

Lohakit Metal Public Company Limited
and its subsidiaries
Report and interim financial information
For the three-month period ended 30 June 2020

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 (The Group) as at 30 June 2020, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the interim consolidated financial statements. I have also reviewed the separate financial information of Lohakit Metal Public Company Limited for the same period (collectively "interim financial information"). 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.

Emphasis of Matter

I draw attention to Note 1.5 to the interim consolidated financial statements. Due to the impact of the COVID-19 outbreak, in preparing the interim financial information for the three-month period ended 30 June 2020, the Group has adopted the Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic issued by the Federation of Accounting Professions. My conclusion is not modified in respect of this matter.



Ginkarn Atsawarangsalit
Certified Public Accountant (Thailand) No. 4496

EY Office Limited
Bangkok: 11 August 2020

Lohakit Metal Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2020	31 March 2020	30 June 2020	31 March 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	4	228,242	211,323	156,132	69,422
Current investments	5	-	107,032	-	-
Trade and other receivables	6	383,514	542,311	211,755	284,939
Inventories	7	532,969	588,747	302,052	341,285
Other current financial assets	8	84,105	-	-	-
Other current assets		3,001	4,042	1,948	1,318
Total current assets		1,231,831	1,453,455	671,887	696,964
Non-current assets					
Restricted bank deposits	9	46,180	46,180	6,080	6,080
Other non-current financial assets	10	3,815	-	-	-
Investment in associate	11	11,716	11,626	4,900	4,900
Investments in subsidiaries	12	-	-	406,196	406,577
Long-term investments	13	-	3,457	-	-
Property, plant and equipment	14	577,769	581,775	307,522	308,145
Intangible assets		2,283	1,741	1,545	975
Deferred tax assets	18	18,939	16,900	10,933	9,856
Other non-current assets		3,404	3,402	2,397	2,394
Total non-current assets		664,106	665,081	739,573	738,927
Total assets		1,895,937	2,118,536	1,411,460	1,435,891

The accompanying notes to the interim consolidated financial statements 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	
		30 June 2020	31 March 2020	30 June 2020	31 March 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	15	28,965	55,717	6,226	31,255
Trade and other payables	16	208,769	368,073	136,780	212,254
Current portion of long-term loan from bank	17	3,150	-	-	-
Current portion of lease liabilities		3,183	-	3,183	-
Income tax payable		7,518	6,640	-	-
Other current liabilities		10,090	9,758	3,269	5,021
Total current liabilities		261,675	440,188	149,458	248,530
Non-current liabilities					
Long-term loan from bank, net of current portion	17	4,850	-	-	-
Lease liabilities, net of current portion		3,847	-	3,847	-
Provision for long-term employee benefits		44,068	43,217	22,984	22,456
Deferred tax liabilities	18	15	-	-	-
Other non-current liabilities		1	1	-	-
Total non-current liabilities		52,781	43,218	26,831	22,456
Total liabilities		314,456	483,406	176,289	270,986

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

Lohakit Metal Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2020	31 March 2020	30 June 2020	31 March 2020
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
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	75,250	75,250	38,300	38,300
Unappropriated	435,126	438,194	294,198	223,932
Other components of shareholders' equity	-	812	-	-
Equity attributable to owners of the Company	1,413,049	1,416,929	1,235,171	1,164,905
Non-controlling interests of the subsidiary	168,432	218,201	-	-
Total shareholders' equity	1,581,481	1,635,130	1,235,171	1,164,905
Total liabilities and shareholders' equity	1,895,937	2,118,536	1,411,460	1,435,891

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

Directors

(Unaudited but reviewed)

Lohakit Metal Public Company Limited and its subsidiaries

Statement of income

For the three-month period ended 30 June 2020

	Note	(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Revenues					
Sales and service income		411,580	719,813	213,834	350,667
Dividend income	12.2	43	43	74,162	46,360
Other income		4,969	5,524	6,835	7,553
Total revenues		416,592	725,380	294,831	404,580
Expenses					
Cost of sales and services		383,134	638,349	202,334	328,105
Selling and distribution expenses		10,962	15,509	7,451	10,352
Administrative expenses		27,153	36,595	15,150	20,463
Total expenses		421,249	690,453	224,935	358,920
Profit (loss) before share of profit from investment in associate,					
finance cost and income tax income (expenses)		(4,657)	34,927	69,896	45,660
Share of profit from investment in associate	11.2	90	523	-	-
Profit (loss) before finance cost and income tax income					
(expenses)		(4,567)	35,450	69,896	45,660
Finance cost		(661)	(1,156)	(282)	(424)
Profit (loss) before income tax income (expenses)		(5,228)	34,294	69,614	45,236
Income tax income (expenses)	18	828	(6,581)	992	370
Profit (loss) for the period		(4,400)	27,713	70,606	45,606
Profit (loss) attributable to:					
Equity holders of the Company		(2,631)	17,529	70,606	45,606
Non-controlling interests of the subsidiary		(1,769)	10,184		
		(4,400)	27,713		
Earnings per share					
19					
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		(0.01)	0.05	0.18	0.12
Weighted average number of ordinary shares (shares)		383,000,000	383,000,000	383,000,000	383,000,000

