



Lohakit Metal Public Company Limited

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Public Company Registration No. 0107548000315

June 24, 2019

Subject Notice of the Annual General Meeting of Shareholders for the year 2019

To All Shareholders

- Enclosures:**
- (1) Copy of the Minutes of the Annual General Meeting of Shareholders for the year 2018
 - (2) Annual Report of the year 2018, including the Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity, Cash Flow Statement, which ended on March 31, 2019, and the auditor's report (QR Code)
 - (3) Preliminary information of the candidate for the election of director (Supporting document for Agenda 5)
 - (4) Proxy form and the list of documents or other evidences required to confirm eligibility to attend the meeting
 - (5) Details regarding the Independent Director
 - (6) Articles of Association on the Shareholders' Meeting
 - (7) A location map of the Shareholder Meeting's venue

The Board of Directors of Lohakit Metal Public Company Limited (the "Company") has resolved that the Annual General Meeting of Shareholders for the year 2019 will be called and held at 14.00 hrs. on July 25, 2019 at the Meeting Room, 12th Floor, Parking Building, No. 43 Thai CC Tower, South Sathorn Road, Yannawa Sub-district, Sathorn District, Bangkok. The meeting agenda is as follows:

Agenda Item 1 Consideration to certify the Minutes of the Annual General Meeting of Shareholders for the year 2018.

General Information:

The Annual General Meeting of Shareholders for the year 2018 was held on 26 July 2018, with details as according to the copy of the minutes (Enclosure (1)).

Board's Opinion: The Board confirms that the Minutes of the Annual General Meeting of Shareholders for the year 2018, as appeared in Enclosure (1), is accurate and shall be proposed for further certification by the Shareholders' Meeting.

Voting Rule:

The resolution under this agenda has to be passed by the majority vote of the shareholders, attending and voting in the meeting.

Agenda Item 2 Consideration to acknowledge the Company's operating report, which ended on March 31, 2019.

General Information:

The Company's operating report, which ended on March 31, 2019, with details as appeared in the annual report sent to the shareholders together with this notice.

Board's Opinion: The Board recommends to propose the Company's operating report, which ended on March 31, 2019, to be further acknowledged by the Shareholders' Meeting. Details of the report as appeared in the Company's Annual Report of the year 2018, Enclosure (2).

Voting Rule:

No voting is required since this agenda is for acknowledgement only.

Agenda Item 3 Consideration to approve the Company's Financial Statement, consisting of Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity and Cash Flow Statement, which ended on March 31, 2019 and the auditor's report.

General Information:

The Company's Financial Statement, which ended on March 31, 2019 as appeared in the Annual Report, already reviewed by the audit committee and obtained the examination from the authorized auditor, was sent together with this notice.

Board's Opinion: The Board recommends that the Financial Statement, consisting of Statement of Financial Position, Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity and Cash Flow Statement which ended on March 31, 2019 and the auditor's report, as appeared in Enclosure (2), shall be proposed for further approval by the Shareholders' Meeting.

Voting Rule:

The resolution under this agenda has to be passed by the majority vote of the shareholders, attending and voting in the meeting.

Agenda Item 4 Consideration on dividend

General Information:

According to Section 116 of the Public Limited Companies Act B.E. 2535 and Clause 48 of the Company's Article of Association, the Company must reserve at least 5% of the annual profit deducted by the accumulated loss (if any) until this reserve is amounting to at least 10% of the registered capital.

As at March 31, 2019, the Company's registered capital is Baht 383,000,000 and having legal reserve amounted to Baht 38,300,000 or equal to 10% of the Company's registered capital, which is fully appropriated according to the Company's Article of Association, therefore, no additional allocation is required.

The Company has a policy to pay the dividend of at least 40% of the net profit after deducting the corporate income tax but the Company may prescribe to pay the dividend less than the above mentioned rate in case the Company needs to use such net profit to expand the Company's business operation.

Board's Opinion: According to the Statement of Comprehensive Income ended on March 31, 2019, the Company has a profit of Baht 142,809,411. The Board recommends to propose the Shareholders' Meeting to approve the dividend payment at Baht 0.37 per share deducting the paid interim dividend at Baht 0.19 per share in the total of Baht 72,770,000. The remaining dividend in the amount of Baht 0.18 per share, or the total of Baht 68,940,000, shall be paid to the shareholders. The record date on which the recorded shareholders have the right to the dividend will be on June 20, 2019 and the dividend payment will be on August 9, 2019.

Note:

A natural person shareholder shall be entitled to receive a tax credit since the net profit was already paid for corporate income tax at the rate 20%. Therefore, the tax credit for this dividend shall be equal to 20/80.

Table of comparison of dividend payment for the year 2017 – 2018 is as follows:

Details	2017	2018
Net profit (Baht)	188,969,064	142,910,235
Reserve for legal reserve	-	-
Dividend payment per share (Baht/Share)	0.45	0.37
- First half interim dividend (Baht/Share)	0.20	0.19
- Second half dividend (last 6 months) (Baht/share)	0.25	0.18
Number of Shares (Shares)	383,000,000	383,000,000
Total Dividend Payment (Baht)	175,350,000	142,710,000
Dividend Payment Ratio (%)	91.21	99.23

Voting Rule:

The resolution under this agenda has to be passed by the majority vote of the shareholders, attending and voting in the meeting.

Agenda Item 5 Consideration for appointment of directors in replacement of those retired by rotation and determination the directors' authorities

General Information:

According to Section 71 of the Public Limited Companies Act B.E. 2535 and Clause 21 of the Company's Article of Association, at each Annual General Meeting, one-third of the directors must be retired by drawing a lot for the 1st and 2nd year after registration of the Company. For the following years, the directors who remained in office the longest shall be retired.

In the year 2019, the directors who shall be retired are as follows:

- (1) Mr. Prasarn Akarapongpisak Director, Chairman of the Executive Director and Managing Director
- (2) Mr. Teera Na Wangkanai Director, Audit Committee and Chairman of the Nomination and Remuneration Committee
- (3) Mr. Somnuik Thanasarn Director, Executive Director

For the Annual General Meeting of Shareholders of the year 2019, the Company provided minor shareholders an opportunity to propose in advance the qualified candidates to be nominated for election in the annual

shareholders' meeting between April 3, 2019 to May 7, 2019, as announced on the Company's website (www.lohakit.co.th) and on the SET's news and information system. However, there was no shareholder's nomination for a director candidate.

Board's Opinion:

5.1 The Board, excluding members having conflict of interest, agreed with the Nomination and Compensation Committee's proposal, that the Shareholders' Meeting should re-elect Mr. Prasarn Akarapongpisak, Mr. Teera Na Wongkanai and Mr. Somnuik Thanasarn, who were retired by rotation to be director of the Company for another term.

Details of age, education background, work experiences, are as appeared in Enclosure (3).

According to the Articles of Association of the Company, the election of Company's directors is to be determined by a majority of votes.

5.2 The Authority of directors for signing on behalf of the Company should be retained as follows:

"Mr. Prasarn Akarapongpisak, Mr. Somnuik Thanasarn, Mr. Vittawat Akarapongpisak, any two of these three directors jointly sign with affix the Company's seal."

Voting Rule:

The resolution under this agenda has to be passed by the majority vote of the shareholders, attending and voting in the meeting.

Agenda Item 6 Consideration for payment of directors' remuneration for the year 2019.

General Information:

According to Clause 35 of the Company's Articles of Association, the directors are entitled to receive the remuneration as salary, remuneration for the meeting, bonus or other benefits as per the Articles of Association or as approved by the Shareholders' Meeting.

To ensure that the directors will receive appropriate and fair remuneration, the Nomination and Remuneration Committee proposed that the remuneration of the Board be determined by considering their duties and responsibilities, past performance, experience, business expansion, and the Company turnover, details of the proposed directors' remuneration for the year 2019 are in the table below, and the Directors who are the Company's Executives shall not be entitled to receive the directors' remuneration.

Board's Opinion: The Board agreed with the Nomination and Remuneration Committee's proposal. It is of the opinion that the Shareholders' Meeting should approve the allocation of directors' remuneration for the year 2019.

Table of comparison of directors' remuneration for the year of 2017 – 2019 is as follows:

Directors' Remuneration	2017 (Baht)	2018 (Baht)	2019 (Baht)
Remuneration for the Meeting of the Board			
- Chairman (per meeting)	20,000	30,000	30,000
- Director (per meeting)	10,000	20,000	20,000

Remuneration for the Meeting of the Audit Committee			
- Chairman (per meeting)	20,000	30,000	30,000
- Director (per meeting)	10,000	20,000	20,000
Remuneration for the Meeting of the Nomination and Remuneration Committee			
- Chairman (per meeting)	30,000	30,000	30,000
- Director (per meeting)	20,000	20,000	20,000
Bonus (assigned the Board of Directors to allocate)	4,000,000	-	-

- Directors who are the Company's executive shall not be entitled to receive the directors' remuneration.

Voting Rule:

The resolution under this agenda has to be passed by the vote of not less than two-thirds of the total votes of shareholders, attending the meeting.

Agenda Item 7 **Consideration for appointment of Company's auditors and approval of auditors' fee for the year 2019.**

General Information:

According to Section 120 of the Public Limited Companies Act B.E. 2535 and Clause 43 of the Company's Article of Association, the Annual General Meeting of Shareholders shall appoint the auditors and determine the auditor's remuneration.

In addition, according to the Notification of the Capital Market Supervisory Board No. Tor. Jor. 75/2561 regarding the rule, condition and method of report to release the information on financial status and the operation of the Company (No. 14), the Company must rotate the auditors if such auditors have been on the duty for 7 accounting years whether consecutively or not. The Company can re-appoint such auditors when they are not on the duty for 5 consecutively accounting years. In this regard, EY Office Ltd. has been audited the Company for 31 consecutive years. In addition, EY Office Ltd. is also proposed to serve as an auditor of Company's subsidiaries.

Board's Opinion: According to the opinion of the Audit Committee, the Board recommends that the following auditors from EY Office Ltd. shall be proposed for appointment by the Shareholders' Meeting. Anyone of the above may carry out the work for the company for the year of 2019. The auditor's fee for annual audit would be Baht 1,170,000.

Auditors' Name	License No.	No. of years of duty
(1) Mrs. Gingkarn Atswarangsalit	4496	2
(2) Mr. Chayapol Suppasedtanon	3972	-
(3) Ms. Sumana Punpongsanon	5872	-
(4) Ms. Orawan Techawatanansirikul	4807	-

Additional Information:

- (1) The above proposed auditors are independent and do not have any relationship or any conflict of interest with the Company, the executives, the major shareholders or their related persons.
- (2) The above proposed auditors have been approved by the Office of the Securities and Exchange Commission to examine the listed company.
- (3) Table of comparison of audit fee for the year 2017 – 2019 is as follows:

Year	2017	2018	2019
Audit Fee	1,170,000 Baht	1,170,000 Baht	1,170,000 Baht
Non-Audit Fee	-	-	-

Voting Rule:

The resolution under this agenda has to be passed by the majority vote of the shareholders, attending and voting in the meeting.

Agenda Item 8 Other matters, (if any)

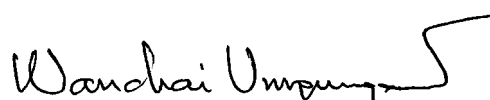
The record date on which the recorded shareholders have the right to attend the Annual General Shareholders' Meeting for the year of 2019 will be on June 20, 2019.

Kindly attend the meeting on the date, time and place as specified above. If you are unable to attend the meeting, you may appoint

1. Mr. Wanchai Umpungart, Independent Director, Chairman of the Board and Chairman of the Audit Committee
2. Mr. Lert Nittheranont, Independent Director and Member of the Audit Committee or other person to attend and vote at the meeting on your behalf.

The Proxy Form is enclosed herewith; please complete, sign the Form B Proxy as appeared in Enclosure (4) and affix 20 Baht stamp duty and return to the Company at least one day before the meeting date, or hand in the completed and signed Proxy to the Chairman of the Board or the designated person at the meeting venue before the meeting starts. The meeting registration will start at 12.00 hrs.

Yours sincerely,



Mr. Wanchai Umpungart
Chairman
Lohakit Metal Public Company Limited



**Minutes of Annual General Meeting of Shareholders for the Year 2017
of
Lohakit Metal Public Company Limited**

The Meeting was held on July 26, 2018 at 14.00 hrs. at the Meeting Room, 12th Floor, Parking Building, No.43, Thai CC Tower, South Sathorn Road, Yannawa, Sathorn, Bangkok.

