

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY  
LIMITED AND ITS SUBSIDIARY**

Interim Financial Information

For the Three-Month and Six-Month Periods ended June 30, 2015

and Independent Auditor's Report on Review of Interim Financial Information

***BPR AUDIT AND ADVISORY CO., LTD.***

***Independent Auditors***

## **INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

To the Shareholders and the Board of Directors of Masterkool International Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Masterkool International Public Company Limited and its subsidiary as at June 30, 2015, the related consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2015, changes in shareholders' equity and cash flows for the six-month period ended June 30, 2015, and condensed notes to financial statements, and I have reviewed the accompanying statement of financial position of Masterkool International Public Company Limited as at June 30, 2015, the statements of comprehensive income for the three-month and six-month periods ended June 30, 2015, changes in shareholders' equity and cash flows for the six-month period then ended, and condensed notes to financial statements. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with Thai Accounting Standard No.34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

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

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No.34 "Interim Financial Reporting".

(Mr. Boonlert Kaewphanpurk)  
Independent Auditor  
Registration No. 4165

BPR AUDIT AND ADVISORY CO., LTD.  
Bangkok  
August 10, 2015

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2015**

	In Baht				
	Consolidated financial Statements		Separate financial statements		
	June	December	June	December	
	30, 2015	31, 2014	30, 2015	31, 2014	
	"Unaudited"	"Unaudited"	"Unaudited"	"Unaudited"	
Notes	"Reviewed"	"Audited"	"Reviewed"	"Audited"	
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents		14,542,747	1,164,111	13,608,664	668,048
Trade and other receivables					
- Related parties	4,5	5,903,679	11,926,707	6,673,623	13,147,551
- Other parties	5	140,879,923	42,017,727	140,152,095	41,111,797
Current portion of receivables for financial lease contracts	6	204,310	234,629	204,310	234,629
Short-term loans and interest receivable to related party	4	-	-	6,697,165	4,929,888
Inventories	7	130,198,081	172,007,864	131,547,439	173,383,755
Other current assets		3,075,127	8,463,029	2,454,467	7,933,300
<b>Total Current Assets</b>		<u>294,803,867</u>	<u>235,814,067</u>	<u>301,337,763</u>	<u>241,408,968</u>
<b>NON-CURRENT ASSETS</b>					
Deposits at financial institutions pledged as collateral	8	46,878,083	40,667,305	45,878,083	39,667,305
Receivables for financial lease contracts					
- net of current portion	6	324,310	398,076	324,310	398,076
Investment in subsidiary	9	-	-	1,261,210	1,261,210
Property, plant and equipment	10	43,276,672	34,247,253	37,328,959	28,256,030
Intangible assets	11	2,987,670	3,289,562	2,976,581	3,276,805
Deferred tax assets	17	4,579,101	3,955,671	4,579,101	3,955,671
Other non-current assets		1,556,534	1,556,534	1,556,534	1,556,534
<b>Total Non-Current Assets</b>		<u>99,602,370</u>	<u>84,114,401</u>	<u>93,904,778</u>	<u>78,371,631</u>
<b>TOTAL ASSETS</b>		<u>394,406,237</u>	<u>319,928,468</u>	<u>395,242,541</u>	<u>319,780,599</u>

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT JUNE 30, 2015**

	In Baht				
	Consolidated financial Statements		Separate financial statements		
	June	December	June	December	
	30, 2015	31, 2014	30, 2015	31, 2014	
	"Unaudited"	"Unaudited"	"Unaudited"	"Unaudited"	
Notes	"Reviewed"	"Audited"	"Reviewed"	"Audited"	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Bank overdrafts and short-term loans from financial institutions	12	120,835,521	134,133,738	120,835,521	133,653,597
Trade and other payables					
- Related party	4,13	-	428	695,687	947,089
- Other parties	13	117,421,070	67,453,411	115,847,983	66,964,437
Current portion of long-term loan from financial institution	14	413,462	312,647	413,462	312,647
Current portion of liabilities under financial lease contracts	15	891,113	224,575	891,113	224,575
Income tax payable		6,551,818	2,483,955	6,551,818	2,483,955
Other current liabilities		6,899,057	3,533,157	6,444,906	3,307,445
<b>Total Current Liabilities</b>		<b>253,012,041</b>	<b>208,141,911</b>	<b>251,680,490</b>	<b>207,893,745</b>
<b>NON-CURRENT LIABILITIES</b>					
Long-term loan from financial institutions - net of current portion	14	457,113	444,365	457,113	444,365
Long-term of liabilities under financial lease contracts - net of current portion	15	2,042,021	22,080	2,042,021	22,080
Employee benefit obligation	16	3,221,204	2,815,048	3,195,131	2,815,048
<b>Total Non-Current Liabilities</b>		<b>5,720,338</b>	<b>3,281,493</b>	<b>5,694,265</b>	<b>3,281,493</b>
<b>TOTAL LIABILITIES</b>		<b>258,732,379</b>	<b>211,423,404</b>	<b>257,374,755</b>	<b>211,175,238</b>
<b>SHAREHOLDERS' EQUITY</b>					
Share capital - common shares, Baht 0.25 par value					
Authorized share capital					
- 480,000,000 shares, Baht 0.25 par value		120,000,000	120,000,000	120,000,000	120,000,000
Issued and fully paid-up share capital					
- 360,000,000 shares, Baht 0.25 par value		90,000,000	90,000,000	90,000,000	90,000,000
Premium on share capital		4,900,000	4,900,000	4,900,000	4,900,000
Surplus on share-based payment transactions		3,063,937	3,063,937	3,063,937	3,063,937
Retained earnings					
- Appropriated for legal reserve		3,146,327	3,146,327	3,146,327	3,146,327
- Unappropriated		34,563,594	7,394,800	36,757,522	7,495,097
Total equity attributable to the equity holders of the parent company		135,673,858	108,505,064	137,867,786	108,605,361
Non-controlling interests		-	-	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>135,673,858</b>	<b>108,505,064</b>	<b>137,867,786</b>	<b>108,605,361</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>394,406,237</b>	<b>319,928,468</b>	<b>395,242,541</b>	<b>319,780,599</b>

The accompanying notes are and integral parts of these financial statements.