The accompanying notes to the interim consolidated financial statements 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 30 June 2020

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Profit (loss) for the period		<u>(4,400)</u>	<u>27,713</u>	<u>70,606</u>	<u>45,606</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Gain on change in value of available-for-sale investments - net of income tax	13, 18	-	410	-	-
Other comprehensive income for the period		<u>-</u>	<u>410</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u><u>(4,400)</u></u>	<u><u>28,123</u></u>	<u><u>70,606</u></u>	<u><u>45,606</u></u>
Total comprehensive income attributable to:					
Equity holders of the Company		(2,631)	17,939	<u>70,606</u>	<u>45,606</u>
Non-controlling interests of the subsidiary		(1,769)	10,184		
Total comprehensive income for the period		<u><u>(4,400)</u></u>	<u><u>28,123</u></u>		

The accompanying notes to the interim consolidated financial statements 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 three-month period ended 30 June 2020

(Unit: Thousand Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company					Other components of equity				
	Issued and paid-up share capital	Share premium	Retained earnings - Appropriated - statutory reserve	Unappropriated	Surplus on changes in value of available-for-sale investments	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity		
Balance as at 1 April 2019	383,000	519,673	74,900	467,186	853	1,445,612	220,800	1,666,412		
Profit for the period	-	-	-	17,529	-	17,529	10,184	27,713		
Other comprehensive income for the period	-	-	-	-	410	410	-	410		
Total comprehensive income for the period	-	-	-	17,529	410	17,939	10,184	28,123		
Dividends paid of subsidiary	-	-	-	-	-	-	(27,840)	(27,840)		
Balance as at 30 June 2019	383,000	519,673	74,900	484,715	1,263	1,463,551	203,144	1,666,695		
Balance as at 1 April 2020	383,000	519,673	75,250	438,194	812	1,416,929	218,201	1,635,130		
Cumulative effect of change in accounting policies (Note 2)	-	-	-	(437)	(812)	(1,249)	-	(1,249)		
Balance as at 1 April 2020 - as restated	383,000	519,673	75,250	437,757	-	1,415,680	218,201	1,633,881		
Loss for the period	-	-	-	(2,631)	-	(2,631)	(1,769)	(4,400)		
Other comprehensive income for the period	-	-	-	-	-	-	-	-		
Total comprehensive income for the period	-	-	-	(2,631)	-	(2,631)	(1,769)	(4,400)		
Dividends paid of subsidiary	-	-	-	-	-	-	(48,000)	(48,000)		
Balance as at 30 June 2020	383,000	519,673	75,250	435,126	-	1,413,049	168,432	1,581,481		

The accompanying notes to the interim consolidated financial statements 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 three-month period ended 30 June 2020

(Unit: Thousand Baht)

	Separate financial statements				
	Issued and fully paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Total shareholders' equity
Balance as at 1 April 2019	383,000	519,673	38,300	250,247	1,191,220
Profit for the period	-	-	-	45,606	45,606
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	45,606	45,606
Balance as at 30 June 2019	383,000	519,673	38,300	295,853	1,236,826
Balance as at 1 April 2020	383,000	519,673	38,300	223,932	1,164,905
Cumulative effect of change in accounting policies (Note 2)	-	-	-	(340)	(340)
Balance as at 1 April 2020 - as restated	383,000	519,673	38,300	223,592	1,164,565
Profit for the period	-	-	-	70,606	70,606
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	70,606	70,606
Balance as at 30 June 2020	383,000	519,673	38,300	294,198	1,235,171

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

(Unaudited but reviewed)

Lohakit Metal Public Company Limited and its subsidiaries

Cash flow statement

For the three-month period ended 30 June 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit (loss) before tax	(5,228)	34,294	69,614	45,236
Adjustments to reconcile profit before tax to net cash provided by (used in) operating activities:				
Depreciation	14,061	13,128	8,543	8,307
Amortisation	75	49	47	35
Reversal of allowance for doubtful accounts	(282)	(563)	(134)	-
Reduction of inventories to net realisable value (reversal)	(464)	1,694	(1,873)	944
Allowance for impairment of investment in subsidiary	-	-	381	67
Gain on sales of investments	(98)	(8)	-	-
Unrealised loss (gain) from fair value measurement of the other current financial assets	25	(2)	-	-
Unrealised gain from fair value measurement of other non-current financial assets	(358)	-	-	-
Gain on sales of equipment	(981)	(144)	-	(144)
Provision for long-term employee benefits	851	9,090	528	6,347
Unrealised loss from forward contract	7	-	-	-
Unrealised gain on foreign exchange	(179)	(513)	(177)	(513)
Share of profit from investment in associate	(90)	(523)	-	-
Dividend income	(43)	(43)	(74,162)	(46,360)
Interest income	(86)	(125)	(2)	(4)
Interest expenses	337	799	151	218
Income from operating activities before changes in operating assets and liabilities	7,547	57,133	2,916	14,133
Decrease (increase) in operating assets				
Trade and other receivables	157,205	22,860	72,602	(4,268)
Inventories	56,242	25,692	41,106	(197)
Other current assets	1,413	1,884	(258)	1,263
Other non-current assets	(2)	(3)	(3)	-
Increase (decrease) in operating liabilities				
Trade and other payables	(158,933)	(64,996)	(75,105)	(22,185)
Other current liabilities	325	121	(1,752)	(1,436)
Cash flows from (used in) operating activities	63,797	42,691	39,506	(12,690)
Cash paid for interest expenses	(394)	(800)	(209)	(219)
Cash paid for income tax	(106)	(195)	(101)	(189)
Net cash from (used in) operating activities	63,297	41,696	39,196	(13,098)