Ms. Sukhontha Kasemsuk, the master of ceremony, welcomed the shareholders to Annual General Meeting of Shareholders for the Year 2018 of Lohakit Metal Public Company Limited and informed the meeting that there were 230 shareholders attended the meeting, both in person and by proxy, together represented 266,228,842 shares with equivalent to 69.51% of the total issued shares, thus forming a quorum according to Article 39 of the Articles of Association. The master of ceremony introduced the attendees as follows;

Attending Directors

- | | | |
|----|----------------------------|--|
| 1. | Mr. Wanchai Umpungart | Chairman of the Board,
Chairman of the Audit Committee and Member of the
Nomination and Remuneration Committee |
| 2. | Mr. Prasarn Akarapongpisak | Director, Chairman of the Executive Director and
Managing Director |
| 3. | Mr. Teera Na Wangkanai | Director, Audit Committee and Chairman of the
Nomination and Remuneration Committee |
| 4. | Mr. Lert Nitheranont | Director, Audit Committee and Member of the
Nomination and Remuneration Committee |
| 5. | Mr. Anurut Vongvanij | Director |
| 6. | Mr. Anan Manatchinapisit | Director, Executive Director and Board Secretary |
| 7. | Mr. Somnuik Thanasarn | Director and Executive Director |

Absent Director

-

Auditor

- | | | |
|----|-------------------------------|----------------|
| 1. | Mrs. Gingkarn Atsawarangsalit | EY Office Ltd. |
| 2. | Ms. Phavadee Sangkhawatthana | EY Office Ltd. |
| 3. | Ms. Prim Wacharaprapha | EY Office Ltd. |
| 4. | Ms. Pattama Wanprasit porn | EY Office Ltd. |

Legal Consultant

- | | | |
|----|----------------------------|-------------------------|
| 1. | Mrs. Nittaya Kiatserikul | Seri Manop & Doyle Ltd. |
| 2. | Ms. Siranuch Chalanonniwat | Seri Manop & Doyle Ltd. |

Ms. Sukhontha Kasemsuk informed the Meeting of the voting procedures on each agenda as follows:

Each shareholder shall have the vote equal to the amount of shares held in person or by proxy and may place the vote to adopt the resolution, objecting to, or abstaining on each agenda in equal to

the amount of shares held in person or by proxy as stated on the voting card received upon registration.

On counting the votes, the Company's officials would count only the shareholder's votes objecting to, or abstaining on each agenda. The shareholders may raise their hands for the official to collect voting cards for objecting vote, or abstaining vote. Those objecting votes or abstaining votes would be subtracted from the total votes that attend the meeting. Non-vote should be deemed approval of the agenda. If the majority of vote adopts the resolution and the voting is conformed to the Company's regulation regarding the vote, it would be deemed that the meeting has adopted or approved such agenda. Any ballot with the following conditions shall be regard as an invalid ballot and shall not be included in vote counting;

- (1) A ballot of other agenda
- (2) A ballot with no mark
- (3) A ballot with several marks

Nevertheless, split of votes is allowed for the shareholder having appointed custodians.

- (4) A damaged ballot with unclear voting intention by shareholders

This is with an exception to the agenda No. 5 regarding the appointment of new director to replace the retired director, which must collect the objecting and abstaining votes before collecting the adopting votes. Non-vote shall be considered approval of the agenda. For any shareholder who wish to leave the meeting early or absent from the meeting in any agenda, such shareholder may place the vote by submit the voting card to the Company's official in advance.

In addition, it is permissible for the shareholder to reasonably inquire regarding the issue concerning the agenda before voting time of such agenda. The shareholder who wishes to place the inquiry must inform the meeting of his full name before placing inquiry or giving opinion.

The Company reserves the right to collect the voting cards from all shareholders at the end of the meeting as evidences.

The master of ceremony provided an opportunity to the shareholders to make any inquiries on the voting procedures. As there is no inquiry, the master of ceremony then invited the Chairman to give a speech.

Mr. Wanchai Umpungart, The Chairman of the Meeting, informed that the shareholders had attended forming a quorum then proceeded as according to the following agendas:

Agenda 1. Consideration to certify the Minutes of the Annual General Meeting of Shareholders for the year 2017

The Chairman proposed the Meeting to consider and certify the Minutes of the Annual General Meeting of Shareholders for the year 2017 held on July 27, 2017 which a copy of minutes has been formerly sent to shareholders altogether with the invitation letter for approval by the Meeting.

The Chairman inquired whether any shareholder having any question or suggestion. Since there was no question, the Chairman then proposed the Meeting to consider for approval.

The Meeting has unanimously resolved to approve the minutes of the Annual General Meeting of Shareholders for the year 2017 with the following voting results:

- Approved, representing 268,766,799 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;
- Disapproved, representing 0 vote, equivalent to 0% of the total votes of shareholders attending the meeting and having the rights to vote;
- Total 268,766,799 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;

- Abstained, representing 0 vote, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.
- Void ballot, representing 0 vote, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.

Agenda 2. Consideration to acknowledge the Company's operating report, which ended on March 31, 2018

The Chairman proposed the Meeting to consider the Company's operating report, which ended on March 31, 2018, which had already been sent to the Shareholders in advance. Then, the Chairman assigned Mr. Prasarn Akarapongpisak, Chairman of the Executive Director, to propose the Meeting to present the Company's operating report:

Mr. Prasarn Akarapongpisak presented to the Meeting relating to the Company's operating report which ended on March 31, 2018 as followings;

Total income: the Company has a net income of 3,408 million Baht, from the quantity view it is leveled off with the previous year, but considering the price view the total income is 5.6% higher than the previous year

Gross profit: the Company has a gross profit of 482 million Baht or 14.3% of sales volume, which is approximately 1.0% higher than the previous year.

Net profit: the Company has a net profit of 208 million Baht or 6.2% of the sales volume or which is approximately 0.7% higher than the previous year. The significant factors are the increasing income in automotive industry which is the principle profit resource of the Company. Further, an increase of efficiency and cost management in manufacturing processes hereby results decreasing cost and increasing profit.

Profit per share: the Company has profit per share equal to 0.54 Baht/share.

Return on Asset (ROA) = 8.99%

Return on Equity (ROE) = 14.43%

Current Liquidity = 2.91 times (increase from previous year)

Debt to Equity Ratio (D/E RATIO) = 0.40 times (decrease from the previous year)

The Chairman inquired whether any shareholder having any question or suggestion and there was no question.

The Meeting unanimously acknowledged the operating report which ended on March 31, 2018.

Agenda 3. Consideration to approve the Company's Financial Statement, consisting of Statements of Financial Position, Statement of Comprehensive Income, Statement of Change in Shareholders' Equity and Cash Flow Statement, which ended on March 31, 2018 and the auditor's report

The Chairman proposed the Meeting to consider and approve the Company's Financial Statement, consisting of Statements of Financial Position, Statement of Comprehensive Income, Statement of Change of Shareholders' Equity and Cash Flow Statement, which ended on 31 March 2018, and the auditor's report which had already been sent to the Shareholders in advance.

The Chairman inquired whether any shareholder having any question or suggestion. Since there was no question, the Chairman then proposed the Meeting to consider for approval.

After due consideration, the Meeting has unanimously resolved to approve the financial statement, which ended on 31 March 2018 as proposed, with the following voting results:

- Approved, representing 268,794,009 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;
- Disapproved, representing 0 vote, equivalent to 0 % of the total votes of shareholders attending the meeting and having the rights to vote;
- Total 268,794,009 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;
- Abstained, representing 0 vote, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.
- Void ballot, representing 0 vote, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.

Agenda 4. Consideration on dividend

The Chairman assigned Mr. Prasarn Akarapongpisak, Chairman of the Executive Director, to report to the Meeting.

Mr. Prasarn Akarapongpisak reported the Meeting that according to the Company's Statement of Comprehensive Income ended on 31 March 2018, the Company has a net profit of Baht 188,969,064 hence proposed the meeting's approval of dividend payment at Baht 0.45 per share deducting the paid interim dividend at Baht 0.20 per share totaling of Baht 76,600,000 the remaining dividend in the amount of Baht 0.25 per share, totaling of Baht 95,750,000 shall be paid to the shareholders. The record date on which the recorded shareholders have the right to the dividend will be on June 20, 2018 and the dividend payment will be on August 10, 2018.

The Chairman then proposed the Meeting to consider for approval.

After due consideration, the Meeting has unanimously approved for the dividend payment pursuant to the proposition, with the following voting results:

- Approved, representing 268,794,109 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;
- Disapproved, representing 0 vote, equivalent to 0% of the total votes of shareholders attending the meeting and having the rights to vote;
- Total 268,794,109 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;
- Abstained, representing 0 vote, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.
- Void ballot, representing 0 vote, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.

Agenda 5. Consideration for appointment of the directors in replacement of those retired by rotation and determination of the authorized directors

The Chairman presented to the Meeting that, agenda 5.1, according to section 71 of Public Limited Companies Act B.E. 2535 and article 21 of the Company's Articles of Association stipulates that at the first Annual General Meeting of each year, one-third of the directors must be retired by rotation. The directors to retire during the first and second years following the registration of the Company shall be drawn by lots. In every subsequent year, the director who has been in office for the longest term shall retire. In this year 2018, there is Mr. Anan Manatchinapisit (Director, Executive Director, Board Secretary) who will be retired by rotation. For the Annual General Meeting of Shareholders for the year 2018, the Company provided minor shareholders an opportunity to propose in advance qualified candidates to be nominated for election in the annual shareholders' meeting between April 17, 2018 to May 17, 2018, as announced on the Company's website

(www.lohakit.co.th) and on the SET's news and information system. However, there was no shareholder's nomination of a director candidate.

In addition, the Board, excluding members having conflict of interest, agreed with the Nomination and Compensation Committee's proposal, that the Shareholders' Meeting should elect Mr. Vittawat Akarapongpisak to be a new director and an executive director of the Company, in replacement of the director who retired by rotation. Details of age, education background, work experiences, are as appeared in Enclosure (3). Further, Mr. Anan Manatchinapisit shall still be the Board Secretary. The Chairman asked Mr. Vittawat Akarapongpisak to introduce himself to the Meeting.

The Chairman inquired whether any shareholder having any question or suggestion. Since there was no question, the Chairman then proposed the Meeting to consider for approval.

After due consideration, the Meeting had resolved with the majority votes to appoint Mr. Vittawat Akarapongpisak as a director and executive director of the Company, with the following results:

- Approved, representing 252,882,849 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;
- Disapproved, representing 0 vote, equivalent to 0 % of the total votes of shareholders attending the meeting and having the rights to vote;
- Total 252,882,849 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;
- Abstained, representing 15,980,760 votes, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote;
- Void ballot, representing 0 vote, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.

For the Authority of directors, it should be amended in order to be consistent with the appointment of the new director as follows:

“Mr. Prasarn Akarapongpisak, Mr. Somnuik Thanasarn, Mr. Vittawat Akarapongpisak, any two of these directors are jointly signs with affix the Company's seal.”

The Chairman inquired whether any shareholder having any question or suggestion. Since there was no question, the Chairman then proposed the Meeting to consider for approval. After due consideration, the Meeting had resolved with the majority votes to amend the Authority of directors of the Company, with the following results:

- Approved, representing 268,858,709 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;
- Disapproved, representing 0 vote, equivalent to 0 % of the total votes of shareholders attending the meeting and having the rights to vote;
- Total 268,858,709 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;
- Abstained, representing 5,000 votes, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.
- Void ballot, representing 0 vote, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.

Agenda 6. Consideration for payment of directors' remuneration for the year 2018

The Chairman assigned Mr. Teera Na Wangkanai, Chairman of the Nomination and Remuneration Committee, to propose the Meeting to consider the payment of directors' remuneration for the year 2018

Mr. Teera Na Wangkanai presented to the Meeting that according to article 35 of the Company's Articles of Association, director is entitled to receive the remuneration in form of salary, remuneration of the meeting, bonus or other forms of remuneration pursuant to the Articles of Association or as approved by the shareholders meeting.

In order to provide the appropriate and fair remuneration to directors, the Nomination and Remuneration Committee hereby presented the Board of Director for considering the remuneration whereby considered on duty, role, responsibility, performance, and experience along with the business expansion, financial status and turnover of the Company. The Company ultimately proposes to determine the director remuneration of year 2018 as appeared in the annex which had already been sent to the Shareholders together with notice, in this regard, the director who is executive director will not be entitled in the remuneration of the meeting as followings;

- (1) Remuneration of the Meeting for the Board of directors
 - Baht 30,000 per Meeting for Chairman of the Board.
 - Baht 20,000 per person / Meeting for Director

Directors who are the Company's executive or employee shall not be entitled to receive the directors' meeting fee

- (2) Remuneration of the Meeting for the Audit Committee
 - Baht 30,000 per Meeting for Chairman of Audit Committee
 - Baht 20,000 per person / Meeting for Audit Committee
- (3) Remuneration of the Meeting for the Nomination and Remuneration Committee
 - Baht 30,000 per Meeting for Chairman of Audit Committee
 - Baht 20,000 per person / Meeting for Audit Committee

In this year 2018, the Company did not propose for the approval of bonus of director which had been determined in an amount to Baht 4,000,000 in previous years. However, the Company has not paid bonus to the director.

The Chairman inquired whether any shareholder having any question or suggestion. Since there was no question, the Chairman then proposed the Meeting to consider for approval.

After due consideration, the Meeting has unanimously approved for the remuneration payment of year 2018 as proposed by the Chairman with the following results:

- Approved, representing 268,863,709 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;
- Disapproved, representing 0 vote, equivalent to 0 % of the total votes of shareholders attending the meeting and having the rights to vote;
- Total 268,863,709 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;
- Abstained, representing 0 vote, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.
- Void ballot, representing 0 vote, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.