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2015**

"UNAUDITED"  
"REVIEWED"

	Notes	In Baht			
		Consolidated financial Statements		Separate financial statements	
		2015	2014	2015	2014
		"Reclassified"		"Reclassified"	
<b>REVENUES</b>	4,19,20				
Revenues from sales		287,100,360	200,470,014	286,908,771	200,470,014
Revenues from services		9,028,392	5,919,804	8,663,718	5,493,534
Other income		1,167,507	273,065	1,237,309	346,931
<b>Total Revenues</b>		<u>297,296,259</u>	<u>206,662,883</u>	<u>296,809,798</u>	<u>206,310,479</u>
<b>EXPENSES</b>	4,20				
Costs of sales		156,102,132	112,052,172	155,951,014	112,052,172
Costs of services		3,267,402	2,201,624	2,962,672	1,732,689
Selling expenses		75,395,123	41,263,152	75,351,368	41,253,465
Administrative expenses		14,201,576	11,683,430	14,278,723	11,709,585
Management benefit expenses		4,769,816	1,953,858	3,762,816	1,953,858
Finance costs		2,894,046	1,764,884	2,893,495	1,764,884
<b>Total Expenses</b>		<u>256,630,095</u>	<u>170,919,120</u>	<u>255,200,088</u>	<u>170,466,653</u>
<b>PROFIT BEFORE INCOME TAX</b>		40,666,164	35,743,763	41,609,710	35,843,826
Income tax expense	17	<u>(7,187,059)</u>	<u>(6,214,075)</u>	<u>(7,187,059)</u>	<u>(6,214,075)</u>
<b>PROFIT FOR THE PERIOD</b>		33,479,105	29,529,688	34,422,651	29,629,751
Other comprehensive income (loss) - net of tax		-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<u>33,479,105</u>	<u>29,529,688</u>	<u>34,422,651</u>	<u>29,629,751</u>
<b>Profit for the period attributable to :</b>					
Equity holders of the parent company		33,479,105	29,529,688	34,422,651	29,629,751
Non-controlling interests		-	-	-	-
		<u>33,479,105</u>	<u>29,529,688</u>	<u>34,422,651</u>	<u>29,629,751</u>
<b>Total comprehensive income for the period attributable to :</b>					
Equity holders of the parent company		33,479,105	29,529,688	34,422,651	29,629,751
Non-controlling interests		-	-	-	-
		<u>33,479,105</u>	<u>29,529,688</u>	<u>34,422,651</u>	<u>29,629,751</u>
<b>Earnings per share for the period</b>					
<b>attributable to the equity holders of the parent company</b>	18	<u>0.09</u>	<u>0.11</u>	<u>0.10</u>	<u>0.11</u>

STATEMENT OF COMPREHENSIVE INCOME

"REVIEWED"

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015

	Notes	In Baht			
		Consolidated financial Statements		Separate financial statements	
		2015	2014	2015	2014
		"Reclassified"		"Reclassified"	
<b>REVENUES</b>	4,19,20				
Revenues from sales		418,441,123	299,954,310	418,252,754	299,994,827
Revenues from services		16,698,435	10,178,415	16,013,469	9,183,046
Other income		2,119,705	2,646,522	2,185,970	2,793,336
<b>Total Revenues</b>		<u>437,259,263</u>	<u>312,779,247</u>	<u>436,452,193</u>	<u>311,971,209</u>
<b>EXPENSES</b>	4,20				
Costs of sales		235,375,690	170,348,274	235,275,369	170,373,791
Costs of services		7,229,579	4,136,393	6,672,173	3,295,749
Selling expenses		122,866,124	71,652,850	122,684,561	71,639,818
Administrative expenses		25,147,146	21,440,941	24,096,893	21,444,301
Management benefit expenses		7,243,251	3,641,320	6,236,251	3,641,320
Finance costs		5,449,320	2,561,278	5,445,162	2,561,278
<b>Total Expenses</b>		<u>403,311,110</u>	<u>273,781,056</u>	<u>400,410,409</u>	<u>272,956,257</u>
<b>PROFIT BEFORE INCOME TAX</b>		33,948,153	38,998,191	36,041,784	39,014,952
Income tax expense	17	(6,779,359)	(6,761,576)	(6,779,359)	(6,761,576)
<b>PROFIT FOR THE PERIOD</b>		27,168,794	32,236,615	29,262,425	32,253,376
Other comprehensive income (loss) - net of tax		-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<u>27,168,794</u>	<u>32,236,615</u>	<u>29,262,425</u>	<u>32,253,376</u>
<b>Profit for the period attributable to :</b>					
Equity holders of the parent company		27,168,794	32,236,615	29,262,425	32,253,376
Non-controlling interests		-	-	-	-
		<u>27,168,794</u>	<u>32,236,615</u>	<u>29,262,425</u>	<u>32,253,376</u>
<b>Total comprehensive income for the period attributable to :</b>					
Equity holders of the parent company		27,168,794	32,236,615	29,262,425	32,253,376
Non-controlling interests		-	-	-	-
		<u>27,168,794</u>	<u>32,236,615</u>	<u>29,262,425</u>	<u>32,253,376</u>
<b>Earnings per share for the period</b>					
attributable to the equity holders of the parent company	18	<u>0.08</u>	<u>0.12</u>	<u>0.08</u>	<u>0.12</u>

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015**

“UNAUDITED”  
“REVIEWED”

In Baht								
Consolidated financial statements								
Shareholders' equity of the parent company								
	Issued and fully paid-up share capital	Premium on share capital	Surplus on share-based payment transactions	Retained earnings		Total equity attributable to the equity holders of the parent company	Non-controlling interests	Total shareholders' equity
				Appropriated for legal reserve	Unappropriated			
<b>Balance as at January 1, 2015</b>	90,000,000	4,900,000	3,063,937	3,146,327	7,394,800	108,505,064	-	108,505,064
<b>Comprehensive income for the period</b>								
Profit for the period	-	-	-	-	27,168,794	27,168,794	-	27,168,794
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	27,168,794	27,168,794	-	27,168,794
<b>Balance as at June 30, 2015</b>	<u>90,000,000</u>	<u>4,900,000</u>	<u>3,063,937</u>	<u>3,146,327</u>	<u>34,563,594</u>	<u>135,673,858</u>	<u>-</u>	<u>135,673,858</u>
<b>Balance as at January 1, 2014</b>	70,000,000	4,900,000	2,498,975	1,391,868	6,501,152	85,291,995	-	85,291,995
<b>Comprehensive income for the period</b>								
Profit for the period	-	-	-	-	32,236,615	32,236,615	-	32,236,615
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	32,236,615	32,236,615	-	32,236,615
<b>Balance as at June 30, 2014</b>	<u>70,000,000</u>	<u>4,900,000</u>	<u>2,498,975</u>	<u>1,391,868</u>	<u>38,737,767</u>	<u>117,528,610</u>	<u>-</u>	<u>117,528,610</u>

The accompanying notes are an integral parts of these financial statements.

