

Lohakit Metal Public Company Limited and its subsidiaries  
Review report and consolidated interim financial statements  
For the three-month and nine-month periods ended  
31 December 2018

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Lohakit Metal Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Lohakit Metal Public Company Limited and its subsidiaries as at 31 December 2018, and the related consolidated statements of income and comprehensive income for the three-month and nine-month periods ended 31 December 2018, and the related consolidated statement of changes in shareholders' equity, and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Lohakit Metal Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

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

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Gingkarn Atsawarangsarit

Certified Public Accountant (Thailand) No. 4496

EY Office Limited

Bangkok: 12 February 2019

**Lohakit Metal Public Company Limited and its subsidiaries**

**Statement of financial position**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2018	31 March 2018	31 December 2018	31 March 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4	306,052	488,973	99,547	175,751
Current investments	5	4,372	4,852	-	-
Trade and other receivables	6	696,736	706,035	315,670	336,040
Inventories	7	727,473	663,318	390,449	379,367
Other current assets		15,930	3,240	13,297	1,954
<b>Total current assets</b>		<b>1,750,563</b>	<b>1,866,418</b>	<b>818,963</b>	<b>893,112</b>
<b>Non-current assets</b>					
Restricted bank deposits	8	46,180	46,180	6,080	6,080
Investment in associate	9	8,997	12,427	4,900	4,900
Investments in subsidiaries	10	-	-	406,938	407,737
Long-term investments	11	2,944	2,765	-	-
Property, plant and equipment	12	530,124	412,069	266,711	264,263
Intangible assets		416	565	303	408
Deferred tax assets	17	15,443	17,897	10,072	12,022
Other non-current assets		3,808	3,712	2,344	2,588
<b>Total non-current assets</b>		<b>607,912</b>	<b>495,615</b>	<b>697,348</b>	<b>697,998</b>
<b>Total assets</b>		<b>2,358,475</b>	<b>2,362,033</b>	<b>1,516,311</b>	<b>1,591,110</b>

The accompanying notes are an integral part of the financial statements.

**Lohakit Metal Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2018	31 March 2018	31 December 2018	31 March 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from banks	13	140,720	35,842	7,584	-
Trade and other payables	14	533,720	563,801	290,516	337,589
Income tax payable		9,268	30,950	246	8,817
Other current liabilities		12,309	10,328	9,628	5,173
<b>Total current liabilities</b>		<b>696,017</b>	<b>640,921</b>	<b>307,974</b>	<b>351,579</b>
<b>Non-current liabilities</b>					
Provision for long-term employee benefits	15	39,654	36,504	24,533	22,601
Other non-current liabilities		1	1	-	-
<b>Total non-current liabilities</b>		<b>39,655</b>	<b>36,505</b>	<b>24,533</b>	<b>22,601</b>
<b>Total liabilities</b>		<b>735,672</b>	<b>677,426</b>	<b>332,507</b>	<b>374,180</b>

The accompanying notes are an integral part of the financial statements.

**Lohakit Metal Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2018	31 March 2018	31 December 2018	31 March 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>					
Share capital					
Registered					
383,000,000 ordinary shares of Baht 1 each		383,000	383,000	383,000	383,000
Issued and fully paid-up					
383,000,000 ordinary shares of Baht 1 each		383,000	383,000	383,000	383,000
Share premium		519,673	519,673	519,673	519,673
Retained earnings					
Appropriated - statutory reserve	16	74,700	74,100	38,300	38,300
Unappropriated		436,900	493,205	242,831	275,957
Other components of shareholders' equity	11	503	323	-	-
Equity attributable to owners of the Company		1,414,776	1,470,301	1,183,804	1,216,930
Non-controlling interests of the subsidiary		208,027	214,306	-	-
<b>Total shareholders' equity</b>		<b>1,622,803</b>	<b>1,684,607</b>	<b>1,183,804</b>	<b>1,216,930</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,358,475</b>	<b>2,362,033</b>	<b>1,516,311</b>	<b>1,591,110</b>
		-	-	-	-

The accompanying notes are an integral part of the financial statements.

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Directors  
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(Unaudited but reviewed)

**Lohakit Metal Public Company Limited and its subsidiaries****Statement of income****For the three-month period ended 31 December 2018**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
<b>Revenues</b>					
Sales and services income		791,589	793,674	358,000	378,567
Dividend income	10.2	41	266	46,350	50,810
Other income		7,423	9,310	7,197	9,538
<b>Total revenues</b>		<b>799,053</b>	<b>803,250</b>	<b>411,547</b>	<b>438,915</b>
<b>Expenses</b>					
Cost of sales and services		692,700	674,632	331,302	333,812
Selling and distribution expenses		17,503	15,977	11,631	10,910
Administrative expenses		27,887	25,391	14,409	14,829
<b>Total expenses</b>		<b>738,090</b>	<b>716,000</b>	<b>357,342</b>	<b>359,551</b>
<b>Profit before share of profit from investment</b>					
<b>in associate, finance cost and income tax expenses</b>		<b>60,963</b>	<b>87,250</b>	<b>54,205</b>	<b>79,364</b>
Share of profit from investment in associate	9.2	648	579	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>61,611</b>	<b>87,829</b>	<b>54,205</b>	<b>79,364</b>
Finance cost		(1,670)	(1,217)	(310)	(657)
<b>Profit before income tax expenses</b>		<b>59,941</b>	<b>86,612</b>	<b>53,895</b>	<b>78,707</b>
Income tax expenses	17	(11,674)	(17,275)	(1,351)	(5,591)
<b>Profit for the period</b>		<b>48,267</b>	<b>69,337</b>	<b>52,544</b>	<b>73,116</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		32,197	53,046	52,544	73,116
Non-controlling interests of the subsidiary		16,070	16,291		
		<u>48,267</u>	<u>69,337</u>		
<b>Earnings per share</b>					
	19				
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)		0.08	0.14	0.14	0.19
Weighted average number of ordinary shares (shares)		383,000,000	383,000,000	383,000,000	383,000,000