Agenda 7. Consideration for appointment of Company's auditor and approval of auditors' fee for the year 2018

The Chairman assigned Mr. Anan Manatchinapisit, the Executive Director to propose the Meeting that according to section 120 of Public Limited Companies Act B.E. 2535 and article 43 of the Company's Articles of Association stipulates that the Annual General Meeting of Shareholders appoints Company's auditor and approval of auditors' fee. In addition, the Notification of the Office of Securities and Exchange Commission Ref No. Kor Jor 39/2548 re: criteria, conditions and methods of making disclosure of information on financial status and operational performance of securities issuing companies (Vol. 20) stipulates that the auditor of listed companies who has

performed his or her duty in reviewing, auditing and giving opinion on the financial statements of the company for five consecutive fiscal years shall be rotated. In such case, auditor from the same firm with former auditor may be appointed. In this regard, the auditor from EY Office Ltd. has been audited almost 30 years continually. In addition, EY Office Ltd. was proposed by the Company's affiliate to be auditor in year 2018.

The Board of Directors, after considering the approval of the Audit Committee, saw as appropriate for the Meeting to approve the appointment of;

- 1) Mrs. Gingkarn Atsawarangsalit, CPA License No. 4496
- 2) Mr. Chayapol Suppasertanon CPA License No. 3972
- 3) Ms. Sumana Punpongsonon CPA License No. 5872
- 4) Ms. Orawan Techawatanasirikul CPA License No. 4807

of EY Office Ltd. to be the Company's auditor in year 2018. Any one of these auditors is person who audit and provide opinion to the financial statement of the Company. The audit fee for annual audit would be Baht 1,170,000 which is equivalent to previous year.

The Chairman inquired whether any shareholder having any question or suggestion. Since there was no question, the Chairman then proposed the Meeting to consider for approval.

After due consideration, the Meeting has unanimously resolved as proposed with the following voting results:

- Approved, representing 268,863,709 votes, equivalent to 0% of the total votes of shareholders attending the meeting and having the rights to vote;
- Disapproved, representing 0 vote, equivalent to 0 % of the total votes of shareholders attending the meeting and having the rights to vote;
- Total 268,863,709 votes, equivalent to 100% of the total votes of shareholders attending the meeting and having the rights to vote;
- Abstained, representing 0 vote, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.
- Void ballot, representing 0 vote, equivalent to - % of the total votes of shareholders attending the meeting and having the rights to vote.

Agenda 8. Other matters

The Chairman inquired whether any shareholder having any question or suggestion.

The shareholders inquired the Meeting and the Company has informed the Meeting as follows;

Mr. Pravit Virojwongchai, shareholder, inquired as follows:

- What is the tendency of Company's turnover of this current year? Shall it keep level off this great turnover in both revenue and profit aspects?

Mr. Prasarn Akarongpisak explained that the Company has been made a continual growth in turnover for the last year, ended on March 2018. The obvious significant factors are automotive industry as the automotive industry in Thailand has just recovered recently and continually growing. However, this is merely a minor perspective because the whole Company group's main revenue and turnover come from macroeconomics. If the global economic and exportation are good and there are construction investments which relating to the business of the Company i.e. automotive and electric appliance and construction industries, then the turnover of the Company will tend to remain good. Whenever the economic fluctuates, the Company's customer may decrease quantity of manufacturing, and then the Company hereby has to reduce the manufacturing quantity. For example, upon automotive industry shuts down or drops off, the turnover of the Company will abruptly decline. Therefore, it is difficult to forecast the turnover in this year even answering in the

Opportunity Day which is to be held every 3 months. The current threats are interest rate which has been increased in other country but not in Thailand and Thailand currency exchange rate which we see that Thai Baht becomes weaker but not more than other currencies while US Dollar continually appreciates. These occurrences affect directly and indirectly to the customers' cost as they ordered materials from Company for their manufacturing. We hereby prefer to answer this issue quarterly.

For the previous quarter, the Company sees that there were some fluctuations and trade war affected psychologically. There were both good and terrible things such as washing machine industry group reluctantly to export product to USA.

The goal imposed by the Company for year 2018 is the turnover must not less than the previous year. We admit that this is the most aggressive goal ever because the turnover of year 2017 was great indeed. However, due to the First-Car policy has come to 5 year period, people tends to buy new car. Automotive industry hereby is the main reason urging the Company confident to reach the goal.

The second factor is construction industry. The Company has participated in sky train and subway station constructions including stainless handrail, stainless plate for escalator and elevator. In addition, the Company has participated in supplying kitchen stainless equipment, other equipment stainless, stainless fence and rail stainless for Condominiums near the train lines. Therefore, construction industry is one of the factors driving the Company to reach the planned goal.

With respects to electric appliance which is approximately equivalent to 20% of the Company business including wash machine, rice cooker, microwave and refrigerator, the turnover remains good but it requires indicating later.

However, the impulsion of automobile industry is quite good, thus apart from the first quarter, the Company tries to maintain in the second quarter even though it is low season. The result of estimating on automotive industry still remains good whereby the goal was made more than the previous year. The Company hereby is of the view to keep the level of earning profit from automotive industry which is the essential making profit source for the Company. Thus we believe that the Company's turnover should remain good through next 6 months.

- Currently, Thai Baht is weaker and copper product price is lower. Do these two incidents affect the Company?

Mr. Prasarn Akarapongpisak explained that commodity product price is still appreciated. However, copper is not the main product of the Company but Nickel. If looking into the graph showing on the Opportunity Day, it can be noticed that the Company's operating is hardly related with the fluctuations of commodity product price as the Company has management system using supply chains. From year 2008, although it has economic crisis, the Company has had no Mark to Market Loss. Consequently, we are of the opinion that the Company can control these incidents.

For currency exchange rate, the Company always fixes the currency exchange rate because we have never taken risk in this regard. As approximately 80% of our customers purchase product for their production and approximately 60% of such customers are Japanese automotive and electric appliance businesses, which always order products in advance, the Company always makes agreement with customers to fix the currency exchange rate in advance. One of the reasons bringing Japanese automotive customers to purchase product from the Company is because these customers want to avoid risk in currency exchange rate. Therefore, we had rather be confident that the Company will be safe as formerly. Saved for the event that there is any serious fluctuation, however; it is unlikely to happen because news spread rapidly nowadays and the financial institute has provided us with good support. Instead, we should be careful of an increase of interest rate announcement because in importation, the Company sometime executes T/R (Trust Receipt) or credit term whereby supplier imposes interest rate depending on market price. It consequently extends cost. Moreover, the

Company has partly taken credit facility from the financial institute but not much whereby the interest must be paid. Nevertheless, there is no dramatic effect at this period.

Mr. Assawin Likitsap, shareholder, inquired as follows:

- Does the Company import the material from other countries by paying US Dollar only? Are there any incomes receiving in Chinese Yuan Renminbi (CNY)? What is the ratio? As recently, CNY is abruptly very weak.

Mr. Prasarn Akarapongpisak explained that the Company has purchased materials from supplier in Thailand approximately to 50% by purchasing from Posco-Thainox Public Co., Ltd. and the other 50% have been imported from other countries. The major suppliers are from Japan. Others are from the counties in ASEAN, including Indonesia and Malaysia, where the importation tax is nearly 0%. There are few importations from China because Thai market is not the main target for China. The Company has not traded in CNY since the Company has rarely purchased materials from China, thus all purchases paying by US Dollar. The Company has not earned profit from currency exchange rate and we attempt to avoid any loss from currency exchange rate as well.

- How is ratio of Company's costs?

Mr. Anan Manatchinapisit explained that as the Company is manufacturer, consequently, the Company divides ratio for material cost approximately to 80-85% of all costs. The remaining 15-20 % is costs relating to manpower and factory expenses.

Mr. Sombool Udomdirek, shareholder, inquired as follows:

- With regard to product manufacturing of the Company. What are the processes of stainless manufacturing at factory? And, what are the finished goods selling to the customers?

Mr. Prasarn Akarapongpisak explained that the Company's business model is divided in 2 parts. First is cutting, chopping, dividing, making holes or pumping rolled stainless steel, rolled aluminum, rolled brass and rolled copper and selling to the customers for assembling their products. For instance, microwave, refrigerator. We can separate it by sort of industry as followings; approximately 30% for automotive industry whereby, in addition to cutting, chopping, dividing, the Company has rolled the stainless for making pipes and then using with automobile which is special stainless as it is 1,000 degree Celsius refractory, approximately 19% for electric appliance industry is in field of wash machine, microwave, rice cooker and refrigerator, and approximately 21% for construction industry. Besides, there are wholesales for used spare part group (Xiang Kong) that purchase for re-sale approximately 16%, which the Company has not earned much profit from this group of customer. However, the Company can make a lot profits approximately 60% from Japanese customer who decline to store stock by themselves. In this regard, the Company has carried to purchase materials and store stock for them and then perform cutting, chopping and dividing by reducing the loss of cut stainless sheets to the minimum. When the customers figure that our Company help them saving money and performs more than normal sale and purchase, the customers then accept higher price.

The shareholders can find further information by attending Opportunity Day which is to be held every 3 months. This occasion will widen new perspectives for the investors concerning to the Company's business and to follow up the financial management of the Company.

- Relating to manufacturing sheet or roll of steel to be finished products or semi-finished products, do the products meet acceptable standard? Can the quality of products compare with the products imported from China, Korea or those accepted by Japan?

Concerning to automotive standard, the Company has provided customers (Tier1) stainless pipes. The Tier1 use such stainless pipe in making up exhaust pipe and then sell to automobile

company to manufacture car. Tier1 sell the exhaust pipe to every brand of car, except TOYOTA due to a market sharing. Consequently, market share in automotive industry is substantially strong and industrial standard are approved. For standard of pipe and sheet stainless, if the Company exports the products to Japanese customers, the regulating Japanese standard is required. The Company certainly trusts in standard as the business has been carried more than 30 years. The Company always adheres to the slogan 'In Quality We Trust'.

Mr. Supakorn Chinpongpaisarn, shareholder, inquired as follows:

- According to the last Annual General Meeting, the Company had clarified that the change will happen gradually since Japan will focus more on Hybrid car. However, as EV automotive grows and charger point increases currently, what is the status of EV automotive? Does it change from the previous year status?

Mr. Prasarn Akarapongpisak explained that from discussing with Japanese partner about business status of stainless pipe for exhaust pipe in the next 10 years, tendency of car and fuel would not be affected much in Japan because changing to EV automotive is difficult until it can be proved that EV automotive can run without any trouble or can use during flood or other risk situation. Therefore they could not figure out how car business would affect in Japan in the next 10 years. EV automotive trend will absolutely come but car using fuel industry will remain good. Currently, there are a large number of charger points in Japan, they are ready for EV automotive than Thailand but Japan still focuses on Hybrid more than EV automotive.

For Thailand, we believe that the change will definitely happen in the next 4-5 years. However, the point is whether EV automotive would be imported from China or Japan since it would consequent to customer's purchase decision. Nevertheless, although the government has supported EV automotive but there is risk in dramatic change in charger technology development. Investing first is adverse. Personally, from discussing with our business partner, we see no change in the next 3 years especially for pick-up truck as it is difficult to transfer to electric system. It has to spend at least 10 years to see what will happen in Thailand. From this point, we see no effect in the next 5 years but for another 5 years afterward, it depends on EV automotive situation in Thailand whether Thailand would be outstanding than other countries. We will need to rely on observation. If there is a decrease of filling station, it is a sign that fuel or gasoline vehicles would be affected. However, at present the filling station is still growing and stainless companies keep manufacture extremely. It depends on when the consumer decide to purchase EV automotive.

In additions, Hybrid car manufacturing requires stainless pipe more than normal car. It actually makes good consequence to the Company.

Personally, we believe that the Company's business throughout the next 5 years will remain good. However, due to the strong trend, the shareholders can follow up the status of the company in the Opportunity Day.

Mr. Assawin Likitsap, shareholder, inquired as follows:

- What is the overall investment goal planned in the next 3-5 years? As informed that the Company had purchased additional warehouse, how is financial status? Is there any plan to expand business? And, is there any commitment with customers in regard to inventory sale?

Mr. Prasarn Akarapongpisak explained that with regard to inventory, there is no commitment with customer in every orders which open L/C (Letter of Credit) because the strong selling point of the Company is no commitment, thus the customers are willing to purchase products from us. In additions, as the Company has been carrying business for long time, so the Company hereby totally knows customer. Consequently, the received customer data base has already been through management system and risk cost management.

For investment budget, the Company plans not to invest in anything during year 2018-2019 as there are dramatic fluctuations currently. The reason of purchasing additional warehouse is that Auto Metal Co., Ltd. has a large amount of cash flow and purchasing warehouse will increase delivery efficiency and production capacity of the Company to 20% without buying new machine which cost millions baht. This purchase is for supporting automotive industry as the Company forecasts that in the next 5 years it will remain good. Purchasing additional warehouse as asset and restructuring made the better management. The Company rarely invests in machine whereby the Company has a little budget for maintenance and spare part changing in an amount of 50 million baht per year. At this moment, the Company has both financial source from supporting financial institute and cash flow of the Company itself. The Company has preliminary plan to invest in interesting company sized 400-700 million baht, if there is any. However, within these 2 year period, the Company will not focus in investment due to economic instability.

Mr. Pravit Virojwongchai, shareholder, inquired as follows:

- Does the Company plan to purchase the Company's shares?

Mr. Prasarn Akarongpisak explained that the Company has no plan to purchase any of the Company's shares.

The Chairman declared the Meeting closed at 15.20 p.m.