The accompanying notes to the interim consolidated financial statements 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 three-month period ended 30 June 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Cash paid for acquisition of equipment	(2,245)	(7,815)	(110)	(4,425)
Cash paid for acquisition of intangible assets	(617)	-	(617)	-
Cash paid for acquisition of investment in open-end fund	(27,000)	-	-	-
Cash received from sales of investment in open-end fund	50,000	600	-	-
Cash received from dividends	43	43	74,162	46,360
Cash received from sales of equipment	981	682	-	682
Cash received from interest income	106	113	2	4
Net cash from (used in) investing activities	21,268	(6,377)	73,437	42,621
Cash flows from financing activities				
Increase (decrease) in short-term loans from banks	(26,752)	(19,478)	(25,029)	1,532
Cash received from long-term loan from bank	8,000	-	-	-
Cash paid for lease liabilities	(780)	-	(780)	-
Dividend paid	(48,000)	(27,840)	-	-
Net cash from (used in) financing activities	(67,532)	(47,318)	(25,809)	1,532
Effect of exchange rate to cash and cash equivalents	(114)	(19)	(114)	(19)
Net increase (decrease) in cash and cash equivalents	16,919	(12,018)	86,710	31,036
Cash and cash equivalents at beginning of period	211,323	314,319	69,422	91,752
Cash and cash equivalents at end of period (Note 4)	228,242	302,301	156,132	122,788

Supplemental cash flows information

Non-cash items:

Increase in revaluation surplus in investments

in available-for-sale investment

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

Lohakit Metal Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month period ended 30 June 2020

1. General information

1.1 General information of the Company

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 office of the Company is at 66/1 Moo 6 Suksawad Road, Bangjak, Prapradaeng, Samutprakarn.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. The Group’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

1.3 Basis for the preparation of the interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 “Interim Financial Reporting”, with the Company choosing to present condensed interim financial information. 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.

This interim financial information is 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. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Company. The interim financial information in English language has been translated from Thai language interim financial information.

1.4 Basis of consolidation

This interim financial information includes 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 2020. During the current period, there was no change in the structure of the Group.

1.5 New financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. 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 adoption of these financial reporting standards does not have any significant impact on the Group’s financial statements. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments 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.

The impact of the adoption of these standards on the Group's financial statements is as follows.

- Classification and measurement of investments in available-for-sale equity securities - The Group's available-for-sale investments in listed equity securities are measured at fair value through other comprehensive income. The Group has decided to classify these investments as financial assets at fair value through profit or loss. The cumulative gains (or losses) on changes in the value of reclassified available-for-sale investments that were previously presented in other comprehensive income is to be reclassified to retained earnings.
- Recognition of credit losses - The Group recognises an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.
- Recognition of derivatives - The Group initially recognises derivatives at their fair value on the contract date and subsequently measure them at fair value at the end of each reporting period. Changes in the fair value of derivatives are recognised in profit or loss.

The Group adopted these financial reporting standards which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 April 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the interim financial statements.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group adopted these financial reporting standards using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 April 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2 to the interim financial statements.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

The Group has elected to apply the following temporary relief measures on accounting alternatives:

- Not to take into account forward-looking information when determining expected credit losses, in cases where the Group uses a simplified approach to determine expected credit losses.
- To lightly weight information relating to the COVID-19 situation in applying the valuation technique to measure the fair value of financial assets in the form of debt instruments using Level 2 or Level 3 inputs.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.

1.6 Significant accounting policies

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 March 2020 except the changes in accounting policies related to financial instruments and leases.

1.6.1 Financial instruments

Classification and measurement

Financial assets that are debt instruments are measured at fair value through profit or loss, fair value through other comprehensive income, or amortised cost. Classification is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets that are equity instruments are measured at fair value through profit or loss.

Financial liabilities are classified and measured at amortised cost.