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Lohakit Metal Public Company Limited and its subsidiaries**  
**Statement of comprehensive income**  
**For the three-month period ended 31 December 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Profit for the period</b>	<u>48,267</u>	<u>69,337</u>	<u>52,544</u>	<u>73,116</u>
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Gain (loss) on changes in value of available-for-sale investments	<u>(77)</u>	<u>45</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the period</b>	<u>(77)</u>	<u>45</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u><u>48,190</u></u>	<u><u>69,382</u></u>	<u><u>52,544</u></u>	<u><u>73,116</u></u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	<u>32,120</u>	<u>53,091</u>	<u><u>52,544</u></u>	<u><u>73,116</u></u>
Non-controlling interests of the subsidiary	<u>16,070</u>	<u>16,291</u>		
<b>Total comprehensive income for the period</b>	<u><u>48,190</u></u>	<u><u>69,382</u></u>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Lohakit Metal Public Company Limited and its subsidiaries****Statement of income****For the nine-month period ended 31 December 2018**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
<b>Revenues</b>					
Sales and services income		2,489,748	2,531,585	1,175,864	1,263,036
Dividend income	9.2, 10.2	122	353	103,500	102,040
Other income		20,167	23,235	21,452	24,422
<b>Total revenues</b>		<b>2,510,037</b>	<b>2,555,173</b>	<b>1,300,816</b>	<b>1,389,498</b>
<b>Expenses</b>					
Cost of sales and services		2,177,707	2,178,155	1,075,839	1,123,655
Selling and distribution expenses		50,335	47,647	34,604	33,199
Administrative expenses		83,718	75,927	46,289	43,858
<b>Total expenses</b>		<b>2,311,760</b>	<b>2,301,729</b>	<b>1,156,732</b>	<b>1,200,712</b>
<b>Profit before share of profit from investment</b>					
<b>in associate, finance cost and income tax expenses</b>		<b>198,277</b>	<b>253,444</b>	<b>144,084</b>	<b>188,786</b>
Share of profit from investment in associate	9.2	1,470	1,235	-	-
<b>Profit before finance cost and income tax expenses</b>		<b>199,747</b>	<b>254,679</b>	<b>144,084</b>	<b>188,786</b>
Finance cost		(4,302)	(4,248)	(1,233)	(2,670)
<b>Profit before income tax expenses</b>		<b>195,445</b>	<b>250,431</b>	<b>142,851</b>	<b>186,116</b>
Income tax expenses	17	(38,509)	(49,876)	(7,457)	(16,631)
<b>Profit for the period</b>		<b>156,936</b>	<b>200,555</b>	<b>135,394</b>	<b>169,485</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		112,815	155,817	135,394	169,485
Non-controlling interests of the subsidiary		44,121	44,738		
		<u>156,936</u>	<u>200,555</u>		
<b>Earnings per share</b>					
	19				
<b>Basic earnings per share</b>					
Profit attributable to equity holders of the Company (Baht)		0.29	0.41	0.35	0.44
Weighted average number of ordinary shares (shares)		383,000,000	383,000,000	383,000,000	383,000,000

The accompanying notes are an integral part of the financial statements.



(Unaudited but reviewed)

**Lohakit Metal Public Company Limited and its subsidiaries**  
**Statement of comprehensive income**  
**For the nine-month period ended 31 December 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Profit for the period</b>	<u>156,936</u>	<u>200,555</u>	<u>135,394</u>	<u>169,485</u>
<b>Other comprehensive income:</b>				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
Gain on changes in value of available-for-sale investment	<u>180</u>	<u>197</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the period</b>	<u>180</u>	<u>197</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income for the period</b>	<u><u>157,116</u></u>	<u><u>200,752</u></u>	<u><u>135,394</u></u>	<u><u>169,485</u></u>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	<u>112,995</u>	<u>156,014</u>	<u><u>135,394</u></u>	<u><u>169,485</u></u>
Non-controlling interests of the subsidiary	<u>44,121</u>	<u>44,738</u>		
<b>Total comprehensive income for the period</b>	<u><u>157,116</u></u>	<u><u>200,752</u></u>		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Lohakit Metal Public Company Limited and its subsidiaries**  
**Statement of changes in shareholders' equity**  
**For the nine-month period ended 31 December 2018**

(Unit: Thousand Baht)