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015**

“UNAUDITED”  
“REVIEWED”

	In Baht					Total shareholders' equity
	Separate financial statements					
	Issued and fully paid-up share capital	Premium on share capital	Surplus on share-based payment transactions	Retained earnings Appropriated for legal reserve	Unappropriated	
<b>Balance as at January 1, 2015</b>	90,000,000	4,900,000	3,063,937	3,146,327	7,495,097	108,605,361
<b>Comprehensive income for the period</b>						
Profit for the period	-	-	-	-	29,262,425	29,262,425
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	29,262,425	29,262,425
<b>Balance as at June 30, 2015</b>	<u>90,000,000</u>	<u>4,900,000</u>	<u>3,063,937</u>	<u>3,146,327</u>	<u>36,757,522</u>	<u>137,867,786</u>
<b>Balance as at January 1, 2014</b>	70,000,000	4,900,000	2,498,975	1,391,868	6,139,455	84,930,298
<b>Comprehensive income for the period</b>						
Profit for the period	-	-	-	-	32,253,376	32,253,376
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	32,253,376	32,253,376
<b>Balance as at June 30, 2014</b>	<u>70,000,000</u>	<u>4,900,000</u>	<u>2,498,975</u>	<u>1,391,868</u>	<u>38,392,831</u>	<u>117,183,674</u>

The accompanying notes are an integral parts of these financial statements.



**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015**

“UNAUDITED”  
“REVIEWED”

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit before income tax	33,948,153	38,998,191	36,041,784	39,014,952
<b>Adjustments for</b>				
Depreciation and amortization	4,403,253	4,152,190	4,326,449	4,077,489
(Gain) Loss on sales of and written-off fixed assets	(24,419)	85,624	(24,419)	85,624
Unrealized Loss (Gain) on exchange rate	1,723,752	(1,689,115)	1,731,604	(1,689,115)
Loss on decline in value of inventories	2,416,731	1,005,642	2,381,086	1,005,642
Reversal of doubtful accounts	(563,926)	(290,321)	(563,926)	(290,321)
Finance costs	5,449,320	2,561,278	5,445,162	2,561,278
Interest income	(296,435)	(216,770)	(402,017)	(363,585)
Employee benefit obligation	335,308	100,149	310,338	100,149
Provision expenses after sale	553,387	628,780	553,387	628,780
<b>Profit from operating activities before change in operating assets and liabilities</b>	<b>47,945,124</b>	<b>45,335,648</b>	<b>49,799,448</b>	<b>45,130,893</b>
<b>Decrease (Increase) in Operating Assets</b>				
Trade and other receivables	(91,973,494)	(76,866,521)	(91,712,960)	(78,531,175)
Receivables for financial lease contracts	111,940	130,970	111,940	130,970
Inventories	36,641,372	8,604,708	36,703,551	8,604,708
Other current assets	3,091,680	(271,778)	3,182,611	153,744
Other non-current assets	-	(87,000)	-	(87,000)
<b>Increase (Decrease) in Operating Liabilities</b>				
Trade and other payables	48,818,813	34,253,801	47,483,726	33,001,457
Other current liabilities	2,812,513	729,661	2,584,073	760,183
<b>Cash generated from operations</b>	<b>47,447,948</b>	<b>11,829,489</b>	<b>48,152,389</b>	<b>9,163,780</b>
Interest paid	(5,350,913)	(2,483,590)	(5,347,858)	(2,483,590)
Income tax paid	(3,334,926)	(1,064,569)	(3,334,926)	(995,331)
<b>Net Cash Provided by Operating Activities</b>	<b>38,762,109</b>	<b>8,281,330</b>	<b>39,469,605</b>	<b>5,684,859</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Increase in deposits at financial institution pledged as collateral	(6,210,779)	(4,703,115)	(6,210,779)	(4,703,115)
Increase in short-term loans to related party	-	-	(1,650,000)	(1,789,405)
Cash paid for investment in subsidiary	-	-	-	(750,000)
Cash received from sale of fixed assets	95,193	20,000	95,193	20,000
Purchases of fixed assets	(4,252,649)	(8,413,058)	(4,221,022)	(3,860,231)
Purchases of intangible assets	(207,523)	(235,000)	(207,523)	(235,000)
Interest received	212,941	205,976	213,509	538,310
<b>Net Cash Used in Investing Activities</b>	<b>(10,362,817)</b>	<b>(13,125,197)</b>	<b>(11,980,622)</b>	<b>(10,779,441)</b>

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015**

“UNAUDITED”  
“REVIEWED”

	In Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Increase (Decrease) in bank overdrafts and short-term loans from financial institution	(14,099,660)	12,677,376	(13,627,370)	12,677,376
Increase in long-term loan from financial institutions	298,792	906,663	298,792	906,663
Repayments of long-term loan from financial institutions	(185,228)	-	(185,228)	-
Repayments of liabilities under financial lease contracts	(1,034,560)	(239,451)	(1,034,561)	(239,451)
<b>Net Cash Provided by (Used in) Financing Activities</b>	<b>(15,020,656)</b>	<b>13,344,588</b>	<b>(14,548,367)</b>	<b>13,344,588</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>13,378,636</b>	<b>8,500,721</b>	<b>12,940,616</b>	<b>8,250,006</b>
Cash and Cash Equivalents at Beginning of period	1,164,111	2,439,443	668,048	2,365,176
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>14,542,747</b>	<b>10,940,164</b>	<b>13,608,664</b>	<b>10,615,182</b>
<b>Supplemental Disclosure of Cash Flow Information</b>				
<b>Non-cash transaction</b>				
Purchase of vehicles under financial lease contracts	3,693,480	-	3,693,480	-

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements**  
**For the three-month and six –month periods ended June 30, 2015 (Reviewed)**

These notes form an integral part of the financial statements.

The interim financial statements were authorized for issue by the Board of Directors on August 10, 2015.

**1. GENERAL INFORMATION**

Masterkool International Public Company Limited. (“the Company”) was registered as a public company on September 19, 2014. The Company’s major shareholder is Mr.Noppachai Weeraman with the percentage of holdings is 35.11.