Derivatives are classified and measured at fair value through profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses on its financial assets measured at amortised cost, without requiring a credit-impaired event to have occurred prior to the recognition. The Group accounts for changes in expected credit losses in stages, with differing methods of determining allowance for credit losses and the effective interest rate applied at each stage. An exception from this approach is that for trade receivables that do not contain a significant financing component, the Group applies a simplified approach to determine the lifetime expected credit losses.

1.6.2 Leases

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

2. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 1.5 to the interim financial statements, during the current period, the Group has adopted financial reporting standards related to financial instruments and TFRS 16 Lease. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings as at 1 April 2020. Therefore, the comparative information was not restated.

The impacts on the beginning balance of retained earnings as at 1 April 2020 from changes in accounting policies due to the adoption of these standards are presented as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 March 2020	The impacts of		1 April 2020
Financial reporting standards related to financial instruments		TFRS 16		
Statement of financial position				
Assets				
Current assets				
Current investments	107,032	(107,032)	-	-
Trade and other receivables	542,311	(1,832)	-	540,479
Other current financial assets	-	107,303	-	107,303
Non-current assets				
Other non-current financial assets	-	3,457	-	3,457
Long-term investments	3,457	(3,457)	-	-
Property, plant and equipment	581,775	-	7,810	589,585
Deferred tax assets	16,900	312	-	17,212
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	3,158	3,158

(Unit: Thousand Baht)

Consolidated financial statements

	The impacts of			1 April 2020
	31 March 2020	Financial reporting standards related to financial instruments	TFRS 16	
Non-current liabilities				
Lease liabilities, net of current portion	-	-	4,652	4,652
Shareholders' equity				
Retained earnings - unappropriated	438,194	(437)	-	437,757
Other components of shareholders' equity	812	(812)	-	-

(Unit: Thousand Baht)

Separate financial statements

	The impacts of			1 April 2020
	31 March 2020	Financial reporting standards related to financial instruments	TFRS 16	
Statement of financial position				
Assets				
Current assets				
Trade and other receivables	284,939	(696)	-	284,243
Other current financial assets	-	271	-	271
Non-current assets				
Property, plant and equipment	308,145	-	7,810	315,955
Deferred tax assets	9,856	85	-	9,941
Liabilities and shareholders' equity				
Current liabilities				
Current portion of lease liabilities	-	-	3,158	3,158
Non-current liabilities				
Lease liabilities, net of current portion	-	-	4,652	4,652
Shareholders' equity				
Retained earnings - unappropriated	223,932	(340)	-	223,592

2.1 Financial instruments

Details of the impact on retained earnings as at 1 April 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Classification of available-for-sale investments as financial assets at fair value through profit or loss	812	-
Recognition of an allowance for expected credit losses on financial assets	(1,466)	(557)
Recognition of derivatives at fair value through profit or loss	217	217
Impacts on retained earnings due to the adoption of financial reporting standards related to financial instruments	<u>(437)</u>	<u>(340)</u>

The classifications, measurement basis and carrying values of financial assets in accordance with TFRS 9 as at 1 April 2020, and with the carrying amounts under the former basis, are as follows:

		(Unit: Thousand Baht)			
		Consolidated financial statements			
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as at 1 April 2020					
Cash and cash equivalents	211,323	-	-	211,323	211,323
Trade and other receivables	542,311	-	-	540,479	540,479
Other current financial assets	107,032	107,303	-	-	107,303
Restricted bank deposits	46,180	-	-	46,180	46,180
Other non-current financial assets	3,457	3,457	-	-	3,457
Total financial assets	<u>910,303</u>	<u>110,760</u>	<u>-</u>	<u>797,982</u>	<u>908,742</u>

(Unit: Thousand Baht)

	Separate financial statements			
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9		
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost
Financial assets as at 1 April 2020				
Cash and cash equivalents	69,422	-	-	69,422
Trade and other receivables	284,939	-	-	284,243
Other current financial assets	-	271	-	271
Restricted bank deposits	6,080	-	-	6,080
Total financial assets	360,441	271	-	359,745

As at 1 April 2020, the Group has not designated any financial liabilities at fair value through profit or loss.

2.2 Leases

Upon initial application of TFRS 16 the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 April 2020. For leases previously classified as finance leases, the Group recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 March 2020	8,130	8,130
Less: Deferred interest expenses	(320)	(320)
Lease liabilities as at 1 April 2020	<u>7,810</u>	<u>7,810</u>
Comprise of:		
Current lease liabilities	3,158	3,158
Non-current lease liabilities	<u>4,652</u>	<u>4,652</u>
	<u>7,810</u>	<u>7,810</u>

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 April 2020 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Buildings and buildings improvement fixture	7,810	7,810
Total right-of-use assets	7,810	7,810

3. Related party transactions

During the periods, the Group 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.

