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MESSAGE FROM THE MANAGING DIRECTOR

To all Shareholders

On behalf of the Board of Director of Asia Metal Public Company Limited, I would like to report the performance of the year 2017. It is concluded that in the past 2017, the overall economic situation was still volatile global economic situation and the price of up stream steel.

However, the Company always work carefully and take various measures to minimize the risk to the business as much as possible. Including production control.

Operating results comparision between 2017 and 2016 showed revenue from sales and services of Baht 5,064.5 million, and in 2016, revenue from sales and services was Baht 5,094.25 million.

The demand for steel products continues to grow especially for zinc coated steel. In year 2018, The Company plans to invest more in storage facilities and machinery. Company has been prepared by improving the existing machinery and production processes to be more efficient and competitive for better performance.

By this occasion and on behalf of the Board of Director, I would like to thank our shareholders, customers, trade allies, domestic and foreign financial institutes, public agencies, private agencies and all sectors involved in supporting for the company performance. I thank every executive and employee of the company who cooperated and united in performing duties with responsibility in every area to build value for our shareholders, stakeholders and society in general. Lastly, I would kindly ask all of our shareholders to believe in the company determinations to operate the business for your maximum benefits, to develop the business in a sustainable way and to achieve the corporate goals.

Sincerely yours,



(Mr. Chusak Yongvongphaiboon)
Managing director

Reports from the Audit Committee

In the accounting year of 2017, the audit committee independently performed their duties assigned by the company's committee. The audit committee consulted with managers and auditors. Internal auditors were assigned according to prescribed charters. The internal auditors could independently and transparently perform their duties in order to protect the company and shareholders' benefits without limitations to access data. The audit committee conducted four meetings without the management's involvement. The duties of the audit committee can be summarized as follows.

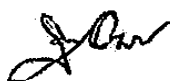
Financial reports , Reviewing financial statements quarterly and for year 2017, consulting with auditors, and deliver suggestions about internal control in order to correctly submit the financial reports with adequate information according to generally accepted accounting standards

Connected Transactions , Checking and providing opinions about connected transactions or conflicts of interests in order to ensure that fair deals are made and maximize the company's benefits according to the principles of good corporate governance and transparency

Good corporate governance , With relevant business ethics, ordered employees to report the names of associates and quarterly prepare shareholding reports for the company's committee to consider in 2017, no conflicts of interests were found.

Audit committee's performances , Presenting the audit committee's performance reports to the company's committee in the committee's meetings, provide opinions and suggestions which useful for the management, and the evaluation results for the audit committee's performance in 2017 from the company's committee.

Auditors , Evaluate the independency of the auditors and provide opinions about the auditors' fee in order to ask for approval from the general shareholder meeting in 2018 to assign auditors from BPR Audit and Advisory Company Limited. The assigned auditors will audit the company's activities in 2018. For 2017, the audit committee considered that they and the company's managers complied with good corporate governance and ethics in order to professionally achieve the company's goals, enhance continuous improvement of risk management and comply with auditing standards.



Mr. Piboonsak Arthabowornpisan

Chairman of the Audit Committee

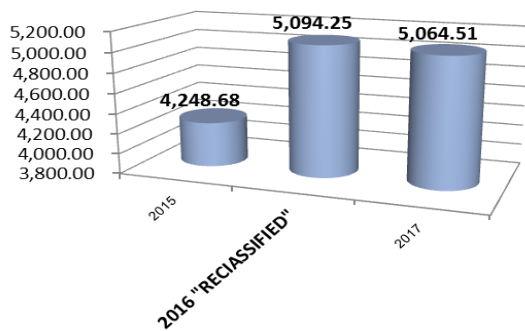
Overall Performance

Data as of December 31, 2017.

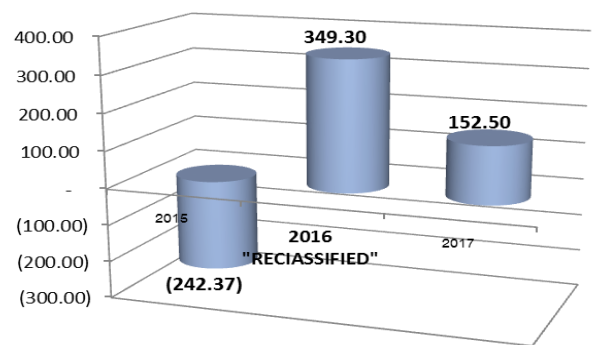
Overall Financial Statements

(Million Baht)

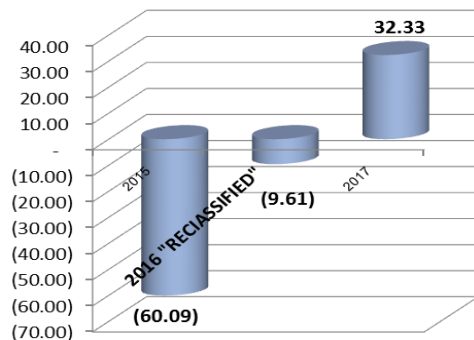
REVENUES FROM SALES AND SERVICE



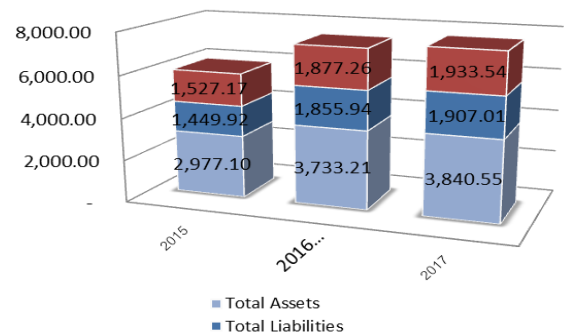
NET PROFIT (LOSS)



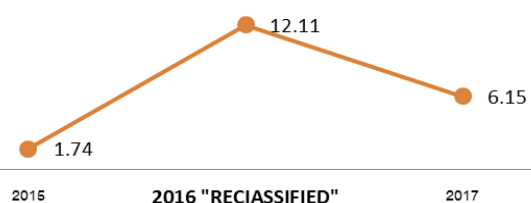
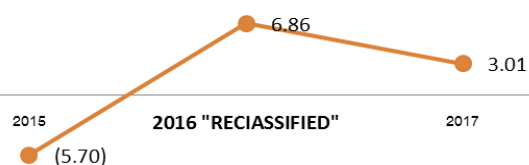
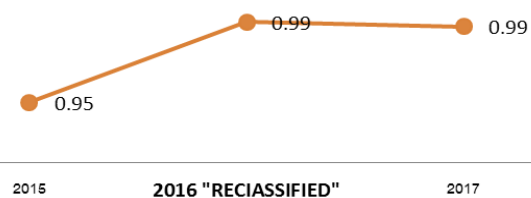
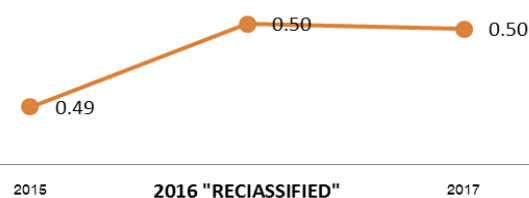
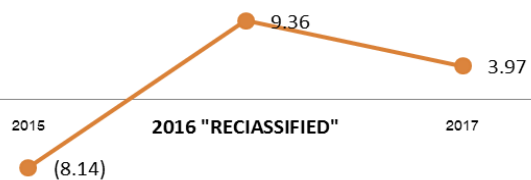
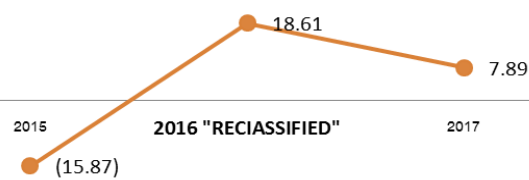
SHARE OF PROFIT (LOSS) ON INVESTMENTS IN ASSOCIATES



STATEMENT OF FINANCIAL POSITION



FINANCIAL RATIO

Gross Profit Margin**Net profit margin on sales****Debt to equity ratio****Return on total assets****Return on total assets****Return on equity**

General Information

ASIA METAL PUBLIC COMPANY LIMITED

Security Code	:	AMC
Registration Number	:	0107547000176
Type of Business	:	Produce and distribute structural steel such as steel pipe and C-shaped structure used in various industries.
	:	Coil Service Center
Registered Capital	:	549.97 Million Baht
Issued and Paid-up Capital	:	480.10 Million Baht
Head Office	:	55,55/1 Moo2 SoiWatnamdaeng, Srinakarin Road, T.Bangkeaw, A.Bangplee, Samutprakarn 10540
Factory	:	90/1 Moo10, T.Sasileam, A.Panutnikom, Chonburi
Investor relations	:	Tel : 02 383 7200 Email : ir@asiametal.co.th
Shareholders' representative	:	Fax : 02 383 4102 Email : ia@asiametal.co.th
Home page	:	www.asiametal.co.th
Subsidiary Companies	:	1. STC Steel Co.,Ltd. (AMC holds 99%) 2. Grand Asia Steel Processing Center Co.,Ltd. (AMC holds 50%) 3. Vientiane Bonded Warehouse Co., Ltd (AMC holds 40%)

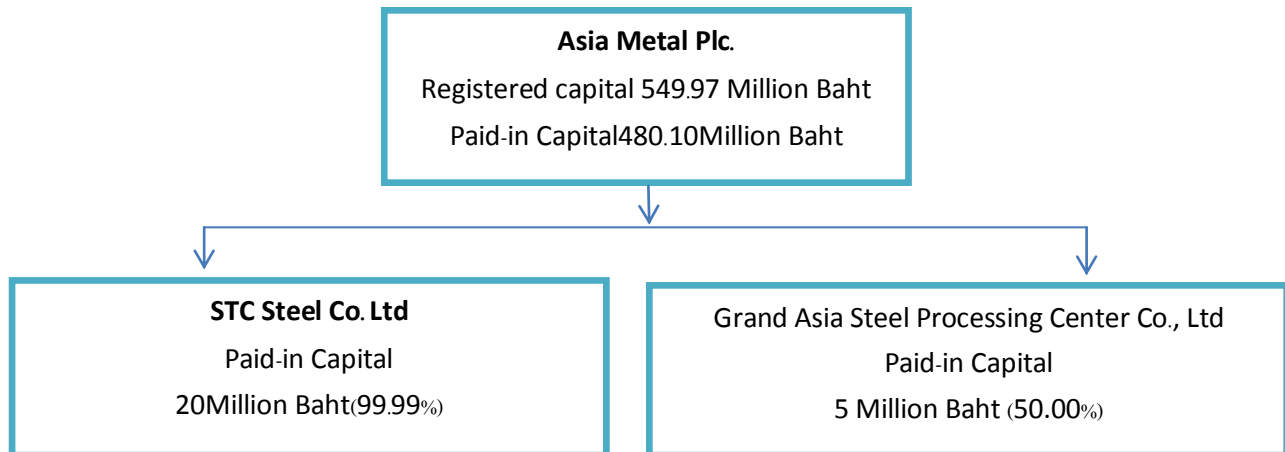
References

Share Registrar	:	Thailand Securities Depository Co.,Ltd.
Auditor	:	BPR Audit and Advisor Co.,Ltd.
Legal Consultant	:	B & P Law Co.,Ltd.

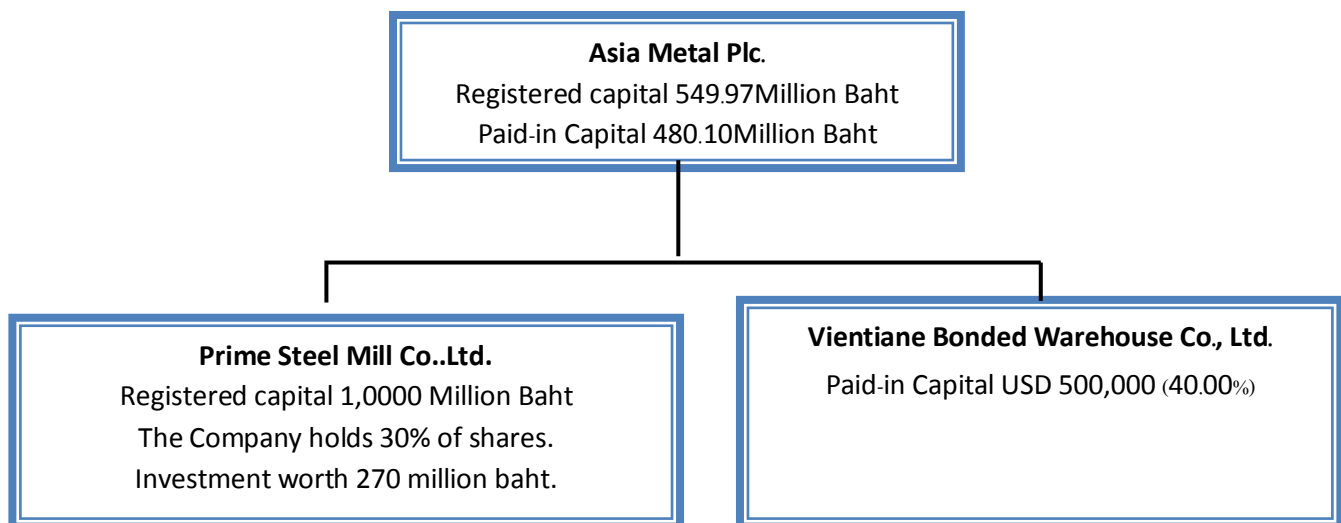
Business Overview of the Group

Group Structure of Asia Metal Public Company Limited as at 31 December 2017.

The structure of the subsidiary company of Asia Metal Public Company Limited



The structure of associates of Asia Metal Public Company Limited



The Group consists of three subsidiary companies

1. STC Steel Co. Ltd., holds 99.99 percent operates in manufacturer and distributor of steel pipes, both round and square types with diameter of 0.5 inches (12 mm) to 1 inch (25 mm) with a total capacity of 6,490 tons of steel every year.
2. Grand Asia Steel Processing Center Co., Ltd. (formerly name is Asia Metal Fabrication Co., Ltd. changed on August 25, 2015) holds 50.00 percent operates in steel service center (Coil Center) including the cutting and sale of steel sheets (Sheet) and slit steel coils (Slitting Coil) by the size demand by the customer with a total capacity of 72,000 tons of steel every year.
3. Vientiane Bonded Warehouse Co., Ltd. holds 40.00 percent of the company, which operates the warehouse, the company is still in the process of construction. Not yet operational.

4. Prime Steel Mill Co.Ltd. operate in manufacturer in hot rolled narrow strip in coil

Company Background

March 9 ,1993	:	Established Asia Metal Public Company Limited Registered capital and the initial amount of 30 million by the group of Mr.Chusak Yongvongphaiboon Types of business: distribution centers of steel.
March 9 ,2004	:	The Company had became a public company Registered capital amount of 200.00 million Paid-in Capital of 200.00 million Types of business: 1. Coil Service Center eg. Selling the steel coils (Hot-Rolled and Cold-Rolled steel sheet in coil) including cutting and slitting in coil by the requirement of customer. 2. Producer and distribute the fabrication steel eg. Steel pipe and lip-Channel to support in many industries.
Year 2008	:	Registered capital amount of 549.97 million Paid-in capital amount 480.10 million
Year 2011	:	Expanded the factory at Chonburi Province, Area : 100 acres, 85 square yard To support the transportation and delivery the product to the customer companies, where are located nearby the East area and North East area.
December 31,2017	:	Yongvongphaiboon Group as an executive and major shareholders hold 33.43 percent of paid-up capital. Khunying Pattama Leesawatrakul Group holds 14.37 percent of the paid-up capital Suteerachai Group hold 17.98 percent of the paid-up capital (Closed Record Date on May 11,2017)

Major changes and developments in 2017

- The Company has invested in Prime Steel Mill Co., Ltd. Currently, the Company invests in associated companies. Total shareholding is 30%.
- The Company has invested in building a warehouse, estimate 8,000 square meters of space on an area of 12 rai, 68 square meters, is expected to be completed in 2018. The warehouse will enable the company to increase its warehousing space. Increased approximately 8,000 tons to accommodate the expansion and demand of customers.

Nature of the Business

The company and the subsidiaries have divided the products and services in two types as follows;

1. The supply of steel products

The Company provides steel products in the steel service center. The hot rolled steel coils and sheets, cold rolled steel, galvanized steel (GI), to sell to trader and the customer is the steel industry. Customers will be used in the processing of steel, including the following services for steel cutting of various sizes to customer requirements.

2. Processing of steel products

2.1 Slitting Coil

The company offers steel cutting a slit coil. This is the coil (Coil) and cut into small strips across the width of the customer and roll it back to the retailer. The company has a machine for cutting steel rolling a Little (Slitting Coil).

2.2 Cutting Sheet production

The company provides the services of cutting the steel sheets. This is to cut the steel coil into steel sheet by the width and length desired by the customer. The company can cut the steel according to the width from 600 to 1,500 mm and lengths ranging from 300 to 6,100 mm by a machine for cutting plates (Cutting Sheet).

2.3 Steel Pipe

The company produces and sells steel pipes for use in various industries. At present, the company has the machinery for the manufacture of steel pipes, which can produce the steel from a diameter of 12 mm to 175 mm. By forming the hot rolled coil that has been cut according to the desired width and welding the steel sheet with high frequency by modern machinery and efficient production. That makes the steel pipes of the company has the quality and acceptable by the customer.

The company and the subsidiaries produce the round pipe, square pipe and rectangular pipe which the company can be produced by the width and length demand by the customer.

2.4 C-shaped steel structure

The company manufacture and sale of steel C-shaped. By bringing rolling a Little (Slitting Coil), cut to size, forming a C-shaped appearance. The company is used for the production of steel C-shaped ranging from 3 inches to 6 inches, which will be used in the construction of a roof structure.

Revenues of the company

The revenue of the Asia Metals Public Co., Ltd. and subsidiaries as follows.

Distribution Value	2015		2016		2017	
	Million baht	portion	Million baht	Million baht	portion	Million baht
• Steel Service Center						
1. Service supplier of steel products.	703.44	16.56	107.23	2.10	137.15	2.71
2. Cutting Services	2.82	0.07	2.86	0.06	4.99	0.10
Total	706.26	16.63	110.09	2.16	142.14	2.81
• Processing of steel products						
1. <i>Sheet</i>	437.34	10.29	271.78	5.34	304.83	6.02
2. <i>Slitting in Coil</i>	251.79	5.93	165.21	3.24	200.21	3.95
3. <i>Pipe</i>	1,906.11	44.86	2,293.99	45.03	2,415.77	47.70
4. <i>lip Channel</i>	414.43	9.75	715.80	14.05	449.48	8.88
Total	3,009.67	70.83	3,446.78	67.66	3,370.29	66.55
• Others*	36.68	532.74	12.54	1,537.38	30.18	1,552.08
Total value of all sales	4,248.68	4,248.68	100.00	5,094.25	100.00	5,064.51

Note: * other revenues include the selling of scrap from the manufacturing process

Major shareholders of the company

List of major shareholders as of the latest closing book of registration on 11/5/2017
(par value of Baht 1)

No.	Name/Surname	Total of Share	% of total of shares
1	Group of Mr.Chusak Yongvongphaiboon		
	Mr. Chusak Yongvongphaiboon	76,700,000	15.98
	Mrs.Phenchana Yongvongphaiboon	40,000,000	8.33
	Ms. Prerada Yongvongphaiboon	21,965,500	4.58
	Ms. Chananya Yongvongphaiboon	21,791,000	4.54
	Total group of Mr. Chusak Yongvongphaiboon	169,456,500	33.43
2	KhunyingPatama Leeawatrakul	69,000,000	14.37
3.	Group of Mr.VirachaiSuteerachai		
	Mr. Virachai Suteerachai	46,432,400	9.67
	Mr. Win Suteerachai	39,900,000	8.31
	Total group of Mr.Virachai Suteerachai	86,332,400	17.98
4	Mr. Viwat Kovitsophon	21,505,900	4.48
5	Mr. Thanawat Kovitsophon	10,016,000	2.09
6	Mr. Chanathip Traiwut	20,000,000	4.17
7	Ms. Orawan Pongtanyaluck	9,705,000	2.02
8	Mr.Pongthep Yuthinupamai	5,486,600	1.14
9	Mr.Somchai Tangwongsamart	5,321,000	1.11
10	Thai NVDR Co.,Ltd.	3,776,512	0.79
11	Mr. Pichit Chatsakulwong	3,330,000	0.69
12	Ms. Orani Pipikul	2,455,412	0.51
	Total	397,364,812	82.78

History of dividend policy for the past 3 years

The company has the policy of paying dividends to the shareholders the rate of not less than 50 percent of the net profit after tax deduction. Except if the company has planned to invest other projects. For the subsidiaries' dividend policy, like the company the subsidiaries will pay the dividends to the company at the rate not less than 50 percent of the net profit after tax deduction unless the subsidiaries have planned to invest other projects.

In the year 2017, the net profit for the year was Baht 116.84 million. The Board of Directors has proposed the meeting to approve the dividend payment. At the rate of Baht 0.12 per share, totaling Baht 57.60 million, which is in line with the dividend policy of the Company. As approved by the Annual General Meeting of Shareholders for the year 2018, the Company will pay dividends on 25 May 2018.

In 2016, the company had a net profit of Baht 354.26 million. The Board of Directors has proposed that the shareholders approve the dividend payment. At the rate of Baht 0.20 per share, totaling 96.02million baht accordance with the company's dividend policy. By the approval of the Annual General Meeting of Shareholders for the year 2017, the Company will pay dividends on 25 May 2017.

In 2015 the Company had a net loss of 175.34 million baht from the operation of the business. Company's Board of Directors is of the opinion approved by the shareholders' meeting. The suspension of dividend payment for the year 2015.