		Consolidated financial statements								
		Equity attributable to owners of the Company								
				Retained earnings		Other components of equity	Total equity	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity	
		Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Other comprehensive income	Surplus (deficit) on changes in value of available-for-sale investments	attributable to owners of the Company	interests of the subsidiary	equity
Note										
	<b>Balance as at 1 April 2017</b>	383,000	519,673	72,600	440,805	(455)	1,415,623	200,419	1,616,042	
	Profit for the period	-	-	-	155,817	-	155,817	44,738	200,555	
	Other comprehensive income for the period	-	-	-	-	197	197	-	197	
	Total comprehensive income for the period	-	-	-	155,817	197	156,014	44,738	200,752	
	Dividends paid of subsidiary	-	-	-	-	-	-	(46,560)	(46,560)	
	Dividends paid	21	-	-	(153,200)	-	(153,200)	-	(153,200)	
	Disposal of investment in available-for-sale of the subsidiary	-	-	-	-	(57)	(57)	-	(57)	
	Decrease in equity attributable to non-controlling interest of the subsidiary due to changing of shareholding percentage	-	-	-	(17)	-	(17)	(1,233)	(1,250)	
	Transferred to appropriated retained earnings statutory reserve	16	-	800	(800)	-	-	-	-	
	<b>Balance as at 31 December 2017</b>	<u>383,000</u>	<u>519,673</u>	<u>73,400</u>	<u>442,605</u>	<u>(315)</u>	<u>1,418,363</u>	<u>197,364</u>	<u>1,615,727</u>	
	<b>Balance as at 1 April 2018</b>	383,000	519,673	74,100	493,205	323	1,470,301	214,306	1,684,607	
	Profit for the period	-	-	-	112,815	-	112,815	44,121	156,936	
	Other comprehensive income for the period	-	-	-	-	180	180	-	180	
	Total comprehensive income for the period	-	-	-	112,815	180	112,995	44,121	157,116	
	Dividends paid of subsidiary	-	-	-	-	-	-	(50,400)	(50,400)	
	Dividends paid	21	-	-	(168,520)	-	(168,520)	-	(168,520)	
	Transferred to appropriated retained earnings statutory reserve	16	-	600	(600)	-	-	-	-	
	<b>Balance as at 31 December 2018</b>	<u>383,000</u>	<u>519,673</u>	<u>74,700</u>	<u>436,900</u>	<u>503</u>	<u>1,414,776</u>	<u>208,027</u>	<u>1,622,803</u>	
		-	-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	-	

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Lohakit Metal Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the nine-month period ended 31 December 2018**

(Unit: Thousand Baht)

	Separate financial statements					Total shareholders' equity
	Note	Issued and fully paid-up share capital	Share premium	Retained earnings		
				Appropriated - statutory reserve	Unappropriated	
<b>Balance as at 1 April 2017</b>		383,000	519,673	38,300	240,188	1,181,161
Total comprehensive income for the period		-	-	-	169,485	169,485
Dividend paid	21	-	-	-	(153,200)	(153,200)
<b>Balance as at 31 December 2017</b>		<u>383,000</u>	<u>519,673</u>	<u>38,300</u>	<u>256,473</u>	<u>1,197,446</u>
<b>Balance as at 1 April 2018</b>		383,000	519,673	38,300	275,957	1,216,930
Total comprehensive income for the period		-	-	-	135,394	135,394
Dividend paid	21	-	-	-	(168,520)	(168,520)
<b>Balance as at 31 December 2018</b>		<u>383,000</u>	<u>519,673</u>	<u>38,300</u>	<u>242,831</u>	<u>1,183,804</u>
		-	-	-	-	-
		-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Lohakit Metal Public Company Limited and its subsidiaries****Cash flow statement****For the nine-month period ended 31 December 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Cash flows from operating activities</b>				
Profit before tax	195,445	250,431	142,851	186,116
Adjustments to reconcile profit before tax to net cash provided by (used in) operating activities:				
Depreciation	42,964	54,425	28,987	32,546
Amortisation	149	148	105	105
Reversal of allowance for doubtful accounts	(2,706)	(2,598)	(563)	(623)
Reversal of reduction of inventories to net realisable value	(11,774)	(10,327)	(10,634)	(10,588)
Allowance for impairment of investment in subsidiary	-	-	799	-
Gain on sales of current investments	(3)	(106)	-	-
Unrealised gain on change in current investments	(17)	(13)	-	-
Gain on sales of equipment	(2,262)	(5,528)	(869)	(3,883)
Provision for long-term employee benefits	3,150	2,934	1,932	1,828
Unrealised loss on foreign exchange	255	475	255	475
Share of profit from investment in associate	(1,470)	(1,235)	-	-
Dividend income	(122)	(353)	(103,500)	(102,040)
Interest income	(441)	(546)	(35)	(43)
Interest expenses	3,426	3,353	805	2,170
Income from operating activities before changes in operating assets and liabilities	226,594	291,060	60,133	106,063
Decrease (increase) in operating assets				
Trade and other receivables	12,098	2,372	20,917	11,749
Inventories	(52,381)	149,713	(448)	160,752
Other current assets	(12,690)	2,506	(11,343)	2,162
Other non-current assets	(96)	113	244	(19)
Increase (decrease) in operating liabilities				
Trade and other payables	(30,348)	(101,227)	(47,340)	(153,716)
Other current liabilities	1,981	4,027	4,455	6,126
Cash flows from operating activities	145,158	348,564	26,618	133,117
Cash paid for interest expenses	(3,422)	(3,376)	(801)	(2,193)
Cash paid for income tax	(57,737)	(62,189)	(14,078)	(19,095)
<b>Net cash from operating activities</b>	<b>83,999</b>	<b>282,999</b>	<b>11,739</b>	<b>111,829</b>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

**Lohakit Metal Public Company Limited and its subsidiaries****Cash flow statement (continued)****For the nine-month period ended 31 December 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Cash flows from investing activities</b>				
Cash paid for purchasing investment in subsidiary	-	(1,250)	-	(1,250)
Cash paid for purchasing current investments	-	(3,500)	-	-
Cash paid for acquisition of property, plant and equipment and intangible assets	(161,052)	(29,137)	(31,453)	(17,741)
Cash received from interest income	332	535	35	43
Proceeds from sales of current investments	500	20,073	-	-
Proceeds from capital recovery of investment unit	1	-	-	-
Increase in restricted bank deposits	-	(200)	-	(200)
Cash received from dividends	5,022	142	103,500	102,040
Proceeds from sales of equipment	2,295	6,665	887	5,020
<b>Net cash from (used in) investing activities</b>	<b>(152,902)</b>	<b>(6,672)</b>	<b>72,969</b>	<b>87,912</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans from banks	104,878	(15,361)	7,584	(23,935)
Repayment of financial lease payables	-	(1,168)	-	(1,168)
Dividend paid	(218,920)	(199,760)	(168,520)	(153,200)
<b>Net cash used in financing activities</b>	<b>(114,042)</b>	<b>(216,289)</b>	<b>(160,936)</b>	<b>(178,303)</b>
<b>Effect of exchange rate to cash and cash equivalents</b>	<b>24</b>	<b>68</b>	<b>24</b>	<b>68</b>
Net increase (decrease) in cash and cash equivalents	(182,921)	60,106	(76,204)	21,506
Cash and cash equivalents at beginning of period	488,973	237,452	175,751	20,104
<b>Cash and cash equivalents at end of period (Note 4)</b>	<b>306,052</b>	<b>297,558</b>	<b>99,547</b>	<b>41,610</b>
	-	-	-	-
<b>Supplemental cash flows information</b>				
Non-cash items:				
Gain on change in value of available-for-sale investment	180	197	-	-
Reversal of gain on change in value of available-for-sale investment	-	(207)	-	-

