipp Dalal)

Director \_\_\_\_\_  
(Mr. Viraj Nobnomtham)

The accompanying notes on pages 15 to 63 are an integral part of these consolidated and separate financial statements.

Triple i Logistic Public Company Limited

Statements of Cash Flows

For the year ended 31 December 2017

	Notes	Consolidated financial statements		Separate financial statements	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Cash flows from financing activities</b>					
Interest paid		(6,257,029)	(5,585,571)	(672,628)	(105,687)
(Decrease) increase in bank overdrafts and short-term loans from financial institutions		(40,758,748)	24,303,356	-	(7,000,000)
Decrease in finance lease liabilities		(9,267,316)	(11,929,477)	(3,742,422)	(614,257)
Proceeds from short-term loans from related parties	29.9	60,000,000	4,887,389	60,000,000	-
Repayment of short-term loans from related parties	29.9	(60,000,000)	(18,119,526)	(60,000,000)	(4,750,000)
Repayments of long-term loans from financial institutions	17.2	(8,459,434)	(16,249,513)	-	-
Payment for capital to non-controlling interest from dissolution of subsidiaries		-	(2,746,124)	-	-
Proceeds from increase in share capital, net	21	775,215,894	-	775,215,894	-
Dividends paid	22	(129,050,000)	-	(129,050,000)	-
<b>Net cash receipts from (used in) financing activities</b>		<b>581,423,367</b>	<b>(25,439,466)</b>	<b>641,750,844</b>	<b>(12,469,944)</b>
<b>Net increase in cash and cash equivalents</b>		<b>524,465,324</b>	<b>124,221,708</b>	<b>544,355,372</b>	<b>20,884,097</b>
Cash and cash equivalents at the beginning of the year		226,214,951	103,077,079	38,620,580	17,736,483
Currency translation differences		(4,217,123)	(1,083,836)	-	-
<b>Cash and cash equivalents at the ending of the year</b>		<b>746,463,152</b>	<b>226,214,951</b>	<b>582,975,952</b>	<b>38,620,580</b>
<b>Non-cash transactions</b>					
Outstanding finance lease liabilities		30,437,957	24,297,273	14,329,914	6,901,535
Dividends receivable		32,498,220	-	32,498,220	-
Purchases of fixed assets not yet paid		9,726,112	23,270,539	687,625	7,602,344
Payables from transfer of business from a subsidiary		-	-	-	50,232,227

Director \_\_\_\_\_  
(Mr. Tipp Dalal)

Director \_\_\_\_\_  
(Mr. Viraj Nobnomtham)

The accompanying notes on pages 15 to 63 are an integral part of these consolidated and separate financial statements.

**Triple i Logistics Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2017**

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**1 General information**

Triple i Logistics Public Company Limited (the “Company”) is a public company listed in the Stock Exchange of Thailand. The Company is incorporated and resides in Thailand. The address of the Company’s registered office is as follows:

628, 3rd Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120, Thailand.

On 28 February 2017, the Board of Directors’ Meeting No. 1/2560 approved the transformation of the Company from a private company to a public company and, thereby, approved the change of the Company’s name from “Triple i Logistics Company Limited” to “Triple i Logistics Public Company Limited”. The Company registered the transformation to a public company and the change of the Company’s name to the Ministry of Commerce on 21 March 2017.

On 25 July 2017, the Thailand Securities and Exchange Commissions (the “Thailand SEC”) endorsed the listing of the Company’s ordinary shares in the Stock Exchange of Thailand under the category of transportation and logistics. The Company’s ticker symbol is “III”.

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

The principal business operations of the Group are domestic and international freight forwarding and integrated logistics services provider.

The consolidated financial statements include the following subsidiaries:

Subsidiaries	Nature of business	Country of incorporation	Percentage of shareholding (Direct and indirect holding)	
			2017 %	2016 %
Asia Ground Service Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00
Triple i Air Express Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00
Triple i Asia Cargo Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00
Triple i GSA Cargo Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00
HazChem Logistics Management Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00
Triple i Supplychain Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00
Triple i Maritime Agencies Co., Ltd.	Ocean freight forwarding	Thailand	100.00	100.00
DG Packaging (Thailand) Co., Ltd.	Selling packages and providing packing services	Thailand	100.00	100.00
Cross Border Couriers Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00
Triple i International Pte. Ltd.	Air freight forwarding	Singapore	100.00	100.00
Triple i International Japan Co., Ltd.	Air freight forwarding	Japan	100.00	100.00

The consolidated and separate financial statements were authorised by the Board of Directors on 20 February 2018.

## **2 Accounting policies**

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

### **2.1 Basis of preparation**

The financial statements for the year ended 31 December 2017 have been prepared in accordance with Thai generally accepted accounting principles under the Accounting Act B.E. 2543, being those Thai Financial Reporting Standards issued under the Accounting Profession Act B.E. 2547.

The consolidated and separate financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated and separate financial statements are disclosed in Note 4.

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

### **2.2 Revised financial reporting standards and related interpretations**

2.2.1 Revised financial reporting standards and interpretation effective for annual periods beginning on or after 1 January 2017 that are relevant and have a significant impact to the Group are as follows:

TAS 1 (revised 2016)	Presentation of financial statements
TAS 27 (revised 2016)	Separate financial statements

TAS 1 (revised 2016): the amendments provide clarifications on a number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals - line items specified in TAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes - confirmation that the notes do not need to be presented in a particular order.
- Other comprehensive income ("OCI") arising from investments accounted for under the equity method - the share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.

TAS 27 (revised 2016): the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method as described in TAS 28. While current TAS 27 allows entities to measure their investments in subsidiaries, joint ventures and associates either at cost or at fair value (when announced). The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). Entities wishing to change to the equity method must do so retrospectively.

The above standards do not have a material impact on the Group.

**2 Accounting policies (continued)**

**2.2 Revised financial reporting standards and related interpretations (continued)**

2.2.2 Revised financial reporting standards effective for annual periods beginning on or after 1 January 2018 that are significant and relevant to the Group but have not been early adopted are as follows:

TAS 7 (revised 2017)	Statement of cash flows
TAS 12 (revised 2017)	Income taxes

TAS 7 (revised 2017): the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017): the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

The Group's management assessed and considered that the above revised standards will not have a material impact on the Group except for disclosure.

**2.3 Group Accounting - Investments in subsidiaries and associates, and interests in joint ventures**

(1) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

**2 Accounting policies (continued)**

**2.3 Group Accounting - Investments in subsidiaries and associates, and interests in joint ventures (continued)**

(1) Subsidiaries (continued)

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains or loss on transactions between Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements, investments in subsidiaries are accounted for at cost less impairment.

(2) Transactions and non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(3) Disposal of subsidiaries

When the Group ceases to have control, any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

(4) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% to 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of its associates' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to share of profit/(loss) of associates in the income statement.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

**2 Accounting policies (continued)**

**2.3 Group Accounting - Investments in subsidiaries and associates, and interests in joint ventures (continued)**

(4) Associates (continued)

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in profit or loss.

In the separate financial statements, investments in associates are accounted for at cost less impairment.

(5) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements, investments in joint ventures are accounted for at cost less impairment.

**2.4 Foreign currency translation**

2.4.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are stated in Thai Baht, which is the Company's functional and presentation currency.

2.4.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

**2 Accounting policies** (continued)

**2.4 Foreign currency translation** (continued)

2.4.3 Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised as other comprehensive income.

**2.5 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less from the date of acquisition.

**2.6 Trade accounts receivable**

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in administrative expenses.

**2.7 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the first-in, first-out method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

**2.8 General investments**

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to the statement of income.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

**2 Accounting policies (continued)**

**2.9 Investment property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

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

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

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

Buildings	20 years
Building improvement	5 and 15 years

**2.10 Property, plant and equipment**

Property, plant and equipment is stated at cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

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

Buildings	20 years
Building improvement	5 years
Equipment and office furniture	5 years
Vehicles	5 years
Furniture and fixtures	5 years
Office equipment	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'other income/(expenses) – net' in profit or loss.

**2.11 Intangible assets**

*Computer software*

Expenditure on acquired computer software is capitalised as intangible asset on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line method over its estimated useful lives of 5 years.

Cost of maintenance are recognised as an expense as incurred.

## 2 Accounting policies (continued)

### 2.12 Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

### 2.13 Leases - where the Group is a lessee

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

Leases of property, plant or equipment which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the statement of income over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset or the lease term.

#### Leases - where the Group is a lessor

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

### 2.14 Borrowings

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised as expenses in the period in which they are incurred.

**2 Accounting policies (continued)**

**2.15 Employee benefits**

(a) Short-term benefits

The Group recognises a liability and an expense for bonuses and expected benefit where contractually obliged or where there is a past practice that has created a constructive obligation.

(b) Retirement benefits

The Group operates retirement benefits schemes which include defined benefit and defined contribution plans.

A defined contribution plan is a retirement plan under which the Group pays fixed contributions into a separate fund. The fund is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

A defined benefit plan is a retirement plan following the Thai labour law and the Group's policy for employment. The liability recognised in the statement of financial position in respect of defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

(c) Other long-term benefits

The Group operates other long-term benefits for employees who complete the service years according to the Group's policy. The liability recognised in the statement of financial position in respect of other long-term benefit is present value of the other long-term benefit obligation at the end of the reporting period. The other long-term benefit is calculated by independent actuaries using the projected unit credit method.

Remeasurement and past-service costs are recognised immediately in profit or loss.

**2.16 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events. It is probable that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

**2.17 Current and deferred income taxes**

The tax expense for the period comprises current and deferred taxes. Taxes are recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Group's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

**2 Accounting policies (continued)**

**2.17 Current and deferred income taxes (continued)**

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

**2.18 Share-based payments**

The Company operated a number of equity-settled, share-based compensation plans in exchange for past performance of the management of the Group. This was part of the shareholding restructuring of the Group's management. The number of shares issued to each member of the management reflects their past performance. The total amount to be expensed is determined by reference to the fair value of the shares issued:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions and
- excluding the impact of any non-vesting conditions.

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The grant by the Group of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary, in separate financial statement undertakings, with a corresponding credit to equity.

**2.19 Revenue recognition**

Service revenue comprises the fair value of the consideration received or receivable, net of rebates and discounts. Service income is recognised when services have been rendered.

Revenue from sales of goods as normal business of the Group comprises the fair value of consideration received or receivable for the sale of goods, net of value-added tax, returns, rebates and discounts, and after eliminating sales within the Group. Revenue from sales of goods is recognised when significant risks and rewards of ownership of the goods are transferred to the buyer.