The goal of our business

The goal of the company is to produce the quality steel. Since the company recognizes how importance of the steel industry which is growing at a very high rate in the present and future from the growth of the construction industry, furniture industry, automotive industry and electronic industry.

Besides being a manufacturer of steel pipe and quality. The company also aims to become an integrated steel service center that is the company can offer various steel production. The size of the customer, including steel coils provide customers with the convenience of shopping from the customer can require companies to produce the desired size. The company is constantly improving standards. In terms of knowledge of the personnel and equipment used in the production include.

Also the company has the policy to develop the quality, reliability of the product, services of the company, and taking into account is the environment, both inside and outside the company. The company is currently in ISO9001: 2015 and IATF 16949: 2016 standard to spread out to the group of customers to automotive industry and ensures to its customers that the products purchased from the company are the products with standard quality and the company has the potential to improve the quality and continuously increase the potentiality of the employees.

Management structure

The board of directors consist with the board of directors and the audit committee. The Board of Directors and the management of the company consist of experts that are qualified in accordance the Section 68 of the Public Limited Companies Act B.E. 2535 (1992) and is not disqualified according to the Securities and Exchange Commission., Re. Application and Approval of an offer to sell the newly issued shares and the regulations on the management of the company issuing the securities. The names of the Board of Director are as listed below;

Board of Directors

Names of the Board of Director as on 31 December 2017 are;

Name -Surname			Position
1.	Mr. Virachai	Suteerachai	President
2.	Mr. Chusak	Yongvongphaiboon	Committee
3.	Mrs. Phenchana	Yongvongphaiboon	Committee
4.	Ms. Chananya	Yongvongphaiboon	Committee
5.	Mrs. Metikan	Chutipongsiri	Committee
6.	Mr. Piboonsak	Arthabowornpisan	Chairman of the Audit/Independent Committee
7.	Mrs. Taisika	Praisangob	Audit Committee/Independent Committee
8.	Sub Lt. Suree	Buranathanit	Audit Committee/Independent Committee

Remarks: Ms. Sasithorn, the secretary of the company

Note: 28/4/2017 Mrs. Metikan Chutipongsiri was appointed as the Company's director

Director with authorize signatory

The signatory director binding with the company consist with;

- | | |
|-------------------|------------------|
| 1. Mr. Chusak | Yongvongphaiboon |
| 2. Mrs. Phenchana | Yongvongphaiboon |
| 3. Ms. Chananya | Yongvongphaiboon |

The two out of three directors can joint to signed their names together affixed the seal of the company.

Scope of Authority of the Board of Directors

The duties and responsibilities of the board of directors to the shareholders is about the business of the company, governance and management in accordance the goals and policy that will

give an ultimate benefit to the shareholders and to all stakeholders within the framework of good moral.

The board of directors is obligated to perform and responsible for managing the company to comply with the laws, objectives and rules and regulations as well as to the lawful resolutions at the shareholder's meeting with honest and care, protect the interest of the company. Unless that matter must need approval from the shareholder's meeting such matter requires to be resolved at the shareholder's meeting, related transaction and purchase or sale the most assets by the law required by the Stock Exchange of Thailand or other government agencies required. In this case, the board of directors may delegate one director or others to carry out on behalf of the board of directors to consider and approve any significant business.

The interest in any manner with the company and its subsidiaries shall be presented to the board of directors of the company for consideration.

In addition, the board of directors of the company has determined the terms in the office of the board of directors of the company as follows;

- that the law requires the resolution of the shareholders' meeting.
- transactions where a member has an interest and be within the law or specify the terms of the Stock Exchange must be approved by the shareholders meeting.
- In addition, in the case of the following must be approved by the Board of Directors and the shareholders' meeting by a vote of not less than 3 /4 of the total votes of shareholders who attend the meeting and entitled to vote the ballot.
 - The sale or transfer of business of the whole or significant part.
 - The purchase or accept the transfer of other companies or private companies to the company.
 - The amendment or termination of a contract about the business of renting all or part of a major, assigning to someone else to manage the company's business or merged with others with the aim to profit and loss sharing.
 - The amendment or articles of the association.
 - Increasing the capital cost reduction issue. The merger or dissolution.
 - Any other matter required by law.

Currently, the Board's scope of duties and responsibilities can be summarized as follows.

- Organize the meeting of shareholders as the Annual General Meeting within four months after the end of the accounting period.
- Provide the Board of Directors meeting at least once in every 3 months.
- Provide a balance sheet and income statement of the company at the end of the period. The auditor review and propose to the shareholders for the consideration and approval.
- The Board of Directors may delegate to one or several people or any other person to perform instead of the Board of Director under the control of the Board of Directors or may delegate to such person authorized by the Board of Directors deems appropriate and within the Board's discretion. The Board may cancel or revoke the changes to fix the person or authority authorized by them. When appropriate the Board of Directors may delegate to the Executive Committee is responsible for the operation. The details of the scope of authority authorized by the board. The authorization must not appear to be authorized at the Board of Directors. To consider and approve the self or person with a conflict of interest or conflict of interest made to

any other companies. Or its subsidiaries. Except as authorized transactions are governed by policies and guidelines, the Board of Directors for consideration and approval.

- Set the policy, plans and budgets of the company, control and supervision of the administration and the management of the executive committee according to the policy that has been assigned. Except in the following that the Board of Directors must be approved by the shareholders before the operation, namely that the law requires the approval of the shareholders' meeting
- To consider the management structure of the executive Committee to appoint the Board of Directors, directors and others as appropriate.
- Monitoring the operation performance according to the plan and budget continuously.
- The committee must not engage in business which has the same condition and not in competition with the business of the company or become a partner in ordinary partnership or a partner in the partnership which is not limited authority or the director of private company or other companies that operate the same conditions. The competition with the business of the company whether they do it for personal gain or for other benefit unless they have informed at the shareholder's meeting before the resolution of appointment.
- The director must notify the company without delay if interested, either directly or indirectly in the contract that made by the company or change the number of share or debentures in the company or its subsidiaries.

Audit Committee

Names of the Audit Committee as on 31 December 2017 are;

Name-Surname		Position
1.Mr.Piboonsak	Arthabowornpisan	Chairman of the Audit Committee/ Independent
2. Mrs. Taisika	Praisangob	Audit Committee/ Independent
3. Sub.Lt. Suree	Buranathanit	Audit Committee/Independent

Authority Duties of the Audit Committee

The authorityduties of the audit committee has binding liabilities, power and duties and responsibilities authorize from the board of director including the reporting to the board of directors summarize as follows;

1. To review the Company's financial reporting is accurate and adequate. By coordinating with external auditors and executives responsible for financial reporting of quarterly and annual. The Audit Committee may recommend to the auditor review or audit of any item it deems necessary and important during the audit of the company
2. To review the Company's internal control and audit that are appropriate and effective. The review has conducted with the external auditor and internal auditor.
3. To review the practices of the Company pursuant to the Securities and Exchange Commission and the terms of the Stock Exchange or laws relating to securities business
4. To select and nominate the auditor of the company. Including the remuneration of the auditor with regard to credibility, adequacy of resources, check and workload of the audit office. As well as the experience of personnel assigned to the audit of the company.

5. To consider the disclosure of information in the event of a transaction or transactions that may have a conflict of interest that are accurate and complete.
6. Perform any other assigned by the Board of Directors and Audit Committee also agreed to review the financial management policies and risk management. A compliance review of business executives. Review with management the Company's key report to be presented to the public as required by the law, report and analysis of the management and so on.
7. Prepare the activities of the Audit Committee. Disclosure in the company's annual report. The report shall be signed by the Chairman of the Audit Committee. The list should contain the following information.
 - Comments on the process of preparation and disclosures in the financial reports of its accuracy, completeness and reliable.
 - Comments on the adequacy of its internal control system.
 - Reason to believe that the auditor of the company is appropriate to be appointed to another term.
 - Comments about the legal practice with the Securities and Exchange Commission. Terms of the Stock Exchange or laws relating to its business.
 - Comments or observations by the Committee includes the reviews receive from performing their duties under the Charter.
 - Any other reports that the shareholders and public investors should be aware. Within the scope of duties and responsibilities assigned by the Board of Directors.
8. Report the performance of the Audit Committee to the Board of Directors at least once a quarter.
9. Perform any other act by the Board of Directors of the Company entrusted with the approval of the Audit Committee.

In addition, the Board of Directors has set the term of operate of the Audit Committee in the following.

- Chairman of the audit committee 3 years
- Audit committee 3 years

However, if the commitment period of the chairman of the audit and the audit committee passed from their term may have been appointed to another term.

Executive Board of Director

Names of Executive Board of Director as on 31 December 2017 are;

Name-Surname			Position
1.	Mr. Chusak	Yongvongphaiboon	President
2.	MrsPhenchan	Yongvongphaiboon	Executive Committee
3.	Ms. Chananya	Yongvongphaiboon	Executive Committee

Scope of Duties of the Executive Committee.

The Executive Committee's scope of duties and responsibilities of management regarding the implementation of the regular business and its management policies, business plans, management structure, budget and power of the management guidelines in the company's operations in accordance with the economic conditions. To propose to the Board of Directors for approval and / or approval. Including the inspection and monitoring of the company's operations based to the policies. Currently, the Executive Committee's scope of duties and responsibilities can be summarized as follows.

1. Policy strategy, financial structure and various power management. To be consistent and support the economy.
2. To consider and give opinions on business plan and annual budget proposed by the President. For the presentation to the Board of Directors.
3. To supervise and monitor the operations of the Company to be effective and appropriate to the health of the business to benefit the administration of the affairs and business of the Company in order to comply with the purposes and regulations of the company.
4. The other performance as delegated by the Board of Directors.
5. With power of decision to the bank in the ordinary course of its business such as loans. As well as various bank guarantees etc.
6. Has the authority to approve the transaction costs for companies such as normal operating expenses and the cost of sales and administration. The limit for approval of such transaction is not more than 250 million baht or the amount determined by the Committee.
7. Allocation of reward money has been approved by the Board of Directors. Employees or employees of the Company or any persons who carry out the activities of the company.

Thus, the Executive Committee may delegate the duties to the Company's executive officers have the power to act in the particular subject matter or by the Board of Directors has deemed appropriate. The authorization above, the Executive Committee must comply with various requirements and agenda approved by the Board at a time and shall not approve any person or persons who may have conflicts of interest. Stakeholders, actual or potential conflict of interest in any other manner with the Company and its subsidiaries and must present these items to the Board of Directors for the consideration of the Board of Directors.

The Board of Directors has set the term of operate of the Board of Directors of the Company as follows.

- | | |
|-----------------------------------|---------|
| • Chairman of the audit committee | 3 years |
| • Audit committee | 3 years |

Appointed board of Directors and remuneration of directors and executives.

List of appointed boards of directors and remuneration of the directors and executives as at 31 December 2017 consists with;

Name-Surname			Position
1.	Mrs. Phenchana	Yongvongphiboon	Appointed Chairman and remuneration
2.	Mrs. Taisika	Praisangub	Director
3.	Ms. Chananya	Yongvongphaiboon	Director

Scope of authority and obligation

Scope of authority and obligation of the appointed board of directors with agreed remuneration of appointed directors and executives.

The scope and authority of the appointed board of directors with agreed remunerations in brief;

1. Policies and guidelines proposed to the board of director for the following;
 - Procedure to nominate the committee and managing director.
 - How to pay the compensation and other benefits to paid to the board of directors, sub-committee and managing director.
2. Select and proposed the name of the qualified personnel to the board of director's consideration as follows;
 - Committee
 - The committee from the sub-committee authorize with power and duties, and direct responsibilities from the board of directors.
 - The managing director and vice managing director for the position of managing director. Authorize the managing director to initially consider and propose the nominated board of director for consideration and propose to the board of director.
3. To look after the board of director with appropriate quorum to the organization including the adjustment that correspond with changing environment.
4. To look after the committee and managing director to receive the appropriate compensation according to their duties and assign responsibilities.
5. To set the guidelines, propose and approve the work evaluation of the chief executive officer. To determine the compensation and annual incentive payouts.
6. Follow the succession plan of work, position, chief executive officer and vice chief executive officer to propose to the board of director's consideration at least once a year.
7. Report the work performance to the board of director at least once a year.
8. Other actions as authorize by the board of director.

Risk Management Committee

The names of risk management committee as at 31 December 2017 consist with board of director and executive officer as follows;

Name-Surname			Position
1.	Mr. Chusak	Yongvongphaiboon	Chairman of the risk management
2.	Mrs. Taisika	Praisangub	Committee
3.	Mrs Phenchana	Yongvongphaiboon	Committee

Scope of authority, responsibility of the risk management committee

The scope and duties of the risk management committee in brief below;

1. Supervise the different agencies to plan and implement the risk management plan.
2. To advice and approved the principles for risk management plan of the agencies and set the appropriate standard control measures.
3. Responsible for risk assessment, prepare and oversee the implementation of risk management plan of the organization.
4. Report the matter to the board of director and executive committee to determine the director, strategic risk management, framework of acceptable risk to review or approval.
5. Organize the meeting to review the performance of risk management and report the performance to the executive committee or board of director

Executive

Names of the executive as on 31 December 2017;

Name-Surname			Position
1.	Mr. Chusak	Yongvongphaiboon	President
2.	Mrs Phenchana	Yongvongphaiboon	Vice managing president
3.	Ms. Chananya	Yongvongphaiboon	Director
4.	Mr. Chidchok	Thomawongse	Executive Vice President / Acting Director of the factory
5.	Mrs Wannaree	Thipsuwan	Director of Finance and Accounting.

Scope of authority of the President

Scope of duties and responsibilities of the authorized Director in the administration regarding the implementation of regular business and its management can be summarized as follows.

The Managing Director is the authorized representative of the Company. In the management of the company. To comply with policies, objectives, plans, rules, regulations, and regulations as assigned by the Board of Directors or the Executive Committee.

Assignment of power to control the daily management of the company.

To empower the Company to manage its business in accordance with its objectives, regulations, regulations, orders, and overall operational oversight.

The delegation mentioned above the managing director must comply with various requirements and agenda approved by the Board at a time and shall not approve any person or persons who may have conflicts of interest, stakeholders, actual or potential conflict of interest in any other manner with the Company and its subsidiaries and must disclose the transaction to the Board of Directors to the Board of Directors for consideration.

Otherwise, other than those mentioned above. The managing director cannot act unless authorized by the Board of Directors from time to time.

Monetary remuneration in the year 2017

For the past Annual General Meeting of the shareholders 2017 held on 28 April 2017. The remuneration for the board of director of 4,000,000 Baht had been approved. Which is the same rate by the year 2017, the company paid the remuneration for the 5 board of directors with names below;

Name-Surname				Meeting Allowance (Baht) 2017	Meeting Allowance (Baht) 2016
1	Mr.	Virachai	Suteerachai	440,000	360,000
2	Sub.Lt.	Suree	Buranathanit	220,000	180,000
3	Mrs.	Taisika	Praisangub	220,000	180,000
4	Mr.	Piboonsak	Arthabowornpisan	440,000	360,000
5.	Mrs.	Methika	Chutipongsiri	160,000	

Note: 28/4/2017 Mrs. Metikan Chutipongsiri was appointed as the Company's director

Board of Directors for 2 people (in 2017), and 3 (in 2016), no compensation as a director. The 3 directors are executives. Therefore receive compensation as an executive as follows:

Unit: Billion Baht

Details	Year2017	Year2016
	Salary and Bonus	Salary and Bonus
(3) Director- as executive	7,431.00	7,594.50
(2) Management	3,519.75	3,933.25
Total	10,950.75	11,527.75

Other remuneration for directors and executives

- None –

Personnel

Total number of employees of the Company and subsidiaries as of December 31, 2016 and 2017 a total of 329 people and 374 people (excluding management) consisted of the following lines.

Department	Number of Regular Employees 2017	Number of Regular Employees 2016
1. Office	94	77
2. Factory	280	252
Total	370	329

For the past 3 years, the company has no labour dispute.

The compensation of the employees

The compensation of the employees who are not executives of the company and its subsidiaries (total output during the year). In 2017 and 2016 in total of 110.70 million baht and 114.52 million baht respectively which paid in terms of salary, bonus, labour fees, overtime, cost of living allowance and fund.

Policy Development

The Company has the policy to develop employees as follows:

- Support programs to increase the efficiency of the company's workforce: There is an internal training program and the external training regularly. To bring knowledge and experience to apply to work.
- New Employee Training Program: A mentoring system for newly recruited staff. Older employees are coaching new generation employees to learn the job. This will allow the

company's employees to perform their duties properly and efficiently. They can also develop their organizations to compete in both national and regional competitions.

- Employee compensation policy at reasonable rates to motivate and keep employees engaged with the company in the long run.
- The Employee Benefits Program introduces fellow employees who have not worked with the company before to motivate them to introduce and persuade friends. Relatives working for the company.
- Policies relating to the welfare and working environment of the Company's employees, as appropriate.

Risk Factors

The risk of the business

- **Risk of volatility in consumption.**

The main products of the Company and its subsidiaries are the products in the construction industry, automotive industry and the electrical appliances industry, etc. In the past 2017, the situation of overall industries has slowed. By sectors of the infrastructure construction industry. Public sector is still an important factor driving the industry. The slowdown of the construction industry. This is one factor that affects the sales volume.

- **Risks from volatility of raw material prices.**

In the year 2017, the price fluctuation of hot rolled coils affected product cost and product price which came from the risk of price volatility. The Company and its subsidiaries monitored the situation in order to assess the situation and price trend closely, both in domestic and international prices include the other factors that may affect the price of raw materials. To take into consideration the order. However, the Company and its subsidiaries continue to focus on warehouse management in the right amount in line with sales. To reduce the impact on price.

2. Risk Management

- **Customer's credit risk**

The Company and its subsidiaries had trade accounts receivable as of December 31, 2017, amounting to Baht 497.01 million or 92.63% of total revenues from sales and services of the Company and its subsidiaries. The unpaid outstanding balance of Baht 332.30 million, unpaid over 90 days, amounting to Baht 128.07 million, totaling Baht 460.37 million or 85.34%.

The Company and its subsidiaries are committed to the quality of their receivables. It is a good practice to consider giving credit to all customers equitably and equally. To reduce the risk of any particular group. The Company and its subsidiaries also keep track of the quality of receivables. To reduce the risk that the debtor cannot pay. In addition, the Company and its subsidiaries have a policy to set aside allowance for doubtful accounts with all trade receivables that meet the criteria or are unlikely to be able to make payments.

- **Risk from Interest Rate**

As at December 31, 2017, the Company and its subsidiaries had a liability of Baht 1,886.29 million or 98.91% of total liabilities. The debt is a commercial loan in the form of Letter of credit, trust receipts, promissory notes, etc., with interest rates ranging from 1.02-3.02 percent per annum. The change in market interest rates may affect financial costs and operating results of the Company and its subsidiaries.

However, the Company and its subsidiaries' financial costs for the year 2017 were Baht 30.13 million or 0.59 percent of sales and service income. Management is also confident that the change in interest rates does not have a material impact on the Company's operations and cash flows.

- **Risk from exchange rate**

In the year 2017, the Company and its subsidiaries purchased goods from foreign countries. Of the total order value The order is in US dollars and euros. Exchange rate fluctuations are difficult to predict. There are many factors that affect the movement of exchange rates. The Company and its subsidiaries manage the use of appropriate tools to mitigate the risks that may affect the Company and its subsidiaries.

Assets for the Business Used

The fixed assets use in business

As at 31 December 2017 the company has fixed assets use in the business as follows;

		Unit: Million Baht	
Type / style of property	Type of Ownership	Value	Obligation
1. Land			
- Area of 16 acres, 3 Ngan and 5 square yard Location: No. 55, 55/1, Moo 2, SoiWatNamdaeng, Srinakarin Road, Bangkaew Sub-District, Bangplee District, SamutPrakan Province	Owned by the company	147.51	(1). Mortgage loan of 400 million baht
- Area of 99 acres, 72 square yard* Location: No. 90/1, Moo 10, Sasiliam Sub-District, PhanasNikom District, Cholburi Province.	Owned by the company	49.12	(2). Mortgage loan of 600 million baht
- Area of 85 acres, 69 square yard** Location: No. 90/1, Moo 10, Sasiliam Sub-District, PhanasNikom District, Cholburi Province.	Owned by the company	42.18	None
- Area of 17 acres, 34 square yard Location: No. 90/1, Moo 10, Sasiliam Sub-District, PhanasNikom District, Cholburi Province.	Owned by the company	8.46	None
- Area of 3 acres, 82 square yard Location: No. 6/10, Moo 1, SoiWatNamdaeng, Srinakarin Road, Bangkaew Sub-District, Bangplee District, SamutPrakan Province.	Owned by STC	25.64	(3). Mortgage loan of 250 million baht
2. Factory Building			
- Factory Building of the company Location: No. 55, 55/1, Moo 2, SoiWatNamdaeng, Srinakarin Road, Bangkaew Sub-District, Bangplee District, SamutPrakan Province.	Owned by the company	93.56	(1). Mortgage loan of 400 million baht
- Cholburi Factory Building of the company** Location: No. 90/1, Moo 10, Sasiliam Sub-District, PhanasNikom District, Chonburi Province.	Owned by the company	156.83	(2). Mortgage loan of 600 million baht

Unit: Million Baht

Type / style of property	Type of Ownership	Value	Obligation
2. Factory Building			
- Factory building of subsidiaries company			
Location: No. 6/10, Moo 1, SoiWatNamdaeng, Srinakarin Road, Bangkaew Sub-District, Bangplee District, SamutPrakan Province.	Owned by STC	11.83	(3). Mortgage loan of 250 million baht
4. Factory Rent and Office building	Owned by GA	0.22	Lease agreement
5. Machineries and Equipments	Owned by the company	320.15	None
6. Machineries and Equipments	Owned by STC	0.04	None
7. Machineries and Equipments	Owned by GA	0.42	None
8. Vehicles	Owned by the company	9.53	None
9. Vehicles	Owned by GA	0.37	None
10. Furniture and office equipment	Owned by the company	7.00	None
11. Furniture and office equipment	Owned by GA	0.99	None
12. Construction in progress and Machineries in progress	Owned by the company	118.06	None

Investment policy and the management of subsidiaries and associated companies

The investment policy of the company will consider in investing the businesses that support and facilitate the business of the company of business in an industry that tends to grow and it is important to take into an account the benefits that will receive from investment. The company will oversee by sending the committee by representing according to the portion of shares. If the associated companies, the company will not on control much but sending the representative from the company as the director of that company based on the portion of the shares of the company.