Signed _____ Chairman
(Mr. Wanchai Umpungart)

Financial Highlight

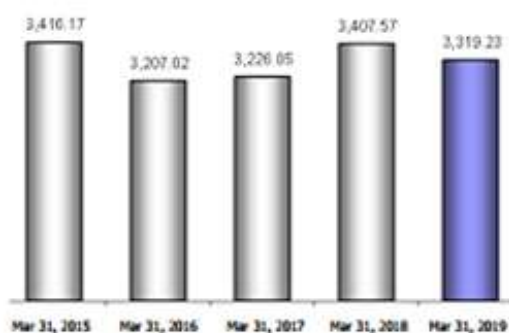
Performance at a Glance

Financial summary of Lohakit Metal Public Company Limited and the subsidiaries:

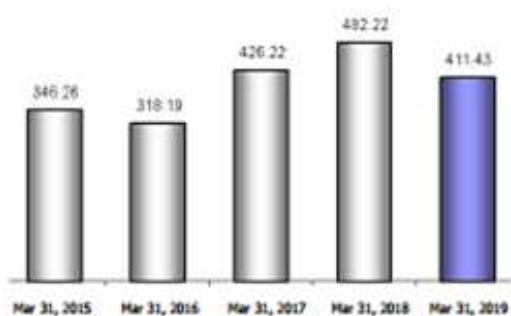
	For the year ended 31 st March				
	*2015	2016	2017	2018	2019
Profit and loss statement (Baht millions)					
Total revenue	3,416.17	3,207.02	3,226.05	3,407.57	3,319.23
Revenue from the sales of good and services	3,372.45	3,176.85	3,199.82	3,376.19	3,293.90
Gross profit	346.26	318.19	426.22	482.22	411.43
Net profit provided by operating activities	212.72	173.83	279.67	341.41	253.50
Net profit	131.92	97.69	176.56	208.19	143.59
Balance Sheet (Baht millions)					
Total assets	2,395.51	2,217.41	2,271.46	2,362.03	2,345.53
Total liabilities	875.28	678.66	655.42	677.43	679.12
Total shareholders' equity	1,520.23	1,538.75	1,616.04	1,684.60	1,666.41
Per ordinary share (Baht), at Par 1.00					
Book Value per share (Baht)	3.47	3.51	3.70	3.84	3.77
Earning per share (Baht)	0.34	0.26	0.46	0.54	0.37
Dividend per share (Baht)	0.21	0.24	0.34	0.45	0.37
Ratio Analysis					
Gross profit margin (%)	10.27%	10.02%	13.32%	14.28%	12.49%
Net profit margin (%)	3.86%	3.05%	5.47%	6.11%	4.33%
Return on equity (%)	10.16%	7.31%	12.79%	14.43%	9.85%
Return on Assets (%)	5.62%	4.24%	7.87%	8.99%	6.10%
Liquidity ratio (times)	2.08	2.49	2.78	2.91	2.69
Debt to equity ratio (times)	0.58	0.44	0.41	0.40	0.41

* 2015 - Restating financial statement following the enforcement of Thai Accounting Standard no. 19 (Revise 2014) regarding employee benefit

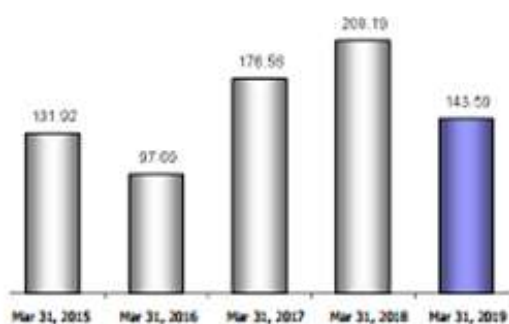
Total revenue (Baht millions)



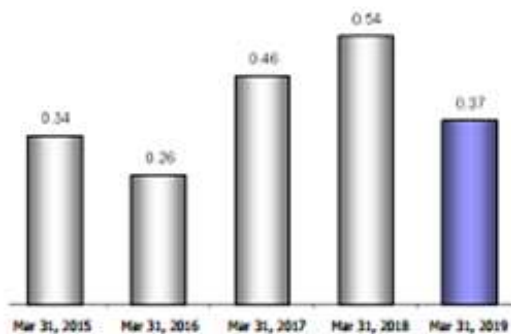
Gross profit (Baht millions)



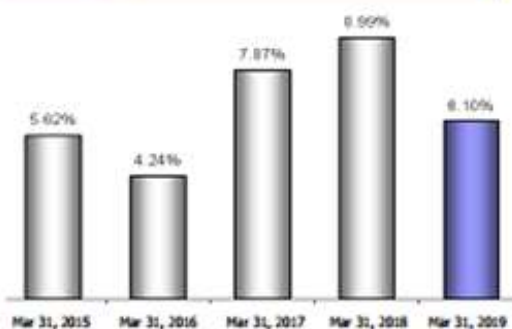
Net profit (Baht millions)



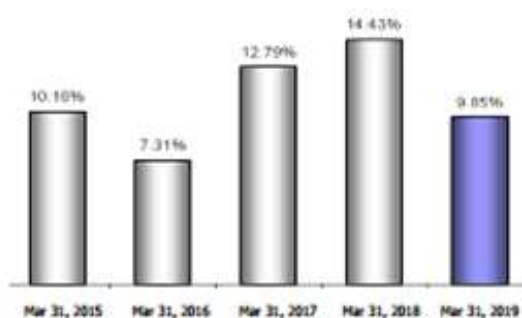
Earning per share (Baht)



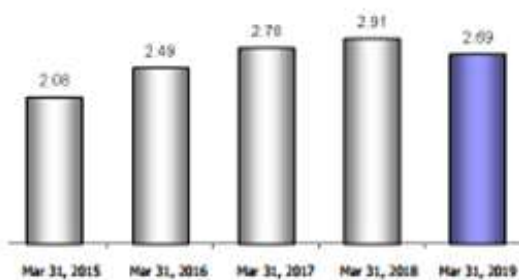
Return on Assets (%)



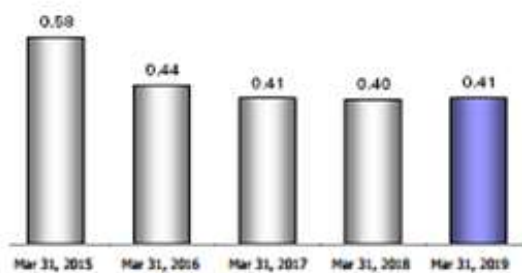
Return on equity (%)



Liquidity ratio (times)



Debt to equity ratio (times)



Lohakit Metal Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 March 2019

Independent Auditor's Report

To the Shareholders of Lohakit Metal Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Lohakit Metal Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 March 2019, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Lohakit Metal Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Lohakit Metal Public Company Limited and its subsidiaries and of Lohakit Metal Public Company Limited as at 31 March 2019, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures performed in response to each matter are described below.

Revenue recognition

Revenue from sales of the Group are significant amount and the Group sell their goods to a large number of customers under different commercial terms. I therefore determined revenue recognition as a key audit matter and focused on the occurrence of revenue recognition.

I performed audit procedures on the recognition of revenue from sales of the Group including:

- Assessed and tested the Group's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applied a sampling method to select sales documents to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy.
- On a sampling basis, examined supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Reviewed credit notes that the Company issued after the period-end.
- Performed analytical procedures on disaggregated data of sales transactions throughout the period.

Allowance for diminution in value of inventories

As at 31 March 2019, the Group had outstanding inventories of Baht 716 million and inventories are valued at the lower of cost and net realisable value. Estimating the net realisable value of inventory, as disclosed in Note 10 to the consolidated financial statements, is an area of significant management judgment, particularly with regard to the estimation of allowance for diminution in the value of slow-moving and obsolete inventory. This requires detailed analysis of the product life cycle.

I assessed the determination of the allowance for diminution in the value of inventories. The procedures that I performed included:

- Gained an understanding of the methods and assumptions applied by the management in determining the allowance for diminution in value of inventories, and reviewed the consistency of the application of that basis.
- Compared the inventory holding periods and inventory movements to identify product lines with indicators of lower than normal inventory turnover.
- Compared proceeds from sales transactions occurring after the date of the financial statements with the cost of inventory for each group of products.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

I am responsible for the audit resulting in this independent audit's report.



Gingkarn Atsawarangsalit
Certified Public Accountant (Thailand) No. 4496

EY Office Limited
Bangkok: 28 May 2019

Lohakit Metal Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
Assets					
Current assets					
Cash and cash equivalents	7	314,319,132	488,973,053	91,751,838	175,750,573
Current investments	8	4,380,304	4,852,272	-	-
Trade and other receivables	9	673,050,945	706,034,898	325,829,569	336,039,567
Inventories	10	716,374,168	663,317,614	390,668,369	379,367,486
Other current assets		5,907,364	3,240,157	3,823,201	1,954,194
Total current assets		1,714,031,913	1,866,417,994	812,072,977	893,111,820
Non-current assets					
Restricted bank deposits	11	46,180,000	46,180,000	6,080,000	6,080,000
Investment in associate	12	9,670,782	12,426,604	4,900,000	4,900,000
Investments in subsidiaries	13	-	-	406,807,303	407,737,345
Long-term investments	14	3,507,940	2,765,383	-	-
Property, plant and equipment	15	544,273,682	412,069,294	262,801,011	264,263,476
Intangible assets	16	367,996	565,117	269,063	407,943
Deferred tax assets	22	15,559,492	17,896,842	10,079,350	12,021,549
Other non-current assets		11,935,190	3,712,109	10,534,562	2,587,480
Total non-current assets		631,495,082	495,615,349	701,471,289	697,997,793
Total assets		2,345,526,995	2,362,033,343	1,513,544,266	1,591,109,613

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

Lohakit Metal Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from banks	17	92,246,456	35,841,914	13,326,527	-
Trade and other payables	18	516,820,384	563,800,944	278,028,405	337,589,063
Income tax payable		20,119,614	30,950,058	2,039,737	8,816,826
Other current liabilities		8,563,444	10,328,158	3,627,243	5,172,830
Total current liabilities		637,749,898	640,921,074	297,021,912	351,578,719
Non-current liabilities					
Provision for long-term employee benefits	19	41,364,269	36,504,478	25,302,795	22,600,746
Other non-current liabilities		1,200	1,200	-	-
Total non-current liabilities		41,365,469	36,505,678	25,302,795	22,600,746
Total liabilities		679,115,367	677,426,752	322,324,707	374,179,465

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

Lohakit Metal Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2019	31 March 2018	31 March 2019	31 March 2018
Shareholders' equity					
Share capital					
Registered					
383,000,000 ordinary shares of Baht 1 each		383,000,000	383,000,000	383,000,000	383,000,000
Issued and fully paid-up					
383,000,000 ordinary shares of Baht 1 each		383,000,000	383,000,000	383,000,000	383,000,000
Share premium		519,672,600	519,672,600	519,672,600	519,672,600
Retained earnings					
Appropriated - statutory reserve	20	74,900,000	74,100,000	38,300,000	38,300,000
Unappropriated		467,186,322	493,205,357	250,246,959	275,957,548
Other components of shareholders' equity		852,906	322,782	-	-
Equity attributable to owners of the Company		1,445,611,828	1,470,300,739	1,191,219,559	1,216,930,148
Non-controlling interests of the subsidiary		220,799,800	214,305,852	-	-
Total shareholders' equity		1,666,411,628	1,684,606,591	1,191,219,559	1,216,930,148
Total liabilities and shareholders' equity		2,345,526,995	2,362,033,343	1,513,544,266	1,591,109,613

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

Directors

Lohakit Metal Public Company Limited and its subsidiaries

Statement of income

For the year ended 31 March 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Revenues					
Sales and service income		3,293,899,384	3,376,189,655	1,545,806,410	1,653,990,741
Dividend income	12.2, 13.2	164,873	357,474	103,499,612	102,039,632
Other income		25,169,418	31,026,846	27,648,219	31,284,934
Total revenues		3,319,233,675	3,407,573,975	1,676,954,241	1,787,315,307
Expenses					
Cost of sales and service		2,882,472,787	2,893,971,106	1,413,944,022	1,465,752,555
Selling and distribution expenses		67,770,387	66,044,803	45,601,026	46,128,427
Administrative expenses		115,491,441	106,144,833	63,373,577	61,216,976
Total expenses		3,065,734,615	3,066,160,742	1,522,918,625	1,573,097,958
Profit before share of profit from investment					
in associate, finance cost and income tax expenses		253,499,060	341,413,233	154,035,616	214,217,349
Share of profit from investment in associate	12.2	2,144,178	1,436,845	-	-
Income before finance cost and income tax expenses		255,643,238	342,850,078	154,035,616	214,217,349
Finance cost		(5,553,055)	(4,827,302)	(1,625,342)	(2,865,823)
Profit before income tax expenses		250,090,183	338,022,776	152,410,274	211,351,526
Income tax expenses	22	(49,392,846)	(67,946,230)	(9,500,039)	(21,562,715)
Profit for the year		200,697,337	270,076,546	142,910,235	189,788,811
Profit attributable to:					
Equity holders of the Company		143,588,836	208,189,387	142,910,235	189,788,811
Non-controlling interests of the subsidiary		57,108,501	61,887,159		
		<u>200,697,337</u>	<u>270,076,546</u>		
Earnings per share					
24					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.37	0.54	0.37	0.50
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.