Interest income and other income are recognised on an accrual basis in accordance with the substance of the relevant agreements.

Dividend income is recognised upon entitlement.

**2 Accounting policies (continued)**

**2.20 Dividends**

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's Board of Directors or shareholders.

**2.21 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Managing Director that makes strategic decisions.

**2.22 Business combination under common control**

The Group recognises acquisition of subsidiaries' assets from the acquisition and transfer of entire business with subsidiaries under common control as the pooling of interest in the consolidated financial statements. The Group prepares the consolidated financial statements retrospectively as if the Group controlled the subsidiaries from the beginning. In this regard, the Group recognises surplus from business combination under common control arising from such acquisition under equity in the statement of financial position on the date the Group acquires and transfers entire business. The amount of surplus from business combination under common control is the difference between the acquisition cost and the carrying amount at the acquisition date.

**2.23 Financial instrument**

Financial assets carried in the statement of financial position include cash and cash equivalents short-term investment, trade and other receivables, short-term loans to related parties and third parties and restricted deposits at financial institutions. Financial liabilities carried in the statement of financial position include bank overdrafts and short-term loans from financial institutions, trade and other payables, financial lease liabilities and long-term loans from financial institutions. The carrying amount of financial assets and financial liabilities approximates the fair value except long-term loans with interest charged at the fixed rates.

**3 Financial risk management**

**3.1 Financial risk management**

The Group's activities are exposed to a variety of financial risks, such as market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

**3.1.1 Foreign exchange risk**

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

**3.1.2 Interest rate risk**

Revenue and cash flows from operations of the Group are not subject to changes in market interest rates.

The Group's income and operating cash flows are not substantially independent of changes in market interest rates. The Group has interest rate risk from loans with interest charged at the floating and fixed rates. However, The Group does not use interest rate swaps to hedge certain exposures because the management believes that the fluctuation in interest rates does not have significant impact to the Group.

**3 Financial risk management** (continued)

**3.1 Financial risk management** (continued)

**3.1.3 Credit risk**

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any one financial institution.

**3.1.4 Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group Treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

**3.2 Fair value estimation**

Financial assets of the Group that are carried in the statement of financial position include cash and cash equivalents, short-term investments, trade and other receivables, short-term loans to related parties, short-term loans to other parties, long-term loans to related parties and investment property. Financial liabilities of the Group that are carried in the statement of financial position include bank overdrafts and short-term loans from financial institutions, trade and other payables, short-term loans from other parties, short-term loans from related parties, long-term loans from financial institutions, and finance lease liabilities.

The carrying amounts of the financial assets and financial liabilities approximate their fair values, except long-term loans to related parties with fixed interest rates and investment property.

The Group discloses fair value by valuation method. The different levels have been defined as follows:

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

The Group discloses fair values of financial instruments in the following notes.

Long-term loans to related parties at fixed interest rates: Note 29.8  
Investment properties: Note 12

#### **4 Critical accounting estimates, assumptions and judgements**

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

##### 1) Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgements and estimate losses which are expected to occur for uncollectable accounts receivable. The Group considers allowance for doubtful accounts based on historical collection experience and analysis of receivable at year-end.

##### 2) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

##### 3) Retirement benefits

The present value of the retirement benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions including discount rate. Any changes in these assumptions will have an impact on the carrying amount of retirement benefits obligations.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefits obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement benefits liability.

##### 4) Share-based payments

The appraisal of fair value of equity security is carried out using appropriate equity valuation technique at the valuation date based on relevant factors and assumptions. Relevant factors and assumption that the Group uses in the appraising the fair value of equity security are price per earnings ratio, and market discount rate. The Group uses the price per earnings ratio of the securities registered in the market during the same period as the appraisal date and in the same industry with the Group. The discount rate that the Group uses are based on the historical analysis of value of those securities registered in the market.

#### **5 Capital risk management**

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

**6 Cash and cash equivalents**

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash on hand	327,493	3,070,490	9,529	-
Cheques on hand	213,465	3,959,441	-	-
Deposits at financial institutions				
- current accounts	56,217,372	174,887,519	3,077,531	33,222,908
- savings accounts	188,991,945	44,297,501	79,271,837	5,397,672
- fixed deposit accounts	500,712,877	-	500,617,055	-
	<u>746,463,152</u>	<u>226,214,951</u>	<u>582,975,952</u>	<u>38,620,580</u>

As at 31 December 2017, deposits at financial institutions - savings accounts bear an interest rate of 0.25% - 1.00% per annum (2016: 0.50% per annum), fixed deposit with maturity during 2-3 months bear an interest rate of 0.37% - 1.25% per annum (2016 : nil).

**7 Short-term investments**

Short-term investments as at 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Fixed deposit with maturities not over 12 months	4,132,988	4,086,742	-	-
	<u>4,132,988</u>	<u>4,086,742</u>	<u>-</u>	<u>-</u>

As at 31 December 2017, fixed deposit with maturity at 12 months bear interest rates of 0.80% - 1.30% per annum (2016: 0.80% - 1.50% per annum).

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8 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade receivables - other parties	305,963,725	358,035,590	16,719,590	20,947,848
<u>Less</u> Allowance for doubtful accounts	<u>(7,761,601)</u>	<u>(10,262,364)</u>	<u>(371,159)</u>	<u>(571,936)</u>
Trade receivables - other parties, net	298,202,124	347,773,226	16,348,431	20,375,912
Prepaid expenses	9,819,401	15,416,735	497,353	525,337
Accrued income	76,535,977	91,250,096	4,763,494	2,016,023
Other receivables	6,842,820	6,927,576	544,071	683,879
Trade receivables - related parties (Note 29.5)	14,842,886	46,904,899	29,244,343	5,432,514
Dividends receivable - related parties (Note 29.6)	-	-	32,498,220	-
	<u>406,243,208</u>	<u>508,272,532</u>	<u>83,895,912</u>	<u>29,033,665</u>

Outstanding trade accounts receivable as at 31 December can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<u>Trade receivables - third parties</u>				
Less than 3 months	263,562,715	308,804,120	13,793,802	19,839,908
3 - 6 months	20,885,366	22,451,000	2,327,693	374,058
6 - 12 months	12,487,034	23,096,230	233,842	733,882
Over 12 months	9,028,610	3,684,240	364,253	-
	305,963,725	358,035,590	16,719,590	20,947,848
<u>Less</u> Allowance for doubtful accounts	<u>(7,761,601)</u>	<u>(10,262,364)</u>	<u>(371,159)</u>	<u>(571,936)</u>
	<u>298,202,124</u>	<u>347,773,226</u>	<u>16,348,431</u>	<u>20,375,912</u>
<u>Trade receivables - related parties</u> (Note 29.5)				
Less than 3 months	14,842,886	30,781,061	29,244,343	5,432,514
3 - 6 months	-	11,494,003	-	-
Over 12 months	-	4,629,835	-	-
	<u>14,842,886</u>	<u>46,904,899</u>	<u>29,244,343</u>	<u>5,432,514</u>

9 Other current assets

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Input VAT	218,570	285,905	-	-
Undue input VAT	5,583,854	5,205,760	813,900	584,644
Refundable VAT	5,664,684	12,029,902	136,324	-
Advances	6,175,715	-	-	-
Others	3,887,688	1,884,595	-	-
	<u>21,530,511</u>	<u>19,406,162</u>	<u>950,224</u>	<u>584,644</u>

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**10 Investments in subsidiaries**

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Subsidiaries	-	-	55,698,570	53,698,570

The movements of investments in subsidiaries are as follows:

Subsidiaries	Separate financial statements	
	2017 Baht	2016 Baht
As at 1 January	53,698,570	106,458,721
Additional investment	2,000,000	2,737,449
Dissolution of subsidiaries	-	(55,497,600)
As at 31 December	55,698,570	53,698,570

The details of investments in subsidiaries as at 31 December are as follows:

Company	Nature Business	Country of incorporation	Shareholding Direct and indirect		Separate financial statements Cost	
			2017	2016	2017	2016
			%	%	Baht	Baht
Asia Ground Service Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00	24,999,800	24,999,800
Triple i Air Express Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00	5,499,780	5,499,780
Triple i Asia Cargo Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00	2,499,900	2,499,900
Triple i GSA Cargo Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00	2,499,900	2,499,900
HazChem Logistics Management Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00	5,499,780	5,499,780
Triple i Supplychain Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00	4,999,800	4,999,800
Triple i Maritime Agencies Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00	5,299,780	3,299,780
DG Packaging (Thailand) Co., Ltd.	Package and packaging services	Thailand	100.00	100.00	1,099,880	1,099,880
Cross Border Couriers Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00	749,950	749,950
Triple i International Pte. Ltd.	Air freight forwarding	Singapore	100.00	100.00	2,550,000	2,550,000
Triple i International Japan Co., Ltd.	Air freight forwarding	Japan	100.00	100.00	-	-
					55,698,570	53,698,570

**Changes in investments in subsidiaries in 2017**

Additional investment in increased share capital of a subsidiary

On 23 February 2017, the Company made additional investment in Triple i Maritime Agencies Co., Ltd., a subsidiary that increased its share capital by issuing 70,000 ordinary shares at a par value of Baht 100. The Company paid for 20,000 shares at the amount of Baht 2 million.

Dividends paid

The Board of Director's Meeting No. 1/2560 on 9 February 2017 of Triple i Air Express Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 200 per share for 50,000 shares, totalling Baht 10 million. The subsidiary paid the dividends on 23 February 2017.

The Board of Director's Meeting No. 1/2560 on 9 February 2017 of Triple i Asia Cargo Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 200 per share for 50,000 shares, totalling Baht 10 million. The subsidiary paid the dividends on 23 February 2017.

The Board of Director's Meeting No. 1/2560 on 9 February 2017 of Triple i GSA Cargo Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 200 per share for 50,000 shares, totalling Baht 10 million. The subsidiary paid the dividends on 23 February 2017.

**10 Investments in subsidiaries (continued)**

**Changes in investments in subsidiaries in 2017 (continued)**

Dividends paid (continued)

The Board of Director's Meeting No. 1/2560 on 9 February 2017 of HazChem Logistics Management Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 300 per share for 50,000 shares, totalling Baht 15 million. The subsidiary paid the dividends on 23 February 2017.

The Board of Director's Meeting No. 1/2560 on 9 February 2017 of DG Packaging (Thailand) Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 350 per share for 10,000 shares, totalling Baht 3.50 million. The subsidiary paid the dividends on 24 February 2017.

The Board of Director's Meeting No. 1/2560 on 9 February 2017 of Triple i International Pte. Ltd., the Company's subsidiary in Singapore, approved the interim dividend payment to the shareholders of 2 Singapore dollars per share for 100,000 shares, totalling 200,000 Singapore dollars, which approximated Baht 4.91 million. The subsidiary paid the dividends on 1 March 2017.