Report of practice under the good corporate governance

The Board of Director of Asia Metal Company Limited (Thailand) (the "Company") has recognizes the importance of good corporate governance of the companies. To abide by such guidelines as the basis for the business operations and policies. To perform the responsible duties and honest with care. Asl resulted in business growth can be effective, transparent and raise confidence among the shareholders, investors and all relevant parties. Which at present, the company has to comply with the 5 principles as follows.

Chapter 1 Rights of the Shareholder

1.1 Election

According to the implemented rules of the company in the particular to elect the board of director of the company at the shareholder's meeting under the principles and method as follows;

- (1) One shareholder has the vote equivalent to one share according to the total of share that has been hold.
- (2) Each of the shareholder shall use all the vote according to (1) to elect the same person or several person as the committee but not to divide the vote more or less to any person.
- (3) The person receive the highest vote significantly can be elected as the committee equivalent to the number of the committee which has been or elected at that time. In case the elected person in the next level has more vote than the number of the committee existed or just elected at that time, the president has the absolute vote.

In addition to this, during the past ordinary shareholder's meeting, the company has given the shareholder the chance to vote and individually choose the committee.

1.2 Rights to attend the shareholder's meeting

Before the date of the meeting

- (1) The company has given the shareholder their privilege to present the agenda at the meeting and names to be elected as the board of director of the company 60 days in advance before the meeting. Which prescribing the principles in presenting the above at the website of the company: www.asiametal.co.th with the announcement through the Stock Exchange Market of Thailand. Including the forms for convenient to the shareholders to be presented the agenda of the meeting and the names of the above person. However, in 2016 there is no shareholder presented the agenda and names to be elected as the committee.
- (2) The company has send the invitation letter of the meeting to the shareholder prescribing the agenda and opinion of the board of each agenda. The letter has included the document for the meeting and send to the shareholder at least 14 days in advance before the meeting of the shareholder. The entire data shall be presented at the website of the company headed "data for the investor" in 30 days in advance before the shareholder's meeting under the AGM Checklists to let the shareholder has the chance to review the data before attending the meeting in advance before receiving the data in shape of document.

- (3) To provide conveniences at the meeting to the shareholders that could not attend the meeting by their own, the company has the proxy letter herein attached Form Kor. and Form Kor. together with the invitation letter. To allow the shareholder staying abroad can appoint their proxy to attend the meeting and can cast their vote on their behalf or able to assign the power to the independent committee appoints by the company as the proxy.
- (4) In addition to the letter of invitation send to the shareholder and in order to provide and to receive additional information. The company has manage for an advertisement to invite the shareholder in the newspaper for continuously 3 days and 3 days in advance before the shareholder's meeting as prescribe in the Public Company Limited Act B.E. 2535 (1992). As well as publish the letter of invitation of the meeting and documentation at the website of the company headed "data for the investor."

On the meeting day

- (1) The company has provides the conveniences to the shareholder in particular of the place for convenience to travel, preparation of the invitation letter for those shareholder failure to bring the document, monitor to present the agendas in term of Power Point for the conveniences to consider each agenda with micro phone. To allow the shareholder the right to ask, present or show their opinion as long necessary. Provide the table for the registration and examine the document with the assistance of the staff.
- (2) The board of director, board of audit committee and executive board are aware how important is to attend the meeting that shall be considered as duty and responsibility. That enable the previous ordinary shareholder's meeting consist with the board of director, board of audit committee, board of director that determine the compensation, executive board and administrative having the highest authority in finance department and accounting are attended the meeting except the president who is absent due to urgent task that could not able to attend the meeting.
- (3) Before stating to consider the several agendas as mentioned in the letter of invitation. The company has appointed the secretary of the company to inform the method of how to vote of each agenda as well as to inform the number of shareholder attended the meeting and total of share having the right to vote.
- (4) To give the chance to the shareholder in fair justice to show their opinion and ask the board of director of the company in each meeting agenda.

After the meeting

- (1) In addition to make notice to the resolution of the annual ordinary shareholder's meeting through the information system of the Market Stock Exchange of Thailand. The company also publish at the website of the company to allow the shareholder the chance to correctly review that resolution. It is also the other way to know the data of the shareholder which could not be able to attend the meeting by their own and other investor as well.
- (2) The company has the minutes of the annual ordinary shareholder's meeting and published at the website of the company with 14 days from the date of the annual ordinary shareholder's meeting.

1.3 Rights to receive the dividend

The company has determined the policy to pay the dividend for the performance not less than 50% of the net profit as the legal reserves amount. Which the company has allocated the reserves amount under the law equivalent to 10% of the registered paid up capital.

The company has allocated the reserves amount 55 million bath under the law regulation. The committees approved to pay dividend payment which from the net profit in 2017.

1.4 Rights to receive the sufficient data about the business

The company has manage to publish the necessary information such as the work performance or financial statement etc. through the Market Stock Exchange of Thailand. Moreover, also publish at the website of the company headed “ data to inform the Market Stock Exchange of Thailand.” The company also appoints the investor public relation to follow up and negotiate with the investor, analyzer including the related government and private sector. For enquiry contact the Tel. No.

Tel : 02 383 4100, 02 338 7200 ext. 221

Fax : 02 383 4102

Chapter 2 Treating Fair Practice to the shareholder

- (1) Preparation of Invitation to Annual General Meeting of Shareholders. The Company has treated the fair practices to the shareholders in the country and foreign shareholders equally. The invitation letter is prepared such documents and the agenda in Thai and English language.
- (2) The company has been prepared the Proxy Form Kor and Form Kor. So that the shareholders in both domestic and foreign who are unable to attend the meeting may appoint another person to an independent company offering a proxy to attend and vote on their own. And convenience by allowing the shareholders to download the proxy form from the company's Web site 30 days prior to the meeting.
- (3) The shall have no additional agenda for the meeting without informing the shareholders in advance.
- (4) The company directors and managers must report to the company's aware of the interest of the person or persons involved. The interests involved in managing the business of the Company as defined in Section 89/14 of the Securities and Exchange Commission (No. 4) Act 2551 for the Board to consider the company's transactions. Potential conflicts of interest and can make decisions for the overall benefit of the company. The directors and executives who have an interest to make transactions with the Company will not participate in the decision on the transaction.
- (5) The Board of Directors is aware of the importance of data protection within the company to use for personal gain. The company has the policy to keep the information which has not yet been disclosed to the public as confidential. By the perception that only for those involved.

The company informs the directors and all executives acknowledged the obligation to report holdings of securities in the company of their own Including the spouses and minor children. As well as the changes in securities reports on SEC and stock under section 59 and penalties under Section 275 of the Securities and Exchange Act BE 2535 and has also prohibits the directors and executives.

Including spouses and minor children of such persons to buy, sell, transfer or accept transfer of the securities using inside information that has not yet been disclosed to the public. For the case of executives, including spouses and minor children to buy, sell, transfer or transfer of securities of companies that fall into the above cases shall be reported to the SEC and the Stock Exchange every time you buy, sell, transfer or transfer of such securities within three days from the date incurred and send the copy to this report to the Secretary as evidence.

Chapter 3 The role of stakeholders

The company was aware of the rights and importance of the stakeholders, both in terms of customers, employees, partners, shareholders or investor, creditors, competitors. Also focuses on environment and social responsibility, community where the company is located. As well as the society and government sector. In 2011 the company has added the best practices and set the policy such as; the management and staff are not allowed to illegally use the software, do not copy the software copyright, don't involve the violation of human rights, encourage the employees to use the resources efficiently with value, pay attention and always aware the safety and environmental awareness, encourage the employee and stakeholders of the company to get involved in the development of the community and society. As can summarized below;

- (1) Customers To adhere that the customer is the center that the company should ready to serve to comprehensive the needs. By providing the guidance, solution and assistance to supply the product, create the new services, developed the broad range of options, adding the value of steel products. As the new perspective in steel business under the management that fully support the manufacture, modern technology, determine the product quality, deliver on time that corresponds to the production of the customers. In order to build the confidence to the customers and conveniences to the customers.
- (2) Employees Because of the potential of the employees is one of the important structures that every thought and every imagination becomes a reality. Therefore the company tend to develop the employees of the company become a professional, with value in thinking and practices. That tending the success, trusted and reliable that can fully correspond the needs. At the same time the company also focuses on providing the employee the knowledge, experience and expertise to give consulting and learn new things. By providing the regular training and skill development.
- (3) Partners The Company has the policy to builds a good relationship to the partners, and treats the partners fairly as agreed under the business terms and/or agreement. In order to develop and maintain the sustainable relationship for the mutual benefit of both party.
- (4) Shareholders The Company is committed to grow the business of the company continuously. Until the company enable to grow as the leading company in steel industry. Although in recent years there are the economic problems due to many factors. That is to build the confidence and add the value to the shareholder over the long terms. To provide the way for the shareholders/stakeholders to contact/complaint to the independent committee. Also to determine to accept the complaint about the good governance from the employee through the secretary of the company. By reporting the good governance to the board of audit and good governance on a quarterly basis

- (5) Creditors The Company shall comply the terms of loan agreement and provide the accurate financial information, including the payment on time.
- (6) Competitors The Company operates under the rules of fair competition and not to destroy the reputation or cause damages to their competitors.
- (7) Community and Society The board of directors has focused how important is the development and social responsibility along with business operation. With realization that business will survive must based on growing steadily of the society and environment. Therefore it has encourage various activities for the development and friendly to the environment in terms of production, work environment, work place and community around, safety, take into account the physical and mental health of the employees, including to organize the activities that will give benefits to the society.
- (8) Government Sectors The Company has compliance with the laws, rules and regulations of the government sectors strictly. Also to cooperate in providing the information about the company's performance and to participate with other activities organize by the government agency.

Chapter 4 Disclosure and Evident

- (1) The board of directors oversees the disclosure of sensitive information related to the company. Including the financial statement audited by the independent auditor in accordance with generally accepted accounting standard and non-financial information such as remuneration of the directors, number of directors attended the meeting, scope of work of the board of directors, transaction information and policy oversight of the company as required by the securities and exchange commission, the Stock Exchange of Thailand and other related information that is accurate, complete, on time, transparent. Allowing the investors and stakeholders of the company equally receive the information via on the news of the Stock Exchange of Thailand, annual statement of the data, annual report and at the website of the company www.asiametal.co.th Also the company has appointed the secretary to be responsible for the preparation and maintain such data and provide the accurate information to the investors, shareholder, analysts and stakeholders.
- (2) Which has been clearly defined and transparent the remuneration is the same with other industry. Which was determined by the Remuneration Committee and approved by the Shareholder General Meeting? The details of the remuneration of the directors and executive officer are out in the topic of the management structure.

Chapter 5 Responsibilities of the Board of Directors

1. Structure of the board of directors

Board of directors At the end of 2017 there are 7 board of directors segregated into independent directors and 3 audit committee which complies with the requirements of the Stock Exchange of Thailand. The person with knowledge, experience and skills that is beneficial to the company's business. The board of directors has been approved from the general meeting of the shareholder to hold such position. The details of the scope of duties and responsibilities are listed in the structure and management.

Audit and Governance Committee consists of 3 independent directors. The audit committees are independent who have no interest and no association with the company, board of director, board of administration, major shareholders and related to any of the above. The 3 audit committees are the person with sufficient knowledge and experience that will serve to verify the reliability to the financial statement. For the details relevance to scope of work, duties and responsibilities are appeared in the structure of the management.

Nominated committee and remuneration consists of the chairman and two other committee altogether there are three of them. Which the nominated committee and set the remuneration for the three of them. They are the person with sufficient knowledge and experience to act in the recruitment and set the remuneration.

Risk Management Committee consist with chairman and 3 other committee altogether 4 of them which the board of the management altogether 4 of them are consist with sufficient knowledge and experience to act to manage the risk and prevention of the risk to be arise.

Board of Directors consist with chairman and another 2 committee altogether 3 of them which 3 of the board of directors are the person with sufficient knowledge and experience to act of the management to be stable, progress and potential for the competition with other company in the same industry.

2. Determine the office terms of the Committee

According to the rules and regulation of the company Article 13 it was determined at the Annual General Meeting that one director will leave his office out of the three directors. However if the number of directors be divided into three parts and will not match then the nearest number to the one part of the three parts will be out. Which the directors hold the longest post will retire from his post and the director that will leave his post under the agenda will be elected on the new position.

3. Qualifications of independent directors

Features of the Company's independent directors Is defined as the minimum requirements of the Securities and Exchange Commission of Thailand.

1. Shall not hold more than 5 percent of the paid-up capital of the company. Its subsidiaries, affiliates or related companies shall be inclusive of the shares held by those involved.

2. Is not participate in the management of the company. Affiliates, subsidiaries, associated companies or shareholders of the Company is not an employee or consultant who receives a salary from the company and Its subsidiaries Associate companies or shareholders of the Company. As Managing Director of the Company cannot be verified because the President is directly responsible for the management and so on.

3. Is not benefit or interest, whether direct or indirect. Both in financial and operational management of the company. Its subsidiaries, affiliates or shareholders of the Company and include no interest or interest in such manner for a period of one year before being appointed to the Audit Committee. Unless the Board has carefully considered that. To have interests or equity shall not affect the performance of duties and independent opinion.

4. A director who is not related to, or relatives of directors or major shareholders of the company.

5. A director who is appointed as a representative to safeguard the interests of the Company's major shareholders. Or shareholders who are related to the Company's major shareholders.

6. Able to perform its functions. Comments or reports to perform its duties. Assigned by the Board of Directors. It is not under the control of the executive or major shareholder of the Company. Including those involved or close relatives of such persons.

Also, if the board of the Stock Exchange or Securities and Exchange Commission has announced an update or lenient. Qualifications criteria It is effective as announced later on.

4. Leadership and Vision

The board of directors has the leadership, vision with freedom for decision making, set the policy, goals, business development and budget plan to the best interest of the shareholders and growth of the company. The plans are reviewed annually to meet the expected goal of the business.

5. Conflict of Interest

To avoid conflicts of interest. The board of director has carefully maintained on the list of possible conflict of interest, policies and procedure. Including the prevention not the management and related person within the company use the internal information for personal gain.

- List of possible conflict of interest: The committee should aware the conflict of interest, related transaction and always carefully consider. Including the compliance with the rules of the Market Stock Exchange which the price and conditions like the transaction with the third party (as Arm's Length Basis) and revealed the details of the details, value, partners of the contract, reason/necessity at the annual report and Form 56-1 in the next topic of the transaction.
- Monitoring the use of internal information: The board of the directors designed that the management shall report the changes of holding the assets at the Securities and Exchange Commission under Section 59 of the Securities Exchange Act B.E. 2535 prohibits the executive or agencies that have been informed by the disclosure to the third party or person which are not related and not trade the assets of the company during 1 month before the publication of the financial statement.

6. Code of Ethics

The company has designed in compliance with the code of conduct of the board of director, management and employees to adhere as guidelines in the performance in according to

the mission of work with integrity, honestly and fairness to perform with the company, all groups of stakeholders, public and society. The roles and responsibilities mentioned above are defined in the scope of authority of the board of directors and managing directors. Including the regulations at work of the company which designed the disciplinary action, the board of director has improved the policy of governance and business ethics to correspond with the following guidelines;

6.1 Policy regarding the number of the company which each director has to post their terms of office, but not does limit the term of office. The 8 directors will post as the committee of the registered company not more than 5 companies complying with the principles of corporate governance.

6.2 The managing director can post as committee to other company by informing the board of directors in written within 14 days of the appointed date or notify the board of directors before the appointment as managing director (in case of newly appointed managing director).

6.3 The committee shall recognize the importance to report the complaint and suggestions by giving the employees and stakeholders the chances to complain, express their suggestion to lead for the improvement of the management systems. For reporting the clue of the offense can be conducted by sending the complaint through the corporate secretary.

6.4 The board of directors of the company has the guidelines of “ethical behavior” as a discipline. Which the committee, management and all employees must strictly adhered to comply. Any infringement is a violation against the discipline in accordance with the personnel management.

6.5 The board of directors has the policy about the conflict of interest in the ethical guidelines. To prevent the chances of seeking personal gain elaborated below;

- Shall have no record of offence against the Office of the Securities and Exchange/Stock Exchange of Thailand.
- The chairman is not the same person of the managing director. With powers, authority and duties that clearly segregated from each other.
- Organize the meeting between the non-executive directors without the management side for the freedom to express their opinion for the improvement of the management of the management department.
- The board of directors has established the system of internal control that covering the financial, work performance, operations complying the law, rules and related regulations, including providing the adequate risk management. As well as providing the device for inspection and scale that is effectively sufficient to protect and preserve the assets. With plan for internal inspection conducted by the in depended agency that directly reported to the Audit Committee and Governance Committee. Also to report it to the Audit Committee with quality that contains the important and accurate information with the policy of risk management in a clear manner.

7. Scale of Non-Executive Directors

As of December 31, 2017 there are 8 board of directors of the company with details below;

- | | |
|-----------------------|----------|
| 1. Executive Director | 3 person |
| 2. Committee | 2 person |
| 3. Audit Committee | 3 person |

Therefore, the company has 3 independent directors representing to 37.50 percent of all directors. It also held the meeting with the non-executive directors and management side to have the freedom to express their ideas fully.

8. Join or separation of the position

The chairman is not the same person of the managing director. However, the chairman and managing director will represent the group of the major shareholder that holds 19.13 percent and 24.90 percent respectively of registered capital and paid up share. But the board of director consists of 3 audit committee which will cause the balance and can review the administration.

9. Directors and Executive Remuneration

The company's remuneration policy has set clearly and transparent by appointing the nominating committee and remuneration committee to consider which the compensation has been presented to the subject matter of the structure of remuneration management for the committee and executives.

10. Meeting of the Board of Directors

The company has set the schedule for the meeting of the board of director on a regular basis (at least 3 months each time) with special meeting as necessary to precise agenda in advance and monitoring the operation regularly. By sending the notice of the meeting contain with the meeting agenda and document before the meeting in 7 days in advance. Allowing the board of director has the adequate time to study before attending the meeting. It also has the minutes of the meeting in written and report the minutes of the meeting approved by the board of directors so that the board of directors and related person can examined the minutes of the meeting.

For the past 2017, there are 8 meetings of the board of directors as follows;

Name-Surname			Numbers attended
1.	Mr. Virachai	Suteerachai	7/8
2.	Mr. Chusak	Yongvongphaiboon	8/8
3.	Miss Channaya	Yongvongphaiboon	8/8
4.	Mrs. Phenchai	Yongvongphaiboon	8/8
5.	Mrs. Metikan	Chutipongsiri	3/4
6.	Mr. Piboonsak	Arthabowornpisan	5/5
7.	Mrs. Taisika	Praisangub	4/5
8.	Sub Lt. Suree	Buranathanit	5/5

Note: On 28 April, 2017 Mrs. Metikan Chutipongsiri was appointed as the Company's director

11. Subcommittee

The General Meeting of Shareholders has appointed an Audit Committee and Corporate Governance Committee operated on February 17, 2007 which to assist in the corporate governance of the Company. The powers and duties of the Audit Committee in accordance with the details. Structure of Currently, the appointment of committees to act in moderation. And monitor and manage the issues. Subcommittee on board in a meeting at least once every 3 months to consider going on to keep up with the management of the company.

12. Internal Control and Audit control system

The company has emphasis how importance is the internal control in management level and performance to have efficiency. Therefore the duties, authority of the operators, management has clearly determined in written. There is the control over the assets of the company to gain benefits with segregated duties of the operators, monitoring-control and work evaluation to make it balance and inspection between each other in appropriately. There is also the internal control to the

financial system which the company has provided the constant financial report according to the responsible management department. Includes, the company has appointed the internal inspection to assure that the major performance and important financial activities of the company has correctly proceed according to the principle and efficiently. Also to examined the legal performance and compliance control of the company. To allow the internal inspection agency has the freedom and ability to examine and well balance. The board of director therefore has the internal inspection agency that will do the report of the result directly to the audit committee. With the work evaluation from the audit committee and to ensure that the inspection control and internal audit has conducted independently.

13. Report of the board of directors

The board of directors is responsible for the financial statement of the company and consolidated financial statement of the company and its subsidiaries (if any), and financial information that contained in the Annual Report. Thus, the financial statement has been prepared in accordance with the accounting standards that generally accepted in Thailand. By selecting to use the accounting policies and consistently implemented. Applying the careful discretion that is best for the preparation with adequately disclosed the important data in the notes to the financial statements.

The board of directors has effectively maintained the internal control. To ensure that there is no reason that the accounting records are accurate, complete and sufficient to maintain the property, and to identify the weakness in order to prevent fraud or irregularities of the material.

The audit and governance committee contained with non-executive directors that are responsible for the quality of financial reporting and internal control system, and meeting with the auditor of the company without the attendance of the management to assess the risk, adequacy of the information and internal control system.