The registered office is at 22, Soi 2, Tessaban Rangsan-Nua Rd, Ladyao, Jatujak, Bangkok, 10900, and the factory of the Company is at 184 Moo 10, Na Wang Hin, Phanat Nikhom, Chonburi, 20240, Thailand.

The principal business operation of the Company is to 1) supply and sale of cooling products such as evaporative air cooler, misting fans and industrial fans and 2) provide service of cooling products and it has a subsidiary which operates in sale and service for ozone system.

The Company and its subsidiary operate in Thailand.

**2. BASIS OF FINANCIAL STATEMENT PRESENTATION**

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the interim financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34 (revised 2014) Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared and presented in Thai Baht, which is the Company and its subsidiary’ functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand or nearest million unless otherwise stated.

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2014. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2014.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended December 31, 2014.

The consolidated financial statements as at June 30, 2015 and December 31, 2014 include the accounts of The Company and its subsidiary which the Company has controlling power or directly and indirectly shareholding on its subsidiary as follows:

The Company’s name	Type of business	In Thousand Baht		Percentage of direct and indirect holdings (%)	
		Paid-up share capital		June 30, 2015	December 31, 2014
		June 30, 2015	December 31, 2014		
Innov Green Solutions Co., Ltd.	sale, and service of ozone systems	1,000	1,000	100	100

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

**3. APPLICATION OF NEW ACCOUNTING STANDARDS**

The Company and its subsidiary have adopted all the new and revised TFRS that are effective for annual periods beginning on or after January 1, 2015. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Company and its subsidiary.

**Thai Financial Reporting Standard (TFRS) that has been issued but is not yet effective**

The Company and its subsidiary have not adopted the revised TFRS that has been issued but is not yet effective. That revised TFRS that is applicable to the Company and its subsidiaries, which becomes effective for annual financial periods beginning on or after January 1 in the year indicated in the following table, is as follows:

TFRS		<u>Year effective</u>
TFRS 4 (revised 2014)	Insurance Contracts	2016

The Company and its subsidiary have made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of that revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

**4. TRANSACTIONS WITH RELATED PARTIES**

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related companies. Related parties are those parties controlled by the Company, directly or indirectly or significant influence, to govern the financial and operating policies of the Company.

The relationship with related parties are as follows:

<u>The Company's/Individual's name</u>	<u>Type of business</u>	<u>Type of relationship</u>
Innov Green Solutions Co., Ltd.	Sale and service of ozone systems	Subsidiary
Bangkok Equipments Suppliers Limited Partnership	Sale of construction materials	Relative of Shareholder & Executive
Let Co.,Ltd.	Constructor for installation systems inside and outside buildings and sale construction products	Relative of Shareholder & Director
Site Preparation Management Co., Ltd.	Distribution of all of air and electricity systems and service for design, repair of air and electricity systems	Co-Shareholder & Co-director
Actdee Co., Ltd.	Sale and rental for cooling equipments for outside building	Relative of Shareholder & Director
Mr.Noppachai Weeraman	-	Shareholder & director
Mr. Fung Meng Hoi	-	Shareholder & director

Pricing policies for each transaction are described as follows:

<u>Type of transactions</u>	<u>Pricing policies</u>
Revenues from sales and services	Price approximate price charge to third party
Interest income	Contract price (rate at 3.79% p.a. and 8.38-8.43% p.a.)
Other income	Contract price
Purchase of fixed assets	Price approximate price charge to third party
Rental service cost	Price approximate price charge to third party
Management fees	Cost plus margin
Advertising and sale promotion expenses	Price approximate price charge to third party
Finance costs	Contract price (8.50% p.a.)

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

Significant revenues and expenses derived from transactions with related parties for the three-month and six-month periods ended June 30, 2015 and 2014 are summarized as follows:

	In Thousand Baht			
	For the three-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Revenues from sales and services</b>				
Site Preparation Management Co., Ltd.	2	-	2	-
Actdee Co., Ltd.	4,728	6,457	4,728	6,457
<b>Interest income</b>				
Innov Green Solutions Co., Ltd.	-	-	64	74
<b>Other income</b>				
Innov Green Solutions Co., Ltd.	-	-	29	-
<b>Purchase of fixed assets</b>				
Let Co.,Ltd.	978	-	978	-
<b>Rental service cost</b>				
Let Co.,Ltd.	264	-	264	-
<b>Management fees</b>				
Innov Green Solutions Co., Ltd.	-	-	12,017	4,375

	In Thousand Baht			
	For the six-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Revenues from sales and services</b>				
Innov Green Solution Co., Ltd.	-	-	3	41
Site Preparation Management Co., Ltd.	4	-	4	-
Actdee Co., Ltd.	8,681	8,688	8,681	8,688
<b>Interest income</b>				
Innov Green Solutions Co., Ltd.	-	-	117	147
<b>Other income</b>				
Innov Green Solutions Co., Ltd.	-	-	48	-
<b>Purchase of fixed assets</b>				
Let Co.,Ltd.	978	-	978	-
<b>Rental service cost</b>				
Let Co.,Ltd.	264	-	264	-
<b>Management fees</b>				
Innov Green Solutions Co., Ltd.	-	-	17,613	5,998
<b>Advertising and sale promotion expenses</b>				
Actdee Co., Ltd.	-	3	-	3
<b>Finance costs</b>				
Mr.Noppachai Weeraman	16	-	16	-

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

Key managements personnel compensation and directors remuneration for the three-month and six-month periods ended June 30, 2015 and 2014 are as follows:

	In Thousand Baht			
	For the three-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Key managements personnel compensation and directors remuneration</b>				
Short-term employment benefits	4,650	1,908	3,643	1,908
Post-employment benefits	120	46	120	46
Total	<u>4,770</u>	<u>1,954</u>	<u>3,763</u>	<u>1,954</u>

	In Thousand Baht			
	For the six-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Key managements personnel compensation and directors remuneration</b>				
Short-term employment benefits	7,003	3,548	5,996	3,548
Post-employment benefits	240	93	240	93
Total	<u>7,243</u>	<u>3,641</u>	<u>6,236</u>	<u>3,641</u>