The Board of Director's Meeting No. 1/2560 on 17 February 2017 of Triple i Supplychain Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 70 per share for 50,000 shares, totalling Baht 3.50 million. The subsidiary paid the dividends on 23 February 2017. Subsequently, the Board of Director's Meeting No. 3/2560 on 22 June 2017 of Triple i Supplychain Co., Ltd., the Company's subsidiary, revoked such interim dividend payment because the service revenues from one major customer of that subsidiary substantially decreased. The subsidiary received the return of dividends on 30 June 2017.

The Board of Director's Meeting No. 1/2560 on 17 February 2017 of Triple i Maritime Agencies Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 100 per share for 30,000 shares, totalling Baht 3 million. The subsidiary paid the dividends on 23 February 2017.

The Board of Director's Meeting No. 4/2560 on 5 June 2017 of HazChem Logistics Management Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 320 per share for 50,000 shares, totalling Baht 16 million. The subsidiary paid the dividends on 21 June 2017.

The Board of Director's Meeting No. 4/2560 on 5 June 2017 of DG Packaging (Thailand) Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 350 per share for 10,000 shares, totalling Baht 3.50 million. The subsidiary paid the dividends on 28 June 2017.

The Board of Director's Meeting No. 5/2560 on 5 June 2017 of Triple i Maritime Agencies Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 40 per share for 100,000 shares, totalling Baht 4 million. The subsidiary paid the dividends on 29 June 2017.

The Board of Director's Meeting No. 6/2560 on 5 June 2017 of Triple i Air Express Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 200 per share for 50,000 shares, totalling Baht 10 million. The subsidiary paid the dividends on 30 June 2017.

The Board of Director's Meeting No. 6/2560 on 5 June 2017 of Triple i Asia Cargo Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 500 per share for 50,000 shares, totalling Baht 25 million. The subsidiary paid the dividends on 13 July 2017.

The Board of Director's Meeting No. 4/2560 on 5 June 2017 of Triple i GSA Cargo Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 200 per share for 50,000 shares, totalling Baht 10 million. The subsidiary paid the dividends on 14 July 2017.

The Board of Director's Meeting No. 2/2560 on 12 December 2017 of Triple i International Pte. Ltd., the Company's subsidiary in Singapore, approved the interim dividend payment to the shareholders of 12.5 United States dollar per share for 100,000 shares, totalling 1,250,000 United States dollar, which approximated Baht 40.88 million. The subsidiary paid the dividends on 26 December 2017.

The Board of Director's Meeting No. 4/2560 on 12 December 2017 of Triple i GSA Cargo Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 40 per share for 50,000 shares, totalling Baht 2 million. The subsidiary paid the dividends on 27 December 2017.

The Board of Director's Meeting No. 6/2560 on 12 December 2017 of HazChem Logistics Management Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 360 per share for 50,000 shares, totalling Baht 18 million. The subsidiary paid the dividends on 12 January 2018.

**10 Investments in subsidiaries (continued)**

**Changes in investments in subsidiaries in 2017 (continued)**

Dividends paid (continued)

The Board of Director's Meeting No. 5/2560 on 12 December 2017 of DG Packaging (Thailand) Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 350 per share for 10,000 shares, totalling Baht 3.50 million. The subsidiary paid the dividends on 12 January 2018.

The Board of Director's Meeting No. 8/2560 on 12 December 2017 of Triple i Maritime Agencies Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 40 per share for 100,000 shares, totalling Baht 4 million. The subsidiary paid the dividends on 18 January 2018.

The Board of Director's Meeting No. 7/2560 on 12 December 2017 of Triple i Asia Cargo Co., Ltd., the Company's subsidiary, approved the interim dividend payment to the shareholders of Baht 140 per share for 50,000 shares, totalling Baht 7 million. The subsidiary paid the dividends on 18 January 2018.

**11 Investments in associates and joint ventures**

The amounts recognised in statement of financial position are as follows:

Share profit from investments in associates and joint ventures

<b>As at 31 December</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Associates	21,890,831	21,933,820	5,065,215	5,065,215
Joint ventures	15,981,014	16,400,161	187,494	187,494
	<u>37,871,845</u>	<u>38,333,981</u>	<u>5,252,709</u>	<u>5,252,709</u>

The amounts recognised in statement of comprehensive income are as follows:

<b>For the year ended 31 December</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Associates	14,578,701	9,615,194	-	-
Joint ventures	2,099,364	4,544,215	-	-
	<u>16,678,065</u>	<u>14,159,409</u>	<u>-</u>	<u>-</u>

11 Investments in associates and joint ventures (continued)

11.1 Investments in associates

Company	Nature of business	Country of incorporation	Shareholding direct and indirect		Cost (direct investment)		Investment value under equity method	
			2017 %	2016 %	2017 Baht	2016 Baht	2017 Baht	2016 Baht
CK Line (Thailand) Co., Ltd	International Maritime shipping agency	Thailand	42.00	42.00	2,100,000	2,100,000	6,539,189	2,361,150
ECU Worldwide (Thailand) Co., Ltd.	International freight forwarding	Thailand	43.00	43.00	2,365,215	2,365,215	3,881,023	6,325,622
Excel Air Limited	Airfreight agency	Thailand	30.00	30.00	600,000	600,000	3,739,464	5,746,408
Sky Star Transports Co., Ltd.	International Maritime shipping agency	Thailand	-	20.00	-	-	-	1,556,025
Excel Air Limited	Airfreight agency	Hong Kong	20.00	20.00	-	-	2,539,691	2,405,389
Freightworks GSA (HK) Limited	Airfreight agency	Hong Kong	20.00	20.00	-	-	3,455,181	2,582,281
Excel Air (Guangzhou) Limited	Airfreight agency	China	25.00	25.00	-	-	1,736,283	956,945
					<u>5,065,215</u>	<u>5,065,215</u>	<u>21,890,831</u>	<u>21,933,820</u>

**Changes in investments in associates in 2017**

Dividends paid

The Board of Director's Meeting No. 1/2560 on 9 February 2017 of ECU Worldwide (Thailand) Co., Ltd., the Group's associate, approved the interim dividend payment at Baht 140 per share for 50,000 ordinary shareholders, totalling Baht 7 million. The Company received the dividends of Baht 3.01 million on 24 February 2017.

The Board of Director's Meeting No. 3/2560 on 5 June 2017 of ECU Worldwide (Thailand) Co., Ltd., the Group's associate, approved the interim dividend payment at Baht 140 per share for 50,000 ordinary shareholders, totalling Baht 7 million. The Company received the dividends of Baht 3.01 million on 23 June 2017.

The Extraordinary Meeting of Shareholders No. 1/2560 on 5 June 2017 of Excel Air Limited, the Group's associate, approved the interim dividend payment at Baht 727 per share for 20,000 ordinary shareholders, totalling Baht 14.54 million. The Company received the dividends of Baht 4.36 million on 24 July 2017.

The Board of Director's Meeting No. 4/2560 on 12 December 2017 of ECU Worldwide (Thailand) Co., Ltd., the Group's associate, approved the interim dividend payment at Baht 80 per share for 50,000 ordinary shareholders, totalling Baht 4 million. The Company received the dividends of Baht 1.72 million on 20 December 2017.

11 Investments in associates and joint ventures (continued)

11.1 Investments in associates (continued)

Changes in investments in associates in 2017 (continued)

Summary of financial information of significant associates

Set out below are the summarised financial information for CK Line (Thailand) Company Limited, Excel Air Limited and ECU Worldwide (Thailand) Co., Ltd. which are accounted for using the equity method.

Summarised statements of financial position

	CK Line (Thailand) Co., Ltd.		Excel Air Limited		ECU Worldwide (Thailand) Co., Ltd.	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>As at 31 December</b>						
<b>Current portion</b>						
Cash and cash equivalents	34,743,525	8,209,829	3,515,257	21,670,365	9,360,856	12,023,868
Other current assets (exclude cash)	8,324,429	14,325,476	69,884,325	88,200,021	40,866,528	60,204,282
<b>Total current assets</b>	<b>43,067,954</b>	<b>22,535,305</b>	<b>73,399,582</b>	<b>109,870,386</b>	<b>50,227,384</b>	<b>72,228,150</b>
Other current liabilities (include accounts payable)	30,043,828	42,001,851	61,452,392	91,413,909	40,443,984	60,292,165
<b>Total current liabilities</b>	<b>30,043,828</b>	<b>42,001,851</b>	<b>61,452,392</b>	<b>91,413,909</b>	<b>40,443,984</b>	<b>60,292,165</b>
<b>Non-current portion</b>						
Non-current assets	5,769,747	32,810,935	517,689	698,218	5,096,739	7,922,190
Other non-current liabilities	3,224,375	7,722,602	-	-	5,854,504	5,147,425
<b>Net assets</b>	<b>15,569,498</b>	<b>5,621,787</b>	<b>12,464,879</b>	<b>19,154,695</b>	<b>9,025,635</b>	<b>14,710,750</b>

Summarised statements of comprehensive income

	CK Line (Thailand) Co., Ltd.		Excel Air Limited		ECU Worldwide (Thailand) Co., Ltd.	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>For the year ended 31 December</b>						
Revenue	68,942,300	76,965,648	277,856,734	306,780,280	217,192,078	205,659,329
<b>Net income for the year</b>	<b>9,947,712</b>	<b>3,692,993</b>	<b>10,264,878</b>	<b>8,898,418</b>	<b>12,314,886</b>	<b>9,759,896</b>

These information are amounts included in consolidated financial statement of associates (which are not only part of the Group in the associates) and adjusted for differences between accounting policies of the Group and the associates.

Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates

	CK Line (Thailand) Co., Ltd.		Excel Air Limited		ECU Worldwide (Thailand) Co., Ltd.	
	As at 31 December		As at 31 December		As at 31 December	
Summarised financial information	2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Net assets as at year end</b>	<b>15,569,498</b>	<b>5,621,787</b>	<b>12,464,879</b>	<b>19,154,695</b>	<b>9,025,635</b>	<b>14,710,750</b>
Interest in associates (%)	42	42	30	30	43	43
<b>Carrying value</b>	<b>6,539,189</b>	<b>2,361,150</b>	<b>3,739,464</b>	<b>5,746,408</b>	<b>3,881,023</b>	<b>6,325,622</b>

11 Investments in associates and joint ventures (continued)

11.1 Investments in associates (continued)

**Individually insignificant associates**

In addition to the interest in associates as disclosed above, the Group also has interests in insignificant associates that are accounted for using the equity method.