	For the three-month periods ended 30 June				
	Consolidated		Separate		
	financial statements		financial statements		Transfer Pricing Policy
	2020	2019	2020	2019	
<u>Transactions with subsidiaries</u>					
(Eliminate from the consolidated financial statements)					
Sales of goods and service income	-	-	6,081	12,083	Sale of goods: Market price and cost plus a margin at rate of 5%
					Service income: Closed to the market price
Rental income	-	-	600	432	Contract price close to the market price
Other service income	-	-	3,801	3,900	Accordance with the negotiation price
Dividend income	-	-	74,162	46,360	As approved by shareholders' meeting
<u>Transactions with related companies</u>					
Commission fee	500	1,722	-	-	Not over 2% of sales

As at 30 June 2020 and 31 March 2020, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 March	30 June	31 March
	2020	2020	2020	2020
<u>Trade receivable - related parties (Note 6)</u>				
Subsidiaries	-	-	1,908	798
<u>Other payables - related party (Note 16)</u>				
Associated company	476	1,429	-	-

Directors and management's benefits

During the three-month periods ended 30 June 2020 and 2019, the Group had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Short-term employee benefits	12,394	13,695	7,059	8,254
Post-employment benefits	911	4,280	634	3,345
Total	13,305	17,975	7,693	11,599

4. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 March	30 June	31 March
	2020	2020	2020	2020
Cash	140	140	70	70
Bank deposits	228,102	211,183	156,062	69,352
Total	228,242	211,323	156,132	69,422

As at 30 June 2020, bank deposits in saving accounts and fixed deposits carried interests between 0.05 and 0.70 percent per annum (31 March 2020: 0.05 and 0.70 percent per annum).

5. Current investments

(Unit: Thousand Baht)

	Consolidated financial statements	
	31 March 2020	
	Cost	Fair value
<u>Trading securities</u>		
Investment units in open-end fund	106,794	107,032
Total trading securities	106,794	107,032
Add: Changes in fair value	238	
Total trading securities	<u>107,032</u>	

As at 31 March 2020, its subsidiaries have investments in open-end fund. The funds focuses on investing in bonds issued by the government or corporate, money market instrument and deposit.

As described in Note 2 and 8 to the interim financial statements, on 1 April 2020, current investments has been reclassified and presented as other current financial assets.

6. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 March 2020	30 June 2020	31 March 2020
<u>Trade receivables - related parties</u> (Note 3)				
Aged on the basis of due dates				
Not yet due	-	-	586	213
Past due				
Not over 3 months	-	-	1,322	585
Total trade receivables - related parties	-	-	<u>1,908</u>	<u>798</u>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 March 2020	30 June 2020	31 March 2020
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	288,546	425,084	152,549	227,993
Past due				
Not over 3 months	95,806	116,445	57,780	56,141
Over 3 months but less than 12 months	-	1,481	-	-
Over 12 months	5,732	4,387	3,423	3,422
Total	390,084	547,397	213,752	287,556
Less: Allowance for doubtful accounts	(6,677)	(5,127)	(3,985)	(3,422)
Total trade receivables - unrelated parties - net	383,407	542,270	209,767	284,134
Total trade receivables - net	383,407	542,270	211,675	284,932
<u>Other receivables</u>				
Other receivables	80	7	80	7
Interest receivables	27	34	-	-
Total other receivables	107	41	80	7
Total trade and other receivables - net	383,514	542,311	211,755	284,939

7. Inventories

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 March 2020	30 June 2020	31 March 2020
Inventories	571,868	628,110	325,844	366,950
Less: Reduce cost to net realisable value	(38,899)	(39,363)	(23,792)	(25,665)
Inventories - net	532,969	588,747	302,052	341,285

During the current period, the Group recorded reversal the reduction of cost of inventories by Baht 0.5 million (Separate financial statements: recorded reversal the reduction of Baht 2 million), to reflect the net realisable value. This was presented as cost of sales.

8. Other current financial assets

Other current financial assets as at 30 June 2020 (and the reclassified balance as at 1 April 2020 as described in Note 2 and 5 to the interim financial statements) comprise the following:

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June 2020	
	Cost	Fair value
<u>Investment in debt instruments designated at fair value through profit or loss</u>		
Investment units in open-end fund	83,892	84,105
Total other current financial assets	83,892	84,105
Add: Changes in fair value	213	
Total other current financial assets	84,105	

As at 30 June 2020, its subsidiaries have investments in open-end fund. The funds focuses on investing in bonds issued by the government or corporate, money market instrument and deposit.

9. Restricted bank deposits

As at 30 June 2020, the Group have deposits with banks of Baht 46 million (31 March 2020: Baht 46 million) which are pledged with the banks to secure credit facilities as described in Note 21.5 to the interim financial statements.