The balances of receivables from and payables to related parties as at June 30, 2015 and December 31, 2014 are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June	December	June	December
	30, 2015	31, 2014	30, 2015	31, 2014
<b>Trade other receivable</b>				
Innov Green Solutions Co., Ltd.	-	-	770	1,221
Site Preparation Management Co., Ltd.	-	7,685	-	7,685
Actdee Co., Ltd.	5,904	4,242	5,904	4,242
Total	<u>5,904</u>	<u>11,927</u>	<u>6,674</u>	<u>13,148</u>
<b>Short-term loans and interest receivable</b>				
<b>Short-term loans to</b>				
Innov Green Solutions Co., Ltd.	-	-	6,580	4,930
<b>Interest receivable</b>				
Innov Green Solutions Co., Ltd.	-	-	117	-
Total	<u>-</u>	<u>-</u>	<u>6,697</u>	<u>4,930</u>
<b>Trade and other payables</b>				
Innov Green Solutions Co., Ltd.	-	-	696	947

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

The significant movements of loans to related party during the period are as follows:

	In Thousand Baht			
	Separate financial statements			
	January 1, 2015	Increase	Decrease	June 30, 2015
<b>Short-term loans to</b>				
Innov Green Solutions Co., Ltd.	4,930	1,650	-	6,580

**5. TRADE AND OTHER RECEIVABLES**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Trade and other receivables - related parties				
Trade receivables	5,904	11,927	6,674	13,147
Less : Allowance for doubtful accounts	-	-	-	-
Net	5,904	11,927	6,674	13,147
Trade and other receivables - other parties				
Trade receivables	145,426	46,028	145,185	45,655
Accrued income	344	554	-	27
Total	145,770	46,582	145,185	45,682
Less : Allowance for doubtful accounts	(10,268)	(10,974)	(10,268)	(10,974)
Net	135,502	35,608	134,917	34,708
Prepaid expense	4,343	5,209	4,266	5,204
Advance payment	340	88	341	88
Other receivables	695	1,113	628	1,112
Total	140,880	42,018	140,152	41,112

As at June 30, 2015 and December 31, 2014 trade account receivables are classified by aging as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Trade receivables - related parties				
Not yet due	4,194	9,938	4,219	11,046
Overdue :				
Less than 3 months	1,710	1,989	1,853	2,101
Over 3 months to 6 months	-	-	602	-
Over 6 months to 12 months	-	-	-	-
Over 12 months	-	-	-	-
Total	5,904	11,927	6,674	13,147
Less : Allowance for doubtful accounts	-	-	-	-
Net	5,904	11,927	6,674	13,147

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Trade receivables - other parties				
Not yet due	74,927	5,963	74,927	5,590
Overdue :				
Less than 3 months	52,639	21,767	52,398	21,767
Over 3 months to 6 months	7,522	6,858	7,522	6,858
Over 6 months to 12 months	141	841	141	841
Over 12 months	10,197	10,599	10,197	10,599
Total	145,426	46,028	145,185	45,655
Less : Allowance for doubtful accounts	(10,268)	(10,974)	(10,268)	(10,974)
Net	135,158	35,054	134,917	34,681

	In Thousand Baht			
	For the three-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
doubtful accounts (Reversal)	(412)	63	(412)	63
Bad debt	142	83	142	83
Total	(270)	146	(270)	146

	In Thousand Baht			
	For the six-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Reversal doubtful accounts	(706)	(510)	(706)	(510)
Bad debt	142	220	142	220
Total	(564)	(290)	(564)	(290)

Outstanding balances of accrued income - other parties which are classified by aging as at June 30, 2015 and December 31, 2014, are summarized as follows:

	In Thousand Baht			
	Consolidated financial Statements		Separate financial Statements	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Less than 3 months	344	329	-	27
More than 3 – 6 months	-	225	-	-
More than 6 – 12 months	-	-	-	-
More over 12 months	-	-	-	-
	344	554	-	27
Less : Allowance for doubtful accounts	-	-	-	-
Net	344	554	-	27



**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

**6. RECEIVABLES FOR FINANCIAL LEASE CONTRACTS**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Receivables for financial lease contracts	919	1,069	919	1,069
Less : Unearned income	(29)	(37)	(29)	(37)
Deferred service income	(362)	(399)	(362)	(399)
Net	528	633	528	633
Less : Allowance for doubtful accounts	-	-	-	-
Net	528	633	528	633
Less : Current portion	(204)	(235)	(204)	(235)
Net	324	398	324	398

As at June 30, 2015 and December 31, 2014 the Company has receivables for financial lease contracts with the period of receipt as follows:

	In Thousand Baht							
	Consolidated financial statements				Separate financial statements			
	June 30, 2015				December 31, 2014			
	Principal	Unearned income	Deferred service income	Total	Principal	Unearned income	Deferred service income	Total
Due 1 year	204	11	76	291	235	14	76	325
Over 1 year to 5 years	324	18	286	628	375	22	304	701
Over 5 years	-	-	-	-	23	1	19	43
Total	528	29	362	919	633	37	399	1,069

Significant outstanding balances with financial lease receivables which are classified by aging as at June 30, 2015 and December 31, 2014 are summarized as follows:

	In Thousand Baht							
	Consolidated financial statements				Separate financial statements			
	Receivables for financial lease contracts		Percentage of allowance for doubtful accounts		Allowance for doubtful accounts		Net	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Not yet due	503	608	-	-	-	-	503	608
Past due :								
Less than 3 months	25	25	-	-	-	-	25	25
More than 3-6 months	-	-	50	50	-	-	-	-
Over 6 months	-	-	100	100	-	-	-	-
Total	528	633	-	-	-	-	528	633

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

**7. INVENTORIES**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Finished goods	96,877	112,433	98,155	113,773
Raw materials and spare parts	28,142	30,514	28,142	30,514
Goods in transit	12,319	33,785	12,319	33,785
Total	137,338	176,732	138,616	178,072
Less: Allowance for decline in value of inventories	(7,140)	(4,724)	(7,069)	(4,688)
Net	130,198	172,008	131,547	173,384

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
The cost of inventories which is recognised as an expense and included in cost of goods sold for the period ended June 30,				
- Cost of goods sold	224,281	154,650	224,741	154,795
- Loss on decline in value of inventories	2,416	1,006	2,381	1,006
Total	226,697	155,656	227,122	155,801

Movements of the allowance for decline in value of inventories during the six-month periods ended June 30, 2015 and 2014 are summarized below.

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Balance as at January 1,	4,724	2,022	4,688	1,987
Add: Loss on decline in value of inventories	2,416	1,006	2,381	1,006
Balance as at June 30,	7,140	3,028	7,069	2,993

**8. DEPOSITS AT FINANCIAL INSTITUTION PLEDGED AS COLLATERAL**

As at June 30, 2015 and December 31, 2014, the Company and its subsidiary have deposits at bank approximately of Baht 46.9 million and Baht 40.7 million respectively (Separate financial statements : Baht 45.9 million and Baht 39.7 million, respectively) as collateral for credit line from financial institutions described in Note 12 to the financial statements.