	<b>2017</b>	<b>2016</b>
	<b>Baht</b>	<b>Baht</b>
Aggregate carrying amount of individually insignificant associates accounted for using the equity method	7,731,155	7,500,637
Net profit	12,108,097	4,826,851
Comprehensive income	12,108,097	4,826,851

11 Investments in associates and joint ventures (continued)

11.2 Investments in joint ventures

Company	Nature of business	Country of incorporation	Shareholding, both direct and indirect		Cost (direct investment)		Investment value under equity method	
			2017 %	2016 %	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Asia Network International Co., Ltd.	International freight forwarding	Thailand	60.00	60.00	187,494	187,494	957,929	859,044
CWT Chemical Logistics Co., Ltd.	Domestic freight forwarding	Thailand	51.00	51.00	-	-	1,883,103	2,130,623
HazChem Trans Management Co., Ltd.	Domestic freight forwarding	Thailand	60.00	60.00	-	-	5,067,114	3,872,237
GSA Asia Cargo Co., Ltd.	Air freight forwarding	Myanmar	60.00	60.00	-	-	2,152,921	2,203,671
GSA Cargo Network (Myanmar) Co., Ltd.	Airfreight agency	Myanmar	50.00	50.00	-	-	1,693,304	2,002,624
HazChem Logistics Management Pte. Ltd.	Air freight forwarding for chemical goods	Singapore	55.00	55.00	-	-	4,226,643	5,331,962
					187,494	187,494	15,981,014	16,400,161

The Company does not have control power over joint ventures despite shareholding over 50% in some joint ventures because this is a joint control as stipulated in the joint venture agreements.

**Changes in investments in joint ventures in 2017**

Dividends paid

The Extraordinary Meeting of Shareholders No. 2/2560 on 5 June 2017 of HazChem TransManagement Co., Ltd., the Group's joint venture, approved the interim dividend payment at Baht 90 per share for 50,000 ordinary shareholders, totalling Baht 4.50 million. The Group received the dividends of Baht 2.70 million on 22 June 2017.

The Board of Director's Meeting No. 1/2560 on 28 April 2017 of HazChem Logistics Management Pte. Ltd. the Group's joint venture in Singapore, approved the interim dividend payment to the shareholders of 1 Singapore dollars per share for 100,000 shares, totalling 100,000 Singapore dollars, which approximated Baht 2.39 million. The Group received the dividends of Baht 1.32 on 29 November 2017.

Increase in paid-up capital in the investment in joint venture

On 22 December 2017, HazChem Logistics Management Co., Ltd, a subsidiary, made additional paid-up capital payment in HazChem TransManagement Co., Ltd., the Company's joint venture (indirect holding) for the remaining 50% for its 29,999 shares with the par value of Baht 100. The subsidiary already paid the paid-up capital of Baht 1.49 million. The shareholding nevertheless remains unchanged.

11 Investments in associates and joint ventures (continued)

11.2 Investments in joint ventures (continued)

Set out below are the summarised financial information of significant joint ventures which are accounted for using the equity method.

Summarised statements of financial position

As at 31 December	GSA Asia Cargo Co., Ltd.		Hazchem Logistics Management Pte. Ltd.		CWT Chemical Logistics Co., Ltd.		Hazchem Trans Management Co., Ltd.		Total	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Current</b>										
Cash and cash equivalents	2,805,860	2,656,542	832,987	113,141	2,550,735	806,212	2,526,488	1,898,385	8,716,070	5,474,280
Other current assets (not including cash)	1,064,691	985,298	12,981,739	12,830,311	51,763	9,962,431	22,749,804	8,356,540	36,847,997	32,134,580
Total current assets	<b>3,870,551</b>	<b>3,641,840</b>	<b>13,814,726</b>	<b>12,943,452</b>	<b>2,602,498</b>	<b>10,768,643</b>	<b>25,276,292</b>	<b>10,254,925</b>	<b>45,564,067</b>	<b>37,608,860</b>
Other current liabilities (including trade payable)	282,349	-	6,335,890	3,422,176	25,900	8,633,849	17,020,967	4,983,960	23,665,106	17,039,985
Total current liabilities	282,349	-	6,335,890	3,422,176	25,900	8,633,849	17,020,967	4,983,960	23,665,106	17,039,985
<b>Non-current</b>										
Assets	-	30,945	205,969	173,201	1,233,340	2,160,476	282,349	1,240,658	1,721,658	3,605,280
Other non-current liabilities	-	-	-	-	117,579	117,579	92,401	57,894	209,980	175,473
Total non-current liabilities	-	-	-	-	117,579	117,579	92,401	57,894	209,980	175,473
<b>Net assets</b>	<b>3,588,202</b>	<b>3,672,785</b>	<b>7,684,805</b>	<b>9,694,477</b>	<b>3,692,359</b>	<b>4,177,691</b>	<b>8,445,273</b>	<b>6,453,729</b>	<b>23,410,639</b>	<b>23,998,682</b>

11 Investments in associates and joint ventures (continued)

11.2 Investments in joint ventures (continued)

Set out below are the summarised financial information of significant joint ventures which are accounted for using the equity method.

Summarised statements of comprehensive income

For the year ended 31 December	GSA Asia Cargo Co., Ltd.		Hazchem Logistics Management Pte. Ltd.		CWT Chemical Logistics Co., Ltd.		Hazchem Trans Management Co., Ltd.		Total	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Revenue	3,462,554	3,392,488	40,307,774	57,553,223	-	36,011,837	75,072,138	49,964,204	118,842,466	146,921,752
Depreciation and amortisation expenses	(17,343)	(69,976)	(207,182)	-	(191,949)	(210,967)	(65,723)	(41,984)	(482,197)	(322,927)
Interest income	-	-	-	-	8,165	21,335	13,154	16,413	21,319	37,748
Interest expense	-	-	-	-	-	-	(76,716)	-	(76,716)	-
<b>Profit (loss) before income tax</b>	<b>600,716</b>	<b>575,842</b>	<b>1,187,734</b>	<b>3,634,598</b>	<b>(485,333)</b>	<b>1,408,009</b>	<b>5,026,734</b>	<b>2,975,613</b>	<b>6,329,851</b>	<b>8,594,062</b>
Income tax expense	(117,288)	(115,050)	-	-	-	(297,429)	(1,043,925)	(625,080)	(1,161,213)	(1,037,559)
<b>Profit (loss) for the year</b>	<b>483,428</b>	<b>460,792</b>	<b>1,187,734</b>	<b>3,634,598</b>	<b>(485,333)</b>	<b>1,110,580</b>	<b>3,982,809</b>	<b>2,350,533</b>	<b>5,168,638</b>	<b>7,556,503</b>
<b>Total comprehensive income</b>	<b>483,428</b>	<b>460,792</b>	<b>1,187,734</b>	<b>3,634,598</b>	<b>(485,333)</b>	<b>1,110,580</b>	<b>3,982,809</b>	<b>2,350,533</b>	<b>5,168,638</b>	<b>7,556,503</b>

The above information are amounts included in the financial statements of joint ventures (which are not only part of the Group in the associates) that have been adjusted for differences between accounting policies of the Group and those of the joint ventures.

11 Investments in associates and joint ventures

11.2 Investments in joint ventures (continued)

Summarised financial information

	GSA Asia Cargo Co., Ltd.		Hazchem Logistics Management Pte. Ltd.		CWT Chemical Logistics Co., Ltd.		Hazchem Trans Management Co., Ltd.		Total	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht	2017 Baht	2016 Baht
As at 31 December										
Net assets at the year end	3,588,202	3,672,785	7,684,805	9,694,477	3,692,359	4,177,691	8,445,273	6,453,729	20,910,639	23,998,682
Interest in joint ventures (%)	60	60	55	55	51	51	60	60		
<b>Carrying value</b>	<b>2,152,921</b>	<b>2,203,671</b>	<b>4,226,643</b>	<b>5,331,962</b>	<b>1,883,103</b>	<b>2,130,623</b>	<b>5,067,114</b>	<b>3,872,237</b>	<b>13,329,781</b>	<b>13,538,492</b>

11 Investments in associates and joint ventures (continued)

11.2 Investments in joint ventures (continued)

Besides the interest in joint ventures as disclosed above, the Group also has interests in individually insignificant joint ventures that are accounted for by using the equity method as follows:

	2017 Baht	2016 Baht
Aggregate carrying amount of individually insignificant joint ventures	2,651,233	2,861,668
Net income (loss)	308,372	(134,872)
Comprehensive income	308,372	(134,872)

12 Investment properties, net

	Separate financial statements			Total Baht
	Land Baht	Building improvement Baht	Building Baht	
<b>As at 1 January 2016</b>				
Cost	-	-	-	-
<u>Less</u> Accumulated depreciation	-	-	-	-
<b>Net book amount</b>	-	-	-	-
<b>For the year ended 31 December 2016</b>				
Opening net book amount	-	-	-	-
Additions	-	36,659	-	36,659
Additions from the business transfer from subsidiary	32,517,000	46,883,087	15,785,531	95,185,618
Transfers from property, plant and equipment (Note 13)	-	666,553	-	666,553
Depreciation charges	-	(1,359,947)	(322,802)	(1,682,749)
<b>Closing net book amount</b>	32,517,000	46,226,352	15,462,729	94,206,081
<b>As at 31 December 2016</b>				
Cost	32,517,000	50,889,752	15,785,531	99,192,283
<u>Less</u> Accumulated depreciation	-	(4,663,400)	(322,802)	(4,986,202)
<b>Net book amount</b>	32,517,000	46,226,352	15,462,729	94,206,081
<b>For the year ended 31 December 2017</b>				
Opening net book amount	32,517,000	46,226,352	15,462,729	94,206,081
Additions	-	271,440	-	271,440
Depreciation charges	-	(3,443,063)	(965,759)	(4,408,822)
<b>Closing net book amount</b>	32,517,000	43,054,729	14,496,970	90,068,699
<b>As at 31 December 2017</b>				
Cost	32,517,000	51,161,192	15,785,531	99,463,723
<u>Less</u> Accumulated depreciation	-	(8,106,463)	(1,288,561)	(9,395,024)
<b>Net book amount</b>	32,517,000	43,054,729	14,496,970	90,068,699
Fair value				134,295,000

Fair value of investment properties was appraised by the independent appraiser using the market approach. The fair value is within level 2 of the fair value hierarchy.