The accompanying notes are an integral part of the financial statements.

**Lohakit Metal Public Company Limited and its subsidiaries**

**Notes to consolidated interim financial statements**

**For the three-month and nine-month periods ended 31 December 2018**

**1. General information**

**1.1 Corporate information**

Lohakit Metal Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the processing, distribution and shearing of stainless steel, steel and metal products. The registered address of the Company is at 66/1 Moo 6 Suksawad Road, Bangjak, Prapradaeng, Samutprakarn.

**1.2 Basis of preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

**1.3 Basis of consolidation**

These consolidated interim financial statements include the financial statements of Lohakit Metal Public Company Limited and its subsidiaries (“the Group”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 March 2018. During the current period, there was no change in the structure of the Group.

## 1.4 New financial reporting standards

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

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

### (b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2019

During the current period, the Federation of Accounting Professions issued a number of revised and new financial reporting standards and interpretations (revised 2018) which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

#### **IFRS 15 Revenue from Contracts with Customers**

IFRS 15 supersedes the following accounting standards together with related Interpretations.

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The management of the Company and its subsidiaries believe that this standard will not have any significant impact on the financial statements when it is initially applied.

**(c) Financial reporting standards related to financial instruments that will become effective for fiscal years beginning on or after 1 January 2020**

During the current period, the Federation of Accounting Professions issued the set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.



The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

## 2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 March 2018.

## 3. Related party transactions

During the period, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

(Unit: Thousand Baht)

	For the three-month periods ended				Transfer Pricing Policy
	31 December				
	Consolidated financial statements		Separate financial statements		
	2018	2017	2018	2017	
<u>Transactions with subsidiaries</u>					
(Eliminate from the consolidated financial statements)					
Sales of goods and service income	-	-	14,551	11,294	Sale of goods: Market price and cost plus a margin at rate of 5% Service income: Closed to the market price
Rental income	-	-	432	432	Contract price that closed to the market price
Others service income	-	-	3,750	3,750	Accordance with the negotiation price
Dividend income	-	-	46,350	50,810	As approved by Board of Directors' Meeting
<u>Transactions with related parties</u>					
Others service income	60	60	60	60	Fixed fee per month
Commission expenses	2,004	1,933	-	-	Not over 2% of sales

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the nine-month periods ended				Transfer Pricing Policy
	31 December				
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2018	2017	2018	2017	
<u>Transactions with subsidiaries</u>					
(Eliminate from the consolidated financial statements)					
Sales of goods and service income	-	-	38,541	43,554	Sale of goods: Market price and cost plus a margin at rate of 5% Service income: Closed to the market price
Rental income	-	-	1,296	1,296	Contract price that closed to the market price
Others service income	-	-	11,250	11,250	Accordance with the negotiation price
Dividend income	-	-	98,600	102,040	As approved by Shareholders' Meeting and Board of Directors' Meeting
Purchases of goods and service	-	-	-	1,141	Market price
Sales of fixed asset	-	-	-	1,005	Accordance with the negotiation price
<u>Transactions with related parties</u>					
Others service income	180	180	180	180	Fixed fee per month
Commission expenses	5,699	5,622	-	-	Not over 2% of sales
Purchases of fixed asset	-	4,707	-	-	Closed to market price
Dividend income	4,900	-	4,900	-	As approved by Shareholders' Meeting

As at 31 December 2018 and 31 March 2018, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2018	2018	2018	2018
<u>Trade receivables - related parties (Note 6)</u>				
Subsidiaries	-	-	3,291	2,572

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2018	2018	2018	2018
<b><u>Other payables - related party (Note 14)</u></b>				
Associated company	1,933	1,985	-	-

**Directors and management's benefits**

For the three-month and nine-month periods ended 31 December 2018 and 2017, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Short-term employee benefits	12,607	10,456	7,431	6,110
Post-employment benefits	558	606	311	358
Total	13,165	11,062	7,742	6,468

(Unit: Thousand Baht)

	For the nine-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Short-term employee benefits	36,285	32,502	21,676	19,451
Post-employment benefits	1,675	1,820	931	1,076
Total	37,960	34,322	22,607	20,527

**4. Cash and cash equivalents**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2018	31 March 2018	31 December 2018	31 March 2018
Cash	130	105	60	45
Bank deposits	305,922	488,868	99,487	175,706
Total	306,052	488,973	99,547	175,751

As at 31 December 2018, bank deposits in saving accounts and fixed deposits carried interests between 0.37 to 0.90 percent per annum (31 March 2018: between 0.37 and 0.90 percent per annum).