Lohakit Metal Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 March 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit for the year		200,697,337	270,076,546	142,910,235	189,788,811
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Gain on changes in value of available-for-sale investments - net of income tax	14, 22	530,124	777,779	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial loss - net of income tax	19, 22	(502,036)	(1,279,755)	(100,824)	(819,747)
Other comprehensive income for the year		28,088	(501,976)	(100,824)	(819,747)
Total comprehensive income for the year		200,725,425	269,574,570	142,809,411	188,969,064
Total comprehensive income attributable to					
Equity holders of the Company		143,831,477	207,894,273	142,809,411	188,969,064
Non-controlling interests of the subsidiary		56,893,948	61,680,297		
Total comprehensive income for the year		200,725,425	269,574,570		

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

Lohakit Metal Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity
For the year ended 31 March 2019

(Unit: Baht)

		Consolidated financial statements						
		Equity attributable to owners of the Company				Other components of equity		
Note	Issued and paid-up share capital	Share premium	Appropriated statutory reserve	Unappropriated	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
	383,000,000	519,672,600	72,600,000	440,805,985	(454,997)	1,415,623,588	200,418,701	1,616,042,289
Balance as at 1 April 2017	-	-	-	208,189,387	-	208,189,387	61,887,159	270,076,546
Profit for the year	-	-	-	(1,072,893)	777,779	(295,114)	(206,862)	(501,976)
Other comprehensive income for the year	-	-	-	207,116,494	777,779	207,894,273	61,680,297	269,574,570
Total comprehensive income for the year	-	-	-	-	-	-	(46,560,000)	(46,560,000)
Dividend paid for subsidiary	-	-	-	(153,200,368)	-	(153,200,368)	-	(153,200,368)
Dividend paid	-	-	-	-	-	-	-	-
Decrease in equity attributable to non-controlling interest of the subsidiary due to changing of shareholding percentage	-	-	-	(16,754)	-	(16,754)	(1,233,146)	(1,249,900)
Transferred to appropriated retained earnings - statutory reserve	-	-	1,500,000	(1,500,000)	-	-	-	-
Balance as at 31 March 2018	383,000,000	519,672,600	74,100,000	493,205,357	322,782	1,470,300,739	214,305,852	1,684,606,591
Balance as at 1 April 2018	383,000,000	519,672,600	74,100,000	493,205,357	322,782	1,470,300,739	214,305,852	1,684,606,591
Profit for the year	-	-	-	143,588,836	-	143,588,836	57,108,501	200,697,337
Other comprehensive income for the year	-	-	-	(287,483)	530,124	242,641	(214,553)	28,088
Total comprehensive income for the year	-	-	-	143,301,353	530,124	143,831,477	56,893,948	200,725,425
Dividend paid for subsidiary	-	-	-	-	-	-	(50,400,000)	(50,400,000)
Dividend paid	-	-	-	(168,520,388)	-	(168,520,388)	-	(168,520,388)
Transferred to appropriated retained earnings - statutory reserve	-	-	800,000	(800,000)	-	-	-	-
Balance as at 31 March 2019	383,000,000	519,672,600	74,900,000	467,186,322	852,906	1,445,611,828	220,799,800	1,666,411,628

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

Lohakit Metal Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 March 2019

	Note	Separate financial statements					(Unit: Baht)
		Issued and fully paid-up share capital	Share premium	Retained earnings		Total shareholders' equity	
				Appropriated - statutory reserve	Unappropriated		
Balance as at 1 April 2017		383,000,000	519,672,600	38,300,000	240,188,484	1,181,161,084	
Profit for the year		-	-	-	189,788,811	189,788,811	
Other comprehensive income for the year		-	-	-	(819,747)	(819,747)	
Total comprehensive income for the year		-	-	-	188,969,064	188,969,064	
Dividend paid	27	-	-	-	(153,200,000)	(153,200,000)	
Balance as at 31 March 2018		383,000,000	519,672,600	38,300,000	275,957,548	1,216,930,148	
Balance as at 1 April 2018		383,000,000	519,672,600	38,300,000	275,957,548	1,216,930,148	
Profit for the year		-	-	-	142,910,235	142,910,235	
Other comprehensive income for the year		-	-	-	(100,824)	(100,824)	
Total comprehensive income for the year		-	-	-	142,809,411	142,809,411	
Dividend paid	27	-	-	-	(168,520,000)	(168,520,000)	
Balance as at 31 March 2019		383,000,000	519,672,600	38,300,000	250,246,959	1,191,219,559	

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

Lohakit Metal Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 March 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit before tax	250,090,183	338,022,776	152,410,274	211,351,526
Adjustments to reconcile profit before tax to net cash provided by (used in) operating activities:				
Depreciation	55,463,387	70,353,971	37,617,634	42,879,589
Amortisation	197,121	197,131	138,880	138,892
Reversal of allowance for doubtful accounts	(3,219,537)	(3,236,535)	(595,605)	(810,000)
Reversal of reduction of inventories to net realisable value	(11,443,265)	(8,992,081)	(11,499,858)	(9,438,523)
Allowance for impairment of investment in subsidiary	-	-	930,042	-
Loss (gain) on sale of investments	(3,022)	405,800	-	-
Unrealised gain on change in current investments	(25,010)	(19,220)	-	-
Gain on sales of equipment	(2,952,158)	(7,093,020)	(1,557,158)	(4,420,130)
Provision for long-term employee benefits	4,232,245	3,836,225	2,576,019	2,437,005
Unrealised loss (gain) on foreign exchange	632,846	(53,431)	632,846	(53,431)
Share of profit from investment in associate	(2,144,178)	(1,436,845)	-	-
Dividend income	(164,873)	(357,474)	(103,499,612)	(102,039,632)
Interest income	(677,030)	(756,900)	(92,550)	(99,755)
Interest expenses	4,427,905	3,704,694	1,051,769	2,246,420
Income from operating activities before changes in operating assets and liabilities	294,414,614	394,575,091	78,112,681	142,191,961
Decrease (increase) in operating assets				
Trade and other receivables	36,206,511	(22,973,489)	10,808,625	14,420,572
Inventories	(41,613,289)	138,383,176	198,975	122,083,903
Other current assets	(2,667,207)	2,473,325	(1,869,007)	2,057,865
Other non-current assets	(8,223,081)	116,000	(7,947,082)	(14,000)
Increase (decrease) in operating liabilities				
Trade and other payables	(47,586,893)	31,977,258	(60,166,990)	(11,652,122)
Other current liabilities	(1,764,714)	2,094,990	(1,545,587)	479,353
Cash flows from operating activities	228,765,941	546,646,351	17,591,615	269,567,532
Cash paid for interest expenses	(4,415,241)	(3,729,055)	(1,039,105)	(2,270,781)
Cash paid for income tax	(57,973,655)	(62,464,271)	(14,309,723)	(19,367,089)
Net cash flows from operating activities	166,377,045	480,453,025	2,242,787	247,929,662

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

Lohakit Metal Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 March 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from investing activities				
Cash paid for purchasing investment in a subsidiary	-	(1,250,100)	-	(1,250,100)
Increase in restricted deposits	-	(200,000)	-	(200,000)
Cash paid for acquisitions of property, plant and equipment and intangible assets	(189,303,128)	(35,042,886)	(37,774,295)	(18,134,695)
Proceeds from sales of current investments	500,000	16,855,262	-	-
Proceeds from capital recovery of investment unit	794	-	-	-
Cash received from dividends	5,064,873	357,474	103,499,612	102,039,632
Proceeds from sale of machinery and equipment	4,587,511	8,230,366	3,176,284	5,557,469
Cash received from interest income	677,030	758,054	92,550	99,755
Net cash flows from (used in) investing activities	(178,472,920)	(10,291,830)	68,994,151	88,112,061
Cash flows from financing activities				
Increase (decrease) in short-term loans from banks	56,404,542	(17,720,625)	13,326,527	(26,035,879)
Repayment of financial lease payables	-	(1,167,521)	-	(1,167,521)
Dividend paid	(218,920,388)	(199,760,368)	(168,520,000)	(153,200,000)
Net cash flows used in financing activities	(162,515,846)	(218,648,514)	(155,193,473)	(180,403,400)
Effect of exchange rate to cash and cash equivalents	(42,200)	8,270	(42,200)	8,270
Net increase (decrease) in cash and cash equivalents	(174,653,921)	251,520,951	(83,998,735)	155,646,593
Cash and cash equivalents at beginning of year	488,973,053	237,452,102	175,750,573	20,103,980
Cash and cash equivalents at end of year (Note 7)	314,319,132	488,973,053	91,751,838	175,750,573
Supplemental cash flows information				
Non-cash items:				
Actuarial loss for long-term employee benefits	627,546	1,599,694	126,030	1,024,684
Increase in revaluation surplus in investments in available-for-sale securities	743,350	777,779	-	-

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

Lohakit Metal Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 March 2019

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

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Lohakit Metal Public Company Limited ("the Company") and the following subsidiary companies ("the subsidiaries") are as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019	2018
			(Percent)	(Percent)
Auto Metal Company Limited	Production, smelting and assembly for all types of metal	Thailand	60	60

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019 (Percent)	2018 (Percent)
Alternative EnMat Company Limited	Distribution of metal and non-ferrous metal products	Thailand	100	100
NSC Metal Company Limited	Distribution of stainless steel, aluminum, brass, copper, zinc and galvanized steel products	Thailand	100	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

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

3. 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

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 that became effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These new standards involve 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. 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.

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 using similar principles to those used under TAS 17.

The management of the Company and its subsidiaries is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

Sales of goods are recognised when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

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

4.2 Cash and cash equivalents

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

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

4.4 Inventories

Finished goods and work in process are valued at the lower of cost (weighted average basis) and net realisable value. Cost includes all production costs and attributable factory overheads. Cost of purchased finished goods consists of purchase cost and related direct expenses less discounts and sale rebate.

Raw materials and supplies are valued at the lower of cost (weighted average basis) and net realisable value and are charged to production costs whenever consumed.

Allowance for stock obsolescence is made for damaged, slow-moving and obsolete stock.

4.5 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- c) Investment in associated company is accounted for in the consolidated financial statements using the equity method.
- d) Investments in subsidiaries and associated company are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

The fair value of unit trusts is determined from their net asset value. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association

The weighted average method is used for computation of the cost of investments.

4.6 Property, plant and equipment and depreciation

Land is stated at cost, buildings and equipment are stated at cost less accumulated depreciation, and less allowance for loss on impairment of assets (if any).

Depreciation of buildings and equipment are calculated by reference to their costs on a straight-line basis over the following estimated useful lives.

Buildings, fixture and building improvement	-	20 and 5 years
Machinery and equipment	-	5 and 10 years
Furniture and office equipment	-	5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land, land improvement and assets under installation and under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefit are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the year they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.8 Intangible assets

The intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss. The Company and its subsidiaries have computer software amortised over the economic useful life of 5 years.

4.9 Related party transactions

Related parties comprise enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.10 Long-term leases

Leases of property, plant, equipment or motor vehicles which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the asset.

Leases of property, plant, equipment or motor vehicles which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's and subsidiaries' functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period, with the exception of those covered by forward exchange contracts, which are translated at the contracted rates.

Gains and losses on exchange are included in determining income.

4.12 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.13 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

Past service cost are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company and its subsidiaries recognises restructuring-related costs.

4.14 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 Income tax

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

Current tax

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

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

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

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

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

4.16 Fair value measurement

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

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

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

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

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Leases

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

Allowance for doubtful accounts

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

Allowance for diminution in value of inventories

In determining an allowance for diminution in value of inventories, the management needs to make judgment in estimating the loss that will be incurred on the sale of the inventories, taking into account net realisable value, aging profile of outstanding inventories and the stock conditions, among other factors.

Property, plant and equipment and depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the Company's and its subsidiaries' plant and equipment and to review estimate useful lives and residual values when there are any changes.

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

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (both bank and counterparty) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Impairment of securities investments

The Company and its subsidiaries treat available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

Deferred tax assets

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

Post-employment benefits under defined benefit plans

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

6. Related party transactions

During the years, 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 years ended 31 March				Transfer Pricing Policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2019	2018	2019	2018	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Sales of goods and service income	-	-	51,261	56,849	Sale of goods: Market price and cost plus a margin at rate of 5% Service income: Close to the market price
Rental income	-	-	1,728	1,728	Contract price that close to the market price
Other service income	-	-	15,000	15,000	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 services	-	-	-	1,141	Market price
Sales of fixed assets	-	-	-	1,005	Accordance with the negotiation price
<u>Transactions with related companies</u>					
Other service income	240	240	240	240	Fixed fee per month
Commission fee	7,647	7,711	-	-	Not over 2% of sales
Purchases of fixed assets	-	4,707	-	-	Close to the market price
Dividend income	-	-	4,900	-	As approved by Shareholders' Meeting

As at 31 March 2019 and 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	financial statements	financial statements
	2019	2018	2019	2018
<u>Trade receivable - related parties (Note 9)</u>				
Subsidiaries	-	-	5,517	2,572
<u>Other payables - related party (Note 18)</u>				
Associated company	1,843	1,985	-	-

Directors and management's benefits

During the years ended 31 March 2019 and 2018, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Short-term employee benefits	60,025	54,893	35,247	32,725
Post-employment benefits	3,127	1,748	1,829	904
Total	63,152	56,641	37,076	33,629

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Cash	140	105	70	45
Bank deposits	314,179	488,868	91,682	175,706
Total	314,319	488,973	91,752	175,751

As at 31 March 2019, bank deposits in saving accounts and fixed deposits carried interests between 0.37 and 0.90 percent per annum (2018: 0.37 and 0.90 percent per annum).