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13 Property, plant and equipment, net

	Consolidated financial statements								
	Land Baht	Building Baht	Building improvement Baht	Tool and equipment Baht	Vehicles Baht	Furniture and fixtures Baht	Office equipment Baht	Construction in progress Baht	Total Baht
<b>As at 1 January 2016</b>									
Cost	33,432,000	88,458,659	15,168,787	20,093,039	62,307,807	21,138,642	44,313,325	-	284,912,259
Less Accumulated depreciation	-	(12,554,758)	(7,636,570)	(6,550,987)	(37,287,026)	(11,912,731)	(24,282,436)	-	(100,224,508)
<b>Net book amount</b>	<b>33,432,000</b>	<b>75,903,901</b>	<b>7,532,217</b>	<b>13,542,052</b>	<b>25,020,781</b>	<b>9,225,911</b>	<b>20,030,889</b>	<b>-</b>	<b>184,687,751</b>
<b>For the year ended 31 December 2016</b>									
Opening net book amount	33,432,000	75,903,901	7,532,217	13,542,052	25,020,781	9,225,911	20,030,889	-	184,687,751
Additions	-	78,159	20,000	20,868,189	9,433,467	2,656,646	16,021,686	-	49,078,147
Disposals, net	-	-	-	(5,235,223)	(561,824)	(103,419)	(692,091)	-	(6,592,557)
Write-offs, net	-	-	-	-	-	-	(6,239)	-	(6,239)
Depreciation charges	-	(4,670,131)	(2,128,840)	(5,323,670)	(9,085,177)	(3,546,608)	(7,426,618)	-	(32,181,044)
<b>Closing net book amount</b>	<b>33,432,000</b>	<b>71,311,929</b>	<b>5,423,377</b>	<b>23,851,348</b>	<b>24,807,247</b>	<b>8,232,530</b>	<b>27,927,627</b>	<b>-</b>	<b>194,986,058</b>
<b>As at 31 December 2016</b>									
Cost	33,432,000	74,037,392	15,188,787	33,769,595	48,457,579	21,872,739	56,869,768	-	283,627,860
Less Accumulated depreciation	-	(2,725,463)	(9,765,410)	(9,918,247)	(23,650,332)	(13,640,209)	(28,942,141)	-	(88,641,802)
<b>Net book amount</b>	<b>33,432,000</b>	<b>71,311,929</b>	<b>5,423,377</b>	<b>23,851,348</b>	<b>24,807,247</b>	<b>8,232,530</b>	<b>27,927,627</b>	<b>-</b>	<b>194,986,058</b>

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13 Property, plant and equipment, net (continued)

	Consolidated financial statements								
	Land Baht	Building Baht	Building improvement Baht	Tool and equipment Baht	Vehicles Baht	Furniture and fixtures Baht	Office equipment Baht	Construction in progress Baht	Total Baht
<b>For the year ended 31 December 2017</b>									
Opening net book amount	33,432,000	71,311,929	5,423,377	23,851,348	24,807,247	8,232,530	27,927,627	-	194,986,058
Reclassification, net	-	(45,878,696)	45,878,696	207,525	-	13,435	(220,960)	-	-
Additions	-	-	1,335,509	16,085,863	46,088,630	7,026,607	9,701,876	21,024,408	101,262,893
Disposals, net	-	-	-	(33,216)	(1,672,508)	(28,978)	(109,417)	-	(1,844,119)
Write-offs, net	-	-	-	-	-	(67,406)	(10)	-	(67,416)
Depreciation charges	-	(1,549,879)	(5,408,011)	(6,663,386)	(13,236,135)	(4,259,919)	(9,096,634)	-	(40,213,964)
Transfers, net	-	-	5,635,746	940,450	550,000	2,350,000	11,299,484	(20,775,680)	-
<b>Closing net book amount</b>	<b>33,432,000</b>	<b>23,883,354</b>	<b>52,865,317</b>	<b>34,388,584</b>	<b>56,537,234</b>	<b>13,266,269</b>	<b>39,501,966</b>	<b>248,728</b>	<b>254,123,452</b>
<b>As at 31 December 2017</b>									
Cost	33,432,000	27,117,646	69,079,788	50,571,554	88,493,469	31,053,967	77,467,956	248,728	377,465,108
Less Accumulated depreciation	-	(3,234,292)	(16,214,471)	(16,182,970)	(31,956,235)	(17,787,698)	(37,965,990)	-	(123,341,656)
<b>Net book amount</b>	<b>33,432,000</b>	<b>23,883,354</b>	<b>52,865,317</b>	<b>34,388,584</b>	<b>56,537,234</b>	<b>13,266,269</b>	<b>39,501,966</b>	<b>248,728</b>	<b>254,123,452</b>

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**13 Property, plant and equipment, net (continued)**

	Separate financial statements				Total Baht
	Building improvement Baht	Office equipment Baht	Furniture and fixtures Baht	Vehicle Baht	
<b>As at 1 January 2016</b>					
Cost	3,970,006	1,239,240	1,960,811	-	7,170,057
<u>Less</u> Accumulated depreciation	(3,303,453)	(1,180,354)	(1,861,493)	-	(6,345,300)
Net book amount	<u>666,553</u>	<u>58,886</u>	<u>99,318</u>	<u>-</u>	<u>824,757</u>
<b>For the year ended 31 December 2016</b>					
Opening net book amount	666,553	58,886	99,318	-	824,757
Additions	-	7,360,667	147,839	-	7,508,506
Additions from the business transfer from subsidiary (Note 10)	-	386,538	1,454,631	-	1,841,169
Transfers to investment properties (Note 12)	(666,553)	-	-	-	(666,553)
Depreciation charges	-	(201,977)	(264,622)	-	(466,599)
Closing net book amount	<u>-</u>	<u>7,604,114</u>	<u>1,437,166</u>	<u>-</u>	<u>9,041,280</u>
<b>As at 31 December 2016</b>					
Cost	-	8,986,445	3,563,282	-	12,549,727
<u>Less</u> Accumulated depreciation	-	(1,382,331)	(2,126,116)	-	(3,508,447)
Net book amount	<u>-</u>	<u>7,604,114</u>	<u>1,437,166</u>	<u>-</u>	<u>9,041,280</u>
<b>For the year ended 31 December 2017</b>					
Opening net book amount	-	7,604,114	1,437,166	-	9,041,280
Additions	-	376,870	888,570	10,192,820	11,458,260
Depreciation charges	-	(1,019,204)	(809,893)	(1,114,513)	(2,943,610)
Closing net book amount	<u>-</u>	<u>6,961,780</u>	<u>1,515,843</u>	<u>9,078,307</u>	<u>17,555,930</u>
<b>As at 31 December 2017</b>					
Cost	-	9,363,315	4,451,852	10,192,820	24,007,987
<u>Less</u> Accumulated depreciation	-	(2,401,535)	(2,936,009)	(1,114,513)	(6,452,057)
Net book amount	<u>-</u>	<u>6,961,780</u>	<u>1,515,843</u>	<u>9,078,307</u>	<u>17,555,930</u>

Leased assets included above, where the Group is a lessee under finance leases, comprised vehicles and server equipment with details as follows::

	Consolidated Financial statements		Separate Financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cost - capitalised finance leases	44,872,195	58,974,172	16,869,699	6,676,879
<u>Less</u> Accumulated depreciation	(10,183,170)	(16,348,299)	(1,876,906)	(95,071)
Net book amount	<u>34,689,025</u>	<u>42,625,873</u>	<u>14,992,793</u>	<u>6,581,808</u>

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14 Intangible assets, net

	Consolidated financial statements		
	Computer software Baht	Assets under installation Baht	Total Baht
<b>As at 1 January 2016</b>			
Cost	4,627,158	-	4,627,158
<u>Less</u> Accumulated amortisation	(3,257,667)	-	(3,257,667)
Net book amount	<u>1,369,491</u>	<u>-</u>	<u>1,369,491</u>
<b>For the year ended 31 December 2016</b>			
Opening net book amount	1,369,491	-	1,369,491
Additions	3,659,097	-	3,659,097
Amortisation charges	(532,754)	-	(532,754)
Closing net book amount	<u>4,495,834</u>	<u>-</u>	<u>4,495,834</u>
<b>As at 31 December 2016</b>			
Cost	8,286,255	-	8,286,255
<u>Less</u> Accumulated amortisation	(3,790,421)	-	(3,790,421)
Net book amount	<u>4,495,834</u>	<u>-</u>	<u>4,495,834</u>
<b>For the year ended 31 December 2017</b>			
Opening net book amount	4,495,834	-	4,495,834
Additions	3,188,927	3,974,735	7,163,662
Amortisation charges	(87,213)	-	(87,213)
Write-offs, net	(1,217,438)	-	(1,217,438)
Transfer in (out)	2,917,500	(2,917,500)	-
Closing net book amount	<u>9,297,610</u>	<u>1,057,235</u>	<u>10,354,845</u>
<b>As at 31 December 2017</b>			
Cost	14,142,682	1,057,235	15,199,917
<u>Less</u> Accumulated amortisation	(4,845,072)	-	(4,845,072)
Net book amount	<u>9,297,610</u>	<u>1,057,235</u>	<u>10,354,845</u>

14 Intangible assets, net (continued)

	<b>Separate financial statements</b>
	<b>Computer software Baht</b>
	<hr/>
<b>For the year ended 31 December 2016</b>	
Opening net book amount	-
Additions	109,749
Addition from business transfer from subsidiary	10,429
Amortisation charges	<u>(5,216)</u>
Closing net book amount	<u>114,962</u>
<b>As at 31 December 2016</b>	
Cost	120,178
<u>Less</u> Accumulated amortisation	<u>(5,216)</u>
Net book amount	<u>114,962</u>
<b>For the year ended 31 December 2017</b>	
Opening net book amount	114,962
Additions	1,832,727
Amortisation charges	<u>(179,230)</u>
Closing net book amount	<u>1,768,459</u>
<b>As at 31 December 2017</b>	
Cost	1,952,905
<u>Less</u> Accumulated amortisation	<u>(184,446)</u>
Net book amount	<u>1,768,459</u>

15 Deferred income taxes

Deferred tax assets and liabilities comprise the following:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Deferred tax assets</b>				
Deferred tax assets to be recovered within 12 months	1,460,000	-	-	-
Deferred tax assets to be recovered more than 12 months	8,889,447	4,810,736	1,057,010	838,785
	<u>10,349,447</u>	<u>4,810,736</u>	<u>1,057,010</u>	<u>838,785</u>

The movements of deferred income taxes are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
As at 1 January	4,810,736	3,695,098	838,785	522,501
Recognised in profit (loss) (Note 27)	5,538,711	1,115,638	218,225	316,284
As at 31 December	<u>10,349,447</u>	<u>4,810,736</u>	<u>1,057,010</u>	<u>838,785</u>