**5. Current investments**

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2018		31 March 2018	
	Cost	Fair value	Cost	Fair value
<u>Trading securities</u>				
Investment units in open-end fund	4,331	4,372	4,828	4,852
Total trading securities	4,331	4,372	4,828	4,852
Add: Changes in fair value	41		24	
Total trading securities	4,372		4,852	

As at 31 December 2018 and 31 March 2018, a subsidiary has investment in Siam Commercial (SCBSFF) Fixed Income Fund which is a debt mutual fund. The fund focuses on investing in debentures issued or guaranteed by the government or corporate.

**6. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2018	2018	2018	2018
<u>Trade receivables - related parties (Note 3)</u>				
Aged on the basis of due dates				
Not yet due	-	-	2,694	1,447
Past due				
Not over 3 months	-	-	597	1,125
Total trade receivables - related parties	-	-	3,291	2,572
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	487,846	559,700	227,199	270,739
Past due				
Not over 3 months	206,864	143,766	84,073	61,663
Over 3 months but less than 12 months	169	2,088	-	1,065
Over 12 months	5,544	9,922	3,522	5,928
Total	700,423	715,476	314,794	339,395
Less: Allowance for doubtful accounts	(5,578)	(10,127)	(3,522)	(5,927)
Total trade receivables - unrelated parties, net	694,845	705,349	311,272	333,468
Total trade receivables - net	694,845	705,349	314,563	336,040
<u>Other receivables</u>				
Other receivables	1,830	637	1,107	-
Interest receivable	61	49	-	-
Total other receivables	1,891	686	1,107	-
Total trade and other receivables - net	696,736	706,035	315,670	336,040

**7. Inventories**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2018	31 March 2018	31 December 2018	31 March 2018
Inventories	761,990	709,609	415,479	415,031
Less: Reduce cost to net realisable value	(34,517)	(46,291)	(25,030)	(35,664)
Inventories - net	<u>727,473</u>	<u>663,318</u>	<u>390,449</u>	<u>379,367</u>

During the current period, the Company and its subsidiaries reversed the reduction of cost of inventories by Baht 12 million (Separate financial statements: reversed the reduction of Baht 11 million), to reflect the net realisable value. This was presented as cost of sales.

**8. Restricted bank deposits**

As at 31 December 2018, the Company and its subsidiaries have deposits with banks of Baht 46 million (31 March 2018: Baht 46 million) which are pledged with the banks to secure credit facilities as described in Note 22.5 to the financial statements.

**9. Investment in associated company****9.1 Details of associate**

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding		Separate		Consolidated	
			percentage		financial statements		financial statements	
			31 December 2018 (Percent)	31 March 2018 (Percent)	Cost method		Carrying amount based on equity method	
					31 December 2018	31 March 2018	31 December 2018	31 March 2018
Mory Lohakit (Thailand) Co., Ltd.	Agent	Thailand	49	49	4,900	4,900	8,997	12,427

**9.2 Share of profit and dividend received**

(Unit: Thousand Baht)

Company's name	For the three-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	Share of profit from investment in associate		Dividend received	
	2018	2017	2018	2017
Mory Lohakit (Thailand) Co., Ltd.	648	579	-	-

(Unit: Thousand Baht)

Company's name	For the nine-month periods ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	Share of profit from investment in associate		Dividend received	
	2018	2017	2018	2017
Mory Lohakit (Thailand) Co., Ltd.	1,470	1,235	4,900	-

Mory Lohakit (Thailand) Co., Ltd.

On 20 June 2018, the Annual General Meeting of the shareholders of Mory Lohakit (Thailand) Company Limited passed a resolution to approve the payment of a dividend of Baht 100 per share from the operating profit of the year ended 31 March 2018 and retained earnings as at 31 March 2017. The dividend was paid on 27 June 2018.

**9.3 Summarised financial information about material associate**

## Summarised information about financial position

	(Unit: Million Baht)	
	31 December 2018	31 March 2018
Current assets	19.0	26.3
Non-current assets	0.1	0.1
Current liabilities	(0.3)	(0.6)
Non-current liabilities	(0.4)	(0.4)
<b>Net assets</b>	<b>18.4</b>	<b>25.4</b>
Shareholding percentage (%)	49.0	49.0
<b>Share of net assets</b>	<b>9.0</b>	<b>12.4</b>
<b>Carrying amounts of associates based on equity method</b>	<b>9.0</b>	<b>12.4</b>

## Summarised information about comprehensive income

	(Unit: Million Baht)	
	For the three-month periods ended 31 December	
	2018	2017
Revenue	2.0	2.3
Profit	1.3	1.2
Other comprehensive income	-	-
Total comprehensive income	1.3	1.2

	(Unit: Million Baht)	
	For the nine-month periods ended 31 December	
	2018	2017
Revenue	5.7	6.0
Profit	3.0	2.5
Other comprehensive income	-	-
Total comprehensive income	3.0	2.5



## 10. Investments in subsidiaries

### 10.1 Details of subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	(Unit: Thousand Baht)									
	Paid-up capital		Shareholding percentage		Cost method		Allowance for impairment of investment		Carrying amount based on cost method	
	31 December 2018	31 March 2018	31 December 2018	31 March 2018	31 December 2018	31 March 2018	31 December 2018	31 March 2018	31 December 2018	31 March 2018
	(Million Baht)	(Million Baht)	(Percent)	(Percent)						
Auto Metal Company Limited	240	240	60	60	144,000	144,000	-	-	144,000	144,000
Alternative EnMat Company Limited	6	6	100	100	5,499	5,499	(799)	-	4,700	5,499
NSC Metal Company Limited	230	230	100	100	258,238	258,238	-	-	258,238	258,238
Total					407,737	407,737	(799)	-	406,938	407,737

### 10.2 Dividend income

Company's name	(Unit: Thousand Baht)			
	For the three-month periods ended 31 December		For the nine-month periods ended 31 December	
	2018	2017	2018	2017
Auto Metal Company Limited	36,000	38,160	75,600	69,840
NSC Metal Company Limited	10,350	12,650	23,000	32,200
Total	46,350	50,810	98,600	102,040

#### Auto Metal Company Limited

On 20 June 2018, the Annual General Meeting of the shareholders of Auto Metal Company Limited passed a resolution to approve the payment of a dividend of Baht 54 per share from the operating profit of the year ended 31 March 2018, the subsidiary had paid out the interim dividend of Baht 26.50 per share. The remaining dividend was Baht 27.50 per share and was paid on 27 June 2018.