**9. INVESTMENT IN SUBSIDIARY**

	Separate financial statements					
	In Thousand Baht					
	Percentage of direct and indirect holdings (%)		Paid-up capital		At cost method	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Innov Green Solutions Co., Ltd.	100	100	1,000	1,000	1,261	1,261

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

**10. PROPERTY, PLANT AND EQUIPMENT**

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2015	34,247	28,256
Acquisitions during the period	7,946	7,914
Transfer in/(out)	5,048	5,048
Written-off during the period	(70)	(70)
Depreciation for the period	(3,894)	(3,819)
Net book value as at June 30, 2015	<u>43,277</u>	<u>37,329</u>

As at June 30, 2015 and December 31, 2014, the Company's land and buildings are mortgaged with net book value amounting to approximately Baht 6.4 million and Baht 6.9 million, respectively such as collateral for credit line from financial institutions.

As at June 30, 2015 and December 31, 2014, certain equipments of the Company fully depreciated but are still in use, their original cost, before deducting accumulated depreciation, of those assets amounted to Baht 6.3 million and Baht 6.5 million, respectively.

As at June 30, 2015 and December 31, 2014, net book value of assets under financial lease contracts amounting to approximately Baht 4.3 million and Baht 0.8 million, respectively.

**11. INTANGIBLE ASSETS**

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
Net book value as at January 1, 2015	3,289	3,276
Acquisitions during the period	208	208
Amortization for the period	(509)	(508)
Net book value as at June 30, 2015	<u>2,988</u>	<u>2,976</u>

**12. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Bank overdrafts	-	3,705	-	3,705
Short-term loans	42,000	32,000	42,000	32,000
Liabilities under trust receipts	78,836	98,429	78,836	97,949
Total	<u>120,836</u>	<u>134,134</u>	<u>120,836</u>	<u>133,654</u>

As at June 30, 2015 and December 31, 2014, the Company and its subsidiary have bank overdrafts and short-term loans line from financial institutions of Baht 301 million and Baht 245 million, respectively (Separate financial statements : Baht 296 million and Baht 240 million, respectively) with interest at the rate of MLR, MLR-0.25%, MOR, MOR-1.50%, MRR, SIBOR+2.50% and 5.50% p.a.

As at June 30, 2015, The Company did not entered into buying forward contracts for hedging its liabilities denominated in US Dollar with the outstanding notional.

Such the line of bank overdrafts and short-term loans from financial institutions are secured by bank deposits described in Note 8 to the interim financial statements, mortgaged land and buildings described in Note 10 to the interim financial statements, director's land and buildings and apartment, and directors of the Company guarantees the full amount.

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

**13. TRADE AND OTHER PAYABLES**

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Trade and other payables - related party				
Trade payables	-	-	-	910
Accrued expenses	-	-	696	37
Total	-	-	696	947
Trade and other payables - other parties				
Trade payables	93,210	57,061	93,193	57,060
Accrued expenses	15,763	6,219	14,532	5,731
Advance received income	7,401	3,808	7,401	3,808
Other payables	1,047	366	722	366
Total	117,421	67,454	115,848	66,965

**14. LONG – TERM LOAN FROM FIANANCIAL INSTITUTION**

	In Thousand Baht	
	Consolidated Financial statements and Separate financial statements	
	June 30, 2015	December 31, 2014
Long-term loans	870	757
Less : Current portion	(413)	(313)
Net of current portion	457	444

In April 2014, the Company entered into a loan agreement with a local financial institution amount of Baht 1.0 million. Such loan is repayable in monthly installments commencing from May 2014 and fully repayment will be paid within 36 months from the first drawdown period with interest at the rate MLR-1% (KBANK) p.a., such loan is mortgaged land and buildings described in Note 10 to the financial statements.

And in January 2015, the Company entered into a loan agreement with a local financial institution amount of Baht 0.3 million. Such loan is repayable in monthly installments commencing from March 2015 and fully repayment will be paid within 36 months from the first drawdown period with interest at the rate MLR (TMB) p.a., such loan is secured by the personal guarantee of Company's directors.

**15. LIABILITIES UNDER FINANCE LEASE CONTRACTS**

	In Thousand Baht	
	Consolidated financial statements and Separate financial statements	
	June 30, 2015	December 31, 2014
Liabilities under financial lease contracts	3,299	253
Less : Deferred interest	(366)	(7)
Net	2,933	246
Less : Current portion	(891)	(224)
Net	2,042	22

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

As at June 30, 2015 and December 31, 2014, the Company has liabilities under financial lease contracts with the details of payment as follows:

	In Thousand Baht					
	Consolidated financial statements and Separate financial statements					
	June 30, 2015			December 31, 2014		
Future minimum lease payment	Deferred interest	Present value of minimum lease payment	Future minimum lease payment	Deferred interest	Present value of minimum lease payment	
Due within 1 year	1,066	175	891	231	7	224
Due over 1 year not exceed 5 years	2,233	191	2,042	22	-	22
Total	3,299	366	2,933	253	7	246

**16. EMPLOYEE BENEFIT OBLIGATION**

The Company paid retirement benefits and pension in accordance with the regulation of Labor Protection Act B.E. 2541 for the retirement benefit and other long-term benefit entitled to the employees based on their right and length of services.

Employee benefit obligations in statements of financial position as at June 30, 2015 and December 31, 2014 are as follows:

	In Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Post-employment benefits				
Legal severance payment plan	3,221	2,815	3,195	2,815

Movement in the present value of the defined benefit obligations for the six-month periods ended June 30, 2015 and 2014 are as follows:

	In Thousand Baht			
	Consolidated Financial statements		Separate financial statements	
	2015	2014	2015	2014
Defined benefit obligations as at January 1,	2,815	1,592	2,815	1,592
Current service costs and interest	406	141	380	141
Defined benefit obligations as at June 30,	3,221	1,733	3,195	1,733

Expenses recognized in statement of comprehensive income for the three-month and six-month periods ended June 30, 2015 and 2014 are as follows:

	In Thousand Baht			
	For the three-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current service costs	167	50	155	50
Interest on obligation	36	20	35	20
Total	203	70	190	70

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

	In Thousand Baht			
	For the six-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current service costs	335	100	310	100
Interest on obligation	71	41	70	41
<b>Total</b>	<b>406</b>	<b>141</b>	<b>380</b>	<b>141</b>