The movements of deferred tax assets are as follows:

	Consolidated financial statements		
	As at 1 January 2017 Baht	Recognised in profit or loss Baht	As at 31 December 2017 Baht
<b>Deferred tax assets</b>			
Allowance for doubtful accounts	783,049	178,824	961,873
Employee benefit obligations	4,027,687	677,382	4,705,069
Loss carried forward	-	4,682,505	4,682,505
Total	<u>4,810,736</u>	<u>5,538,711</u>	<u>10,349,447</u>

	Consolidated financial statements		
	As at 1 January 2016 Baht	Recognised in profit or loss Baht	As at 31 December 2016 Baht
<b>Deferred tax assets</b>			
Allowance for doubtful accounts	783,049	-	783,049
Employee benefit obligations	2,912,049	1,115,638	4,027,687
Total	<u>3,695,098</u>	<u>1,115,638</u>	<u>4,810,736</u>

15 Deferred income taxes (continued)

The movements of deferred tax assets are as follows (continued):

	Separate financial statements		
	As at 1 January 2017 Baht	Recognised in profit or loss Baht	As at 31 December 2017 Baht
<b>Deferred tax assets</b>			
Allowance for doubtful accounts	114,387	(40,155)	74,232
Employee benefit obligations	724,398	258,380	982,778
Total	838,785	218,225	1,057,010

  

	Separate financial statements		
	As at 1 January 2016 Baht	Recognised in profit or loss Baht	As at 31 December 2016 Baht
<b>Deferred tax assets</b>			
Allowance for doubtful accounts	114,387	-	114,387
Employee benefit obligations	408,114	316,284	724,398
Total	522,501	316,284	838,785

Deferred income tax assets are recognised for tax loss carried forwards only to the extent to which realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets of Baht 2,981,147 (2016: Baht 1,981,735) in respect of losses amounting to Baht 14,905,737 (2016: Baht 9,908,677) that can be carried forward against future taxable income. Losses amounting to Baht 951,595 expire in 2020, losses amounting to Baht 8,957,082 expire in 2021 and losses amounting to Baht 4,997,060 expire in 2022.

16 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Corporate income tax withheld	13,985,224	15,878,933	3,080,434	1,124,336
Receivables from the Revenue Department	785,303	310,107	-	-
Refundable VAT	3,315,439	-	-	-
Total	18,085,966	16,189,040	3,080,434	1,124,336

## 17 Borrowings

### 17.1 Bank overdraft and short-term loan from financial institution

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Bank overdrafts	4,728,224	15,486,972	-	-
Short-term loan from financial institution	-	30,000,000	-	-
	<u>4,728,224</u>	<u>45,486,972</u>	<u>-</u>	<u>-</u>

As at 31 December 2017, bank overdrafts from financial institution bear interest rates from 1.50% to 2.00% per annum (2016 : 1.50% to 2.00% per annum).

Movements of short-term loan from financial institution is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Opening balance	30,000,000	-	-	-
Additional loans during the year	44,000,000	40,000,000	-	-
Increase from business transfer from subsidiary	-	-	-	7,000,000
Repayments	<u>(74,000,000)</u>	<u>(10,000,000)</u>	<u>-</u>	<u>(7,000,000)</u>
Closing balance	<u>-</u>	<u>30,000,000</u>	<u>-</u>	<u>-</u>

In 2017, the Group entered into short-term loan agreement with a financial institution for Baht 44 million that bear interest rate of MLR - 1.50% per annum. The short-term loan is to be repaid within 90 days. (2016 : Baht 40 million that bear interest rate of MLR - 1.50% per annum. The short-term loan is to be repaid within 90 days.)

Fair value of short-term loan that has fixed interest rate approximates its carrying value because the maturity is within one year. The effect of discounting is insignificant.

### 17.2 Long-term loans from a financial institution

Long-term loans from a financial institution as at 31 December comprise the following:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Current portion of long-term loans from a financial institution	6,620,250	8,717,250	-	-
Non-current portion of long-term loans from a financial institution	1,832,454	8,194,888	-	-
Total	<u>8,452,704</u>	<u>16,912,138</u>	<u>-</u>	<u>-</u>

17 Borrowings (continued)

17.2 Long-term loans from a financial institution (continued)

Movements of long-term loans from a financial institution for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
As at 1 January	16,912,138	33,161,651	-	-
Repayments during the year	(8,459,434)	(16,249,513)	-	-
As at 31 December	8,452,704	16,912,138	-	-

Long-term loans from a financial institution have floating interest rate, so fair value of loans approximates the carrying value.

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

	Principle	Objective	Outstanding Balance as at 31 December		Interest rate (%)	Repayment terms	
			2017 Baht	2016 Baht		Principal repayment	Interest repayment
Loan 1	3,000,000	General purpose	1,221,565	1,863,306	MLR	60 periods (every month)	Monthly
Loan 2	13,000,000	Investing in warehouse and increasing liquidity	4,324,139	7,137,832	Years 1-2: MLR-1 Year 3: MLR	60 periods (every month)	Monthly
Loan 3	15,000,000	Investing and expanding business and working capital	2,907,000	7,911,000	MLR-1	36 periods (every month)	Monthly
			8,452,704	16,912,138			

17.3 Finance lease liabilities

Minimum lease payments under finance leases are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Not later than one year	10,444,939	8,052,288	4,244,634	2,010,474
Later than 1 year but not later than 5 years	22,405,148	19,073,818	11,343,860	5,696,344
	32,850,087	27,126,106	15,588,494	7,706,818
<u>Less</u> Future finance charges on finance leases	(2,412,130)	(2,828,833)	(1,258,580)	(805,283)
Present value of finance lease liabilities	30,437,957	24,297,273	14,329,914	6,901,535
Finance lease liabilities:				
- Current	9,232,119	6,767,248	3,675,882	1,657,329
- Non-current	21,205,838	17,530,025	10,654,032	5,244,206
	30,437,957	24,297,273	14,329,914	6,901,535

The present value of finance lease liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Not later than 1 year	9,232,119	6,767,248	3,675,882	1,657,329
Later than 1 year but not later than 5 years	21,205,838	17,530,025	10,654,032	5,244,206
Total	30,437,957	24,297,273	14,329,914	6,901,535

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**18 Trade and other payables**

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Trade payables- other parties	224,304,025	487,370,561	11,865,675	13,303,139
- related parties (Note 29.5)	4,382,401	6,088,421	737,682	1,244,254
Accrued expenses	103,829,916	91,691,030	11,206,422	11,806,139
	<u>332,516,342</u>	<u>585,150,012</u>	<u>23,809,779</u>	<u>26,353,532</u>

**19 Other current liabilities**

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Withholding taxes payable	6,157,676	3,985,782	584,038	542,916
Payables to the Revenue Department	2,618,207	2,759,907	-	119,200
Undue output VAT	10,044,945	7,375,987	2,077,435	727,535
Corporate income tax payable	12,793,438	6,330,857	-	-
Others	3,507,550	3,889,964	-	-
	<u>35,121,816</u>	<u>24,342,497</u>	<u>2,661,473</u>	<u>1,389,651</u>

**20 Employee benefit obligations**

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
As at 1 January	19,799,486	14,560,242	4,193,923	2,040,567
Current service cost	2,678,034	4,201,237	511,485	1,547,372
Interest cost	806,907	1,038,007	208,484	536,605
Transfer from subsidiary	-	-	-	69,379
As at 31 December	<u>23,284,427</u>	<u>19,799,486</u>	<u>4,913,892</u>	<u>4,193,923</u>

The principal actuarial assumptions used as at the date of consolidated and separate statements of financial position are as follows:

	2017	2016
Discount rate (%)	3.10%	3.10%
Salary increment rate (%)	7%	7%
Staff turnover rates		
- Age less than 30	20%	20%
- Age between 30 to less than 40	12%	12%
- Age between 40 to less than 55	7%	7%
- Age 55 or above	0%	0%

**20 Employee benefit obligations** (continued)

Sensitivity analysis

	Change in assumption	Impact on defined benefit obligation	
		Increase in assumption	Decrease in assumption
Discount rate (%)	1.00%	Decreased by 12%	Increased by 14%
Salary increment rate (%)	1.00%	Increased by 14%	Decreased by 12%
Staff turnover rate (%)	20.00%	Decreased by 13%	Decreased by 16%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation, the same method has been applied as when calculating the pension liability recognised within the statement of financial position which is the projected unit credit method.

There were no changes in method and assumptions used for sensitivity analysis from previous year.

The weighted average duration of the employee benefit obligations for the consolidated and separate financial statements was 16 years (2016: 17 years).

Expected maturity analysis of undiscounted retirement benefits is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Maturity within</b>				
Less than a year	1,181,861	206,886	62,757	-
Between 1 – 2 years	2,145,222	1,342,518	75,579	114,513
Between 2 – 5 years	3,807,993	3,878,223	112,207	87,461
Over 5 years	71,634,148	73,548,483	11,525,463	11,574,032
	<u>78,769,224</u>	<u>78,976,110</u>	<u>11,776,006</u>	<u>11,776,006</u>

**21 Share capital**

Movements in share capital are as follows:

	Authorised shares		Issue and paid – up shares		Share premium, net	Total
	Number of shares	Baht	Number of shares	Baht	Baht	Baht
At 1 January 2016	2,150,000	215,000,000	2,150,000	215,000,000	-	215,000,000
Issue of shares during the year	-	-	-	-	-	-
At 31 December 2016	2,150,000	215,000,000	2,150,000	215,000,000	-	215,000,000
Share split 1:200	430,000,000	215,000,000	430,000,000	215,000,000	-	215,000,000
Issue of shares during the year	185,000,000	92,500,000	174,500,000	87,250,000	707,350,000	794,600,000
Share issuing cost	-	-	-	-	(19,384,106)	(19,384,106)
At 31 December 2017	<u>615,000,000</u>	<u>307,500,000</u>	<u>604,500,000</u>	<u>302,250,000</u>	<u>687,965,894</u>	<u>990,215,894</u>

The Extraordinary Meeting of Shareholders No. 1/2560 on 15 March 2017 approved the following matters.

**21 Share capital (continued)**

The decrease of par value of the ordinary shares from Baht 100 per share to Baht 0.50 per share, resulting in the increase in the number of ordinary shares from 2,150,000 shares to 430,000,000 shares. The paid-up share capital increased from 2,150,000 shares to 430,000,000 shares. The Company registered this change to the Ministry of Commerce on 21 March 2017.