Therefore the committee considered that the internal control system of the company as a whole is in a satisfactory factor and confidently create the reliability of financial statements of the company.

14. Relationship with the Investors

The board of directors of the company is aware that the information relating to the financial and non-financial. All are influence to the decision making of the investors and stakeholders of the company. Therefore there is an instructing explicitly to the management to act in the matters relating to the disclosure of the complete information, accurate, reliable and on time. Which the management of the company has been aware how important and always abide. For the part of investor relation section, at present the company has the agencies for overseeing the responsibility such as the secretary of the company together with the finance and accounting department to negotiate with the investors of that institutional, shareholder together with the analysts and related government sector in order to report the data on time.

Corporate Social Responsibility Activities

The company has focused on how important is the organization and being participated in the society in various ways such as providing scholarships to the children of the employees on annual basis granting scholarships to elementary school and high school level at the urban areas. Together with the school to construct the toilet for the student of kindergarten school as well as participated together with the government sector to encourage the employees to donate items and others to poorer people that complementing the activities of the industrial sector and community to live together in a warm and creatively.

Program for the community

The company has participated with school community by granting the scholarship to the students at the community school in elementary level and high school level, recognizing that the youth are important resources of the country in the future. Therefore it should promote the learning and skills development activities in the year 2017 as follows;

(see detail in CSR report in year 2017 at www.asiametal.co.th)

Program for employees

The Company focuses on the health of employees as well. For employees who are vital in driving business growth, sustainability and quality. In order to have an annual health check and with the advice of health care by doctors and nurses.

The company has provided its employees have participated in the training of fire and other threats by the repair of fire extinguishers, evacuation annual debt every years. In 2017, It presents both the headquarters and branch offices Bang. To provide employees with a better understanding of the health and safety of the employees who have been trained to use in their daily lives, whether in the workplace, home and community-based living.

- Co-sponsors of Children's Day activities and scholarships at Watnamdaenggreen dedication)
- On January 12, 2012, the Company participated in the CSR activities of the UOB Commercial Division, delivered and consumed at Thammasat School, Nonthaburi.

Program for the employee

Company to focus on the health of employees as well. Because all employees who are critical in driving business growth, sustainability and quality. The Company held an annual health check. And providing advice on health care by doctors and nurses.

The company has provided its employees have participated in the training on fire and other threats by the repair of fire extinguishers, evacuate the annual debt every years, which in 2016 was held in the headquarters and branch offices Phanunikhom. So that employees have a deep understanding of hygiene, which enable employees to attend the training can be applied in everyday life, whether at workplace, home and community-based living.

Summary of the transactions of the company for 2017

Summary of the transactions between the company, subsidiaries and related companies or individuals who may have conflicts of interest that occurred in 2017.

Particular	Relationship	Description	Value (Million Baht)	Opinion of the Board of Audit
STC Steel Co.,Ltd. Produce and providing steel cutting and modifying service.	Subsidiary AMC holds 99.99%	The company rent building and machines.	0.12	- Due to rent the office building with STC Steel Co.,Ltd. and according to pricing agreement of rent contract.
		with total outstanding account as of the end of the year	0.00	
		Remaining interest	23.00	- Due to hires the production of steel pipe from STC Steel Co.,Ltd.The price of the steel purchase by the company with STC Steel Co., Ltd. is the market price and fair price given to the third party which is the normal business.
		The company hires the production of steel pipe from STC Steel Co.,Ltd.	8.38	
		With total outstanding account as of the end of the year	0.88	
				- Which the audit committee and governance committee will consider the mentioned report and approved that report is reasonable for the highest benefits of the company. The price purchase-sold the product is the fair price that has purchase and sold to the third party.

Particular	Relationship	Description	Value (Million Baht)	Opinion of the Board of Audit
Grand Asia Steel Processing Center Co.,Ltd.	Subsidiary AMC holds 50.00%	The company sold the steel and also rent building and machines.	102.90	- Due to selling the steel and offer the service to cut the steel which is the normal business operation. Which the price of the steel and cut the steel with Grand Asia Steel Processing Center Co.,Ltd.is the prices according to the market and the fair price given to the third partyand price agreement of rent contract.
		with total outstanding account as of the end of the year	69.23	
		The company purchased the steel fromGrand Asia Steel Processing Center Co.,Ltd.	0.09	- Due to selling the steel sheet in big size with thickness given to the customer. The price of the steel purchase and commission by the company with Grand Asia Steel Processing Center Co.,Ltd.is the market price and fair price given to the third party which is the normal business.
		With total outstanding account as of the end of the year	2.69	- Which the audit committee and governance committee will consider the mentioned report and approved that report is reasonable for the highest benefits of the company. The price purchase-sold the product is the fair price that has purchase and sold to the third party.

Particular	Relationship	Description	Value (Million Baht)	Opinion of the Board of Audit
Taweechoke PhanitCo.,Ltd. operates in retail of hot-rolled steel	Mr. Pornthip Yuthinupamai, Mrs. Sengchan Lee and Mrs. Vatcharee Yuthinupamai, the three are the authorized signature and shareholders of TaweechokePhanit Co., Ltd. the sibling and mother of Miss PhenchanYuthinupamai, the director and major shareholder of the company	The company sold the steel to Taweechoke Phanit Co., Ltd.	0.45	<ul style="list-style-type: none"> - Due to selling the steel and offer the service to cut the steel which is the normal business operation. Which the price of the steel and cut the steel with TaweechokePhanit Co., Ltd. is the prices according to the market and the fair price given to the third party. - Due to selling the steel sheet in big size with thickness given to the customer. The price of the steel purchase by the company with TaweechokePhanit Co., Ltd. is the market price and fair price given to the third party which is the normal business. - Which the audit committee and governance committee will consider the mentioned report and approved that report is reasonable for the highest benefits of the company. The price purchase-sold the product is the fair price that has purchase and sold to the third party.
		with total outstanding account as of the end of the year	0.00	
		The company purchased the steel from TaweechokePhanit Co., Ltd.	1.26	
		With total outstanding account as of the end of the year	0.14	

Particular	Relationship	Description	Value (Million Baht)	Opinion of the Board of Audit
Permchai PanichCo.Ltd.	Mr. Virachai Suteerachai, The shareholder of the company, an uncle of Mr. Chusak Yongvongphaiboon who is a director and the shareholder of the Company.	The company sold the steel to PermchaiPanichCo.Ltd.	0.08	- The transaction is a sale of steel products, and provides cutting slit, which is normal. The price that the company sells steel and features a cutting slit with limited commercial company to finish a sale at market price and the price of the sale to a third party.
operates sale the 2 nd grade of hot-rolled steel sheet		With total outstanding account as of the ended year	0.00	- Because there is no transaction in 2016, the Audit Committee and Corporate Governance Committee. There are no comments
Permsin Steel Work Public Co.,Ltd.	The group of the relatives: Yongvongphaiboon ,The major of shareholder's Permsin Steel Public Co.,Ltd. Which is a director and the shareholder of the Company	The company purchase the coil hot-rolled steel from Permsin Steel Public Co.,Ltd.	0.00	- Due to selling the steel and offer the service to cut the steel which is the normal business operation. Which the price of the steel and cut the steel with Permsin Steel Work Public Co.,Ltd.. is the prices according to the market and the fair price given to the third party.
		The company purchase the coil hot-rolled steel from Permsin Steel Public Co.,Ltd.	2.22	- The cold rolled steel is the normal trading The purchase price of cold rolled steel with Permsin Steel Work Limited (the Company) as at market prices and the price of buying from a third party.
Trading and cold-rolled steel service center		With total outstanding account as of the ended year	0.00	- Audit and Corporate Governance Committee has reviewed the transaction Transactions are reasonable for the benefit of the company. The purchase price of - sales. The price to buy - sell to outsiders.

Particular	Relationship	Description	Value (Million Baht)	Opinion of the Board of Audit
GJ Steel Public Co., Ltd.	Khunying Patama Leeswadtrakul, The director and shareholder of GJ Steel Public Company Limited, the major of shareholder of the company.	The company purchase the coil hot-rolled steel from GJ Steel Public Co.,Ltd.	0.00	- Since in purchasing the hot-rolled steel in coil is the normal price which the price purchased by the company of the hot-rolled steel sheet in coil with GJ Steel Works Public Co., Ltd. is the price in the market and fair price as purchase from the third party.
operates in manufacture and sale the hot-rolled steel sheet and coil		With total outstanding account as of the ended year	0.00	- The audit committee has considered the report that the mentioned report is reasonable for the highest benefits of the company. The price of coil hot-rolled steel is the fair price purchase from the third party.
G Steel Public Co., Ltd.	Khunying Patama Leeswadtrakul, The director and shareholder of G Steel Public Company Limited, the major of shareholder of the company.	The company purchase the coil hot-rolled steel in coil from G Steel Public Co.,Ltd.	0.00	- Since in purchasing the hot-rolled steel in coil is the normal price which the price purchased by the company of the hot-rolled steel sheet in coil with GJ Steel Works Public Co., Ltd. is the price in the market and fair price as purchase from the third party.
operates in manufacture and sale the hot-rolled steel sheet and coil		With total outstanding account as of the ended year	0.00	- The audit committee has considered the report that the mentioned report is reasonable for the highest benefits of the company. The price of coil hot-rolled steel is the fair price purchase from the third party.

Particular	Relationship	Description	Value (Million Baht)	Opinion of the Board of Audit
Prime Steel Mill Co.,Ltd.	Mr. Win Suteerachai, The shareholder of the company, authorized signature and shareholders of to Prime Steel Mill Co.,Ltd. the sibling of Mr. Chusak Yongvongphaiboon, the director and major shareholder of the company	The company sold the steel to Prime Steel Mill Co.,Ltd	1,489.69	- The sale of goods and services Slab production rolling. The normal trading The price that the company sells steel products and provides contract manufacturing services to the steel company Prime Steel Mill Co., Ltd. is sold at market price and the price of comparable sales to third parties. - The audit committee has considered the report that the mentioned report is reasonable for the highest benefits of the company. The price of coil hot-rolled steel is the fair price purchase from the third party.
operates in manufacture and sale the hot-rolled Narrow strip coil		with total outstanding account as of the end of the year	101.15	
		Advance payments for goods	488.30	
		The company purchase the coil hot-rolled steel in coil from Prime Steel Mill Co.,Ltd	1,895.48	
		With total outstanding account as of the ended year	0.04	
Win Win Holding Co.,Ltd.	Mr. Win Suteerachai, The shareholder of the company, authorized signature and shareholders of Win Win Holding Co.,Ltd.the sibling of Mr. Chusak Yongvongphaiboon, the director and major shareholder of the company	The company sold the steel Win Win Holding Co.,Ltd.	0.00	- Due to selling the steel and offer the service to cut the steel which is the normal business operation. Which the price of the steel and cut the steel with Win Win Holding Co.,Ltd.is the prices according to the market and the fair price given to the third party.
		with total outstanding account as of the end of the year	0.00	- The hot rolled steel is the normal trading The purchase price of hot rolled steel with Win Win Holding Co.,Ltd.(the Company) as at market prices and the price of buying from a third party.

Particular	Relationship	Description	Value (Million Baht)	Opinion of the Board of Audit
		The company purchase the steel from Win Win Holding Co.,Ltd.	0.00	
		With total outstanding account as of the ended year	0.00	- The audit committee has considered the report that the mentioned report is reasonable for the highest benefits of the company. The price of coil hot-rolled steel is the fair price purchase from the third party.
Permchai panich Co.,Ltd.	Mr. Win Suteerachai, The shareholder of the company, authorized signature and shareholders of Permchaipanich Co.,Ltd.the sibling of Mr. Chusak Yongvongphaiboon, the director and major shareholder of the company	The company sold the steel toPermchaipanich Co.,Ltd.	0.00	- Due to selling the steel which is the normal business operation. Which the price of the steel with Permchaipanich Co.,Ltd.is the prices according to the market and the fair price given to the third party.
		The company purchase the pipe steel from Permchaipanich Co.,Ltd.	0.00	- The pipe steel is the normal trading The purchase price of pipe steel with Permchaipanich Co.,Ltd.(the Company)as at market prices and the price of buying from a third party.
Distribute of steel		With total outstanding account as of the ended year	0.00	- The audit committee has considered the report that the mentioned report is reasonable for the highest benefits of the company. The price of coil hot-rolled steel is the fair price purchase from the third party.

Particular	Relationship	Description	Value (Million Baht)	Opinion of the Board of Audit
PS Steel Processin Center Co.,Ltd.	Mr. Win Suteerachai, The shareholder of the company, authorized signature and shareholders of Win Win Holding Co.,Ltd.the sibling of Mr. Chusak Yongvongphaiboon, the director and major shareholder of the company	Subsidiaries sold steel products to PS Steel Processing Center Co., Ltd.	0.00	- Due to selling the steel which is the normal business operation. Which the price of the steel with PS Steel Processin Center Co.,Ltd.is the prices according to the market and the fair price given to the third party.
		Subsidiary Purchases Cold Rolled Steel from PS Steel Processing Center Co., Ltd.	0.00	- The cold rolled steel is the normal trading The purchase price of cold rolled steel with PS Steel Processin Center Co.,Ltd. (the Company) as at market prices and the price of buying from a third party.
operates in manufacture and sale the cold-rolled Narrow strip coil		with total outstanding account as of the end of the year	0.00	- The audit committee has considered the report that the mentioned report is reasonable for the highest benefits of the company. The price of coil hot-rolled steel is the fair price purchase from the third party.

History of Executive and Director

1. Name - Surname	: Mr. Virachai Suteerachai
Age (Year)	: 67
Position	: President and Chairman
Educational/ Qualification	: Master of Political Science of Administration Ramkhamhaeng University. MINI MBA, Thammasat University Bachelor's Degree, RCA INSTITUTE OF TECHNOLOGY, NEW YORK U.S.A.
Training course	: Passed the training of Director Accreditation Program (DAP) Batch No. 15/2004 on 18 May 2004 from Thai Institute of Directors Association.
Proportion of shares in companies (%)	: 9.67%
Relationship	: Uncle of Mr. Chusak Yongvongphaiboon
Work history	
2009 – Present	: President and Chairman, Asia Metal Public Company Limited
1988 – Present	: Managing Director, Cosmo Land & House Co., Ltd.
1994 – Present	: Managing Director, Cosmo Property Management Co., Ltd.
1976 – Present	: Managing Director, Sinteerachai Co., Ltd.

2. Name - Surname	: Mr. Chusak Yongvongphaiboon
Age (Year)	: 55
Position	: Managing Director and authorize signatory
Educational/ Qualification	: Bachelor's Degree Assumption Business Administration
Training course	: Passed the training of Director Accreditation Program (DAP) Batch No. 15/2004 on 18 May 2004 and, Training of Director Certification Program (DCP) Batch No. 46/2004 on 25 August 2004 from Thai Institute of Directors Association
Proportion of shares in companies (%)	: 15.98%
Relationship	: Husband of Mrs. Phenchana
Work history	
1993 – Present	: Managing Director, Asia Metal Public Company Limited
2003 – Present	: Directors, STC Steel Co., Ltd.
2015 - Present	: Directors, Grand Asia Steel Processing Center Co., Ltd.
2015 - Present	: Directors, Delong (Thailand) Co., Ltd.

3. Name - Surname	:	Mrs. Phenchan Yongvongphiboon
Age (Year)	:	53
Position	:	Managing Director and Deputy Director authorized signatory
Educational/ Qualification	:	Certificate of Higher Vocational Education Assumption Commercial School.
Training course	:	Passed the training Director Accreditation Program (DAP) Batch No. 15/2004 on 18 May 2004 and, Certificate of Training Director Program (DCP) Batch No. 49/2004 on 7 October 2004 from Thai Institute of Directors Association.
Proportion of shares in companies (%)	:	8.33%
Relationship	:	Wife of Mr. Chusak Yongvongphaiboon
Work history	:	
1993 – Present	:	Deputy Managing Director, Asia Metal Plc.
2003 – Present	:	Directors, STC Steel Co., Ltd.
4. Name - Surname	:	Miss Chananya Yongvongphiboon
Age (Year)	:	25
Position	:	Director and Deputy Director authorized signatory
Educational/ Qualification	:	Bachelor Degree of Business Administration Major in Finance, Thammasat University Vienna University of Economic and Business
Training course	:	Passed the training Director Accreditation Program (DAP) Batch No. 123/2016 on 25 January 2016 from Thai Institute of Directors Association.
Proportion of shares in companies (%)	:	4.54%
Relationship	:	Daughter of Mr.Chusak and MrsPhenchan
Work history	:	
2008 – Present	:	Committee and Finance and Accounting officer Asia Metal Public Company Limited
2008 – Present	:	Committee Grand Asia Steel Processing Center Co.,Ltd.
5. Name - Surname	:	Mrs. Metikan Chutipongsiri
Age (Year)	:	50
Position	:	Committee
Educational/ Qualification	:	BBA, Com Science, King Mongkut's University of Technology Thonburi MBA , Business Administration, Chulalongkorn University
Training course	:	None
Proportion of shares in companies (%)	:	None
Relationship	:	None
Work history	:	
2017 - Present	:	Committee, Asia Metal Plc.
2014 - Present	:	Serion General Purchaseing Manager
2005 – Present	:	Chief Operating Officer and Director, G J Steel Plc.

6. Name - Surname	:	Mrs.Wannaree Thipsuwan
Age (Year)	:	41
Position	:	Committee
Educational/ Qualification	:	Bachelor Degree, Com Science, King Mongkut's University of Technology Thonburi Master of Business Administration, Chulalongkorn University
Training course	:	None
Proportion of shares in companies (%)	:	None
Relationship	:	Not related
Work history	:	
2005 – Present	:	Chief Operation Officer and Committee, Gsteel Public Company Limited
2014 – Present	:	Senior General Manager, Procurement

7 Name - Surname	:	Mr.Piboonsak Arthabowornpisan
Age (Year)	:	66
Position	:	Chairman of Audit Committee and Independent Director
Educational/ Qualification	:	Bachelor Degree Electrical Engineering, Chulalongkorn University Master Degree Master of Business Administration, Thammasat University
Training course	:	Passed the training Director Accreditation Program (DAP) Batch No.123/2016 on 25 January 2016 from Thai Institute of Directors Association.
Proportion of shares in companies (%)	:	None
Relationship	:	Not related
Work history	:	
2540 - 2556	:	Assistant General Manager Thai Wire Products Public Company Limited
2528-2540	:	Factory Manager Thai Wire Products Public Company Limited
2521-2528	:	Electrical Maintenance Manager Siam Iron and Steel Co., Ltd.
2520-2521	:	Engineer The Electrical General Authority of Thailand
2518-2520	:	EngineerThe Telephone Organization of Thailand
2546-2548	:	Chairman of Iron and Steel Group

8. Name - Surname	: Sub Lt. Suree Buranathanit
Age (Year)	: 83
Position	: Audit Committee and Independent Director
Educational/ Qualification	: Master's Degree of Political Science, Ramkhamhaeng University. Master's Degree of Political Science (Diplomatic and Foreign Affairs) Chulalongkorn University
Training course	: Passed the training from Thai Institute of Directors Association. (IOD) Director Accreditation Program (DAP) Batch No. 19/2004 Audit Committee Program (ACP) Batch No. 18/2007 Audit Committee Program (ACP) Batch No. 17
Proportion of shares in companies (%)	: None
Relationship	: Not related
Work history	
2004 – Present	: Audit Committee and Independent Director, Asia Metal Plc.
Present	: Audit Committee and Independent Director, IT City Plc.
Present	: Qualified Director of the National Council of Boy Scouts.
Present	: Executive director of local boy scout.
Present	: Executive Council of Bangkok University
Present	: Directors Association in monitoring the development of women
Present	: Peacemaker in Thanyaburi Provincial Court
Present	: Advisor The Border Patrol Police Association of Thailand
Present	: Advisor The Border Patrol Police Association of Thailand
Present	: Advisor to The Subcommittee of Boyscout Activities, Committee on Education
Present	: Chairman of Voraboon Housing Estate
Present	: Advisor Sacred Heart Convent Alumni Association

9. Name - Surname	: Mrs. Taisika Praisangob
Age (Year)	: 67
Position	: Audit Committee and Independent Director
Educational/ Qualification	: Master of Political Science of Administration, Terry, University of Eastern Asia
Training course	: Passed the training from Thai Institute of Directors Association. (IOD) Director Accreditation Program (DAP) Batch No. 15/2004 Audit Committee Program (ACP) Edition 7 / 2005
Proportion of shares in companies (%)	: None
Relationship	: None
Work history	
2004 – Present	: Audit Committee and Independent Director, Asia Metal Plc.
2003 – Present	: Directors, STC Steel Co., Ltd.
1999 – Present	: Director, Boonsiri Real Estate Co., Ltd.
2004 – 2009	: Senior Manager, Small Business 8, Siam City Bank Plc.
2002 – 2003	: Development Manager SorChor, Siam City Bank Plc.
2000 – 2001	: Business Manager 4, Siam City Bank Plc.

10. Name - Surname	:	Ms.Sasithorn Limpiyachart
Age (Year)	:	40
Position	:	Corporate Secretary
Educational/ Qualification	:	BBA, Business Administration Assumption University MBA , Business Administration, Assumption University
Training course	:	None
Proportion of shares in companies (%)	:	None
Relationship	:	None
Work history		
2015-Present	:	Secretary Corporation, Asia Metal Public Company Limited
2012- Present	:	Assistant Management Representative of Asia Metal Company Limited (the Company)
2003- Present	:	Head of Marketing, Asia Metal Co., Ltd. (Thailand) .