The above expenses recognised in statement of comprehensive income for the three-month and six-month periods ended June 30, 2015 and 2014 are as follows:

	In Thousand Baht			
	For the three-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cost of manufacturing	9	2	9	2
Selling expenses	31	11	31	11
Administrative expenses	127	37	115	37
<b>Total</b>	<b>167</b>	<b>50</b>	<b>155</b>	<b>50</b>

	In Thousand Baht			
	For the six-month periods ended June 30			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Cost of manufacturing	18	4	18	4
Selling expenses	63	22	63	22
Administrative expenses	254	74	229	74
<b>Total</b>	<b>335</b>	<b>100</b>	<b>310</b>	<b>100</b>

Principal actuarial assumptions at the reporting date as at June 30, 2015 and December 31, 2014 are as follows:

	Consolidated financial statement (Percentage)	Separate financial statements (Percentage)
Discount rate	4.06, 4.42	4.06
Salary increase rate	7.23	7.23
Employee turnover rate	0 - 38	0 - 38
	(Depend on age of employees)	(Depend on age of employees)
Mortality rate	Thai Mortality Ordinary Table 2008 Divided by gender male and female	Thai Mortality Ordinary Table 2008 Divided by gender male and female

## 17. INCOME TAX

Income tax income (expenses) for the three-month and six-month periods ended June 30, 2015 and 2014 as follows:

	In Thousand Baht			
	For the three-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current income tax expenses:				
Income tax expenses for the period	(7,402)	(6,539)	(7,402)	(6,539)
Deferred tax:				
Relating to origination and reversal of temporary differences	215	325	215	325
<b>Income tax income (expenses) reported in the statement of comprehensive income</b>	<b>(7,187)</b>	<b>(6,214)</b>	<b>(7,187)</b>	<b>(6,214)</b>

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
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**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

	In Thousand Baht			
	For the six-month periods ended June 30,			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Current income tax expenses:				
Income tax expenses for the period	(7,402)	(7,027)	(7,402)	(7,027)
Deferred tax:				
Relating to origination and reversal of temporary differences	623	265	623	265
Income tax income (expenses) reported in the statement of comprehensive income	<u>(6,779)</u>	<u>(6,762)</u>	<u>(6,779)</u>	<u>(6,762)</u>

The components of deferred tax assets (liabilities) as at June 30, 2015 and December 31, 2014 are as follows:

	In Thousand Baht	
	Consolidated financial statements and Separate financial statements	
	June 30, 2015	December 31, 2014
<b>Deferred tax assets (liabilities)</b>		
Allowance for doubtful accounts	2,053	2,195
Allowance for decline in value of inventories	1,414	938
Employee benefits obligations	639	563
Provision expenses after sale	567	456
Receivables for financial lease contract	7	(2)
Depreciation of equipment	(101)	(194)
Total	<u>4,579</u>	<u>3,956</u>

**18. EARNINGS PER SHARE**

The calculation of earnings per share for the three-month and six-month periods ended June 30, 2015 and 2014, were based on the profit for the period attributable to equity holders of the Company and the number of common shares outstanding during the period as follows:

	In Thousand Baht/In Thousand shares			
	Consolidated financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015	2014	2015	2014
Profit for the period attributable to equity holders of the parent company (In Thousand Baht)	33,479	29,530	27,168	32,237
Weighted average number of common shares outstanding (In Thousand shares) *	360,000	280,000	360,000	280,000
Earnings per share (In Baht)	<u>0.09</u>	<u>0.11</u>	<u>0.08</u>	<u>0.12</u>

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
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**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

	In Thousand Baht/In Thousand shares			
	Separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015	2014	2015	2014
Profit for the period attributable to equity holders of the parent company (In Thousand Baht)	34,423	29,630	29,263	32,253
Weighted average number of common shares outstanding (In Thousand shares) *	360,000	280,000	360,000	280,000
Earnings per share (In Baht)	0.10	0.11	0.08	0.12

\*Weighted average number of common shares outstanding for the three-month and six-month periods ended June 30, 2014 were adjusted based on the change of par value of Baht 10.00 per share to Baht 0.25 per share for comparative purpose.

**19. PROMOTIONAL PRIVILEGES**

The Company was granted certain promotional privilege under the Investment Promotion Act. B.E.2520 in accordance with certificate No.1811 (5)/2554 on its business segment of evaporative cooling system. The privilege granted can be summarized as follows:

- a) Corporate income tax exemption on profits for a period of eight years from the date of the income occurred from the certified products (March 15, 2012). The company can carry forward any net loss incurred during the tax-exempt period to be deducted as expenditure from net profit incurred during the five year period commencing from expiry of the tax-exempt period.
- b) Any dividends distributed by the Company are exempt from income tax if the dividend is distributed by the Company and received by the recipient during the exempt period.
- c) Exemption of import duty on raw or essential materials used in export products for a period of one year commencing from the first import.
- d) Exemption of import duty on re-exports items for one year commencing from the first import.
- e) The Company exempt from any duty on import of machinery approved by the BOI.

Revenue from sale of goods for the three-month and six-month periods ended June 30, 2015 and 2014 classified by promoted and non-promoted business as follows:

	In Thousand Baht			
	Consolidated financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015	2014	2015	2014
Promoted business	17,376	24,839	28,544	43,737
Non-promoted business	269,724	175,631	389,897	256,217
Total	287,100	200,470	418,441	299,954

  

	In Thousand Baht			
	Separate financial statements			
	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015	2014	2015	2014
Promoted business	17,376	24,839	28,544	43,737
Non-promoted business	269,533	175,631	389,709	256,258
Total	286,909	200,470	418,253	299,995



**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

**20. SEGMENT FINANCIAL INFORMATION**

Segment information is presented in respect of the Company and its subsidiary business segments.

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

Segment results and operating assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly other income, selling expense, administrative expenses finance costs and income tax expenses and corporate common assets and liabilities.