10. Other non-current financial assets

Other non-current financial assets as at 30 June 2020 (the reclassified as described in Note 2 and 13 to the interim financial statements) comprise the following:

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June 2020	
	Cost	Fair value
<u>Investment in in equity instrument designated at fair value through profit or loss</u>		
Industrial freehold and leasehold real estate investment trust	2,441	3,815
Total other non-current financial assets	2,441	3,815
Add: Changes in fair value	1,374	
Total other non-current financial assets	3,815	

11. Investment in associated company

11.1 Details of associate

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Shareholding percentage		Separate financial statements		Consolidated financial statements	
					Cost method		Carrying amount based on equity method	
					30 June 2020	31 March 2020	30 June 2020	31 March 2020
					(%)	(%)		
Mory Lohakit (Thailand) Co., Ltd.	Agent	Thailand	49	49	4,900	4,900	11,716	11,626

11.2 Share of profit and dividend received

(Unit: Thousand Baht)

Company's name	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in associate		Dividend received	
	2020	2019	2020	2019
Mory Lohakit (Thailand) Co., Ltd.	90	523	-	-

11.3 Summarised financial information about material associate

Summarised information about financial position

(Unit: Million Baht)

	30 June 2020	31 March 2020
Current assets	24.6	24.4
Non-current assets	-	-
Current liabilities	(0.6)	(0.5)
Non-current liabilities	(0.1)	(0.1)
Net assets	23.9	23.8
Shareholding percentage (%)	49.0	49.0
Share of net assets	11.7	11.6
Carrying amounts of associates based on equity method	11.7	11.6

Summarised information of comprehensive income

(Unit: Million Baht)

For the three-month
periods ended 30 June

	2020	2019
Revenue	0.5	1.7
Profit	0.2	1.1
Other comprehensive income	-	-
Total comprehensive income	0.2	1.1

12. Investments in subsidiaries

12.1 Details of subsidiaries

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

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost method		Allowance for impairment of investment		Carrying amount based on cost method	
	30 June 2020	31 March 2020	30 June 2020	31 March 2020	30 June 2020	31 March 2020	30 June 2020	31 March 2020	30 June 2020	31 March 2020
	(Million Baht)	(Million Baht)	(%)	(%)						
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	(1,541)	(1,160)	3,958	4,339
NSC Metal Company Limited	230	230	100	100	258,238	258,238	-	-	258,238	258,238
Total					<u>407,737</u>	<u>407,737</u>	<u>(1,541)</u>	<u>(1,160)</u>	<u>406,196</u>	<u>406,577</u>

12.2 Dividend income

(Unit: Thousand Baht)

For the three-month
periods ended 30 June

Company's name	2020	2019
Auto Metal Company Limited	72,000	41,760
NSC Metal Company Limited	2,162	4,600
Total	<u>74,162</u>	<u>46,360</u>

Auto Metal Company Limited

On 15 June 2020, the Annual General Meeting of the shareholders of Auto Metal Company Limited passed a resolution to approve the payment of a dividend of Baht 73.00 per share from retained earnings as at 31 March 2020, the subsidiary had paid out the interim dividend of Baht 23.00 per share. The remaining dividend was Baht 50.00 per share and was paid on 26 June 2020.

NSC Metal Company Limited

On 15 June 2020, the Annual General Meeting of the shareholders of NSC Metal Company Limited passed a resolution to approve the payment of a dividend of Baht 2.66 per share from the operating profit for the period ended 31 March 2020, the subsidiary had paid out the interim dividend of Baht 1.72 per share. The remaining dividend was Baht 0.94 per share and was paid on 26 June 2020.

13. Long-term investments

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	31 March 2020	
	Cost	Fair value
<u>Investment in marketable unit classified as available-for-sale securities</u>		
Industrial freehold and leasehold real estate investment trust	2,441	3,457
Total available-for-sale securities	2,441	3,457
Add: Changes in fair value	1,016	
Total available-for-sale securities	3,457	

As described in Note 2 and 10 to the interim financial statements, on 1 April 2020, long-term investments - available-for-sale securities has been reclassified and presented as other non-current financial assets.

14. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 30 June 2020 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 April 2020	581,775	308,145
Adjustments of right-of-use assets due to TFRS 16 adoption (Note 2)	7,810	7,810
Acquisitions during period - at cost	2,245	110
Depreciation for the period	(14,061)	(8,543)
Net book value as at 30 June 2020	<u>577,769</u>	<u>307,522</u>

The Company and a subsidiary have mortgaged a part of their 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 Group by the banks as described in Note 21.5 to the interim financial statements.

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2020	31 March 2020	30 June 2020	31 March 2020
Cost	253	253	153	153
Net book value	-	-	-	-

15. Short-term loans from banks

(Unit: Thousand Baht)

	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	30 June 2020	31 March 2020	30 June 2020	31 March 2020	30 June 2020	31 March 2020
Trust receipts	2.80 - 3.10	3.25 - 3.70	28,965	55,717	6,226	31,255
Total			28,965	55,717	6,226	31,255

Bank overdrafts, short-term loans and trust receipts facilities are secured by the Group's land with structures thereon, unit of condominium, machinery and fixed deposit accounts and guarantees provided by the Company as described in Note 21.5 to the interim financial statements.

16. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2020	31 March 2020	30 June 2020	31 March 2020
Trade payable - unrelated parties	185,446	344,215	124,426	199,614
Other payables - unrelated parties	14,278	21,072	8,575	11,865
Other payables - related party (Note 3)	476	1,429	-	-
Accrued commission expenses - unrelated parties	27	17	27	17
Accrued expenses	8,542	1,340	3,752	758
Total	208,769	368,073	136,780	212,254

17. Long-term loan

(Unit: Thousand Baht)

	Consolidated financial statement 30 June 2020
Long-term loan	8,000
Less: Current portion	(3,150)
Long-term loan, net of current portion	4,850

As at 30 June 2020, a subsidiary has long-term of Baht 8 million, with interest rate at 2% per annum, repayable in 24 monthly installments. The first installment is paid on the last day of the month from the 7th month. The long-term loan is guaranteed by fixed deposit account of the subsidiary.

18. Income tax

Income tax expenses (income) for the three-month periods ended 30 June 2020 and 2019 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2020	2019	2020	2019
Current income tax:				
Interim corporate income tax charge	883	8,640	-	1,102
Deferred tax:				
Relating to origination and reversal of temporary differences	(1,711)	(2,059)	(992)	(1,472)
Income tax expenses (income) reported in profit or loss	<u>(828)</u>	<u>6,581</u>	<u>(992)</u>	<u>(370)</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 30 June 2020 and 2019 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2020	2019	2020	2019
Deferred tax on gain from the change in value of available-for-sale investments	-	(102)	-	-
	<u>-</u>	<u>(102)</u>	<u>-</u>	<u>-</u>

As at 30 June 2020 and 31 March 2020, the components of deferred tax assets are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 March	30 June	31 March
	2020	2020	2020	2020
Deferred tax assets				
Allowance for impairment of investment in subsidiary	-	-	308	232
Allowance for doubtful accounts	652	341	113	-
Allowance for diminution in value of inventories	7,779	7,873	4,758	5,133
Provision for long-term employee benefits	8,814	8,643	4,597	4,491
Unused tax losses	1,996	294	1,157	-
	<u>19,241</u>	<u>17,151</u>	<u>10,933</u>	<u>9,856</u>
Deferred tax liabilities				
Unrealised gain from fair value measurement of other current financial assets	(42)	(48)	-	-
Unrealised gain from fair value measurement of other non-current financial assets	(275)	(203)	-	-
	<u>(317)</u>	<u>(251)</u>	<u>-</u>	<u>-</u>
Deferred tax assets - net	<u>18,939</u>	<u>16,900</u>	<u>10,933</u>	<u>9,856</u>
Deferred tax liabilities	<u>15</u>	<u>-</u>	<u>-</u>	<u>-</u>

19. Earnings per share

Basic earnings (loss) per share is calculated by dividing profit (loss) 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 Group is organised into business units based on its products and services. During the current period, the Group have not changed the organisation of their reportable segments.

The following tables present revenue and profit (loss) information regarding the Group's operating segments for the three-month periods ended 30 June 2020 and 2019, respectively.

(Unit: Million Baht)

	For the three-month period ended 30 June 2020				Consolidated
	Production and distribution	Procurement and distribution	Total reportable segments	Adjustments and eliminations	
Revenue					
Revenue from external customers	275	137	412	-	412
Inter-segment revenue	6	-	6	(6)	-
Total revenues	281	137	418	(6)	412
Operating results					
Segment profit	17	12	29	-	29
Other income					5
Selling and distribution expenses					(11)
Administrative expenses					(27)
Finance cost					(1)
Loss before tax income					(5)
Income tax income					1
Loss for the period					(4)

(Unit: Million Baht)

	For the three-month period ended 30 June 2019				Consolidated
	Production and distribution	Procurement and distribution	Total reportable segments	Adjustments and eliminations	
Revenue					
Revenue from external customers	568	152	720	-	720
Inter-segment revenue	12	-	12	(12)	-
Total revenues	580	152	732	(12)	720
Operating results					
Segment profit	68	14	82	-	82
Other income					6
Selling and distribution expenses					(15)
Administrative expenses					(37)
Finance cost					(1)
Profit before income tax expenses					35
Income tax expenses					(7)
Profit for the period					28

21. Commitments and contingent liabilities

21.1 Operating lease commitments

The Group have entered into a lease agreement in respect of the office building space. The terms of the agreement are generally 3 years.

Future minimum lease payments required under these non-cancellable operating leases contract was as follows.

	(Unit: Million Baht)	
	<u>30 June 2020</u>	<u>31 March 2020</u>
Payable:		
In up to 1 year	-	3
In over 1 and up to 5 years	-	5

In 2020 the Group adopted the TFRS 16 as at 1 April 2020. Therefore the Group recognised the lease liabilities previously classified as operating lease at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate, as described in Note 2 to the interim financial statements.

21.2 Other service commitment

As at 30 June 2020, the Company and a subsidiary had commitments of approximately Baht 3 million relating to a technical assistance service agreement and other agreements (31 March 2020: Baht 7 million).

21.3 Other commitments

As at 30 June 2020, the Company had outstanding commitments of Baht 4.5 million (31 March 2020: Baht 4.5 million) in respect of uncalled portion of investment in a subsidiary.