Particular of committee, administrator and authorize person with power to control the subsidiary or associated company or related company.

Name-Surname		Company	S T C Steel Co., Ltd.	Grand Asia Steel Processing Center Co., Ltd.	Vientiane Bonded Warehouse Co., Ltd.	Prime Steel Mill Co.,Ltd.
Mr. Virachai	Suteerachai	1,5	-	5	-	5
Mr. Chusak	Yongvongphaiboon	3, 5, 6	5	5,6	5,6	5
Mrs. Phenchana	Yongvongphaiboon	5, 6	5	-	-	-
Ms. Chananya	Yongvongphaiboon	5	-	5	-	-
Ms. Taradee	Piensamrit	-	5	-	-	-
Mr. Piboonsak	Arthabowornpisan	2, 4	-	-	-	-
Mrs. Taisika	Praisangob	4, 5	5	-	-	-
Sub Lieutenant Suree	Buranathanit	4, 5	-	-	-	-
Mrs. Metikan	Chutipongsiri	5	-	-	-	-
Mr. Chidchnok	Thomawongse	-	5	-	-	-
Mr. Puvong	Korasak	-	-	-	5,6	-
Mr. Suwit	Ratanachinda	-	-	-	5,6	-
Mr. Win	Suteerachai	-	-	5	-	5,6
Mr. Somsak	Wongsirisub	-	-	5	-	-
Ms. Sasithorn	Limpiyachat	7	-	-	-	-

Note:

1 = Chairman of the board

2 = Chairman of audit committee

3 = Managing director

4 = Audit committee

5 = Committee

6 = Administrator

7 = Secretary

Report of Directors Relating to Responsibility for Financial Statements

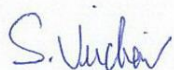
The company committee is responsible for the company's financial budget, including financial information that appears in the annual report. The financial budget has set according to the standard of certified general accounts by selecting the account policy that is appropriate and operating constantly. It must be thought through before operated, including revealing important information sufficiently in the remarks of the financial budget to benefit the shareholders and the investors fully and clearly.

The committee has set the risk administration and the internal control systems which are appropriate and have the efficiency to assure reasonably that the information is correct, complete, and sufficient to maintain the assets. It has to be made sure that there is no betrayal or unusual activities happening significantly.

The company committee has assigned the audit committee to investigate the account policy and the financial budget to be correct. They have to check for the internal controls system and the internal investigation, including risk administration system. This will appear in the report of audit committee as already shown in the annual report.

The company's financial budget has been investigated by the AST Master Company's certified auditors. The company committee has aided and supported the various documents and information so that the auditors can check and show their comments independently and according to the standard of general audits. The comments of the auditors have already appeared in the annual report.

The committee has the opinion that the overall internal control systems of the company are in the satisfactory level and can create confidence with reason that the financial budget of Asia Metal Public Company Limited for the year that ended on December 31, 2017 is looked upon respectively by following the law and related regulations.



(Mr. Virachai Suteerachai)
Chairman of the Board



(Mr. Chusak Yongvongphaiboon)
Managing Director

INDEPENDENT AUDITOR'S REPORT

To the Shareholders and the Board of Directors of Asia Metal Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Asia Metal Public Company Limited and its subsidiaries ("The Group"), which comprise the consolidated statement of financial position as at December 31, 2017, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies. I have also audited the separate financial statements of Asia Metal Public Company Limited, which comprise the statement of financial position as at December 31, 2017, the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Asia Metal Public Company Limited and its subsidiaries as at December 31, 2017, and their consolidated financial performance and their cash flows for the year then ended and the financial position of Asia Metal Public Company Limited as at December 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the 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 financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matters and how audit procedures respond for each matter are described below.

Key Audit Matters**How my audit addressed the key audit matters**

Revenue recognition from sale of goods

As described in Note 4 to the financial statements, accounting policies of revenue recognition, the Group have the significant number of sale transactions. I have therefore determined as a key audit matter by focusing on the amount and timing of the recognition of revenue from sale of goods.

My audit procedures included, among others,

- An assessment of the Group's accounting policies, an assessment of the effectiveness of the Group's general controls over their IT systems and their internal controls with respect to the processing and timing of recognition for sale of goods.
- On a sampling basis, I examined supporting documents for actual revenue transactions occurring during the year.
- Performing cut-off sales before and after the end of year.
- Reviewing the appropriateness of credit notes issued by the Group after the end of year.
- I also performed analytical review procedures on disaggregated revenue data and examined the related accounting entries made through journal vouchers.

Inventories

As described in Note 10 to financial statements and the significant accounting policies, As at December 31, 2017, the Group have inventories at Baht 1,231 million. Inventories are measured at cost or net realizable value whichever is lower.

In consideration of provision for decline in value of inventories, the Management use the judgment to estimate net realizable value from normal sale price less necessary expenses for inventories prompt for sales including selling expenses such as transportation cost and marketing expenses, by reference with selling price of inventories and assess the correctness of allowance for decline in value of inventories by quarterly basis.

My audit procedures included, among others,

- Inquire the Management to obtain an understanding of the Company's policy for net realisable value calculation and performed the internal control testing over the purchase cycle.
- Observe the inventories end of year.
- Sampling test the records of inventories in order to assure the correctness of cost of inventories and its allocation of related expenses.
- Analyse the quantities and movement of inventories to identify the slow-moving or long outstanding inventories.
- Inquire the Management to obtain an understanding the appropriateness of selling price per unit and test the appropriateness of selling price per unit on invoices against market prices at year end.
- Compare the cost and net realisable value of inventories at year end , deducting relating necessary expenses for inventories prompt for sale.
- Determine the adequacy of the presentation and disclosures relating to inventories in notes to financial statements.

Other Information

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

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

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- ☐ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- ☐ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ☐ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ☐ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ☐ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ☐ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the 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.



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

BPR AUDIT AND ADVISORY CO., LTD.
Bangkok
February 27, 2018

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017

		In Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2017	2016	2017	2016
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	57,237,838	24,358,719	45,803,408	12,939,617
Current investments	7	90,031,890	254,042,425	90,031,890	254,042,425
Trade and other receivables - related parties	5, 8	122,708,861	291,193,939	170,397,656	349,993,590
Trade and other receivables - other parties	8	416,726,922	434,811,968	290,623,807	307,161,469
Bank receivables from currency forward contracts	9	-	505,182	-	505,182
Short-term loans and interest receivable to related parties	5	2,165,547	2,394,119	25,165,547	26,394,119
Inventories	10	1,231,217,099	1,072,985,080	1,129,901,537	942,333,285
Advance payment for purchasing of goods - related parties	5	488,299,015	177,235,641	488,299,015	177,235,641
Advance payment for purchasing of goods - other parties		3,573,073	75,231,607	3,573,073	75,231,607
Other current assets		239,721	310,703	213,721	277,174
Total current assets		2,412,199,966	2,333,069,383	2,244,009,654	2,146,114,109
NON - CURRENT ASSETS					
Deposits at financial institutions pledged as collateral	11	155,603,371	153,962,513	154,579,071	153,057,513
Available-for-sales investments	12	8,073,480	14,447,280	8,073,480	14,447,280
Investments in associates	13	225,763,453	123,538,920	270,000,000	200,000,000
Investments in subsidiaries	14	-	-	24,980,807	29,961,613
Investment properties	15	-	-	37,591,780	39,806,261
Property, plant and equipment	16	994,499,073	1,061,308,061	914,813,518	977,725,234
Intangible assets		12,826,619	12,018,404	12,812,110	11,997,946
Deposit for machineries acquisition		5,556,515	5,556,515	5,556,515	5,556,515
Deferred tax assets	24	15,946,253	24,515,042	15,946,253	24,515,042
Other non - current assets		10,082,908	4,790,795	9,113,736	4,113,736
Total non - current assets		1,428,351,672	1,400,137,530	1,453,467,270	1,461,181,140
TOTAL ASSETS		3,840,551,638	3,733,206,913	3,697,476,924	3,607,295,249

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017

		In Baht			
		Consolidated financial statements		Separate financial statements	
	Notes	2017	2016	2017	2016
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans from financial institutions	17	1,008,895,100	1,207,830,056	1,008,895,100	1,207,830,056
Trade and other payables - related parties	5, 18	63,762,267	233,134,918	3,824,518	85,798,316
Trade and other payables - other parties	18	781,383,749	367,281,566	687,152,723	322,480,473
Short-term loans from related parties	5	14,000,000	500,000	-	-
Bank payables from currency forward contracts	9	294,992	-	294,992	-
Current portion of liabilities under finance lease contracts	19	1,383,989	1,324,483	1,300,550	1,324,483
Income tax payable		16,568,097	28,490,844	16,568,097	28,490,844
Total current liabilities		1,886,288,194	1,838,561,867	1,718,035,980	1,645,924,172
NON - CURRENT LIABILITIES					
Liabilities under finance lease contracts - net of current portion	19	2,446,012	2,068,115	2,260,051	2,068,115
Deferred tax liabilities	24	3,517,747	3,517,747	-	-
Employee benefit obligations	20	14,760,015	11,796,923	12,493,680	10,339,386
Total non - current liabilities		20,723,774	17,382,785	14,753,731	12,407,501
TOTAL LIABILITIES		1,907,011,968	1,855,944,652	1,732,789,711	1,658,331,673
SHAREHOLDERS' EQUITY					
Share capital - common shares, Baht 1 par value					
Authorised share capital					
- 549,973,800 shares of Baht 1 par value		549,973,800	549,973,800	549,973,800	549,973,800
Issued and fully paid - up share capital					
- 480,096,277 shares of Baht 1 par value		480,096,277	480,096,277	480,096,277	480,096,277
Premium on common shares		297,745,124	297,745,124	297,745,124	297,745,124
Retained earnings					
- Appropriated for legal reserve	21	55,000,000	55,000,000	55,000,000	55,000,000
- Unappropriated		959,661,148	905,278,398	1,013,248,509	992,425,832
Other components of shareholders' equity		130,820,030	139,142,462	118,597,303	123,696,343
Total equity attributable to equity holders of the parent company		1,923,322,579	1,877,262,261	1,964,687,213	1,948,963,576
Non-controlling interests		10,217,091	-	-	-
TOTAL SHAREHOLDERS' EQUITY		1,933,539,670	1,877,262,261	1,964,687,213	1,948,963,576
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,840,551,638	3,733,206,913	3,697,476,924	3,607,295,249

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2017

		In Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2017	2016	2017	2016
			"Reclassified"		"Reclassified"
Notes					
REVENUES	5, 27				
Revenues from sales and service		5,064,514,782	5,094,249,360	4,672,481,580	4,787,723,513
Gain on exchange rate		-	8,009,703	-	8,009,703
Other income		33,921,775	23,734,878	40,442,397	30,983,376
Total Revenues		5,098,436,557	5,125,993,941	4,712,923,977	4,826,716,592
EXPENSES	5, 23				
Cost of sales and services		4,753,282,111	4,477,356,840	4,396,823,360	4,209,311,507
Selling expenses		70,169,764	71,232,485	58,498,213	59,959,127
Administrative expenses		52,109,223	125,183,263	44,264,303	114,740,983
Loss on exchange rate		23,142,525	-	23,142,525	-
Management benefit expenses		18,761,380	17,755,738	12,749,300	12,907,557
Finance costs		30,132,813	25,475,474	29,936,774	25,459,690
Total Expenses		4,947,597,816	4,717,003,800	4,565,414,475	4,422,378,864
Profit before share of profit (loss) on investments in associates and income tax		150,838,741	408,990,141	147,509,502	404,337,728
Share of profit (loss) on investments in associates	13	32,328,607	(9,611,469)	-	-
Profit before income tax		183,167,348	399,378,672	147,509,502	404,337,728
Income tax expenses	24	(30,667,970)	(50,081,455)	(30,667,970)	(50,081,455)
Profit for the year		152,499,378	349,297,217	116,841,532	354,256,273
Other comprehensive income - net of tax					
Items that may be reclassified subsequently to profit or loss					
Gain (Loss) from change in fair value of available-for-sale investments		(6,373,800)	5,099,040	(6,373,800)	5,099,040
Income tax of other comprehensive income relating to items that may be reclassified	24	1,274,760	(1,019,808)	1,274,760	(1,019,808)
Total items that may be reclassified subsequently to profit or loss		(5,099,040)	4,079,232	(5,099,040)	4,079,232
Items that will not be reclassified to profit or loss					
Actuarial loss from employee benefit plan	20	-	(4,241,166)	-	(4,771,527)
Share of comprehensive income in associates	13	(104,074)	-	-	-
Income tax of other comprehensive income relating to items that will not be reclassified to profit or loss	24	-	954,306	-	954,306
Total items that will not be reclassified to profit or loss		(104,074)	(3,286,860)	-	(3,817,221)
Other comprehensive income (loss) for the year		(5,203,114)	792,372	(5,099,040)	262,011
Total comprehensive income for the year		147,296,264	350,089,589	111,742,492	354,518,284
Profit for the year attributable to:					
- Equity holders of the parent company		150,505,679	349,297,217	116,841,532	354,256,273
- Non-controlling interests		1,993,699	-	-	-
		152,499,378	349,297,217	116,841,532	354,256,273
Total comprehensive income for the year attributable to:					
- Equity holders of the parent company		145,302,565	350,089,589	111,742,492	354,518,284
- Non-controlling interests		1,993,699	-	-	-
		147,296,264	350,089,589	111,742,492	354,518,284
Earnings per share	26	0.31	0.73	0.24	0.74

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2017

In Baht													
Consolidated financial statements													
Shareholders' equity of the parent company													
Other components of shareholders' equity													
				Retained earnings									
	Issued and fully	Premium on	Appropriated		Premium on	Adjustment from	Change in fair	Surplus from	Total other	Total equity	Non-	Total	
Note	paid-up share	share capital	for legal	Unappropriated	land	the combination of	value of available-	change in	components of	attributable to	controlling	shareholders'	
	capital		reserve		revaluation	entity under	for-sales	equity interest	shareholders'	parent company	interests	equity	
Balance as at January 1, 2016	480,096,277	297,745,124	55,000,000	559,268,041	123,024,258	12,038,972	-	-	135,063,230	1,527,172,672	-	1,527,172,672	
Comprehensive income for the year													
Profit for the year	-	-	-	349,297,217	-	-	-	-	-	349,297,217	-	349,297,217	
Other comprehensive income	-	-	-	(3,286,860)	-	-	4,079,232	-	4,079,232	792,372	-	792,372	
Total comprehensive income for the year	-	-	-	346,010,357	-	-	4,079,232	-	4,079,232	350,089,589	-	350,089,589	
Balance as at December 31, 2016	480,096,277	297,745,124	55,000,000	905,278,398	123,024,258	12,038,972	4,079,232	-	139,142,462	1,877,262,261	-	1,877,262,261	
Transaction with owners recording directly in shareholders' equity													
Dividends paid	25	-	-	(96,018,855)	-	-	-	-	-	(96,018,855)	-	(96,018,855)	
Total transaction with owners recording directly in shareholders' equity	-	-	-	(96,018,855)	-	-	-	-	-	(96,018,855)	-	(96,018,855)	
Comprehensive income for the year													
Profit for the year	-	-	-	150,505,679	-	-	-	-	-	150,505,679	1,993,699	152,499,378	
Other comprehensive income	-	-	-	(104,074)	-	-	(5,099,040)	-	(5,099,040)	(5,203,114)	-	(5,203,114)	
Changes that do not result in a loss of control	-	-	-	-	-	-	-	(3,223,392)	(3,223,392)	(3,223,392)	8,223,392	5,000,000	
Total comprehensive income for the year	-	-	-	150,401,605	-	-	(5,099,040)	(3,223,392)	(8,322,432)	142,079,173	10,217,091	152,296,264	
Balance as at December 31, 2017	480,096,277	297,745,124	55,000,000	959,661,148	123,024,258	12,038,972	(1,019,808)	(3,223,392)	130,820,030	1,923,322,579	10,217,091	1,933,539,670	

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2017

In Baht								
Separate financial statements								
Note	Issued and fully paid-up share capital	Premium on share capital	Retained earnings		Other components of equity			Total shareholders' equity
			Appropriated for legal reserve	Unappropriated	Premium on land revaluation	Change in fair value of available- for-sales investments	Total other components of shareholders' equity	
Balance as at January 1, 2016	480,096,277	297,745,124	55,000,000	641,986,780	119,617,111	-	119,617,111	1,594,445,292
Comprehensive income for the year								
Profit for the year	-	-	-	354,256,273	-	-	-	354,256,273
Other comprehensive income	-	-	-	(3,817,221)	-	4,079,232	4,079,232	262,011
Total comprehensive income for the year	-	-	-	350,439,052	-	4,079,232	4,079,232	354,518,284
Balance as at December 31, 2016	480,096,277	297,745,124	55,000,000	992,425,832	119,617,111	4,079,232	123,696,343	1,948,963,576
Transaction with owners recording directly in shareholders' equity								
Dividends paid	25	-	-	(96,018,855)	-	-	-	(96,018,855)
Total transaction with owners recording directly in shareholders' equity	-	-	-	(96,018,855)	-	-	-	(96,018,855)
Comprehensive income for the year								
Profit for the year	-	-	-	116,841,532	-	-	-	116,841,532
Other comprehensive income	-	-	-	-	-	(5,099,040)	(5,099,040)	(5,099,040)
Total comprehensive income for the year	-	-	-	116,841,532	-	(5,099,040)	(5,099,040)	111,742,492
Balance as at December 31, 2017	480,096,277	297,745,124	55,000,000	1,013,248,509	119,617,111	(1,019,808)	118,597,303	1,964,687,213

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017

	In Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before income tax	183,167,348	399,378,672	147,509,502	404,337,728
Adjustments for				
Depreciation and amortization	96,002,011	94,943,207	93,338,662	92,445,836
Unrealized gain on change in fair value of current investments	(14,297)	(2,396)	(14,297)	(2,396)
Gain on sales of current investments	(977,833)	(355,067)	(977,833)	(355,067)
Gain on sales of investments in subsidiary	-	-	(19,193)	-
Doubtful accounts (Reversal)	(4,750,383)	66,720,861	(4,750,383)	66,720,861
Loss on decline in value of inventories (Reversal)	(42,111,111)	2,366,683	(42,121,652)	4,881,456
Gain on sales and written-off fixed assets	(199,850)	(45,561)	(199,850)	(45,561)
Unrealized loss on exchange rate	4,733,053	1,150,145	4,733,053	1,150,145
Share of (profit) loss on investment in associate	(32,328,607)	9,611,469	-	-
Employee benefit obligations	2,768,276	2,517,158	1,985,406	1,742,329
Interest income	(1,472,874)	(1,885,132)	(1,416,378)	(1,827,849)
Finance costs	30,132,813	25,475,474	29,936,774	25,459,690
Profit from operating activities before change in operational assets and liabilities	234,948,546	599,875,513	228,003,811	594,507,172
Decrease (Increase) in operational assets				
Trade and other receivables - related parties	168,485,078	(34,912,031)	179,595,934	(7,704,350)
Trade and other receivables - other parties	32,648,832	(98,330,739)	31,101,448	(23,036,213)
Bank receivables from currency forward contracts	190,266	1,102,469	190,266	1,102,469
Inventories	(116,120,908)	(604,479,815)	(145,446,599)	(512,244,267)
Advance payment for purchasing of goods	(239,404,840)	104,393,660	(239,404,840)	104,393,660
Other current assets	70,982	9,165	63,450	4,977
Other non - current assets	(292,113)	523,397	-	709,513
Increase (Decrease) in operational liabilities				
Trade and other payables - related parties	(169,372,652)	39,951,751	(81,973,798)	246,308,333
Trade and other payables - other parties	408,793,014	283,753,732	359,363,082	(107,175,000)
Bank payable from currency forward contracts	294,992	-	294,992	-
Cash generated from operations	320,241,197	291,887,102	331,787,746	296,866,294
Interest paid	(29,831,667)	(25,087,028)	(29,673,947)	(25,084,156)
Income tax paid	(32,747,169)	(36,288,437)	(32,747,169)	(36,288,437)
Net Cash Provided by Operating Activities	257,662,361	230,511,637	269,366,630	235,493,701

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2017

In Baht

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
CASH FLOWS FROM INVESTING ACTIVITIES				
Increase in deposits at financial institutions pledged as collateral	(1,640,858)	(1,961,697)	(1,521,558)	(2,021,246)
Decrease (Increase) in short-term loans to related parties	228,572	(536,188)	228,572	(536,188)
Proceeds from sales of current investments	1,500,680,932	935,855,066	1,500,680,932	935,855,066
Cash payment for purchases of current investments	(1,345,678,266)	(1,189,400,000)	(1,345,678,266)	(1,189,400,000)
Proceeds from sales of investments in subsidiary	5,000,000	-	5,000,000	-
Cash paid for purchases of investments in associate	(70,000,000)	-	(70,000,000)	-
Cash paid for purchase of property, plant and equipment	(26,898,462)	(26,083,215)	(26,380,863)	(25,590,995)
Cash paid for deposit for construction	(5,000,000)	-	(5,000,000)	-
Cash paid for purchase of intangible assets	(1,098,000)	(985,285)	(1,098,000)	(985,285)
Cash paid for investment in subsidiary from non-controlling interests	-	-	-	(6,500,000)
Cash received from sale of fixed assets	813,084	170,578	813,084	170,578
Interest received	1,659,471	2,243,454	2,602,975	2,186,171
Net Cash Provided by (Used in) Investing Activities	58,066,473	(280,697,287)	59,646,876	(286,821,899)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (Decrease) in short-term loans from financial institutions	(197,873,288)	48,539,829	(197,873,288)	48,539,829
Increase (Decrease) in short-term loans from related parties	13,500,000	(4,500,000)	-	-
Repayments of liabilities under finance lease contracts	(2,410,297)	(2,683,130)	(2,210,297)	(2,683,130)
Dividends paid	(96,066,130)	-	(96,066,130)	-
Net Cash Provided by (Used in) Financial Activities	(282,849,715)	41,356,699	(296,149,715)	45,856,699
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	32,879,119	(8,828,951)	32,863,791	(5,471,499)
cash and cash equivalents at beginning of year	24,358,719	33,187,670	12,939,617	18,411,116
CASH AND CASH EQUIVALENTS AT END OF YEAR	57,237,838	24,358,719	45,803,408	12,939,617
Supplemental Disclosure of Cash Flow Information				
Non-cash transactions				
The Company purchased assets under finance lease contracts	2,618,009	3,600,000	2,161,000	3,600,000

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**Notes to the financial statements****For the year ended December 31, 2017**

These notes form an integral part of the financial statements.