The increase of Baht 5 million in the Company's share capital from Baht 215 million to Baht 220 million by increasing the number of ordinary shares by 10,000,000 shares from 430,000,000 shares to 440,000,000 shares for allocation to the existing shareholders at their current shareholding proportion. The Company registered the increase in share capital to the Ministry of Commerce on 21 March 2017 and received share subscription in full on 28 April 2017.

The increase of Baht 80 million in the registered share capital from Baht 220 million to Baht 300 million by increasing the number of ordinary shares by 160,000,000 shares from 440,000,000 shares to 600,000,000 shares for the initial public offering. The Company registered the increase in share capital to the Ministry of Commerce on 21 March 2017.

The increase of Baht 7.50 million in the Company's registered share capital from Baht 300 million to Baht 307.50 million, by increasing the ordinary shares by 15,000,000 shares from 600,000,000 shares to 615,000,000 shares, for the launch of Employee Stock Ownership Plan (ESOP), under which the Company planned to issue 4,500,000 ordinary shares and 10,500,000 warrants for sales to eligible directors and employees during the registration of the Company to the Stock Exchange of Thailand. One warrant is convertible to one ordinary share. The warrants are non-transferrable. Detailed information of ESOP are subject to amendments as the management considers appropriate ESOP. The resolution from shareholders is required for the launch of the aforementioned ESOP. The Company registered the increase in share capital to the Ministry of Commerce on 21 March 2017.

For the aforementioned increases in ordinary shares of 160,000,000 shares and 4,500,000 shares, totalling 164,500,000 shares, the Company received the share subscription at the IPO price of Baht 4.80 per share, being the value at par of Baht 82,250,000 and share premium of Baht 707,350,000. Shares issuance costs directly related to the newly issued shares of Baht 19,384,106 were presented net off share premium. The Company has fully received the share subscription including share premium and also registered the increases in issued and paid-up share capital to the Ministry of Commerce on 29 August 2017.

As at 31 December 2017, the share premium, net, presented in the statement of financial position was Baht 687,965,894.

*Share-based payment from the issuance of warrants*

On 29 August 2017, the Company issued 10,500,000 warrants, the vesting period of which is 3 years. This resulted in share-based payment of Baht 3,900,000 which was referenced to the fair value of warrants. Share-based payment is to be recognised over the vesting period. During the year ended 31 December 2017, the Company recognised the share-based payment expense of Baht 444,548.

**22 Dividends paid**

The Extraordinary Meeting of Shareholders No. 1/2560 on 15 March 2017 approved the interim dividend payment to the ordinary shareholders at Baht 15 per share for 2,150,000 shares, totalling Baht 32.25 million. The dividend was paid to the shareholders on 18 March 2017.

The Extraordinary Meeting of Shareholders No. 5/2560 on 19 June 2017 approved the interim dividend payment to the ordinary shareholders at Baht 0.22 per share for 440,000,000 shares, totalling Baht 96.80 million. The dividend was paid to the shareholders on 15 July 2017.

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**23 Legal reserve**

Under the Public Limited Company Act, B.E. 2535, the Company is required to set aside a legal reserve at least 5% of its net profit after accumulated deficits (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

**24 Other income**

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Rental income	282,122	-	-	-
Interest income	2,645,064	66,661	4,362,469	1,197,218
Management fee	-	-	27,460,000	-
Gains on disposals of equipment	174,853	8,913,933	-	-
Income from debt forgiveness from loans from directors	-	5,434,541	-	-
Compensation revenue	3,393,798	-	-	-
Others	8,988,529	10,289,297	1,972,116	1,277,892
	<u>15,484,366</u>	<u>24,704,432</u>	<u>33,794,585</u>	<u>2,475,110</u>

**25 Finance costs**

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Interest expense on:				
- Loans from financial institutions	2,556,858	2,888,775	-	66,379
- Finance lease liabilities	1,866,739	1,226,392	524,683	33,630
- Loans from directors	147,945	750,486	147,945	-
- Others	990,295	-	-	-
	<u>5,561,837</u>	<u>4,865,653</u>	<u>672,628</u>	<u>100,009</u>

**26 Expenses by nature**

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Employee benefit expenses	303,800,613	248,064,868	41,639,288	30,933,210
Depreciation and amortisation	40,351,988	32,720,022	6,417,148	2,154,564
Losses on disposals of assets	154,632	152,756	-	-
Doubtful account expense	(2,472,643)	6,947,175	(200,777)	-
Share-based payments	444,548	614,379	444,548	614,379
Operating lease expenses	81,028,077	76,634,747	407,072	1,673,044
Utility expenses	54,159,691	47,634,277	8,388,078	2,491,866
Professional and other fees	83,113,983	78,024,037	18,409,344	16,857,450
Repair and maintenance expenses	8,629,549	9,836,688	930,803	584,682

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**27 Income tax expense**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Current tax on profit for the year	31,792,024	26,458,878	-	-
Deferred taxes (Note 15)	(5,538,711)	(1,115,638)	(218,225)	(316,284)
	<u>26,253,313</u>	<u>25,343,240</u>	<u>(218,225)</u>	<u>(316,284)</u>

Income taxes disclosed in statement of income were calculated from taxable income at tax rate of 20% for the Company and 17% or 20% for the subsidiaries. (2016: 17% or 20%).

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Profit before income tax	155,890,431	119,843,100	215,814,334	27,646,887
Tax calculated at a tax rate of 17% or 20% (2016 : 17% or 20%)	35,386,372	31,399,770	43,162,867	5,529,378
Tax effects of:				
Share of profit from investments in subsidiaries and joint ventures	(3,335,613)	(2,831,882)	-	-
Revenues exempted from income tax	(1,153,100)	(8,084,318)	(42,476,582)	(7,733,370)
Expenses additionally deductible for tax purpose	(1,389,761)	(20,319)	(1,269,454)	-
Non-tax deductible expenses	2,284,126	3,688,701	583,169	228,411
Utilisation of prior period's tax loss for which deferred tax asset had not been recognised	-	(1,977,875)	-	-
Current period's tax loss for which deferred tax asset had not been recognised	(5,538,711)	3,169,163	(218,225)	1,659,297
Income tax expense	<u>26,253,313</u>	<u>25,343,240</u>	<u>(218,225)</u>	<u>(316,284)</u>

**28 Earnings per share**

The Company decreased the par value of ordinary shares from Baht 100 per share to Baht 0.50 per share, resulting in the increase in the number of issued and paid-up ordinary shares from 2,150,000 shares to 430,000,000 shares (Note 21). The Company used the number of ordinary shares after the share split in calculating the basic earnings (loss) per share for all reported periods.

Basic earnings per share are calculated by dividing the net profit attributable to the ordinary shareholders by the weighted average number of ordinary shares in issue during the period.

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Net profit attributable to owners of the parent (Baht)	129,637,118	89,433,872	216,032,559	27,963,171
Weighted average number of ordinary shares in issue before the share split (shares)	2,150,000	2,150,000	2,150,000	2,150,000
<u>Add</u> Increase in number of shares from split of ordinary shares during the period (shares)	427,850,000	427,850,000	427,850,000	427,850,000
<u>Add</u> weighted average number of shares Issued in the period (shares)	63,130,137	-	63,130,137	-
Total number of ordinary shares for basic earnings per share calculation (shares)	493,130,137	430,000,000	493,130,137	430,000,000
Basic earnings per share for the owners of the parent (Baht)	0.2629	0.2080	0.4381	0.0650

Diluted earnings per share are calculated by dividing the net profit attributable to the ordinary shareholders by the number of ordinary shares for basic earnings per share calculation plus the weighted average number of shares to be issued as if warrants were exercised.

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
Net profit attributable to owners of the parent (Baht)	129,637,118	-	216,032,559	-
Total number of ordinary shares for basic earnings per share calculation (shares)	493,130,137	-	493,130,137	-
<u>Add</u> weighted average number of shares to be issued as if warrants were exercised (shares)	1,577,145	-	1,577,145	-
Number of ordinary shares for diluted earnings per share calculation (shares)	494,707,282	-	494,707,282	-
Diluted earnings per share (Baht)	0.2620	-	0.4367	-

**29 Related party transactions**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

The Company is controlled by 2 directors whose aggregate shareholding was 40.55% (2016: 56.83%)

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The following transactions were carried out with related parties:

**29.1 Service income**

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Service income</b>				
Subsidiaries	-	-	31,743,496	3,401,287
Associates	123,281,564	137,702,765	8,065,170	8,506,269
Joint ventures	4,589,720	12,457,890	248,217	1,900
	<u>127,871,284</u>	<u>150,160,655</u>	<u>40,056,883</u>	<u>11,909,456</u>

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Rental income and related services:</b>				
Subsidiaries	-	-	8,556,779	2,789,021
Associates	6,108,875	2,055,851	6,108,875	2,055,851
Joint ventures	9,600	267,657	9,600	267,657
	<u>6,118,475</u>	<u>2,323,508</u>	<u>14,675,254</u>	<u>5,112,529</u>

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Management fee:</b>				
subsidiaries	-	-	27,460,000	-
	<u>-</u>	<u>-</u>	<u>27,460,000</u>	<u>-</u>

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Dividend income from:</b>				
Subsidiaries	-	-	200,289,000	38,666,852
Associates	-	-	12,101,691	-
Joint ventures	-	-	-	-
	<u>-</u>	<u>-</u>	<u>212,390,691</u>	<u>38,666,852</u>

29 Related party transactions (continued)

29.2 Purchases of services

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Purchases of services from:</b>				
Subsidiaries	-	-	5,495,594	8,615,921
Associates	20,324,426	26,223,786	1,176,781	1,732,740
Joint ventures	50,187,359	43,045,763	-	-
	<u>70,511,785</u>	<u>69,269,549</u>	<u>6,672,375</u>	<u>10,348,661</u>

29.3 Purchases of assets

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Purchases of assets from:</b>				
Associates	26,107,190	11,526	-	11,526
	<u>26,107,190</u>	<u>11,526</u>	<u>-</u>	<u>11,526</u>
<b>Sale of assets from:</b>				
Director	-	7,047,196	-	-
	<u>-</u>	<u>7,047,196</u>	<u>-</u>	<u>-</u>

29.4 Business transfer from subsidiary

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Transfer from:</b>				
Subsidiary (Note 10)	-	-	-	50,232,227
	<u>-</u>	<u>-</u>	<u>-</u>	<u>50,232,227</u>

29.5 Outstanding balances from service income and purchase of services

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Trade receivables - related parties</b>				
Subsidiaries	-	-	28,045,869	432,996
Associates	14,480,512	39,133,312	995,905	4,732,106
Joint ventures	362,374	7,771,587	202,569	267,412
	<u>14,842,886</u>	<u>46,904,899</u>	<u>29,244,343</u>	<u>5,432,514</u>
<b>Trade payables - related parties</b>				
Subsidiaries	-	-	734,688	1,243,102
Associates	1,233,863	1,940,592	2,994	1,152
Joint ventures	3,148,538	4,147,829	-	-
	<u>4,382,401</u>	<u>6,088,421</u>	<u>737,682</u>	<u>1,244,254</u>

29 Related party transactions (continued)

29.6 Dividends receivable and dividends payable

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
<b>Dividends receivable</b>				
Subsidiaries	-	-	32,498,220	-
	-	-	32,498,220	-

29.7 Short-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Subsidiaries	-	-	306,390,800	48,890,800
Associates	2,250,000	1,400,000	2,250,000	1,400,000
	2,250,000	1,400,000	308,640,800	50,290,800

Short-term loans to associates bore interest rates of 1.50% - 6.25% per annum (2016 : 1.50% - 5.00% per annum) and are repayable at call.