8. Current investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	2019		2018	
	Cost	Fair value	Cost	Fair value
<u>Trading securities</u>				
Investment units in open-end fund	4,331	4,380	4,828	4,852
Total trading securities	4,331	4,380	4,828	4,852
Add: Changes in fair value	49		24	
Total trading securities	4,380		4,852	

As at 31 March 2019 and 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.

9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2019	2018	2019	2018
<u>Trade receivables - related parties</u> (Note 6)				
Aged on the basis of due dates				
Not yet due	-	-	3,377	1,447
Past due				
Not over 3 months	-	-	2,140	1,125
Total trade receivables - related parties	-	-	5,517	2,572
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	529,472	559,700	266,048	270,739
Past due				
Not over 3 months	140,650	143,766	52,462	61,663
Over 3 months but less than 12 months	2,119	2,088	738	1,065
Over 12 months	4,751	9,922	3,488	5,928
Total	676,992	715,476	322,736	339,395
Less: Allowance for doubtful accounts	(5,064)	(10,127)	(3,488)	(5,927)
Total trade receivables - unrelated parties - net	671,928	705,349	319,248	333,468
Total trade receivables - net	671,928	705,349	324,765	336,040
<u>Other receivables</u>				
Other receivables	1,074	637	1,065	-
Interest receivables	49	49	-	-
Total other receivables	1,123	686	1,065	-
Total trade and other receivables - net	673,051	706,035	325,830	336,040

During the year ended 31 March 2019, certain trade accounts receivable of the Company and a subsidiary, amounting to Baht 2 million, were written-off as bad debt (2018: Baht 11 million).

10. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2019	2018	2019	2018	2019	2018
	Finished goods	457,501	444,600	(31,877)	(38,526)	425,624
Raw materials	250,501	230,621	(2,971)	(7,765)	247,530	222,856
Supplies	22,848	22,098	-	-	22,848	22,098
Goods in transit	20,372	12,290	-	-	20,372	12,290
Total	751,222	709,609	(34,848)	(46,291)	716,374	663,318

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Reduce cost to net realisable value		Inventories - net	
	2019	2018	2019	2018	2019	2018
	Finished goods	187,281	206,990	(21,193)	(27,899)	166,088
Raw materials	214,202	183,829	(2,971)	(7,765)	211,231	176,064
Supplies	11,677	11,922	-	-	11,677	11,922
Goods in transit	1,672	12,290	-	-	1,672	12,290
Total	414,832	415,031	(24,164)	(35,664)	390,668	379,367

During the current year, the Company and its subsidiaries reversed the reduction of cost of inventories by Baht 11 million (2018: reversed the reduction of Baht 9 million) (Separate financial statements: reversed the reduction of Baht 11 million (2018: reversed the reduction of Baht 9 million)), to reflect the net realisable value. This was presented as cost of sales.

11. Restricted bank deposits

As at 31 March 2019, the Company and its subsidiary have deposits with banks of Baht 46 million (2018: Baht 46 million) which are pledged with the banks to secure credit facilities as described in Note 28.5 to the financial statements.

12. Investment in associated company

12.1 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	
					2019	2018	2019	2018
			(%)	(%)				
Mory Lohakit (Thailand) Co., Ltd.	Agent	Thailand	49	49	4,900	4,900	9,670	12,426

12.2 Share of profit and dividend received

(Unit: Thousand Baht)

Company's name	Consolidated financial statements		Separate financial statements	
	Share of profit from investment in associate during the years		Dividend received during the years	
	2019	2018	2019	2018
Mory Lohakit (Thailand) Co., Ltd.	2,144	1,437	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 for the year ended 31 March 2018 and retained earnings as at 31 March 2017. The dividend was paid on 27 June 2018.

12.3 Summarised financial information about material associate

Summarised information about financial position

(Unit: Million Baht)

	2019	2018
Current assets	20.4	26.3
Non-current assets	-	0.1
Current liabilities	(0.5)	(0.6)
Non-current liabilities	(0.1)	(0.4)
Net assets	19.8	25.4
Shareholding percentage (%)	49.0	49.0
Share of net assets	9.7	12.4
Carrying amounts of associates based on equity method	9.7	12.4

Summarised information of comprehensive income

	(Unit: Million Baht)	
	For the years ended	
	31 March	
	2019	2018
Revenue	7.7	8.1
Profit	4.4	2.9
Other comprehensive income	-	-
Total comprehensive income	4.4	2.9

13. Investments in subsidiaries

13.1 Details of subsidiaries

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

Company's name	Paid-up capital		Shareholding percentage		Cost method		Allowance for impairment of investment		Carrying amount based on cost method	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(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	(930)	-	4,569	5,499
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>(930)</u>	<u>-</u>	<u>406,807</u>	<u>407,737</u>

13.2 Dividend income

	(Unit: Thousand Baht)	
Company's name	2019	2018
Auto Metal Company Limited	75,600	69,840
NSC Metal Company Limited	23,000	32,200
Total	<u>98,600</u>	<u>102,040</u>

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 for 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 for 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.

14. Long-term investments

(Unit: Thousand Baht)

	Consolidated financial statements			
	2019		2018	
	Cost	Fair value	Cost	Fair value
<u>Investment in marketable unit classified</u>				
<u>as available-for-sale securities</u>				
Industrial freehold and leasehold real				
estate investment trust	2,442	3,508	2,466	2,765
Less: Capital recovery of investment unit	(1)	-	(24)	-
Total available-for-sale securities	2,441	3,508	2,442	2,765
Add: Changes in fair value	1,067		323	
Total available-for-sale securities	3,508		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.

On 28 January 2019, the 2019 Annual General Meeting of TICON Freehold and Leasehold Real Estate Investment Trust ("TREIT") has resolved to acknowledge change of name and abbreviation of the REIT to Frasers Property Thailand Industrial Freehold & Leasehold REIT ("FTREIT") and registered for the such change name with the Minister of Commerce on the same day. In this connection, effective in the Stock Exchange of Thailand since 31 January 2019.

15. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						Total
	Land and land improvement	Buildings and buildings improvement fixture	Machinery and equipment	Furniture and office equipment	Motor vehicles	Assets under installation and under construction	
Cost							
1 April 2017	140,446	320,985	861,723	17,959	80,440	1,638	1,423,191
Acquisitions	-	-	4,206	458	15,842	14,536	35,042
Disposals / write-off	-	-	(10,074)	(1,419)	(16,932)	-	(28,425)
Transfer in (out)	-	-	8,646	-	5,083	(13,729)	-
31 March 2018	140,446	320,985	864,501	16,998	84,433	2,445	1,429,808
Acquisitions	-	-	3,810	1,340	9,887	174,265	189,302
Disposals / write-off	-	(284)	(11,659)	(916)	(11,071)	-	(23,930)
Transfer in (out)	53,576	-	255	38	-	(53,869)	-
31 March 2019	194,022	320,701	856,907	17,460	83,249	122,841	1,595,180
Accumulated depreciation							
1 April 2017	-	170,781	728,385	15,763	59,744	-	974,673
Depreciation for the year	-	10,916	46,734	997	11,707	-	70,354
Depreciation for disposals / write-off	-	-	(10,069)	(1,419)	(15,800)	-	(27,288)
31 March 2018	-	181,697	765,050	15,341	55,651	-	1,017,739
Depreciation for the year	-	10,835	33,302	844	10,482	-	55,463
Depreciation for disposals / write-off	-	(282)	(11,622)	(881)	(9,511)	-	(22,296)
31 March 2019	-	192,250	786,730	15,304	56,622	-	1,050,906
Net book value							
31 March 2018	140,446	139,288	99,451	1,657	28,782	2,445	412,069
31 March 2019	194,022	128,451	70,177	2,156	26,627	122,841	544,274
Depreciation for the year							
2018 (Baht 62 million included in manufacturing cost, and the balance in selling and administrative expenses)							70,354
2019 (Baht 49 million included in manufacturing cost, and the balance in selling and administrative expenses)							55,463

(Unit: Thousand Baht)

	Separate financial statements						Total
	Land and land improvement	Buildings and buildings improvement fixture	Machinery and equipment	Furniture and office equipment	Motor vehicles	Assets under installation and under construction	
Cost							
1 April 2017	94,745	184,196	491,720	10,156	53,591	1,638	836,046
Acquisitions	-	-	2,492	219	2,513	12,910	18,134
Disposals / write-off	-	-	(10,074)	(1,419)	(9,863)	-	(21,356)
Transfer in (out)	-	-	8,646	-	3,457	(12,103)	-
31 March 2018	94,745	184,196	492,784	8,956	49,698	2,445	832,824
Acquisitions	-	-	2,355	436	8,940	26,043	37,774
Disposals / write-off	-	(284)	(11,659)	(369)	(8,305)	-	(20,617)
Transfer in (out)	-	-	255	38	-	(293)	-
31 March 2019	94,745	183,912	483,735	9,061	50,333	28,195	849,981
Accumulated depreciation							
1 April 2017	-	112,178	385,476	8,596	39,650	-	545,900
Depreciation for the year	-	4,298	30,573	700	7,309	-	42,880
Depreciation for disposals / write-off	-	-	(10,069)	(1,419)	(8,731)	-	(20,219)
31 March 2018	-	116,476	405,980	7,877	38,228	-	568,561
Depreciation for the year	-	4,217	27,244	567	5,589	-	37,617
Depreciation for disposals / write-off	-	(282)	(11,621)	(350)	(6,745)	-	(18,998)
31 March 2019	-	120,411	421,603	8,094	37,072	-	587,180
Net book value							
31 March 2018	94,745	67,720	86,804	1,079	11,470	2,445	264,263
31 March 2019	94,745	63,501	62,132	967	13,261	28,195	262,801
Depreciation for the year							
2018 (Baht 39 million included in manufacturing cost, and the balance in selling and administrative expenses)							42,880
2019 (Baht 34 million included in manufacturing cost, and the balance in selling and administrative expenses)							37,617

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.

As at 31 March 2019, the Company and its subsidiaries have certain equipment items which have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 841 million (2018: Baht 789 million) (Separate financial statements: Baht 483 million (2018: Baht 453 million)).

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 Company and its subsidiaries by the banks as described in Note 28.5 to the financial statements.

The book value of machinery of the Company and a subsidiary pledged with banks are summarised below:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Cost	284	282	174	173
Net book value	-	-	-	-

16. Intangible assets

The net book value of intangible assets which are computer software as at 31 March 2019 and 2018 are presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Cost	14,050	14,050	11,053	11,053
Less: Accumulated amortisation	(13,682)	(13,485)	(10,784)	(10,645)
Net book value	368	565	269	408

A reconciliations of the net book value of intangible assets for the years 2019 and 2018 are presented below.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Net book value at beginning of year	565	762	408	547
Amortisation	(197)	(197)	(139)	(139)
Net book value at end of year	368	565	269	408

17. Short-term loans from banks

	(Unit: Thousand Baht)					
	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	2019	2018	2019	2018	2019	2018
Bank overdrafts	1.80	1.90	3,889	1,121	-	-
Promissory notes	3.65	-	10,000	-	-	-
Trust receipts	3.50 - 3.98	3.50	78,357	34,721	13,326	-
Total			92,246	35,842	13,326	-

Bank overdrafts, short-term loans 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 28.5 to the financial statements.

18. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Trade payable - unrelated parties	483,219	546,832	269,904	329,579
Other payables - unrelated parties	30,195	13,441	7,204	7,152
Other payables - related party (Note 6)	1,843	1,985	-	-
Accrued commission expenses - unrelated parties	37	42	37	42
Accrued expenses	1,526	1,501	883	816
Total	516,820	563,801	278,028	337,589

19. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Provision for long-term employee benefits at beginning of year	36,504	31,069	22,601	19,139
Included in profit or loss:				
Current service cost	3,210	2,907	1,926	1,868
Interest cost	1,022	929	650	569
Included in other comprehensive income:				
Actuarial loss (gain) arising from				
Demographic assumptions changes	10	1,281	2	721
Financial assumptions changes	35	340	122	62
Experience adjustments	583	(22)	2	242
Total	628	1,599	126	1,025
Provision for long-term employee benefits at end of year	41,364	36,504	25,303	22,601

Long-term employee benefit expenses included in the profit or loss consist of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Selling and administrative expenses	4,232	3,836	2,576	2,437
Total expenses recognised in profit or loss	4,232	3,836	2,576	2,437

The Company and its subsidiaries expect to pay Baht 26 million of long-term employee benefits during the next year (Separate financial statements: Baht 15 million) (2018: Baht 19 million (Separate financial statements: Baht 11 million)).

As at 31 March 2019, the weighted average duration of the liabilities for long-term employee benefit of monthly and daily employee are 6 - 15 years and 4 - 19 years (Separate financial statements: 10 years and 13 years) (2018: 6 - 15 years and 5 - 19 years (Separate financial statements: 10 years and 13 years)).