21.4 Guarantees

As at 30 June 2020, the Company has guaranteed bank credit facilities for a subsidiary amounting to Baht 350 million (31 March 2020: Baht 350 million).

21.5 Credit facilities

As at 30 June 2020, the Group have been granted credit facilities by various banks for which they have placed collaterals, as follows:-

The Company

- Letters of credit, trust receipts, guarantees and short-term loan facilities totaling Baht 1,461 million, of which totaling Baht 6 million (31 March 2020: Baht 34 million) of the 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 2020: have not yet been utilised). These credit facilities are secured by the mortgage of the Company's land with structures thereon, machinery and the fixed deposits account.
- Forward foreign exchange contract facilities of Baht 1,000 million, have not yet been utilised (31 March 2020: Baht 5 million). These credit facilities are secured by the mortgage of the Company's land with structures thereon and machinery.

A subsidiary

- Letters of credit, trust receipts, guarantees and short-term loan facilities totaling Baht 300 million, have not yet been utilised (31 March 2020: have not yet been utilised). 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 2020: have not yet been utilised). 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 2020: have not yet been utilised). These credit facilities are secured by the mortgage of the subsidiary's land with structures thereon and machinery.

A subsidiary

- Letters of credit, trust receipts, guarantees and loan facilities totaling Baht 506 million, of which Baht 38 million (31 March 2020: Baht 36 million) of the 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 by the Company.
- Overdraft facilities of Baht 60 million, have not yet been utilised (31 March 2020: Baht 60 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 363 million) and Baht 115 million, or a total approximately Baht 478 million, of which USD 0.1 million (equivalent to Baht 3 million) of the utilised amount are outstanding (31 March 2020: USD 11.7 million (equivalent to Baht 386 million) and Baht 115 million, or a total approximately Baht 501 million).

A subsidiary

- Letters of credit, trust receipts, guarantees and short-term loan facilities totaling Baht 22 million, have not yet been utilised (31 March 2020: have not yet been utilised). These credit facilities are secured by the Company.
- Overdraft facilities of Baht 5 million have not yet been utilised (31 March 2020: have not yet been utilised). These credit facilities are secured by the Company.
- Forward foreign exchange contract facilities of Baht 30 million, have not yet been utilised (31 March 2020: have not yet been utilised). These credit facilities are secured by the Company.

22. Fair value hierarchy

Since the majority of the Group's financial assets and liabilities are short-term in nature or carrying interest at rates close to the market interest rates, their fair value are not expected to be materially different from the amounts presented in the statements of financial position.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Group endeavors 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

Level 2 - Use of other observable inputs for such assets and liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

(Unit: Million Baht)

	Consolidated Financial Statements as at 30 June 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Other current financial assets	-	84.1	-	84.1
Other non-current financial assets	3.8	-	-	3.8

(Unit: Million Baht)

	Consolidated Financial Statements as at 1 April 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in debt securities	-	107.0	-	107.0
Derivatives				
Foreign currency forward contracts (to buy USD 0.15 million, as described in Note 23)	-	0.3	-	0.3
Investments in marketable units	3.5	-	-	3.5

(Unit: Million Baht)

Separate Financial Statements as at 1 April 2020

	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Derivatives				
Foreign currency forward contracts (to buy USD 0.15 million, as described in Note 23)	-	0.3	-	0.3

During the current period, there were no transfers within the fair value hierarchy.

23. Forward foreign exchange contracts

The Group 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	
	30 June 2020	31 March 2020	30 June 2020	31 March 2020	30 June 2020	31 March 2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	0.09	0.03	0.2	0.2	30.84	32.63
Japanese Yen	0.5	0.5	-	3.4	0.2820	0.3006
SG Dollar	-	-	0.05	-	22.4405	-

The Group has outstanding balance of forward foreign exchange contracts which to reduce the exchange rate risk arising from their financial liabilities dominated in foreign currency with the mature within one year. The details are summarised below.

Foreign currency	Bought amount (Million)	Sold amount (Million)	Contractual exchange rate	
			Bought	Sold
<u>As at 30 June 2020</u>				
US Dollar	0.10	-	30.94 - 32.195	-
<u>As at 31 March 2020</u>				
US Dollar	0.15	-	30.81 - 31.23	-

24. Events after the reporting period

On 24 July 2020, the Annual General Meeting of the Company's shareholders passed a resolution to approve the dividend payment of Baht 0.22 per share from its net operating profit for the year ended 31 March 2020. However, by the resolution of the meeting of the Company's Board of Directors no.4/2019 held on 11 November 2019, the Company had paid out the interim dividend of Baht 0.12 per share, for 383 million ordinary shares, to the Company's shareholder totaling Baht 45.96 million on 9 December 2019. The remaining dividend is Baht 0.10 per share, or totaling Bath 38.30 million. The dividend was paid on 10 August 2020.

25. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Board of Directors on 11 August 2020.