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
As at 1 January	1,400,000	11,708,990	50,290,800	95,887,666
Additions during the year	3,750,000	11,485,248	271,750,000	5,400,000
Decreases from transfer of business from subsidiary	-	-	-	(45,000,000)
Repayments during the year	(2,900,000)	(21,794,238)	(13,400,000)	(5,996,866)
As at 31 December	2,250,000	1,400,000	308,640,800	50,290,800

29.8 Long-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
As at 1 January	8,800,000	4,800,000	-	-
Additions during the year	-	8,800,000	-	-
Repayments during the year	(8,800,000)	(4,800,000)	-	-
As at 31 December	-	8,800,000	-	-

Long-term loans to related parties were made with the associate with interest rates of 4.00% per annum and 6.50% per annum (2016: 4.00% per annum and 6.50% per annum) with no collateral and were to be repaid within 5 year from the agreement date. The Group fully received repayment of these long-term loans.

As at 31 December 2016, the fair value of long-term loans to the associate was Baht 9.53 million. This was derived from the discounted cash flows method and is in the level 2 of the fair value hierarchy.

**29 Related party transactions (continued)**

**29.9 Short-term loans from related parties**

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
As at 1 January	-	13,232,137	-	4,750,000
Addition during the year	60,000,000	4,887,389	60,000,000	-
Repayments during the year	(60,000,000)	(18,119,526)	(60,000,000)	(4,750,000)
As at 31 December	-	-	-	-

Short-term loans from subsidiaries bear an interest rate of 1.50% per annum (2016 : 1.50% -5.00 % per annum) and are repayable at call.

**29.10 Key management compensation**

Key management includes directors and executive management (regardless of whether they are in the managerial level or not), top management, corporate secretary, and internal audit department head. Compensation paid or payable to key management is as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Salaries and other short-term benefits	67,567,344	62,980,418	21,058,109	16,138,922
Retirement benefits	1,427,445	3,843,503	662,673	1,793,319
Share-based payments	444,548	614,379	444,548	614,379
	69,439,337	67,438,300	22,165,330	18,546,620

**30 Segment information**

Segment information is reported by segment and this was reviewed by the chief operating decision-maker, which is the Board of Directors. Similar segments are reported together. The chief operating decision-maker measures the financial performance of each segment using the gross profit margin. Reported segments comprise air freight, sea and in-land freight, logistics management, chemical and hazardous goods logistics management, and other management services.

Air freight	Operates as an air freight forwarder, both local and overseas, for airlines, and provides related services, including warehouse management services at airports.
Sea and in-land freight Logistics management	Operates as a sea and in-land freight forwarder, both local and overseas. Provides warehouse management and logistics services, both air and sea, and both local and overseas.
Chemical and hazardous goods logistics	Operates as a freight forwarder both local and overseas and provides warehouse management and logistics services for chemical goods including goods in the chemical industry.
Other management services	Provides office rental and other management services.

The Group renamed segments and presentation of segments information to be in line with the use of segment information by the Board of Directors from the segment information presented in the financial statements for the year ended 31 December 2017.

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30 Segment information (continued)

	Consolidated financial statements (Baht)							
	For the year ended 31 December 2017							
	Air freight	Sea and in-land freight	Logistics management	Chemical and Hazardous goods logistics	Other management services	Total before elimination	Elimination	Total after elimination
Revenue from sales and service	1,863,929,525	86,960,366	105,438,544	539,724,413	14,767,899	2,610,820,747	(316,249,596)	2,294,571,151
Costs of sales and service	(1,543,224,015)	(48,428,811)	(68,321,671)	(397,627,568)	(9,885,377)	(2,067,487,442)	304,357,044	(1,763,130,398)
<b>Segment profit</b>	<b>320,705,510</b>	<b>38,531,555</b>	<b>37,116,873</b>	<b>142,096,845</b>	<b>4,882,522</b>	<b>543,333,305</b>	<b>(11,892,552)</b>	<b>531,440,753</b>
Other income								15,484,364
Selling expenses								(110,916,019)
Administrative expenses								(281,048,178)
Loss on exchange rates, net								(10,186,717)
Finance costs								(5,561,837)
Share of profits from associates and joint ventures								16,678,065
<b>Profit before income tax expense</b>								<b>155,890,431</b>
Income tax expense								(26,253,313)
<b>Profit for the year</b>								<b>129,637,118</b>
Segment assets								1,555,706,437
Segment liabilities								440,713,891

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30 Segment information (continued)

	Consolidated financial statements (Baht)							
	For the year ended 31 December 2016							
	Air freight	Sea and in-land freight	Logistics management	Chemical and Hazardous goods logistics	Other management services	Total before elimination	Elimination	Total after elimination
Revenue from sales and service	1,753,263,319	83,301,166	121,098,981	453,001,861	15,286,558	2,425,951,885	(350,376,361)	2,075,575,524
Costs of sales and service	(1,511,738,722)	(50,005,001)	(56,332,520)	(318,613,734)	(9,882,490)	(1,946,572,467)	336,272,846	(1,610,299,621)
<b>Segment profit</b>	241,524,597	33,296,165	64,766,461	134,388,127	5,404,068	479,379,418	(14,103,515)	465,275,903
Other income								24,704,432
Selling expenses								(115,657,656)
Administrative expenses								(260,411,455)
Loss on exchange rates, net								(3,361,880)
Finance costs								(4,865,653)
Share of profits from associates and joint ventures								14,159,409
<b>Profit before income tax expense</b>								<b>119,843,100</b>
Income tax expense								(25,343,240)
<b>Profit for the year</b>								<b>94,499,860</b>
Segment assets								1,063,778,203
Segment liabilities								722,536,305

Considering geographical segments, the Group had aggregate revenues overseas from companies incorporated in Japan and Singapore, amounting to Baht 27.06 million and Baht 475.38 million, respectively. (2016 : aggregate revenues overseas from companies incorporated in Japan and Singapore amounting to Baht 3.72 million and Baht 245.10 million, respectively.)

**Main Group customer**

In 2017, the Group had revenue from one main customer amounting to Baht 237.22 million (2016 : revenue from one main customer amounting to Baht 235.73 million.) which was more than 10% of the Group's total revenues which is included in the air freight business segment.

### 31 Commitments

#### 31.1 Bank guarantees

The Company has bank guarantees as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Guarantee for air services	83,409,640	88,195,140	50,409,640	-
Guarantee for air freight	50,124,810	38,190,000	34,483,310	-
Guarantee for damage of TANK, liabilities from ports	5,550,000	2,720,000	2,350,000	-
Right to operate warehouse business at Don Muang Airport	25,387,840	12,640,920	-	-
Guarantees for electricity, fuel for vehicles and other expenses at Port Authorities of Thailand	1,186,000	1,440,000	548,000	-
Guarantee for damage of goods	300,000	300,000	-	-
Guarantee for warehouse rental	666,000	-	666,000	-
	<b>166,624,290</b>	<b>143,486,060</b>	<b>88,456,950</b>	<b>-</b>

#### 31.2 Foreign exchange forward contracts

Foreign exchange forward contracts hedge risks from fluctuation in foreign exchange rates.

As at 31 December 2017, the Group had 1 outstanding foreign exchange forward contract of US\$ 500,000 with the remaining period of 1 month.

Fair values of derivative instruments that the Group does not recognise in the statement of financial position are as follows:

	Consolidated financial statements		Separate financial statements	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Foreign exchange forward contracts - asset (liabilities)	(53,079)	-	-	-

Fair values of foreign exchange forward contracts are determined based on the rates specified by the financial institutions, taking into account the market conditions at the date of statement of financial position, and are categorised in the level 2 of the fair value hierarchy.

**31 Commitments** (continued)

**31.3 Operating lease commitments**

As at 31 December 2017 and 2016, the Group and the Company have entered into several operating lease agreements in respect of the lease of office equipment and motor vehicles. The terms of the agreements are generally between 1 and 5 years and have future minimum payments under these non-cancellable operating leases agreements and related service agreements are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017 Baht</b>	<b>2016 Baht</b>	<b>2017 Baht</b>	<b>2016 Baht</b>
- Within 1 year	29,395,023	22,396,185	2,144,056	846,376
- Later than 1 year but not later than 5 years	19,263,658	16,538,323	3,867,592	78,718
	<b>48,658,681</b>	<b>38,934,508</b>	<b>6,011,648</b>	<b>925,094</b>

**32 Contingent liabilities from airline appointment contract**

The Group entered into a contract that appointed airline for air freight service and other related services for shipping goods with Thai AirAsia Company Limited on 31 December 2015. Such contract requires minimum revenue per year from service of the Group through the airline. If the Group could not meet such requirement, the Group is obliged to compensate for part of revenue that did not reach the minimum requirement to the airline.

**33 Events after the reporting period**

On 10 January 2018, the Company made additional investment in Triple i Air Express Co., Ltd., a subsidiary that increased its share capital by issuing 450,000 ordinary shares at a par value of Baht 100. The Company fully paid the additional investment of Baht 45 million. The shareholding in the subsidiary remains unchanged.

On 11 January 2018, the Company made additional investment in HazChem Logistics Management Co., Ltd., a subsidiary that increased its share capital by issuing 450,000 ordinary shares at a par value of Baht 100. The Company fully paid the additional investment of Baht 45 million. The shareholding in the subsidiary remains unchanged.

The Board of Directors' Meeting No. 1/2561 on 20 February 2018 passed a resolution to approve the dividends from the operating result of 2017 at the rate of Baht 0.11 per share to the shareholders at the total amount of Baht 66,496,000. These dividends will be paid to the shareholders in May 2018.