These financial statements were authorized for issue by the Company's Directors on February 27, 2018.

1. GENERAL INFORMATION

Asia Metal Public Company Limited was listed on the Stock Exchange of Thailand in 2004. The address of its registered office is at 55, 55/1 Moo 2 Soi Watnamdaeng, Srinakarin Rd., Bangkaew, Bangplee Samutprakarn 10540, Thailand. The Company has factory branch located at 90/1 Moo 10, Highway No.331, Srasiliam, Panusnikom, Chonburi 20140, Thailand.

The principal business operation of the Company is to produce and sell of processed steel products. There are two subsidiaries which a subsidiaries operates to produce and providing steel cutting and modifying service and the another one operates to produce and sell of processed steel products.

The Company and its subsidiaries operate in Thailand.

2. BASIS OF FINANCIAL STATEMENT PREPARATION

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

The financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS") and guidelines promulgated by the Federation of Accounting Professions ("FAP"), applicable rules and regulations of the Thai Securities and Exchange Commission.

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

The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies.

2.2) Basis of consolidation

a) The consolidated financial statements include the financial statements of Asia Metal Public Company Limited and its subsidiaries as at December 31, 2017 and 2016 as follows:

Name of companies	Nature of business	In Thousand Baht		Percentage of shareholdings directly or indirectly (%)	
		Paid-up share capital		2017	2016
		2017	2016		
STC Steel Co., Ltd.	Produce and providing steel cutting and modifying service	20,000	20,000	100.00	100.00
Grand Asia Steel Processing Center Co., Ltd.	Produce and sell of processed steel products	10,000	10,000	50.00	100.00

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**Notes to the financial statements (Continued)****For the year ended December 31, 2017**

At the Extraordinary shareholders' meeting of a subsidiary, Grand Asia Steel Processing Center Co., Ltd. No.1/2016 and No. 2/2016 held on March 7, 2016 and March 31, 2016, respectively, its shareholders passed a resolution to reduce its par value of Baht 100, 200,000 common shares by decrease its par value of Baht 65, amounting to Baht 13.0 million. The remaining at Baht 35 par value, amounting to Baht 7.0 million, 50% paid-up amounted to Baht 3.5 million. Such reduction is made to reduce its deficits as at December 31, 2015 in full amount of Baht 5.3 million and is repayable to shareholder amounting to Baht 1.2 million. Such subsidiary registered its share reduction with the Department of Business Development, Ministry of Finance on August 16, 2016.

At the Extraordinary shareholders' meeting of a subsidiary, Grand Asia Steel Processing Center Co., Ltd. No. 3/2016 held on September 10, 2016, its shareholders passed a resolution to increase its share capital as follows :

1. To revise its share capital of 70,000 shares, par value 100 Baht per share which formerly its shareholders passed a resolution to reduce as such above paragraph.
2. To increase its share capital of Baht 13.0 million, issuing 130,000 of new common shares, par value 100 Baht per share, 50% paid-up amounted to Baht 6.5 million. Such subsidiary registered the increase of its share capital with the Department of Business Development, Ministry of Commerce on November 24, 2016. As at December 31, 2017 and 2016, such subsidiary has share capital of Baht 20.0 million, paid-up amounted to Baht 10.0 million.

At the Board of Directors' meeting of the Company No. 8/2015 held on August 22, 2015 had a resolution to approve the change in capital structure and the business operation in a subsidiary by selling common share of a subsidiary, Grand Asia Steel Processing Center Co., Ltd. to the new shareholders at 50% of share capital 200,000 shares, par value 100 Baht, paid-up 50% which consisted of Win Win Holding Co., Ltd. (45%) which is a related party of the Company and Mr. Somsak Wongsirisrab (5%) who is not related party of the Company. The selling price is par value 100 Baht per share, paid-up 50% of Baht 5 million. The such restructuring and the collection is completed in the 1st quarter 2017. As at December 31, 2017, the Company has the investment in such subsidiary as 50% which the change of proportion did not effect to the Company losses its control.

The following summarises the effect of the change in the Group's ownership interests in Grand Asia Steel Processing Center Co., Ltd.

	In Thousand Baht
Fair value of the consideration received	5,000
Less non-controlling interests	(8,223)
Decrease in equity attributable to owners of the parent from sales of investment in a subsidiary	(3,223)

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements. Book value of investments and shareholder's equity of its subsidiaries have also been eliminated from the consolidated financial statements.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to the financial statements (Continued)

For the year ended December 31, 2017

f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries and associates presented under the cost method.

3. NEW FINANCIAL REPORTING STANDARDS

(a) Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries has adopted the revised (revised 2016) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Thai Financial Reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2017) which is effective for fiscal years beginning on or after January 1, 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements.

The management of the Company and its subsidiaries believes that the revised and new financial reporting standards and interpretations will not have any significant impact on the financial statements when they are initially applied.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries.

Business combinations

The Company applies the acquisition method for all business combinations other than those with entities under common control.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Company and its subsidiary take into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

The Company uses the acquisition method of accounting 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 and the equity interests issued by the Company. 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

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**Notes to the financial statements (Continued)****For the year ended December 31, 2017**

acquisition-by-acquisition basis, the Company recognizes 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.

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 Company's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in the profit or loss.

Investment in subsidiary

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

Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

Loss of control

Upon the loss of control, the Company derecognizes the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognized in profit or loss. If the Company retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted or as an investment available-for-sale investment depending on the level of influence retained.

Investment in associate

Associate is those company in which the Company has significant influence, but not control, over the financial and operating policies.

Foreign Currencies

Transactions in foreign currencies are translated to Thai Baht at the foreign exchange rates ruling at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the statements of financial position date are translated to Thai Baht at the foreign exchange rates ruling at that date. Foreign exchange differences arising on translation are recognized in the statement of comprehensive income.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to Thai Baht using the foreign exchange rates ruling at the dates of the transactions.

Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at banks, and all highly liquid investments with an original maturity of three months or less since it is acquired and not subject to withdrawal restrictions.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

Trade and other receivables

Trade and other receivables are stated at their invoice value less allowance for doubtful accounts. The allowance of doubtful accounts is an estimate of those amounts which may prove to be uncollectible based on a review of the current status of the existing receivables. Bad debts are written off when incurred.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost determined by the weighted average method. Cost comprises both purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, allowances or rebates. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads, the latter being allocated on the basis of normal operating activities.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

Investments

Investments in subsidiaries

Investments in subsidiaries in the separate financial statements of the Company are accounted for using the cost method less impairment losses (if any).

Investment in associate

Investment in associate is accounted for in the consolidated financial statements by the equity method and in the separate financial statements by the cost method less impairment loss (if any).

Investments in other debt and other equity securities

Debt securities and marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognized in profit or loss.

Debt securities that the Company and its subsidiaries have the positive intent and ability to hold to maturity are classified as held-to-maturity investments, which are stated at amortized cost less any accumulated impairment losses. The difference between the acquisition cost and redemption value of such debt securities is amortized using the effective interest rate method over the period to maturity.

Debt securities and marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than accumulated impairment losses are recognized directly in equity. Impairment losses are recognized in profit or loss. When these investments are derecognized, the cumulative gain or loss previously recognized directly in equity is recognized in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognized in profit or loss.

Equity securities which are not marketable are stated at cost less impairment losses (if any).

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognized in profit or loss.

If the Company and its subsidiaries dispose of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying amount of the total holding of the investment.

Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment loss (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is recognized in profit or loss.

No depreciation is provided for land classified as investment properties.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period when the asset is derecognized.

Property, plant and equipment

Land is shown at fair value, based on terminal valuation by external independent valuers, the revaluation is made every five years. Plant, machineries and equipment are shown at historical cost less accumulated depreciation and impairment loss (if any).

Increases in the carrying amount arising on revaluation of land are credited to the premium of asset valuation in shareholders' equity. Decreases that offset previous increases of the same asset are charged against that premium; all other decreases are charged to the statement of comprehensive income.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount. Estimated recoverable amount is the higher of the anticipated discounted cash flows from the continuing use of the asset and the amount obtainable from the sale of the asset less any costs of disposal.

Depreciation is calculated on the straight-line method to write off the cost or the revalued amount of each asset, except for land which is considered to have an indefinite life, to its residual value over the estimated useful life as follows;

Buildings and improvement	20	years
Machineries and equipment	5, 10	years
Vehicles	5	years
Furniture, fixtures and office equipment	5	years

No depreciation is charged for land and construction in progress.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in operating profit.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

Impairment of assets

The carrying amounts of the Company's assets are reviewed at each statements of financial position date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in the statement of comprehensive income.

Calculation of recoverable amount

The recoverable amount of other assets is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Trade and other payables

Trade and other payables are stated at cost.

Employee Benefit

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognized as expenses when incurred.

Post - employment benefits

Defined contribution plans

The Company and their employees have jointly established a provident fund. The fund is monthly contributed to by the employees, the Company. The fund's assets are held in a separate trust fund and the Company contributions are recognized as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments they must make to employees upon retirement under labor law and other employee benefit plans. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plans and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method on a regular basis. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past service costs are recognized on a straight-line basis over the average period until the amended benefits become vested. Gains or losses on the curtailment or settlement of defined benefit obligations are recognized when the curtailment or settlement occurs.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

Actuarial gains and losses arising from post-employment benefits and other long-term employee benefits 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. The defined benefit obligations are measured at the present value of estimated future cash flows using a discount rate that is similar to the interest rate on government bond.

Provisions

Provisions are recognized when the Company 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. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

Long-Term Leases

Where the Company and its subsidiaries are the lessee

Leases of property or equipment which substantially transfer all the risks and rewards of ownership to the lessees 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 profit or loss over the lease period. The property or equipment acquired under finance leases is depreciated over the useful life of the asset.

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 are charged to profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period expires, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which the termination takes place.

Where the Company and its subsidiaries are the lessor

Assets leased out under operating leases are included in property and equipment in the statements of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property and equipment owned by the Company and its subsidiary. Rental income is recognized on a straight-line basis over the lease term.

Assets leased out by the Company and its subsidiaries under which a significant portion of the risks and rewards of ownership are transferred to the lessee are classified as finance lease. The assets held under finance lease are recorded as accounts receivable under finance lease in the statements of financial position.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**Notes to the financial statements (Continued)****For the year ended December 31, 2017**

The sales revenue recorded at the commencement of a finance lease represents the fair value of the asset, or if lower, the present value of the minimum lease payments accruing to the lessor, computed at a commercial rate of interest. The cost of sale recognized at the commencement of the lease term is the cost or carrying amount of the leased property. The difference between the sales revenue and the cost of sale is recorded as gain which is recognized by the Company and its subsidiary in accordance with its normal accounting policy.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

Significant Accounting Judgments and Estimates

The preparation of financial statements in conformity with generally accepted accounting principles at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures and actual results could differ. Significant judgments and estimates are as follows:

Allowance for doubtful accounts of trade and other receivables

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

Buildings and equipment and depreciation

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

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

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

Deferred tax assets

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

Recognition and derecognition of assets and liabilities

In considering whether to recognize or to derecognize assets or liabilities, the management is required to make judgment on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

Leases

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

Employment benefits

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

Revenue

Revenue excludes value added taxes and is arrived at after deduction of trade discounts.

Sale of goods

Revenue from sale of goods is recognized in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods.

Revenue from service

Revenue from service recognized as income upon service is rendered.

Interest income

Interest income is recognized in the statement of comprehensive income on an accrual basis.

Other income

Other income is recognized in the statement of comprehensive income on an accrual basis.

Dividends

Dividends are recognized when the right to receive the dividends is established.

Expenses

Operating leases

Payments made under operating leases are recognized in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognized in profit or loss as an integral part of the total lease payments made.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

Finance costs

Interest expenses and similar costs are charged to the statement of comprehensive income for the period in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognized in the statement of comprehensive income using the effective interest rate method.

Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period. 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 tax asset is realised or the deferred tax liability is settled.

The Company and its subsidiaries recognize deferred tax liabilities for all taxable temporary differences while they recognize deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred 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.

Earnings per Share

Earnings per share is calculated by dividing the profit for the year attributable to equity holders of the parent company by the weighted average number of common shares outstanding during the year.

5. RELATED PARTY TRANSACTIONS

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related parties. Parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or jointly control the parties or exercise significant influence over the parties in making financial and operating decisions, or vice versa.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

Types of relationship of related parties are as follows:

The Company's name	Type of business	Type of relationship
STC Steel Co., Ltd.	Produce and providing steel cutting and modifying service	Subsidiary
Grand Asia Steel Processing Center Co., Ltd.	Produce and sell of processed steel products	Subsidiary
Vientiane Bonded Warehouse Co., Ltd.	Providing bonded warehouse service on the border of Lao PDR	Associate
Prime Steel Mill Co., Ltd. (Formerly Delong (Thailand) Co., Ltd.	Production and distribution of steel and basic steel barrier dare, including hot rolled and structural steel	Associate
Taweechoke Panich Co., Ltd.	Import, export steel coil, steel sheet, steel roll and all of kind of steel	Share held by close relative of directors
G Steel Public Company Limited	Manufacturing and distribution of hot rolled coil steel products	Co - directors
Permsin Steel Works Public Co., Ltd.	Produce and sell of hot rolled steel and cold rolled steel, c-channel galvanized high tensile str ength, electro-galvanized steel, c-line, c-u, t-bar and roll forming metal sheet	Share held by close relative of directors
PS Steel Processing Center Co., Ltd.	Distribution of cold rolled steel	Share held by close relative of directors
Permchaipanich Co., Ltd.	Distribution of steel	Share held by close relative of directors
Steel Center (Thailand) Co., Ltd	Manufacturing and distribution steel sheet	Share held by close relative of directors
G J Steel Public Co., Ltd.	Manufacturing and distribution of hot rolled coil steel products	Share held by a related party
Win Win Holding Co.,Ltd.	Import and distribution of steel	Share held by close relative of directors
Precision Perfect Pipe Co.,Ltd	Manufacturing mechanical pipe	Co directors of a subsidiary
Mrs. Penjan Yongvongphaiboon	-	Shareholder and director of the Company
Mr. Somsak Wongsirisap	-	Shareholder and director of a subsidiary
Mr. Win Sutheerachai	-	Shareholder and director of a subsidiary
Other related person	-	Employee

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
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For the year ended December 31, 2017

Pricing policies for each transactions are described as follows:

Type of transactions	Pricing policies
Revenue from sale of goods	Cost plus margin and carried out on commercial terms and conditions
Other income	Charged at the rate according to the agreements
Purchases of goods, raw materials and services	Cost, cost plus margin and carried out on commercial terms and conditions
Commission expense	At the agreed price
Finance costs	6% p.a. and no interest

Significant revenues and expenses derived from transactions with related parties for the years ended December 31, 2017 and 2016, are summarized as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Revenue from sale of goods				
Grand Asia Steel Processing Center Co., Ltd.	-	-	92,023	74,551
Prime Steel Mill Co., Ltd.	1,489,694	1,518,990	1,489,694	1,518,990
Taweechoke Panich Co., Ltd.	232	20,088	232	20,088
Permsin Steel Works Public Co., Ltd.	-	4,955	-	4,955
Permchai Panich Co.,Ltd.	83	-	83	-
Win Win Holding Co.,Ltd.	24,405	18,852	-	-
Precision Perfect Pipe Co.,Ltd.	2,798	6,223	-	-
Total	1,517,212	1,569,108	1,582,032	1,618,584
Other income				
STC Steel Co., Ltd.	-	-	120	120
Grand Asia Steel Processing Center Co., Ltd.	-	-	10,876	9,064
Taweechoke Panich Co., Ltd.	213	440	213	440
Total	213	440	11,209	9,624
Purchase of goods , raw materials and cost of services				
STC Steel Co., Ltd.	-	-	8,375	9,191
Grand Asia Steel Processing Center Co., Ltd.	-	-	13	1,572
Prime Steel Mill Co., Ltd.	1,895,484	1,911,351	1,895,484	1,911,351
Taweechoke Panich Co., Ltd.	1,255	3,080	1,255	3,080
G Steel Public Co., Ltd.	-	21,935	-	21,935
G J Steel Public Co., Ltd.	-	51,393	-	51,393
Permsin Steel Works Public Co., Ltd.	21,577	91,002	2,216	55,055
Win Win Holding Co.,Ltd.	32,954	145,220	-	-
Precision Perfect Pipe Co., Ltd.	19,711	27,704	-	-
PS Steel Processing Center Co., Ltd.	5,453	37,617	-	-
Total	1,976,434	2,289,302	1,907,343	2,053,577
Commission				
Grand Asia Steel Processing Center Co., Ltd.	-	-	72	-
Financial costs				
Mrs. Penjan Yongvongphaiboon	47	-	-	-
Mr. Win Sutheerachai	47	-	-	-
Total	94	-	-	-

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Notes to the financial statements (Continued)
For the year ended December 31, 2017

Key managements personnel compensation and directors' remuneration for the years ended December 31, 2017 and 2016, are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Key managements personnel compensation and directors remuneration				
Short-term employment benefits	18,013	17,022	12,430	12,608
Post-employment benefits	748	734	319	300
Total	18,761	17,756	12,749	12,908

Significant balances as at December 31, 2017 and 2016, with related parties were as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Trade and other receivables				
Trade receivable				
Taweechoke Panich Co., Ltd.	-	47	-	47
Prime Steel Mill Co., Ltd.	101,148	282,386	101,148	282,386
Grand Asia Steel Processing Center Co., Ltd.	-	-	68,060	66,388
Win Win Holding Co.,Ltd.	21,089	8,761	-	-
Precision Perfect Pipe Co.,Ltd.	455	-	-	-
Other receivable				
Grand Asia Steel Processing Center Co., Ltd.	-	-	1,173	1,173
Mrs. Penjan Yongvongphaiboon	17	-	17	-
Total	122,709	291,194	170,398	349,994
Short-term loans to and interest receivable				
Short-term loans				
Other related person (No interest)	2,166	2,394	2,166	2,394
Accrued interest				
STC Steel Co., Ltd.				
(Interest rate 4.92% p.a.)	-	-	23,000	24,000
Total	2,166	2,394	25,166	26,394
Advance payment for purchasing of goods				
Prime Steel Mill Co., Ltd.	488,299	177,236	488,299	177,236
Trade and other payables				
Trade payables				
Permsin Steel Works Public Co., Ltd.	15,389	2,804	-	-
Grand Asia Steel Processing Center Co., Ltd.	-	-	1,697	4,256
Prime Steel Mill Co., Ltd.	35	80,778	35	80,778
Taweechoke Panich Co., Ltd.	139	-	139	-
Win Win Holding Co.,Ltd.	48,110	100,348	-	-
Precision Perfect Pipe Co.,Ltd.	-	18,638	-	-
PS Steel Processing Center Co., Ltd	-	30,567	-	-

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Other payables				
STC Steel Co., Ltd.	-	-	877	764
Grand Asia Steel Processing Center Co., Ltd.	-	-	988	-
Mrs. Penjan Yongvongphaiboon	89	-	89	-
Total	63,762	233,135	3,825	85,798
Short-term loan				
Mr. Somsak Wongsirisap (No interest)	-	500	-	-
Mrs. Penjan Yongvongphaiboon (Interest rate 6% p.a.)	14,000	-	-	-
Total	14,000	500	-	-

The significant movements of short-term loans and accrued interest from related parties during the year are as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	2016	Increase	Decrease	2017
Short-term loans				
Other related person	2,394	643	(871)	2,166

	In Thousand Baht			
	Consolidated Financial Statements			
	2015	Increase	Decrease	2016
Short-term loans				
Other related person	1,858	1,622	(1,086)	2,394

	In Thousand Baht			
	Separate Financial Statements			
	2016	Increase	Decrease	2017
Short-term loans				
Other related person	2,394	643	(871)	2,166
Accrued interest				
STC Steel Co., Ltd.	24,000	-	(1,000)	23,000
Total	26,394	643	(1,871)	25,166

	In Thousand Baht			
	Separate Financial Statements			
	2015	Increase	Decrease	2016
Short-term loans				
Other related person	1,858	1,622	(1,086)	2,394
Accrued interest				
STC Steel Co., Ltd.	24,000	-	-	24,000
Total	25,858	1,622	(1,086)	26,394

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

The significant movements of short-term loans from other related parties during the year are as follows:

	In Thousand Baht			
	Consolidated Financial Statements			
	2016	Increase	Decrease	2017
Short-term loans				
Mr. Somsak Wongsirisap	500	-	(500)	-
Mr. Win Sutheerachai	-	6,000	(6,000)	-
Mrs. Penjan Yongvongphaiboon	-	20,000	(6,000)	14,000
Total	500	26,000	(12,500)	14,000

	In Thousand Baht			
	Consolidated Financial Statements			
	2015	Increase	Decrease	2016
Short-term loans				
Mr. Somsak Wongsirisap	5,000	300	(4,800)	500

6. CASH AND CASH EQUIVALENTS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Cash	142	166	122	122
Deposits at financial institutions	57,096	24,193	45,681	12,818
Total	57,238	24,359	45,803	12,940

As at December 31, 2017 and 2016, the Company and subsidiaries has bank deposits in saving accounts, bearing the interest rates at 0.15% - 0.40% per annum and at 0.1% - 0.375% per annum, respectively. (Separate Financial Statements: at 0.15% - 0.40% per annum and at 0.1% - 0.375% per annum, respectively).