On 9 November 2018, the meeting of Board of Directors of Auto Metal Company Limited No. 6/2561 passed a resolution to approve the payment of an interim dividend of Baht 25.00 per share to the Company's ordinary shareholders from the net operating profit from 1 April 2018 to 30 September 2018. This dividend was paid on 26 November 2018

#### NSC Metal Company Limited

On 20 June 2018, the Annual General Meeting of the shareholders of NSC Metal Company Limited passed a resolution to approve the payment of a dividend of Baht 11 per share from the operating profit of the year ended 31 March 2018, the subsidiary had paid out the interim dividend of Baht 5.50 per share. The remaining dividend was Baht 5.50 per share and was paid on 27 June 2018.

On 8 November 2018, the meeting of Board of Directors of NSC Metal Company Limited No. 4/2561 passed a resolution to approve the payment of an interim dividend of Baht 4.50 per share to the Company's ordinary shareholders from the net operating profit from 1 April 2018 to 30 September 2018. This dividend was paid on 26 November 2018.

## 11. Long-term investments

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	31 December 2018		31 March 2018	
	Cost	Fair value	Cost	Fair value
<u>Investment in marketable unit classified as available-for-sale securities</u>				
Unit trust in freehold and leasehold real estate	2,442	2,944	2,466	2,765
Less: Capital recovery of investment unit	(1)	-	(24)	-
Total available-for-sale securities	2,441	2,944	2,442	2,765
Add: Change in fair value	503		323	
Total available-for-sale securities	2,944		2,765	

As at 11 September 2018, TICON Freehold and Leasehold Real Estate Investment Trust (TREIT) had reduced fund register capital and paid the capital reduction.

**12. Property, plant and equipment**

Movements of the property, plant and equipment account during the nine-month period ended 31 December 2018 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<u>                    </u>	<u>                    </u>
Net book value as at 1 April 2018	412,069	264,263
Acquisitions during period - at cost	161,053	31,453
Disposal during period - net book value as at disposal date	(75)	(59)
Depreciation for the period	<u>(42,923)</u>	<u>(28,946)</u>
Net book value as at 31 December 2018	<u>530,124</u>	<u>266,711</u>

On 5 July 2018, a subsidiary entered into a sale and purchase agreement of land and building amounting to Baht 125 million for factory expansion purposes and paid for the deposit of Baht 12.5 million on the agreement date. Subsequently, on 2 August 2018 the subsidiary already paid the remaining amount and obtained the transfer of the title to the land and building.

The Company has mortgaged a part of its land with structures thereon and pledged a part of machinery with banks, a subsidiary has mortgaged a part of its land with structures thereon and pledged a part of machinery with banks, and another subsidiary has mortgaged unit of condominium with bank, to secure loans and other credit facilities granted to the Company and its subsidiaries by the banks as described in Note 22.5 to the financial statements.

The book value of machineries of the Company and a subsidiary pledged with banks are summarised below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>31 December</u>	<u>31 March</u>	<u>31 December</u>	<u>31 March</u>
	<u>2018</u>	<u>2018</u>	<u>2018</u>	<u>2018</u>
Cost	282	282	173	173
Net book value	-	-	-	-

**13. Short-term loans from banks**

(Unit: Thousand Baht)

	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	31 December	31 March	31 December	31 March	31 December	31 March
	2018	2018	2018	2018	2018	2018
Bank overdrafts	-	1.90	-	1,121	-	-
Trust receipts	3.50 - 3.76	3.50	90,720	34,721	7,584	-
Promissory notes	3.65	-	50,000	-	-	-
Total			140,720	35,842	7,584	-

Bank overdrafts, short-term loans from banks and trust receipts facilities are secured by the Company and its subsidiaries' land with structures thereon, unit of condominium, machineries and fixed deposit accounts and guarantees provided by the Company as described in Note 22.5 to the financial statements.

**14. Trade and other payables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December	31 March	31 December	31 March
	2018	2018	2018	2018
Trade payables - unrelated parties	486,081	546,832	261,642	329,579
Other payables - unrelated parties	26,708	13,441	19,482	7,152
Other payables - related party (Note 3)	1,933	1,985	-	-
Accrued commission expenses - unrelated parties	45	42	45	42
Accrued expenses	18,953	1,501	9,347	816
Total	533,720	563,801	290,516	337,589

**15. Provision for long-term employee benefits**

On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional liabilities for long-term employee benefits of Baht 7 million (The Company only: Baht 5 million). The Company and its subsidiaries will reflect the effect of the change by recognising past services costs as expenses in the income statement of the period in which the law is effective.

**16. Statutory reserve of subsidiaries**

According to Section 1202 of the Civil and Commercial Code, the subsidiaries are required to set aside to a statutory reserve at least 5 percent of its net income each time the subsidiaries pay a dividend, until such reserve reaches 10 percent of its registered share capital. The statutory reserve can neither be used to offset with deficit nor be used for dividend payment.