Significant actuarial assumptions are summarised below:

	(Unit: Percent per annum)			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Discount rate	2.10 - 3.38	2.03 - 3.08	2.55 - 2.92	2.65 - 2.81
Salary increase rate	4.00 - 5.00	4.00 - 5.00	4.00 - 5.00	4.00 - 5.00
Turnover rate	0 - 54	0 - 56	0 - 54	0 - 56

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 March 2019 are summarised below:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
	0.5%	0.5%	0.5%	0.5%
Discount rate	(1.0)	1.1	(0.6)	0.6
Salary increase rate	1.1	(1.0)	0.6	(0.6)
Turnover rate	(1.0)	1.1	(0.6)	0.6

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional long-term employee benefit liabilities of Baht 8 million (The Company only: Baht 6 million) as a result. The Company and its subsidiaries will reflect the effect of the change by recognising past service costs as expenses in the income statement of the period in which the law is effective, which is the first quarter of the year ending 31 March 2020.

20. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

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.

21. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Salary and wages and other employee benefits	204,777	192,720	112,937	109,852
Depreciation	55,463	70,354	37,617	42,880
Amortisation	197	197	139	139
Raw materials used	1,962,775	2,018,724	1,290,661	1,331,440
Consumables used	32,116	36,547	23,852	29,019
Purchase of finished goods	726,803	656,247	-	-
Changes in inventories of finished goods	(12,901)	(8,616)	19,710	11,224
Reversal of inventories to net realisable value	(11,443)	(8,992)	(11,500)	(9,439)

22. Corporate income tax

Income tax expenses for the years ended 31 March 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Current income tax:				
Current income tax charge	47,143	63,922	7,533	20,151
Deferred tax:				
Relating to origination and reversal of temporary differences	2,250	4,024	1,967	1,412
Income tax expenses reported in the statement of comprehensive income	49,393	67,946	9,500	21,563

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 March 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Deferred tax on gain from the change in value of available-for-sale investments	(213)	-	-	-
Deferred tax on actuarial losses	125	320	25	205
	(88)	320	25	205

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended 31 March 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Accounting profit before tax	250,090	338,535	152,410	211,352
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	50,018	67,707	30,482	42,270
Effects of:				
Dividend income from subsidiaries and associate	-	-	(20,700)	(20,408)
Bad debt recoveries	(119)	(150)	(119)	(150)
Non-deductible expenses	1,073	974	638	652
Tax-exempt revenues	-	(19)	-	-
Additional expense deductions allowed	(902)	(898)	(801)	(801)
Unused tax loss	6	476	-	-
Others	(683)	(144)	-	-
Total	(625)	239	(20,982)	(20,707)
Income tax expenses reported in the statement of comprehensive income	49,393	67,946	9,500	21,563

As at 31 March 2019 and 2018, the components of deferred tax assets are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2019	2018	2019	2018
Deferred tax assets				
Allowance for impairment of investment in subsidiary	-	-	186	-
Allowance for doubtful accounts	315	1,209	-	369
Allowance for diminution in value of inventories	6,969	9,258	4,833	7,133
Provision for long-term employee benefits	8,273	7,301	5,060	4,520
Unused tax losses	215	129	-	-
Total	<u>15,772</u>	<u>17,897</u>	<u>10,079</u>	<u>12,022</u>
Deferred tax liabilities				
Unrealised gain from the change in value of available-for-sale investments	(213)	-	-	-
Total	<u>(213)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred tax assets - net	<u>15,559</u>	<u>17,897</u>	<u>10,079</u>	<u>12,022</u>

23. Promotional privileges

On 29 March 2018, a subsidiary has received promotional privileges by the Board of Investment for the manufacture of stainless steel tubes, pursuant to the promotion certificate No. 61-0357-1-04-1-0 for a project to improve the efficiency of the production of alternative energy pursuant to promotion certificate No. 1407(2)/2548. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax on net income from the promoted business in an amount not exceeding 50% of the capital investment in the project to improve production efficiency, excluding land and working capital, for a period of 3 years from the date the promoted operations commenced generating revenues and any losses incurred during the corporate income tax exemption period may be carried forward to be utilised by the Company as a deduction against net income of future years, for up to 5 years after the expiry of the tax exemption period. In addition, the privileges include an exemption from income tax on dividends received from promoted operations which have been

granted corporate income tax exemption, throughout the period for which the tax exemption privilege is granted.

On 17 April 2018, the Company has received promotional privileges by the Board of Investment for the manufacture of stainless steel tubes, pursuant to the promotion certificate No. 61-0413-1-04-1-0 for a project to improve the efficiency of the production of alternative energy pursuant to promotion certificate No. 3007/Wo./2550. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax on net income from the promoted business in an amount not exceeding 50% of the capital investment in the project to improve production efficiency, excluding land and working capital, for a period of 3 years from the date the promoted operations commenced generating revenues.

24. Earnings per share

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

25. Segment information

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

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and operate 2 segments as follows:

- Production and distribution
- Procurement and distribution.

No operating segments have been aggregated to form the above reportable operating.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Company and its subsidiaries' operating segments for the years ended 31 March 2019 and 2018, respectively.

(Unit: Million Baht)

	For the year ended 31 March 2019				
	Production and distribution	Procurement and distribution	Total reportable segments	Eliminations	Consolidated
Revenue					
Revenue from external customers	2,514	780	3,294	-	3,294
Inter-segment revenue	51	-	51	(51)	-
Total revenues	<u>2,565</u>	<u>780</u>	<u>3,345</u>	<u>(51)</u>	<u>3,294</u>
Operating result					
Segment profit	350	61	411	-	411
Other income					25
Selling and distribution expenses					(68)
Administrative expenses					(115)
Share of profit from investment in associate accounted for by the equity method					2
Finance cost					(5)
Profit before income tax expense					250
Income tax expenses					(49)
Profit for the year					<u>201</u>
Segment total assets	1,893	455	2,348	(3)	<u>2,345</u>
Investment in associate accounted for by the equity method	10	-	10	-	<u>10</u>
Additions (reduction) to non-current assets other than financial instruments and deferred tax assets	141	(1)	140	1	<u>141</u>

(Unit: Million Baht)

	For the year ended 31 March 2018				
	Production and distribution	Procurement and distribution	Total reportable segments	Eliminations	Consolidated
Revenue					
Revenue from external customers	2,625	751	3,376	-	3,376
Inter-segment revenue	57	1	58	(58)	-
Total revenues	<u>2,682</u>	<u>752</u>	<u>3,434</u>	<u>(58)</u>	<u>3,376</u>
Operating results					
Segment profit	410	73	483	-	483
Other income					31
Selling and distribution expenses					(66)
Administrative expenses					(106)
Share of profit from investment in associate accounted for by the equity method					1
Finance cost					(5)
Profit before income tax expense					<u>338</u>
Income tax expenses					(68)
Profit for the year					<u>270</u>
Segment total assets	1,949	414	2,363	(1)	<u>2,362</u>
Investment in associate accounted for by the equity method	12	-	12	-	<u>12</u>
Additions (reduction) to non- current assets other than financial instruments and deferred tax assets	(39)	3	(36)	(1)	<u>(37)</u>

The Company and its subsidiaries carry on operations in the main geographic area in Thailand with gained revenue from export sales and domestic sales. As a result, all of revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2019 and 2018, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues.

26. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees, the Company and its subsidiaries contributed to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by SCB Asset Management Co., Ltd. will be paid to employees upon termination in accordance with the fund rules. The contributions for the year ended 31 March 2019 amounting to approximately Baht 5 million (2018: Baht 4 million) (Separate financial statements: Baht 3 million (2018: Baht 2 million)) were recognised as expenses.

27. Dividend

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)	Payment date
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	10 August 2018
Interim dividends for the year ended 31 March 2019	The Board of Directors Meeting on 9 November 2018	72.77	0.19	7 December 2018
Total dividends paid during the year ended 31 March 2019		168.52	0.44	
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	11 August 2017
Interim dividends for the year ended 31 March 2018	The Board of Directors Meeting on 7 November 2017	76.60	0.20	6 December 2017
Total dividends paid during the year ended 31 March 2018		153.20	0.40	

28. Commitments and contingent liabilities

28.1 Operating lease commitments

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

Future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

	(Unit: Million Baht)	
	As at 31 March	
	2019	2018
Payable:		
In up to 1 year	1	3
In over 1 and up to 5 years	-	1

28.2 Other service commitment

As at 31 March 2019, the Company and a subsidiary had commitments of approximately Baht 7 million relating to a technical assistance service agreement and other agreements (2018: Baht 6 million).

28.3 Other commitments

As at 31 March 2019, the Company had outstanding commitments of Baht 4.5 million (2018: Baht 4.5 million) in respect of uncalled portion of investment in a subsidiary.

28.4 Guarantees

As at 31 March 2019, the Company has guaranteed bank credit facilities for a subsidiary amounting to Baht 350 million (2018: Baht 350 million).

28.5 Credit facilities

As at 31 March 2019, the Company and its subsidiaries 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 24 million (2018: Baht 59 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 (2018: Nil). 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, of which Baht 3 million (2018: Baht 50 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.

A subsidiary

- Letters of credit, trust receipts, guarantees and short-term loan facilities totaling Baht 300 million, have not yet been utilised (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 (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 (2018: Nil). 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 short-term loan facilities totaling Baht 506 million, of which Baht 100 million (2018: Baht 35 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, of which Baht 4 million (2018: Baht 1 million) of the utilised amount are outstanding. 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 373 million) and Baht 115 million, or a total approximately Baht 488 million, of which USD 50,000 (equivalent to Baht 2 million) (2018: USD 0.5 million (equivalent to Baht 17 million)) of the 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 (2018: Nil). These credit facilities are secured by the Company.
- Overdraft facilities of Baht 5 million have not yet been utilised (2018: Nil). These credit facilities are secured by the Company.
- Forward foreign exchange contract facilities of Baht 30 million, have not yet been utilised (2018: Nil). These credit facilities are secured by the Company.

28.6 Capital commitment

As at 31 March 2019, the Company and its subsidiary have commitments of approximately Baht 7.5 million and USD 1 million, relating to construction contract, design and installation of solar cells on the roof (2018: Nil).

29. Fair value hierarchy

The Company and its subsidiaries 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 31 March 2019				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments	-	4.4	-	4.4
Investment in marketable unit classified as available-for-sale investment	3.5	-	-	3.5
Liabilities for which fair value is disclosed				
Derivatives				
Foreign currency forward contracts	-	4.3	-	4.3

(Unit: Million Baht)

Consolidated Financial Statements as at 31 March 2018				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current investments	-	4.9	-	4.9
Investment in marketable unit classified as available-for-sale investment	2.8	-	-	2.8
Liabilities for which fair value is disclosed				
Derivatives				
Foreign currency forward contracts	-	65.7	-	65.7

(Unit: Million Baht)

Separate Financial Statements as at 31 March 2019				
	Level 1	Level 2	Level 3	Total
Liabilities for which fair value is disclosed				
Derivatives				
Foreign currency forward contracts	-	2.7	-	2.7

(Unit: Million Baht)

	Separate Financial Statements as at 31 March 2018			
	Level 1	Level 2	Level 3	Total
Liabilities for which fair value is disclosed				
Derivatives				
Foreign currency forward contracts	-	48.9	-	48.9

30. Financial instruments

30.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investments, trade and other receivables, restricted bank deposits, long-term investments, short-term loans from banks and trade and other payables. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to its cash at banks and short-term loans from banks. Most of the Company and its subsidiaries' financial assets and liabilities are short-term. Certain financial assets and liabilities carry floating interest rates or fixed interest rates which are close to the market rate.

(Unit: Million Baht)

Consolidated financial statements as at 31 March 2019

	Fixed interest rate				Total	Effective interest rate (% p.a.)
	Within		Floating interest rate	Non-interest bearing		
	1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	2	-	7	305	314	0.37 - 0.90
Current investments	-	-	-	4	4	-
Trade and other receivables	-	-	-	673	673	-
Restricted bank deposits	46	-	-	-	46	0.65 - 1.00
Long-term investment	-	-	-	4	4	-
	<u>48</u>	<u>-</u>	<u>7</u>	<u>986</u>	<u>1,041</u>	
Financial liabilities						
Short-term loans from banks	92	-	-	-	92	1.80 - 3.98
Trade and other payables	-	-	-	517	517	-
	<u>92</u>	<u>-</u>	<u>-</u>	<u>517</u>	<u>609</u>	

(Unit: Million Baht)

Consolidated financial statements as at 31 March 2018

	Fixed interest rate				Total	Effective interest rate (% p.a.)
	Within		Floating interest rate	Non-interest bearing		
	1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	2	-	15	472	489	0.37 - 0.90
Current investments	-	-	-	5	5	-
Trade and other receivables	-	-	-	706	706	-
Restricted bank deposits	46	-	-	-	46	0.65 - 1.00
Long-term investment	-	-	-	3	3	-
	<u>48</u>	<u>-</u>	<u>15</u>	<u>1,186</u>	<u>1,249</u>	
Financial liabilities						
Short-term loans from banks	36	-	-	-	36	1.90 - 3.50
Trade and other payables	-	-	-	565	565	-
	<u>36</u>	<u>-</u>	<u>-</u>	<u>565</u>	<u>601</u>	

(Unit: Million Baht)

Separate financial statements as at 31 March 2019

	Fixed interest rate				Total	Effective interest rate (% p.a.)
	Within	1 - 5 years	Floating	Non-interest		
	1 year		interest rate	bearing		
Financial assets						
Cash and cash equivalents	2	-	4	86	92	0.37 - 0.90
Trade and other receivables	-	-	-	326	326	-
Restricted bank deposits	6	-	-	-	6	0.65 - 0.90
	8	-	4	412	424	
Financial liabilities						
Short-term loans from banks	13	-	-	-	13	3.76 - 3.98
Trade and other payables	-	-	-	278	278	-
	13	-	-	278	291	

(Unit: Million Baht)

Separate financial statements as at 31 March 2018

	Fixed interest rate				Total	Effective interest rate (% p.a.)
	Within	1 - 5 years	Floating	Non-interest		
	1 year		interest rate	bearing		
Financial assets						
Cash and cash equivalents	2	-	2	172	176	0.37 - 0.90
Trade and other receivables	-	-	-	336	336	-
Restricted bank deposits	6	-	-	-	6	0.65 - 0.90
	8	-	2	508	518	
Financial liabilities						
Trade and other payables	-	-	-	338	338	-
	-	-	-	338	338	

Foreign currency risk

The Company and its subsidiaries' exposure to foreign currency risk arises mainly from sales and purchase transactions and short-term borrowing that are denominated in foreign currencies. The Company and its subsidiaries seek to reduce this risk by entering into forward foreign exchange contracts when they consider appropriate. Generally, the forward contracts mature within one year.