***Business segments***

The Company and its subsidiary comprise 2 main business segments as follows:

- Segment 1 : Sale of products  
 Segment 2 : Service of products

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit from operation, as included in the internal management reports that are reviewed by the Company's and its subsidiary. Segment profit from operation is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

***Major customer***

For the three-month period ended June 30, 2015, the Company and its subsidiary have revenues from 2 customers of sale of products, Baht 158.3 million of total revenues of the Company and its subsidiary. (2014: Revenues from 2 customers of sale of products, Baht 75.6 million of total revenues of the Company and its subsidiary)

For the six-month period ended June 30, 2015, the Company and its subsidiary have revenues from 2 customers of sale of products, Baht 208.4 million of total revenues of the Company and its subsidiary. (2014: Revenues from 2 customers of sale of products, Baht 112.0 million of total revenues of the Company and its subsidiary)

The segment financial information of the Company and its subsidiary for the three-month and six-month periods ended June 30, 2015 and 2014 are as follows:

	In Thousand Baht							
	For the three-month periods ended June 30,						Consolidated financial statements	
	Sale of products		Service of products		Elimination		2015	2014
	2015	2014	2015	2014	2015	2014	2015	2014
Revenues from external customers	287,100	200,470	9,028	5,920	-	-	296,128	206,390
Inter-segment revenues	-	-	-	-	-	-	-	-
Less: Cost of sales and services	(156,457)	(112,170)	(3,267)	(2,202)	355	118	(159,369)	(114,254)
Profit from operation of segment represent	130,643	88,300	5,761	3,718	355	118	136,759	92,136
Unallocated income and expenses :								
Other income							1,168	273
Selling expenses							(75,395)	(41,263)
Administrative expenses							(14,202)	(11,683)
Management benefit expenses							(4,770)	(1,954)
Finance costs							(2,894)	(1,765)
Profit before Income tax expense							40,666	35,744
Income tax expense							(7,187)	(6,214)
Profit for the period							33,479	29,530
Other comprehensive income (loss) - net of tax							-	-
Total comprehensive income for the period							33,479	29,530

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
**For the three-month and six-month periods ended June 30, 2015 (Reviewed)**

	In Thousand Baht							
	For the six-month periods ended June 30,						Consolidated financial statements	
	Sale of products		Service of products		Elimination			
2015	2014	2015	2014	2015	2014	2015	2014	
Revenues from external customers	418,441	299,954	16,698	10,178	-	-	435,139	310,132
Inter-segment revenues	3	41	-	-	(3)	(41)	-	-
Less: Cost of sales and services	(235,999)	(170,492)	(7,229)	(4,151)	622	159	(242,606)	(174,484)
Profit from operation of segment represent	182,445	129,503	9,469	6,027	619	118	192,533	135,648
Unallocated income and expenses :								
Other income							2,120	2,646
Selling expenses							(122,866)	(71,653)
Administrative expenses							(25,147)	(21,441)
Management benefit expenses							(7,243)	(3,641)
Finance costs							(5,449)	(2,561)
Profit before Income tax expense							33,948	38,998
Income tax expense							(6,779)	(6,761)
Profit for the period							27,169	32,237
Other comprehensive income (loss) - net of tax							-	-
Total comprehensive income for the period							27,169	32,237

The segment assets and liabilities of the Company and its subsidiary as at June 30, 2015 and December 31, 2014 are as follow:

	In Thousand Baht							
	Sale of Products		Service of products		Eliminated		Consolidated financial statements	
	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014	June 30, 2015	December 31, 2014
Assets by segment	170,968	213,324	7,746	5,672	(9,242)	(8,509)	169,472	210,487
Unallocated assets							224,934	109,441
Total							394,406	319,928
Liabilities by segment	7,853	6,266	40	1,221	(7,893)	(7,097)	-	390
Unallocated liabilities							258,732	211,033
Total							258,732	211,423

**Geographic segments**

In presenting information on the basis of geographic segment, segment revenue is based on the geographic location of customers and segment non-current assets are based on the geographical location of the assets.

**Geographical segment information**

	In Thousand Baht							
	Consolidated financial statements						Non-current assets	
	Sale of products		Service of products					
June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014	June 30, 2015	December 31, 2014	
Thai	358,093	257,174	16,698	10,178	374,791	267,352	1,004	999
China	-	-	-	-	-	-	11,931	7,856
Other	60,348	42,780	-	-	60,348	42,780	-	-
Total	418,441	299,954	16,698	10,178	435,139	310,132	12,935	8,855

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
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**21. AGREEMENT**

- 1) In January 2012, the Company entered into a distributor agreement with a foreign company for a period of 11 years expiring in December 2022. The Company is authorized to sell the products of cooling machines business in the country around the world save except some country as specified in the agreement. Under the agreement, the Company is committed to achieve certain distributor's sales goals as specified in the agreements.
- 2) In January 2013, the Company entered into a distributor agreement with a foreign company as the same as 1) for 2 contracts for a period of 11 years expiring in December 2023. The Company is authorized to sell the products of cooling machines business in the country around the world save except some country as specified in the agreement.
- 3) In January 2013, the Company entered into a distributor agreement with a foreign company for a period of 3 years expiring in December 2015. The Company is authorized to sell the products of cooling machines business in Thailand.
- 4) In October 2013, the Company and its subsidiary entered into a joint investment and share benefit agreement with a local company. The condition of joint operation and share of benefit as specified in the agreement.

**22. COMMITMENTS AND CONTINGENT LIABILITIES**

As at June 30, 2015 and December 31, 2014, the Company has

- 1) Commitments in respect of lease agreement of office buildings, warehouse and office equipments with the annual payments as follows:

	In Million Baht	
	Consolidated financial statements and Separate financial statements	
	June 30, 2015	December 31, 2014
Less than 1 year	2.9	5.3
1 to 5 years	1.0	0.8
Total	3.9	6.1

- 2) Commitments for letter of guarantee which issued by bank for guarantee to pay electricity expenses, goods and services to customers amounting to Baht 1.5 million and Baht 2.3 million, respectively.
- 3) Contingent liabilities for unused letter of credit amounting to Baht 10.9 million and Baht 5.3 million, respectively.

**MASTERKOOL INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY**  
**Notes to the interim financial statements (Continued)**  
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**23. RECLASSIFICATION OF ACCOUNTS**

Certain accounts in 2014, were reclassified to conform with those in the 2015 financial statements as follows:

	In Thousand Baht					
	Consolidated financial statements					
	For the three-month period ended June 30, 2014			For the six-month period ended June 30, 2014		
	As previously reported	Reclassified	As currently reported	As previously reported	Reclassified	As currently reported
<i>Statement of comprehensive income</i>						
Costs of sales	111,933	119	112,052	170,229	119	170,348
Selling expenses	37,300	3,963	41,263	66,203	5,450	71,653
Administrative expenses	15,765	(4,082)	11,683	27,010	(5,569)	21,441