7. CURRENT INVESTMENTS

	In Thousand Baht	
	Consolidated Financial Statements and Separate Financial Statements	
	2017	2016
Investment in trading securities	90,032	254,042

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

The detail of investments in trading securities as at December 31, 2017 and 2016 are as follow:

	In Thousand Baht	
	Consolidated Financial Statements and Separate Financial Statements	
	2017	2016
Investment in trading securities consisted of		
Units of investments in open fund in debt securities		
At the beginning of the year	254,042	140
Additions	1,345,678	1,189,400
Disposals	(1,510,680)	(935,855)
Add Unrealized gain on change in fair value	14	2
Gain on sales of current investments	978	355
At the end of year	90,032	254,042

Carrying amounts and fair values

The fair values of financial assets together with the carrying amounts in the statement of financial position as at December 31, 2017 and 2016 are as follows.

	In Thousand Baht			
	Consolidated Financial Statements and Separate Financial Statements			
	2017		2016	
	Carrying amount	Fair Value	Carrying amount	Fair Value
Investment in trading securities - Units of investments in open fund in debt securities	90,032	90,032	254,042	254,042

The fair values measurements of investment in trading securities has been categorized as a level 1 fair value based on the quoted price in active markets and the Company can access at the measurement date.

8. TRADE AND OTHER RECEIVABLES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Trade and other receivables				
- Related parties				
Trade receivable	122,692	291,194	169,208	348,821
Other receivable	17	-	1,190	1,173
Total	122,709	291,194	170,398	349,994
Trade and other receivables				
- Other parties				
Trade receivables	435,675	478,677	330,114	368,056
Posted date cheques	45,191	42,028	30,715	31,802
Total	480,866	520,705	360,829	399,858
Less : Allowance for doubtful accounts	(106,553)	(111,303)	(105,796)	(110,546)
Net	374,313	409,402	255,033	289,312

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Other receivables				
Securities receivables	10,000	-	10,000	-
Prepaid expenses	3,871	4,235	3,568	4,169
Advance payment	9,178	8,584	9,032	8,431
Others	19,365	12,591	12,991	5,249
Total	42,414	25,410	35,591	17,849
Total	416,727	434,812	290,624	307,161

Outstanding trade receivables - related parties as at December 31, 2017 and 2016, are aged as follows;

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Not yet due	83,149	63,667	111,021	100,511
Over due				
Less than 3 months	3,337	221,873	30,409	227,789
Over 3 - 6 months	33,504	5,654	27,778	20,521
Over 6 - 12 months	2,702	-	-	-
Over 12 months	-	-	-	-
Total	122,692	291,194	169,208	348,821

Outstanding trade receivables - other parties as at December 31, 2017 and 2016, are aged as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Not yet due	249,155	281,891	154,807	197,485
Over due				
Less than 3 months	124,736	113,142	100,117	78,114
Over 3 - 6 months	110	12,096	110	11,714
Over 6 - 12 months	39	2,757	-	2,757
Over 12 months	106,826	110,819	105,795	109,788
Total	480,866	520,705	360,829	399,858
Less: Allowance for doubtful accounts	(106,553)	(111,303)	(105,796)	(110,546)
Net	374,313	409,402	255,033	289,312

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Doubtful accounts (Reversal)				
- For the years ended December 31,	(4,750)	66,721	(4,750)	66,721

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

9. RECEIVABLES (PAYABLES) FROM FOREIGN CURRENCY FORWARD CONTRACTS

As at December 31, 2017, the Company was a party to cross currency forward contracts for hedging its liabilities denominated in US Dollar and EUR with the outstanding notional amount of US Dollar 0.8 million (December 31, 2016 amount of US Dollar 0.7 million and EUR 0.07 million.) The details of such balance are as follows;

	In Thousand Baht	
	Consolidated Financial Statements and Separate Financial Statements	
	2017	2016
Bank receivables from foreign currency forward contract	26,709	28,225
Bank payables from foreign currency forward contracts	(27,004)	(27,720)
Net	(295)	505

As at December 31, 2017, the Company had the foreign currency - dominated liabilities remaining unhedged in the amount of US Dollar 1.1 million and EUR 16.4 million (December 31, 2016 amount of US Dollar 3.8 million and EUR 0.2 million).

10. INVENTORIES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Finished goods	391,715	466,707	378,499	451,327
Work in process	1,584	825	1,584	825
Raw materials	251,231	449,043	163,588	333,912
Factory supplies	2,076	3,095	1,601	2,946
Goods in transit	625,542	236,357	625,542	236,357
Total	1,272,148	1,156,027	1,170,814	1,025,367
Less : Allowance for decline in value of inventories	(40,931)	(83,042)	(40,912)	(83,034)
Net	1,231,217	1,072,985	1,129,902	942,333

The cost of inventories which is recognised as an expense and included in cost of goods sold for the years ended December 31,

- Cost of goods sold	4,795,393	4,474,991	4,438,945	4,204,430
- Loss on decline in value of inventories (Reversal)	(42,111)	2,366	(42,122)	4,882
Total	4,753,282	4,477,357	4,396,823	4,209,312

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

Movements of the allowance for decline in value of inventories for the years ended December 31, 2017 and 2016 are summarised below.

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Balance as at January 1,	83,042	80,676	83,034	78,152
Add : Loss on decline in value of inventories (Reversal)	(42,111)	2,366	(42,122)	4,882
Balance as at December 31,	<u>40,931</u>	<u>83,042</u>	<u>40,912</u>	<u>83,034</u>

11. DEPOSITS AT FINANCIAL INSTITUTIONS PLEDGED AS COLLATERAL

As at December 31, 2017 and 2016, the Company and its subsidiary held fixed deposits at several local financial institutions amounting to Baht 155.6 million and Baht 154.0 million, respectively (Separate financial statements: Baht 154.6 million and Baht 153.0 million, respectively). The deposits were pledged as collateral for credit facilities of overdrafts and short-term loans from financial institutions (Note 17 to the financial statements) and for letter of guarantee from bank against the payment of electricity of the Company and its subsidiary.

12. AVAILABLE-FOR-SALES INVESTMENTS

	In Thousand Baht			
	Consolidated Financial Statements and Separate Financial Statements			
	2017		2016	
	Cost	Fair value	Cost	Fair value
Available-for-sales investments				
Investment in marketable equity securities	14,447	8,073	9,348	14,447
Unrealized gains recognized in shareholders' equity	(6,374)	-	5,099	-
Net	<u>8,073</u>	<u>8,073</u>	<u>14,447</u>	<u>14,447</u>

Fair values

The fair values of financial assets together with the carrying amounts in the consolidated statement of financial position as at December 31, 2017 and 2016 are as follows:

	In Thousand Baht			
	2017		2016	
	Carrying amount	Fair Value Level 1	Carrying amount	Fair Value Level 1
Available-for-sale investments				
Marketable equity securities	<u>8,073</u>	<u>8,073</u>	<u>14,447</u>	<u>14,447</u>

The table above analyses recurring fair value measurements for financial assets. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The levels applicable to investments are defined as follows:

Level 1: quoted prices (unadjusted) in active markets (Stock Exchange) for identical assets or liabilities that the Company can access at the measurement date.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

13. INVESTMENTS IN ASSOCIATES

Investments in associates as at December 31, 2017 and 2016 are as follows:

Company's name	Nature of business	Country of incorporation	In Thousand Baht							
			Shareholding percentage (%)		Consolidated Financial Statements		Separate Financial Statements		Consolidated Financial Statements	
					Carrying amounts based on equity method		Cost		Share of profit (loss) from investments in associates in the year	
			2017	2016	2017	2016	2017	2016	2017	2016
Prime Steel Mill Co., Ltd.	Production and distribution of steel and basic steel barrier dare, including hot rolled and structural steel	Thailand	30.00	20.00	225,763	123,539	270,000	200,000	32,328	(9,611)
Vientiane Bonded Warehouse Co., Ltd*	Providing bonded warehouse service on the border of Lao PDR	Lao PDR	40.00	40.00	287	287	6,686	6,686	-	-
Total					226,050	123,826	276,686	206,686	32,328	(9,611)
Less : Allowance for impairment of investment					(287)	(287)	(6,686)	(6,686)	-	-
Net					225,763	123,539	270,000	200,000	32,328	(9,611)

*As at December 31, 2017 and 2016, Vientiane Bonded Warehouse Company Limited, incorporated in Lao PDR, operates in business of providing bonded warehouse service on the border of Lao PDR such company has not started operation. The Company, therefore, set aside allowance for impairment of investments against such companies amounting of Baht 6.7 million and Baht 6.7 million, respectively. The Company had appointed a lawyer for follow up such investment.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

According to the resolution of the Board of Directors' Meeting on June 5, 2015 has a resolution to approve the purchase of common shares of Delong (Thailand) Co., Ltd. from Permsin Steel Work Public Co., Ltd. totaling 500,000 shares, 100 Baht per share, at 5% of paid-up share capital. The Company had already paid such the purchase amount of Baht 50 million. As at December 31, 2016, the Company has investment in such company amount of Baht 200 million at 20% holdings.

At the Board of Directors' Meeting of the Company No. 1/2017 held on January 25, 2017, the directors passed a resolution to approve the Company had additional invested in Prime Steel Mill Co.,Ltd.(Formerly name is Delong (Thailand) Co.,Ltd.), a associate of the Company held at 20%, by purchasing the common shares of such associate from Delong Steel Singapore Projects Pte., Ltd. at 1 million shares, 70 Baht per share , amount of Baht 70 million, at 10% which include formerly portion as 30%. The payment of Baht 14 million was made on January 26, 2017 and the rest amount of Baht 56 million paid on January 31, 2017.

The Company classified its investment in Prime Steel Mill Co., Ltd. as investment in associate due to the Company has be entitle to nominate 3 of 6 directors to joint with the board of director of Prime Steel Mill Co., Ltd. and has right to participation in the decision marking regarding management and financial decision.

Movements of investments in associates for the years ended December 31, 2017 and 2016 are as follow:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Balance as at January 1,	123,539	133,150	200,000	200,000
Increase in investments	70,000	-	70,000	-
Share of profit (loss) of investment - equity method	32,328	(9,611)	-	-
Share of comprehensive income in associate	(104)	-	-	-
Balance as at December 31,	225,763	123,539	270,000	200,000

The reconciliation of the above financial information to the carrying amount which is accounted for using the equity method in the consolidated financial statements can be summarized as follows:

	In Thousand Baht	
	2017	2016
Net assets	734,927	640,977
Group's interest in the associate	30%	20%
Group's share in the net assets	220,478	128,195
Adjustment for using the equity method		
(Gain) Loss on inventories	5,285	(4,656)
Carrying amount under the equity method	225,763	123,539

Summarised financial information of associate

Financial information of the associate is summarised below.

(Unit: Million Baht)

Company's name	Paid-up capital as		Total assets as		Total liabilities as		Total revenues for the years ended		Profit (Loss) for the years ended	
	at December 31,		at December 31,		at December 31,		December 31,		December 31,	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Prime Steel Mill Co., Ltd. "Audited"	1,000	1,000	2,536	2,962	1,801	2,321	4,733	3,972	94	(36)

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

14. INVESTMENTS IN SUBSIDIARIES

The Company's name	Separated Financial Statement					
	Percentages of direct and indirect holdings (%)		In Thousand Baht			
			Issued and fully paid-up share capital		Cost method	
	2017	2016	2017	2016	2017	2016
STC Steel Co., Ltd.	100.00	100.00	20,000	20,000	20,000	20,000
Grand Asia Steel Processing Center Co., Ltd.	50.00	100.00	10,000	10,000	9,481	18,962
Total					29,481	38,962
Less : Allowance for impairment of investments					(4,500)	(9,000)
Net					24,981	29,962

15. INVESTMENT PROPERTIES

	In Thousand Baht	
	Separate Financial Statements	
	2017	2016
Cost	50,744	50,436
Less Accumulated depreciation	(13,152)	(10,630)
Net	37,592	39,806

A reconciliation of the net book value of investment properties for the years 2017 and 2016 is presented below:

	In Thousand Baht	
	Separate Financial Statements	
	2017	2016
Net book value at beginning of year	39,806	42,328
Transfers from property, plant and equipment - net book value	308	-
Depreciation	(2,522)	(2,522)
Net book value at end of year	37,592	39,806
Fair Value	61,563	55,669

Its fair value assessed by professional appraisers for the years 2017 and 2016 are as the reports dated November 27, 2017 and January 27, 2016, respectively. The fair value measurement for investment property has been categorised as a Level 2 to use of other observable inputs for such assets or liabilities, whether direct or indirect.

Investment properties are mortgaged as collateral for credit facilities of short-term and long-term loans from financial institutions.

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Notes to the financial statements (Continued)
For the year ended December 31, 2017

16. PROPERTY, PLANT AND EQUIPMENT

In Thousand Baht						
Consolidated Financial Statements						
At Appraised value	At Cost					
Land	Buildings and improvement	Machineries and equipment	Vehicles	Furniture, fixture and office equipment	Construction in progress	Total
<u>Cost</u>						
Net book value as at January 1, 2016	272,910	479,163	809,587	34,958	45,583	1,785,495
Acquisitions	-	35	4,035	3,600	1,340	29,683
Transfer in (out)	-	-	17,970	-	184	184
Disposal/write - off	-	-	(89)	(60)	(1,637)	(1,786)
Net book value as at December 31, 2016	272,910	479,198	831,503	38,498	45,470	1,813,576
Acquisition	-	211	9,162	2,638	2,041	29,516
Transfer in (out)	-	25,009	17,238	-	(42,667)	(420)
Disposal/written off	-	-	-	(3,305)	-	(3,305)
Net book value as at December 31, 2017	272,910	504,418	857,903	37,831	118,794	1,839,367

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

	In Thousand Baht						
	Consolidated Financial Statements						
	At Appraised value	At Cost					
	Land	Buildings and improvement	Machineries and equipment	Vehicles	Furniture, fixture and office equipment	Construction in progress	Total
<u>Accumulated depreciation</u>							
Net book value as at January 1, 2016	-	196,057	404,995	24,491	33,718	-	659,261
Reclassification							
Depreciation for the year	-	22,898	65,793	3,077	2,890	-	94,658
Transfer in (out)	-	-	-	-	11	-	11
Disposal	-	-	(89)	(53)	(1,520)	-	(1,662)
Net book value as at December 31, 2016	-	218,955	470,699	27,515	35,099	-	752,268
Depreciation for the year	-	23,023	66,587	3,533	2,569	-	95,712
Transfer in (out)	-	-	-	-	-	-	-
Disposal	-	-	-	(3,112)	-	-	(3,112)
Net book value as at December 31, 2017	-	241,978	537,286	27,936	37,668	-	844,868
<u>Net book value</u>							
December 31, 2016	272,910	260,243	360,804	10,983	10,371	145,997	1,061,308
December 31, 2017	272,910	262,440	320,617	9,895	9,843	118,794	994,499
<u>Depreciation included in the consolidated statement of comprehensive income for the years ended December 31,</u>							
2016							94,658
2017							95,712

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

	In Thousand Baht						
	Separate Financial Statements						
	At Appraised value	At Cost					
	Land	Buildings and improvement	Machineries and equipment	Vehicles	Furniture, fixture and office equipment	Construction in progress	Total
<u>Cost</u>							
Net book value as at January 1, 2016	247,270	391,484	789,354	34,294	39,263	142,561	1,644,226
Acquisitions	-	-	3,772	3,600	1,146	20,673	29,191
Transfer in (out)	-	-	17,970	-	-	(17,970)	-
Disposal	-	-	(89)	(60)	(1,637)	-	(1,786)
Net book value as at December 31, 2016	247,270	391,484	811,007	37,834	38,772	145,264	1,671,631
Acquisitions	-	-	8,962	2,179	1,935	15,465	28,541
Transfer in (out)	-	24,701	17,238	-	-	(42,667)	(728)
Disposal	-	-	-	(3,305)	-	-	(3,305)
Net book value as at December 31, 2017	247,270	416,185	837,207	36,708	40,707	118,062	1,696,139
<u>Accumulated depreciation</u>							
Net book value as at January 1, 2016	-	166,208	385,008	23,827	30,879	-	605,922
Depreciation for the year	-	18,553	65,675	3,077	2,340	-	89,645
Transfer in (out)	-	-	-	-	-	-	-
Disposal	-	-	(89)	(53)	(1,519)	-	(1,661)
Net book value as at December 31, 2016	-	184,761	450,594	26,851	31,700	-	693,906
Depreciation for the year	-	18,631	66,466	3,443	1,992	-	90,532
Transfer in (out)	-	-	-	-	-	-	-
Disposal	-	-	-	(3,112)	-	-	(3,112)
Net book value as at December 31, 2017	-	203,392	517,060	27,182	33,692	-	781,326
<u>Net book value</u>							
December 31, 2016	247,270	206,723	360,413	10,983	7,072	145,264	977,725
December 31, 2017	247,270	212,793	320,147	9,526	7,015	118,062	914,813
<u>Depreciation included in the statement of comprehensive income for the years ended December 31,</u>							
2016							89,645
2017							90,532

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**Notes to the financial statements (Continued)****For the year ended December 31, 2017**

Depreciations included in the statement of comprehensive income for the years ended December 31, 2017 and 2016 are as follow:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Cost of sales and services	86,400	85,776	84,099	83,615
Administrative expenses	9,312	8,882	6,433	6,030
Total	95,712	94,658	90,532	89,645

As at December 31, 2017 and 2016, land, building, machineries and machineries under installation of the Company and its subsidiaries amounting to Baht 399.3 million and Baht 458 million, respectively (Separate financial statements: Baht 361.8 million and Baht 379 million, respectively), are mortgaged as collateral for credit facilities of short-term and long-term loan from financial institution.

As at December 31, 2017 and 2016, the Company has leased assets included above, where the Company is a lessee under hire purchase agreements are motor vehicles with net book value of Baht 10.5 million and Baht 6.8 million, respectively (Separate financial statements: Baht 10.1 million and Baht 6.8 million, respectively).

As at December 31, 2017 and 2016, certain office equipment, furniture and vehicles of the Company and its subsidiaries have been fully depreciated but are still in use. The original cost of those assets before deducting accumulated depreciation was approximately Baht 295.1 million and Baht 276.1 million, respectively (Separate financial statements : Baht 272.2 million and Baht 253.6 million, respectively).

The Company and its subsidiary's land was revalued on December 22, 2014 by independent valuers. Valuations were made on the basis of Market Approach. The book values of the land were adjusted to the revalued amounts and the resultant surplus (net off deferred tax) was credited to premium on land revaluation in shareholders' equity at the amount of Baht 123 million (Separate financial statements : Baht 119.7 million).

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

	In Thousand Baht	
	Consolidated Financial Statements and Separate Financial Statements	
	2017	2016
Promissory Notes	533,000	583,000
Liabilities under trust receipts	475,895	624,830
Net	1,008,895	1,207,830

As at December 31, 2017 and 2016, the Company has short-term trade financing facilities from financial institutions according to the loan agreements with a total maximum credit limit of Baht 4,405 million and Baht 4,300 million, respectively. The trade financing facilities include bank overdrafts, letters of credit, trust receipts, promissory notes, bills discounted, packing credits and banks' letters of guarantee. The overdraft facilities charged interest at the rate of MOR per annum and the other facilities charged interest at the rates ranging from 1.02% to 3.02% per annum and 1.02% to 2.75% per annum, respectively, and repayment terms ranged between 1 - 6 months.

Such trade financing facilities are secured over a part of the land, buildings, machineries, machineries under installment, investment property and fixed deposits of the Company and its a subsidiary (Notes 11, 15 and 16 to the financial statements).