**17. Income tax**

Income tax expenses for the three-month and nine-month periods ended 31 December 2018 and 2017 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 31 December			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
<b>Current income tax:</b>				
Interim corporate income tax charge	10,904	15,733	471	4,112
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	770	1,542	880	1,479
<b>Income tax expense reported in the statements of comprehensive income</b>	<b>11,674</b>	<b>17,275</b>	<b>1,351</b>	<b>5,591</b>

	(Unit: Thousand Baht)			
	For the nine-month periods ended 31 December			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
<b>Current income tax:</b>				
Interim corporate income tax charge	36,055	47,984	5,507	14,867
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	2,454	1,892	1,950	1,764
<b>Income tax expense reported in the statements of comprehensive income</b>	<b>38,509</b>	<b>49,876</b>	<b>7,457</b>	<b>16,631</b>

As at 31 December 2018 and 31 March 2018, the components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2018	31 March 2018	31 December 2018	31 March 2018
<b>Deferred tax assets</b>				
Allowance for impairment of investment in subsidiary	-	-	160	-
Allowance for doubtful accounts	411	1,209	-	369
Allowance for loss on diminution in value of inventories	6,904	9,258	5,006	7,133
Provision for long-term employee benefits	7,931	7,301	4,906	4,520
Unused tax losses	197	129	-	-
<b>Total</b>	<b>15,443</b>	<b>17,897</b>	<b>10,072</b>	<b>12,022</b>

## 18. Forward foreign exchange contracts

The Company and its subsidiaries have the balances of financial assets and liabilities denominated in foreign currencies as summarised below.

Foreign currency	Financial assets as at		Financial liabilities as at		Average exchange rate as at	
	31 December 2018	31 March 2018	31 December 2018	31 March 2018	31 December 2018	31 March 2018
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	0.1	0.1	1.1	1.7	32.40	31.19
Japanese Yen	0.5	0.5	0.2	-	0.2926	0.2893
SG Dollar	-	-	0.1	0.1	23.97	24.10

The Company and its subsidiaries have outstanding balance of forward foreign exchange contracts which to reduce the exchange rate risk arising from their financial liabilities dominated in foreign currency, which mature within one year. The details are summarised below.

(Unaudited but reviewed)

Foreign currency	Bought amount (Million)	Sold amount (Million)	Contractual exchange rate	
			Bought	Sold
			(Baht per 1 foreign currency unit)	
<b>As at 31 December 2018</b>				
US Dollar	1.2	-	32.62 - 32.90	-
<b>As at 31 March 2018</b>				
US Dollar	2.1	-	31.20 - 32.17	-

## 19. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

## 20. Segment information

The Company and its subsidiaries are organised into business units based on its products and services. During the current period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month and nine-month periods ended 31 December 2018 and 2017, respectively.

(Unit: Million Baht)

	For the three-month periods ended 31 December									
	Production and distribution		Procurement and distribution		Total reportable segments		Adjustments and eliminations		Consolidated	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Revenue</b>										
Revenue from external customers	611	625	181	169	792	794	-	-	792	794
Inter-segment revenue	14	12	-	-	14	12	(14)	(12)	-	-
<b>Total revenues</b>	<b>625</b>	<b>637</b>	<b>181</b>	<b>169</b>	<b>806</b>	<b>806</b>	<b>(14)</b>	<b>(12)</b>	<b>792</b>	<b>794</b>
<b>Operating results</b>										
<b>Segment profit</b>	86	103	13	17	99	120	-	-	99	120
Other income									7	9
Selling expenses									(17)	(17)
Administrative expenses									(28)	(25)
Share of profit from investment in associates									-	1
Finance cost									(1)	(1)
Profit before income tax expenses									60	87
Income tax expenses									(12)	(17)
<b>Profit for the period</b>									<b>48</b>	<b>70</b>

(Unaudited but reviewed)

(Unit: Million Baht)

	For the nine-month periods ended 31 December									
	Production and distribution		Procurement and distribution		Total reportable segments		Adjustments and eliminations		Consolidated	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
<b>Revenue</b>										
Revenue from external customers	1,897	1,969	593	563	2,490	2,532	-	-	2,490	2,532
Inter-segment revenue	38	44	-	1	38	45	(38)	(45)	-	-
<b>Total revenues</b>	<b>1,935</b>	<b>2,013</b>	<b>593</b>	<b>564</b>	<b>2,528</b>	<b>2,577</b>	<b>(38)</b>	<b>(45)</b>	<b>2,490</b>	<b>2,532</b>
<b>Operating results</b>										
<b>Segment profit</b>	265	299	47	55	312	354	-	-	312	354
Other income									20	24
Selling expenses									(50)	(48)
Administrative expenses									(84)	(76)
Share of profit from investment in associates									1	1
Finance cost									(4)	(4)
Profit before income tax expenses									195	251
Income tax expenses									(38)	(50)
<b>Profit for the period</b>									<b>157</b>	<b>201</b>

## 21. Dividends

Dividends for the nine-month period ended 31 December 2018 and 2017 are made up as follows:

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for the year ended 31 March 2018 (net of interim dividend payment)	Annual General Meeting of the shareholders on 26 July 2018	95.75	0.25
Interim dividends for the year ending 31 March 2019	The Board of Directors Meeting on 9 November 2018	72.77	0.19
Total dividends paid during the year ending 31 March 2019		<u>168.52</u>	<u>0.44</u>
Final dividends for the year ended 31 March 2017 (net of interim dividend payment)	Annual General Meeting of the shareholders on 27 July 2017	76.60	0.20
Interim dividends for the year ended 31 March 2018	The Board of Directors Meeting on 7 November 2017	76.60	0.20
Total dividends paid during the year ended 31 March 2018		<u>153.20</u>	<u>0.40</u>



## 22. Commitments and contingent liabilities

### 22.1 Operating lease commitments

The Company and its subsidiaries have entered into lease agreements in respect of the office building space. The terms of the agreements are generally 3 years.