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017
18. TRADE AND OTHER PAYABLES

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Trade and other payables – related parties				
Trade payables	63,673	232,371	2,860	85,034
Other payables	89	764	965	764
Total	63,762	233,135	3,825	85,798
Trade and other payables – other parties				
Trade payables	723,833	318,105	632,758	276,348
Other payables	57,551	49,177	54,395	46,132
Total	781,384	367,282	687,153	322,480

As at December 31, 2017 and 2016, trade payables – other parties classified by currencies as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Baht	92,811	79,277	1,736	37,520
US Dollar	28,668	2,471	28,668	2,471
Euro	602,354	236,357	602,354	236,357
Total	723,833	318,105	632,758	276,348

19. LIABILITIES UNDER FINANCE LEASE CONTRACTS

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Liabilities under finance lease contracts	4,172	3,812	3,883	3,812
Less : Deferred interest	(342)	(420)	(323)	(420)
Total	3,830	3,392	3,560	3,392
Less : Current portion	(1,384)	(1,324)	(1,300)	(1,324)
Net	2,446	2,068	2,260	2,068

As at December 31, 2017 and 2016, the Company has liabilities under finance lease contracts with the year of payment as follows:

	In Thousand Baht					
	Consolidated Financial Statements					
	2017			2016		
	Future minimum lease payment	Deferred interest	Present value of minimum lease payment	Future minimum lease payment	Deferred interest	Present value of minimum lease payment
Payment due 1 year	1,570	186	1,384	1,525	201	1,324
Payment due over 1 year to 5 years	2,602	156	2,446	2,287	219	2,068
Total	4,172	342	3,830	3,812	420	3,392

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

	In Thousand Baht					
	Separate Financial Statements					
	2017			2016		
	Future minimum lease payment	Deferred interest	Present value of minimum lease payment	Future minimum lease payment	Deferred interest	Present value of minimum lease payment
Payment due 1 year	1,476	176	1,300	1,525	201	1,324
Payment due over 1 year to 5 years	2,407	147	2,260	2,287	219	2,068
Total	3,883	323	3,560	3,812	420	3,392

20. EMPLOYEE BENEFIT OBLIGATIONS

Employee benefit liabilities in statements of financial position as at December 31, 2017 and 2016, are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Post-employment benefits				
Legal severance payment plan	14,760	11,797	12,494	10,339

Movement in the present value of the defined benefit obligations for the years ended December 31, 2017 and 2016, are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Defined benefit obligations as at January 1,	11,797	4,881	10,339	3,681
Current service costs and interest	2,963	2,675	2,155	1,887
Actuarial gains in the statements of comprehensive income	-	4,241	-	4,771
Defined benefit obligations as at December 31,	14,760	11,797	12,494	10,339

Expenses recognized in statement of comprehensive income for the years ended December 31, 2017 and 2016, are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Current service costs	2,768	2,517	1,986	1,742
Interest on obligation	195	158	169	145
Total	2,963	2,675	2,155	1,887

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

The above expenses recognized in the statement of comprehensive income for the years ended December 31, 2017 and 2016, are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Cost of sales and services	855	748	656	551
Selling expenses	314	374	273	336
Administrative expenses	851	661	738	555
Management benefit expenses	748	734	319	300
Total	<u>2,768</u>	<u>2,517</u>	<u>1,986</u>	<u>1,742</u>

Principal actuarial assumptions at the reporting date as at December 31, 2017 and 2016 are as follows:

	Consolidated Financial Statements	Separate Financial Statements
Discount rate	1.71%, 1.72% and 1.82% per annum for permanent staffs and per annum for daily staffs	1.71% per annum for permanent staffs and for daily staffs
Salary increase rate	5.00%, 5.04% per annum for permanent staffs and 3.45% per annum for daily staffs	5.04% per annum for permanent staffs and 3.45% per annum for daily staffs
Employee turnover rate	Scale related to Age and type of employment ranging from 0-50% for permanent staffs Scale related to Age and type of employment ranging from 0-62% for daily staffs	Scale related to Age and type of employment ranging from 0-50% for permanent staffs Scale related to Age and type of employment ranging from 0-62% for daily staffs

Sensitivity analysis

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

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
As at 31 December				
Discount rate				
Increase 1.00%	(524)	(427)	(390)	(345)
Decrease 1.00%	587	475	428	378
Salary increase rate				
Increase 1.00%	686	453	495	352
Decrease 1.00%	(625)	(416)	(459)	(328)
Turnover rate				
Increase 1.00%	(580)	(473)	(436)	(384)
Decrease 1.00%	298	229	19	161

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**Notes to the financial statements (Continued)****For the year ended December 31, 2017****21. LEGAL RESERVE AND DIVIDEND PAID**

Under the provisions of the Limited Public Company Act B.E. 2535, the Company is required to appropriate at least 5% of its annual net income after deduction of the deficit brought forward (if any) as reserve fund until the reserve equal to 10% of authorized share capital. The reserve is not available for dividend distribution.

22. REGISTERED PROVIDENT FUND

The Company and its subsidiaries established a contributory registered provident fund in accordance with the Provident Fund Act.B.E. 2530. Under the plan, the Company and employees contribute to the funds monthly at the rate of 2 percent of the employee's basic salary. The Company and its subsidiaries appointed a fund manager to manage the fund in accordance with the terms and conditions prescribed in the Ministerial Regulation No.2 (B.E. 2532) issued under the Provident Fund Act B.E.2530.

Provident fund contributions for the years ended December 31, 2017 and 2016, as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Provident fund contributions	490	479	374	358

23. EXPENSES BY NATURE

The significant expenses classified by nature for the years ended December 31, 2017 and 2016 are as follow:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Changes in finished goods and work in progress	74,233	(122,667)	72,069	(115,699)
Purchase of finished goods	1,467,963	1,390,379	1,579,251	1,484,756
Raw materials used	2,988,552	2,951,778	2,558,443	2,611,918
Depreciation and amortization	96,002	94,943	93,339	92,446
Loss on decline in value of inventories (Reversal)	(42,111)	2,367	(42,122)	4,881
Employee expense	107,469	110,165	90,933	93,215
Transportation and distribution	45,938	52,942	38,053	45,767
Utility expenses	35,064	39,108	28,319	31,430
Doubtful accounts (Reversal) - Trade receivable	(4,750)	66,721	(4,750)	66,721
Management benefit expenses	18,761	17,756	12,749	12,908
Commission, advertising and sale promotion	10,008	3,833	8,837	2,768
Outsourcing production cost	4,912	4,424	4,027	4,141
Loss on exchange rate	18,410	-	18,410	-
Unrealized loss on exchange rate	4,733	1,150	4,733	1,150
Financial costs	30,133	25,475	29,937	25,460
Other expenses	92,281	79,780	73,186	61,667
Total	4,947,598	4,717,004	4,565,414	4,422,379

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

24. INCOME TAXES

Income tax expenses for the years ended December 31, 2017 and 2016, are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Current income tax:				
Current income tax expenses for the year	(20,824)	(64,779)	(20,824)	(64,779)
Deferred tax:				
Relating to origination and reversal of temporary differences	(9,844)	14,698	(9,844)	14,698
Income tax income (expenses) reported in the statement of comprehensive income	(30,668)	(50,081)	(30,668)	(50,081)

Reconciliations of effective tax rate for the years ended December 31, 2017 and 2016, are as follow;

	In Thousand Baht			
	Consolidated Financial Statements			
	2017		2016	
	Tax rate (%)	Amount	Tax rate (%)	Amount
Accounting loss before income tax		183,167		399,379
Income tax by applicable tax rate	20	(36,633)	20	(79,876)
Utilized loss carry forward		946		32,629
Effect to income tax from tax-exempt incomes and non-deductible expenses		14,863		(17,532)
Tax income (expenses) relating to the imposition of the recognition and reversal of temporary differences		(9,844)		14,698
Total income tax income (expenses)	17	(30,668)	13	(50,081)

	In Thousand Baht			
	Separate Financial Statements			
	2017		2016	
	Tax rate (%)	Amount	Tax rate (%)	Amount
Accounting loss before income tax		147,510		404,338
Income tax by applicable tax rate	20	(29,502)	20	(80,868)
Utilized loss carry forward		-		31,193
Effect to income tax from tax-exempt incomes and non-deductible expenses		8,678		(15,104)
Tax income (expenses) relating to the imposition of the recognition and reversal of temporary differences		(9,844)		14,698
Total income tax income (expenses)	21	(30,668)	12	(50,081)

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income tax levied by the same tax authority on the same taxable entity.

Movements in total deferred tax assets and liabilities for the years ended December 31, 2017 and 2016 were as follows:

	In Thousand Baht						
	Consolidated Financial Statements						
	(Charged) / Credited to:			(Charged) / Credited to:			
	January 1, 2016	Profit or loss	Other comprehensive income	December 31, 2016	Profit or loss	Other comprehensive income	December 31, 2017
Deferred tax assets							
Allowance for doubtful accounts - Trade accounts receivable	8,765	13,344	-	22,109	(950)	-	21,159
Allowance for decline in value of inventories	15,631	976	-	16,607	(8,425)	-	8,182
Change in fair value of available-for-sales investments	10,878	-	(1,020)	9,858	-	1,275	11,133
Allowance for impairment of investments in associate and subsidiary	3,137	-	-	3,137	(900)	-	2,237
Allowance for impairment loss of assets not used in operation	640	-	-	640	-	-	640
Employee benefit obligations	736	378	954	2,068	431	-	2,499
Premium on land revaluation	(29,904)	-	-	(29,904)	-	-	(29,904)
Total	9,883	14,698	(66)	24,515	(9,844)	1,275	15,946
Deferred tax liabilities							
Premium on land revaluation	(3,518)	-	-	(3,518)	-	-	(3,518)

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

	In Thousand Baht						
	Separate Financial Statements						
	(Charged) / Credited to:			(Charged) / Credited to:			December 31, 2017
	January 1, 2016	Profit or loss	Other comprehensive income	December 31, 2016	Profit or loss	Other comprehensive income	
Deferred tax assets							
Allowance for doubtful accounts - Trade accounts receivable	8,765	13,344	-	22,109	(950)	-	21,159
Allowance for decline in value of inventories	15,631	976	-	16,607	(8,425)	-	8,182
Change in fair value of available-for-sales investments	10,878	-	(1,020)	9,858	-	1,275	11,133
Allowance for impairment of investments in associate and subsidiary	3,137	-	-	3,137	(900)	-	2,237
Allowance for impairment loss of assets not used in operation	640	-	-	640	-	-	640
Employee benefit obligations	736	378	954	2,068	431	-	2,499
Premium on land revaluation	(29,904)	-	-	(29,904)	-	-	(29,904)
Total	9,883	14,698	(66)	24,515	(9,844)	1,275	15,946

The amount of income tax relating to each component of other comprehensive income for the years ended December 31, 2017 and 2016 are as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Deferred tax relating to				
Actuarial gain from employee benefit plan	-	954	-	954
Gain (loss) on valuation of available-for-sales investments	1,275	(1,020)	1,275	(1,020)
Total	1,275	(66)	1,275	(66)

As at December 31, 2017 and 2016, the subsidiaries had unused tax losses totaling Baht 7.7 million and 14.4 million, respectively on which deferred tax assets have not been recognized as the subsidiaries believes future taxable profits may not be sufficient to allow utilization of the unused tax losses.

25. DIVIDENDS PAID

On April 28, 2017, a meeting of the Company's Annual General Meeting of Shareholders passed an approval to pay a dividend from the operation result of year 2016 of Baht 0.20 per share, a total of Baht 96 million, to the shareholders. Such dividends had already paid to the shareholders on May 25, 2017.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

26. EARNINGS PER SHARE

The calculation of earnings per share for the years ended December 31, 2017 and 2016, were based on the profit for the period attributable to equity holders of the Company and the number of common shares outstanding during the year as follows:

	In Thousand Baht/Thousand shares			
	Consolidated Financial Statements		Separate Financial Statements	
	2017	2016	2017	2016
Profit attributable to equity holders of the Company	150,506	349,297	116,842	354,256
Weighted average number of common shares outstanding	480,096	480,096	480,096	480,096
Earnings per share (Baht)	0.31	0.73	0.24	0.74

27. SEGMENT FINANCIAL INFORMATION

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

Business segments

The Company and its subsidiaries operates in 1 operating segments is produce and sell of processed steel products and providing steel cutting and modifying service; therefore, these financial statements do not present the financial information by business segment.

Geographic segments

The Company and its subsidiaries operate in one geographical area in Thailand; therefore, these financial statements do not present the financial information by geographical segment.

Major customers

For the year ended December 31, 2017, the Company and its subsidiaries have a major customers from operate to produce and sell of processed steel products and providing steel cutting and modify service of Baht 1,490 million of the Company and its subsidiaries' total revenue. (2016 : the company and its subsidiaries have a major customers from operate to produce and sell of processed steel products and providing steel cutting and modify service of Baht 1,519 million of the Company and its subsidiaries' total revenue).

28. FINANCIAL INSTRUMENTS

A) Financial risk management policies

The principal financial risks faced by the Company and its subsidiaries are interest rate risk, foreign currency risk and credit risk. The Company and its subsidiaries uses derivative instruments, as and when it considers appropriate, to manage such risks.

The Company and its subsidiaries did not intend to engage in trading derivative instruments for speculative purposes.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**Notes to the financial statements (Continued)****For the year ended December 31, 2017****B) Interest rate risk**

Interest rate risk arises from the changing of interest rates in the market which effects net interest expense. The Company and its subsidiaries manages interest rate risk relates primarily to its cash at financial institutions, loan to, bank overdrafts and short - term loan and liabilities under financial lease contracts by using both fixed interest rates and floating interest rates, depending on the market circumstances.

As at December 31, 2017 and 2016, financial assets and liabilities are classified by type of interest rates. Financial assets and liabilities with fixed interest rates by the due date or the date on which the new interest rate (If the date of the new interest rate to it) are as follows:

	In Million Baht					
	Consolidated Financial Statements					
	As at December 31, 2017					
	Fixed interest rates	Floating interest rate within		Non-interest bearing	Total	Effective interest rate (% p.a.)
		1 year	2-5 years			
Financial Assets						
Cash and cash equivalents	-	22.4	-	34.8	57.2	0.15 - 0.40
Current investment	-	-	-	90.0	90.0	-
Trade and other receivables						
- Related parties	-	-	-	122.7	122.7	-
- Others	-	-	-	416.7	416.7	-
Deposit at financial institution pledged as collaterals	155.6	-	-	-	155.6	0.65 - 1.375
Financial Liabilities						
Bank overdrafts and short-term loans from financial institutions	-	1,008.9	-	-	1,008.9	1.02 - 3.02
Trade and other payables						
- Related parties	-	-	-	63.8	63.8	-
- Others	-	-	-	781.4	781.4	-
Liabilities under financial lease contracts	-	1.4	2.4	-	3.8	0.30 - 8.24

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

	In Million Baht					
	Consolidated financial statements					
	As at December 31, 2016					
	Fixed interest rates	Floating interest rate within		Non-interest bearing	Total	Effective interest rate (% p.a.)
		1 year	2-5 years			
Financial Assets						
Cash and cash equivalents	-	19.5	-	4.9	24.4	0.1 - 0.375
Current investment	-	-	-	254.0	254.0	-
Trade and other receivables						
- Related parties	-	-	-	291.2	291.2	-
- Others	-	-	-	434.8	434.8	-
Deposit at financial institution pledged as collaterals	154.0	-	-	-	154.0	0.65 - 1.375
Financial Liabilities						
Bank overdrafts and short-term loans from financial institutions	-	1,207.8	-	-	1,207.8	1.02 - 2.75
Trade and other payables						
- Related parties	-	-	-	233.1	233.1	-
- Others	-	-	-	367.3	367.3	-
Liabilities under financial lease contracts	-	1.3	2.1	-	3.4	1.18 - 6.95

	In Million Baht					Effective interest rate (% p.a.)
	Separate Financial Statements					
	As at December 31, 2017					
	Fixed interest rates	Floating interest rate within		Non-interest bearing	Total	
		1 year	2-5 years			
Financial Assets						
Cash and cash equivalents	-	11.0	-	34.8	45.8	0.15 - 0.40
Current investment	-	-	-	90.0	90.0	-
Trade and other receivables						
- Related parties	-	-	-	170.4	170.4	-
- Others	-	-	-	290.6	290.6	-
Deposit at financial institution pledged as collaterals	154.6	-	-	-	154.6	0.65 - 1.375
Financial Liabilities						
Bank overdrafts and short-term loans from financial institutions	-	1,008.9	-	-	1,008.9	1.02 - 3.02
Trade and other payables						
- Related parties	-	-	-	3.8	3.8	-
- Others	-	-	-	687.2	687.2	-
Liabilities under financial lease contracts	-	1.4	2.4	-	3.8	0.30 - 8.24

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

	In Million Baht					
	Separate Financial Statements					
	As at December 31, 2016					
	Fixed interest rates	Floating interest rate within		Non- interest bearing	Total	Effective interest rate (% p.a.)
		1 year	2-5 years			
Financial Assets						
Cash and cash equivalents	-	8.3	-	4.6	12.9	0.1 - 0.375
Current investment	-	-	-	254.0	254.0	-
Trade and other receivables						
- Related parties	-	-	-	350.0	350.0	-
- Others	-	-	-	307.2	307.2	-
Deposit at financial institution pledged as collaterals	153.1	-	-	-	153.1	0.65 - 1.375
Financial Liabilities						
Bank overdrafts and short-term loans from financial institutions	-	1,207.8	-	-	1,207.8	1.02 - 2.75
Trade and other payables						
- Related parties	-	-	-	85.8	85.8	-
- Others	-	-	-	322.5	322.5	-
Liabilities under financial lease contracts	-	1.3	2.1	-	3.4	1.18 - 6.95

C) Foreign currency risk

The Company and its subsidiaries were exposed to foreign currency risk as some of the payment for importing of goods and raw materials are made in US dollar. For the year ended December 31, 2017, there were the foreign currency dominated purchase transactions approximating to Baht of 1,738 million. (December 31, 2016: 1,621 million). The Company manages such risks through the use of forward currency contract, as and when it considers appropriate.

As at December 31, 2017, the foreign currency-dominated liabilities amounting of USD 0.8 million were hedged through the use of forward contracts. (December 31, 2016: USD 0.7 million and EUR 0.07 million). (Note 9 to financial statements).

As at December 31, 2017, there were the foreign currency-dominated liabilities remaining unhedged in the amount of USD 1.1 million and EUR 16.4 million. (December 31, 2016: USD 3.8 million and EUR 0.2 million).

D) Credit risk

The Company and its subsidiaries were exposed to credit risk. However, due to the large number and diversity of the entities comprising the Company and its subsidiaries' customer base, The Company and its subsidiaries does not anticipate material losses from its debt collection. The Company and its subsidiaries estimated the allowance for doubtful accounts from the ending balance of accounts receivable. The estimate was made by considering the customer's past collection experiences.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
Notes to the financial statements (Continued)
For the year ended December 31, 2017

E) Fair value

The financial assets and liabilities include cash and cash equivalents, trade and other receivables, trade and other payables, loan to and loan from counterparties. Their carried values approximate to their fair values.

29. CAPITAL MANAGEMENT

The primary objective of the Company's and its subsidiaries capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

As at December 31, 2017 and 2016, The Company and its subsidiaries debt-to-equity ratio was 0.99:1 and 0.99:1, respectively and the Company's debt-to-equity ratio was 0.88:1 and 0.85:1, respectively.

30. COMMITMENTS AND CONTINGENT LIABILITIES

A) Capital commitments

- As at December 31, 2017, the Company had the commitment for the acquisition of machine and construction contract amounting to US Dollar 0.5 million and Baht 35.4 million (December 31, 2016 amounting to US Dollar 0.5 million and Baht 0.08 million).
- As at December 31, 2017, the Company had the commitments for the development of program computer amounting to Baht 0.1 million and US Dollar 0.02 million (December 31, 2016 amounting to Baht 0.1 million and US Dollar 0.04 million).

B) Lease agreements and service contracts

- 1) As at December 31, 2017 and 2016, a subsidiary had leases and service contracts for office building with outstanding commitments with the detail as follows;

	In Million Baht	
	Consolidated Financial Statements	
	2017	2016
Less than 1 year	0.8	1.2
Over 1 year to 5 years	-	0.8
Total	0.8	2.0

- 2) The Company had a land lease agreement with a third party for a period of 20 years. The Company agreed to pay annual rental fee from 1st year to 2nd year amounting to approximately Baht 1.4 million per year, 3rd year to 5th year amounting to approximately Baht 1.6 million per year, 6th year to 8th year amounting to approximately Baht 1.7 million per year, 9th year to 11th year amounting to approximately Baht 1.9 million per year, 12th year to 14th year amounting to approximately Baht 2.1 million per year, 15th year to 17th year amounting to approximately Baht 2.3 million per year and 18th year to 20th year amounting to approximately Baht 2.6 million per year, The agreement is effective from March 1, 2017 to March 1, 2037. The Company is committed to pay rental fees at the rate specified in the agreements.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**Notes to the financial statements (Continued)****For the year ended December 31, 2017**

As at December 31, 2017 and 2016, future minimum payments under the above operating lease agreements are as follows:

	In Million Baht	
	Consolidated Financial Statements and Separate Financial Statements	
	2017	2016
Less than 1 year	1.4	-
Over 1 year to 5 years	6.4	-
Over 5 years	30.5	-
Total	38.3	-

C) Letter of credit issued by banks

As at December 31, 2017, The Company had the commitment for acquisition of goods amounting of US Dollar 2.0 million and EUR 16.2 million (December 31, 2016 amounting of US Dollar 2.8 million and EUR 6.7 million, respectively).

D) Bank guarantees issued by bank

As at December 31, 2017 and 2016, The Company and its subsidiaries had contingent liabilities from letters of guarantee issued by banks for the payment of electricity and purchasing of goods amounting to Baht 8.1 million and Baht 7.8 million respectively (Separate financial statements : Baht 7.0 million and Baht 6.9 million, respectively).

E) As at December 31, 2017, the Company had contingent liabilities from the guarantee for credit facilities of an associate from a financial institution amount of Baht 276 million.

31. EVENTS AFTER FINANCIAL REPORTING DATE

At the Board of directors' meeting of the Company No. 1/2018 held on February 27, 2018, the directors passed a resolution to approve the appropriation of dividends of Baht 0.12 per share, amounting to Baht 57.6 million. The proposed dividends must be approved by the shareholders' meeting.

ASIA METAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Notes to the financial statements (Continued)

For the year ended December 31, 2017

32. RECLASSIFICATION OF ACCOUNTS

Certain accounts in 2016, were reclassified to conform with those in the 2017 financial statements as follows:

	In Thousand Baht		
	Consolidated Financial Statements		
	As previously reported	Reclassification	As currently reported
<i>Statement of comprehensive income</i>			
Revenues from sales and service	5,108,597	(14,348)	5,094,249
Other income	9,387	14,348	23,735

	In Thousand Baht		
	Separate Financial Statements		
	As previously reported	Reclassification	As currently reported
<i>Statement of comprehensive income</i>			
Revenues from sales and service	4,802,072	(14,348)	4,787,724
Other income	16,635	14,348	30,983