The Company and its subsidiaries have future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

	(Unit: Million Baht)	
	31 December	31 March
	2018	2018
Payable:		
In up to 1 year	2	3
In over 1 and up to 5 years	-	1

### 22.2 Other service commitments

As at 31 December 2018, the Company and a subsidiary had commitments of approximately Baht 2 million relating to a technical assistance service agreement and other agreements (31 March 2018: Baht 6 million).

### 22.3 Other commitments

As at 31 December 2018, the Company had outstanding commitments of Baht 4.5 million (31 March 2018: Baht 4.5 million) in respect of uncalled portion of investment in a subsidiary.

### 22.4 Guarantees

As at 31 December 2018, the Company has guaranteed bank credit facilities for a subsidiary amounting to Baht 350 million (31 March 2018: Baht 350 million).

## 22.5 Credit facilities

As at 31 December 2018 the Company and its subsidiaries have been granted credit facilities by various banks for which they have placed collaterals, as follows:-

### **The Company**

- Letter of credit, trust receipts, guarantees and short-term loan facilities totaling Baht 1,461 million, of which totaling Baht 54 million (31 March 2018: Baht 59 million) of utilised amount are outstanding. These credit facilities are secured by the mortgage of the Company's land with structures thereon and machinery.
- Overdraft facilities of Baht 30 million, have not yet been utilised (31 March 2018: Nil). These credit facilities are secured by the mortgage of the Company's land with structures thereon, machinery and the fixed deposit account.
- Forward foreign exchange contract facilities of Baht 1,000 million, of which Baht 34 million (31 March 2018: Baht 50 million) of utilised amount are outstanding. These credit facilities are secured by the mortgage of the Company's land with structures thereon and machinery.

### **A subsidiary**

- Letter of credit, trust receipts, guarantees and short-term loan facilities totaling Baht 300 million, have not yet been utilised (31 March 2018: Nil). These credit facilities are secured by the mortgage of the subsidiary's land with structures thereon and machinery.
- Overdraft facilities of Baht 10 million, have not yet been utilised (31 March 2018: Nil). These credit facilities are secured by the mortgage of the subsidiary's land with structures thereon.
- Forward foreign exchange contract facilities of Baht 200 million, have not yet been utilised (31 March 2018: Nil). These credit facilities are secured by the mortgage of the subsidiary's land with structures thereon and machinery.

### **A subsidiary**

- Letter of credit, trust receipts, guarantees and short-term loan facilities totaling Baht 506 million, of which Baht 133 million (31 March 2018: Baht 35 million) of utilised amount are outstanding. These credit facilities are secured by the mortgage of the subsidiary's unit of condominium which is the subsidiary's office, the subsidiary's fixed deposit accounts and a guarantee provided the Company.

- Overdraft facilities of Baht 60 million, have not yet been utilised (31 March 2018: Baht 1 million). These credit facilities are secured by the subsidiary's fixed deposit accounts and a guarantee provided by the Company.
- Forward foreign exchange contract facilities, comprising USD 11.7 million (equivalent to Baht 383 million) and Baht 115 million, or a total approximately Baht 498 million, of which USD 0.2 million (equivalent to Baht 7 million) (31 March 2018: USD 0.5 million (equivalent to Baht 17 million)) of utilised amount are outstanding.

#### **A subsidiary**

- Letters of credit, trust receipts, guarantees and short-term loan facilities totaling Baht 22 million, have not yet been utilised (31 March 2018: Nil). These credit facilities are secured by the Company.
- Overdraft facilities of Baht 5 million, have not yet been utilised (31 March 2018: Nil). These credit facilities are secured by the Company.
- Forward foreign exchange contract facilities of Baht 30 million, have not yet been utilised (31 March 2018: Nil). These credit facilities are secured by the Company.

#### **22.6 Capital commitment**

As at 31 December 2018, the Company had commitments of approximately Baht 10.7 million, relating to construction contract, design and installation of solar cells on the roof (31 March 2018: Nil).

#### **23. Fair value of financial instruments**

The Company and its subsidiaries use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

##### **Fair value hierarchy**

In applying the above-mentioned valuation techniques, the Company and its subsidiaries endeavor to use relevant observable inputs as much as possible. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising such inputs into three levels 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

The Company and its subsidiaries had the following assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated Financial Statements  
as at 31 December 2018

	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Current investments	-	4.4	-	4.4
Investment in marketable unit classified as available-for-sale investment	2.9	-	-	2.9
<b>Liabilities for which fair value is disclosed</b>				
Derivatives				
Foreign currency forward contracts	-	40.6	-	40.6

(Unit: Million Baht)

Consolidated Financial Statements  
as at 31 March 2018

	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Current investments	-	4.9	-	4.9
Investment in marketable unit classified as available-for-sale investment	2.8	-	-	2.8
<b>Liabilities for which fair value is disclosed</b>				
Derivatives				
Foreign currency forward contracts	-	65.7	-	65.7

(Unaudited but reviewed)

(Unit: Million Baht)

Separate Financial Statements as at 31 December 2018

	Level 1	Level 2	Level 3	Total
<b>Liabilities for which fair value is disclosed</b>				
Derivatives				
Foreign currency forward contracts	-	33.6	-	33.6

(Unit: Million Baht)

Separate Financial Statements as at 31 March 2018

	Level 1	Level 2	Level 3	Total
<b>Liabilities for which fair value is disclosed</b>				
Derivatives				
Foreign currency forward contracts	-	48.9	-	48.9

**24. Approval of interim consolidated financial statements**

These interim consolidated financial statements were authorised for issue by the Company's Board of Directors on 12 February 2019.