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

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	as at 31 March		as at 31 March		as at 31 March	
	2019	2018	2019	2018	2019	2018
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	0.1	0.1	0.1	1.7	31.77	31.19
Japanese Yen	0.5	0.5	0.5	-	0.2867	0.2893
SG Dollar	-	-	-	0.1	-	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 with the mature within one year. The details are summarised below.

Foreign currency	Bought amount	Sold amount	Contractual exchange rate	
			Bought	Sold
	(Million)	(Million)	(Baht per 1 foreign currency unit)	
<u>As at 31 March 2019</u>				
US Dollar	0.14	-	31.33 - 32.85	-
<u>As at 31 March 2018</u>				
US Dollar	2.1	-	31.20 - 32.17	-

30.2 Fair values of financial instruments

Since the majority of the Company and its subsidiaries' financial assets and financial liabilities are short-term in nature, their fair values are not expected to be materially different from the amounts presented in the statements of financial position. However, the Company and its subsidiaries estimated fair value of derivatives, their fair value has been determined by using a discounted future cash flows model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves. The Company and its subsidiaries considered counterparty credit risk when determining the fair value of derivatives.

The estimated fair value of the derivatives is as follows.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
	Fair value	Fair value	Fair value	Fair value
	Gain (loss)	Gain (loss)	Gain (loss)	Gain (loss)
Derivatives				
Forward exchange contracts	-	(1.6)	-	(1.3)

31. Capital management

The primary objective of the Company and its subsidiaries' capital management is to ensure that they have appropriate capital structure in order to support their business and maximise shareholders value. As at 31 March 2019, the Company and its subsidiaries' total debt-to-equity ratio was 0.41:1 (2018: 0.40:1) and the Company's total debt-to-equity ratio was 0.27:1 (2018: 0.31:1).

32. Events after the reporting period

32.1 On 17 May 2019, the meeting of the Board of Directors of NSC Metal Company Limited (a subsidiary) No. 2/2019 passed a resolution to propose for approval by the Annual General Meeting of its shareholders, the dividend payment to the subsidiary's shareholders of Baht 6.50 per share, or totaling Baht 14.95 million, from its net operating profit for the year ended 31 March 2019. However, by the resolution of the meeting of the subsidiary's Board of Directors No. 4/2018 held on 8 November 2018, the subsidiary had paid out the interim dividend of Baht 4.50 per share, for 2.3 million ordinary shares, to the subsidiary's shareholders totaling Baht 10.35 million. The subsidiary already paid interim dividend on 26 November 2018. The remaining dividend is Baht 2.00 per share, or totaling Baht 4.60 million.

32.2 On 21 May 2019, the meeting of the Board of Directors of Auto Metal Company Limited (a subsidiary) No. 2/2019 passed a resolution to propose for approval by the Annual General Meeting of its shareholders, the dividend payment to the subsidiary's shareholders of Baht 54.00 per share, or totaling Baht 129.60 million from its net operating profit for the year ended 31 March 2019. However, by the resolution of the meeting of the subsidiary's Board of Directors No. 6/2018 held on 9 November 2018, the subsidiary had paid out the interim dividend of Baht 25.00 per share, for 2.4 million ordinary shares, to the subsidiary's shareholders totaling Baht 60.00 million on 26 November 2018. The remaining dividend is Baht 29.00 per share, or totaling Baht 69.60 million.

32.3 On 28 May 2019, the meeting of the Company's Board of Directors No. 2/2019 passed a resolution to propose an approval by the Annual General Meeting of its shareholders, of the dividend payment to the Company's shareholders of Baht 0.37 per share, or totaling Baht 141.71 million from its net operating profit for the year ended 31 March 2019. However, by the resolution of the meeting of the Company's Board of Directors No. 5/2018 held on 9 November 2018, the Company paid out the interim dividend of Baht 0.19 per share, for 383 million ordinary shares, to the Company's shareholders totaling Baht 72.77 million on 7 December 2018. The remaining dividend is Baht 0.18 per share, or totaling Baht 68.94 million.

33. Approval of consolidated financial statements

These consolidated financial statements were authorised for issue by the Company's Board of Directors on 28 May 2019.

Information on retired directors by rotation, and who proposed to be re-elected

Name/Surname	:	Mr. Prasarn Akarapongpisak
Age	:	61 Years
Proposed Position	:	Director, Chairman of Executive Committee Managing Director, Chairman of the Risk Management Committee
Educational Background	:	MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University : Bachelors of Technology and Industrial Management King Mongkut's University of Technology North Bangkok
Director Training	:	Thai Institute of Directors Association (IOD) : Director Accreditation Program DAP 37/2005 On May 20, 2005 : Director Certification Program DCP 60/2005
Work Experience (within 5 years)	:	1989-Present, Director, Chairman of Executive Committee, Managing Director and Chairman of the Risk Management Committee/ Lohakit Metal Public Company Limited : 2001-Present, Chairman of Director/ Auto Metal Co., Ltd. : 2001-Present, Chairman of Director/ Mory Lohakit (Thailand) Co., Ltd. : 2005-2018, Chairman of Director/ Alternative EnMat Co., Ltd. : 2013-2018, Chairman of Director/ NSC Metal Co., Ltd.
Position in Director of the Board of the Company	:	Director, Chairman of Executive Committee, Managing Director and Chairman of the Risk Management Committee (3 years : July 2016 – Present)
Years in director position with the Company :		Director 3 Years
Meetings Attended Record	:	Board of Directors 5/5 (or 100%) : Risk Management Committee 2/2 (or 100%)
Shareholding in the Company (as of March 31, 2019)	:	13,320,960 (or 3.47 % of Total issued shares)
Relation between the Director Member :		Father, Mr.Vittawat Akarapongpisak

Proposed Candidate	Other Listed Companies		Other Organizations (Non-listed Companies)		Position in other Organization that Compete with/related to The Company
	Number	Position	Number	Position	
Mr. Prasarn Akarapongpisak	-	-	2	1. Chairman of Director/ Auto Metal Co., Ltd. 2. Chairman of Director/ Mory Lohakit (Thailand) C Ltd.	- None -

Having the following relationship with the Company, parent company, subsidiary company, associated company or any juristic persons who might have a conflict of interest at present or during the past 2 years.

Type of relationship	Qualification
1. Taking part in the management of being and employee, staff member, advisor who receives a regular salary.	None
2. Being professional services provider, e.g., auditor, legal advisor	None
3. Having business relation that is material and could be barrier to independant judgement.	None

Information on retired directors by rotation, and who proposed to be re-elected

Name/Surname	:	Mr. Teera Na Wangkanai
Age	:	62 Years
Proposed Position	:	Director, Independent Director and Member Of Audit Committee and Chairman of the Nomination and Compensation Committee
Educational Background	:	Senior Executive Program Sasin Graduate Institute Of Business Administration of Chulalongkorn University : Sugar Technology College, Queensland, Australia : Western Australian Institute of Technology, Australia
Director Training	:	Thai Institute of Directors Association (IOD) : Director Certification Program DCP 54/2005 On March 2005, : ACP 6/2005 : FSD 20/2013 : MIR 15/2013 : ELP 3/2016 (Can see additional training in the Annual Report 2018 / History of Directors and Executives Page 74)
Work Experience (within 5 years)	:	2005-Present, Director, Independent Director and Member of Audit Committee and Chairman of the Nomination and Compensation Committee / Lohakit Metal Public Company Limited : 2012-Present, Director/ Wang Sugar Holding Co., Ltd. : 2012-Present, Director/ Wang Chainart Co., Ltd.
Position in Director of the Board of the Company	:	Director, Independent Director, Member of Audit Committee and Chairman of the Nomination and Compensation Committee (3 years: July 2016 – Present)
Years in director position with the Company :		Independent Director 3 Years Director 3 Years
Meetings Attended Record	:	Board of Directors 5/5 (or 100 %) : Audit committee 4/4 (or 100 %) : Nomination and Compensation Committee 2/2 (or 100 %)
Shareholding in the Company (as of March 31, 2019)	:	None (or 0% of total issued shares)
Relation between the Director Member :		None

Proposed Candidate	Other Listed Companies		Other Organizations (Non-listed Companies)		Position in other Organization that Compete with/related to The Company
	Number	Position	Number	Position	
Mr. Teera Na Wangkanai	-	-	17	Can see additional training in the Annual Report 2018 / History of Directors and Executives Page 74)	- None -

Having the following relationship with the Company, parent company, subsidiary company, associated company or any juristic persons who might have a conflict of interest at present or during the past 2 years.

Type of relationship	Qualification
1. Taking part in the management of being and employee, staff member, advisor who receives a regular salary.	None
2. Being professional services provider, e.g., auditor, legal advisor	None
3. Having business relation that is material and could be barrier to independent judgement.	None

Information on retired directors by rotation, and who proposed to be re-elected

Name/Surname	:	Mr. Somnuik Thanasarn
Age	:	53 Years
Proposed Position	:	Director, Member of Executive Committee, Deputy Managing Director and Member of the Risk Management Committee
Educational Background	:	Bachelor of Economics Thammasat University
Director Training	:	Thai Institute of Directors Association (IOD) Director Certification Program DCP 106/2008
Work Experience (within 5 years)	:	2012-Present, Director, Member of Executive Committee, Deputy Managing Director and Member of the Risk Management Committee/ Lohakit Metal Public Company Limited : 2008-Present, Director/ Auto Metal Co., Ltd. : 2008-Present, Director/ Alternative EnMat Co., Ltd. : 1999-2017, Sales & Marketing Manager/ Lohakit Metal Public Company Limited
Position in Director of the Board of the Company	:	Director, Member of Executive Committee, Deputy Managing Director, and Member of the Risk Management Committee (3 years: July 2016 – Present)
Years in director position with the Company	:	Director 3 Years
Meetings Attended Record	:	Board of Directors 5/5 (or 100%) : Risk Management Committee 2/2 (or 100%)
Shareholding in the Company (as of March 31, 2019)	:	None (or 0% of total issued shares)
Relation between the Director Member	:	None

Proposed Candidate	Other Listed Companies		Other Organizations (Non-listed Companies)		Position in other Organization that Compete with/related to The Company
	Number	Position	Number	Position	
Mr. Somnuik Thanasarn	-	-	2	1. Director/ Auto Metal Co., Ltd. 2. Director/ Alternative EnMat Co., Ltd.	- None -

Having the following relationship with the Company, parent company, subsidiary company, associated company or any juristic persons who might have a conflict of interest at present or during the past 2 years.

Type of relationship	Qualification
1. Taking part in the management of being and employee, staff member, advisor who recieves a regular salary.	None
2. Being professional services provider, e.g., auditor, legal advisor	None
3. Having business relation that is material and could be barrier to independant judgement.	None

Proxy (Form B)**(Duty Stamp of Baht 20 is required)**

Share registrar no. _____

Written at _____

Date _____ Month _____ Year _____

(1) I/We _____ Nationality _____ residing at _____
 Road _____ Tambol/Khwaeng _____ Amphur/Khet _____
 Province _____ Postal Code _____

(2) Being a shareholder of Lohakit Metal Public Company Limited (“the Company”) holding the total amount of _____ shares and have the rights to vote equal to _____ votes as follows:

Ordinary share _____ shares and have the right to vote equal to _____ votes.

Preference share _____ shares and have the right to vote equal to _____ votes

(3) Hereby appoint

1. Name _____ age _____ years,
 Residing at _____ Road _____ Tambol/Khwaeng _____
 Amphur/Khet _____ Province _____ Postal Code _____

or

2. Mr. Wanchai Umpungart Age 71 years Independent Director,
 Chairman of the Board of Directors, Chairman of the Audit Committee

Address : Lohakit Metal Public Company Limited 66/1 Moo 6 Suksawad Rd.,
 Bangjak, Prapadang, Samutprakarn 10130

or

3. Mr. Lert Nittheranont Age 57 years Independent Director,
 Member of the Audit Committee

Address : Lohakit Metal Public Company Limited 66/1 Moo 6 Suksawad Rd.,
 Bangjak, Prapadang, Samutprakarn 10130

Only one of them as my/our proxy to attend and vote on my/our behalf at the meeting of **The Annual General Meeting of Shareholders for the year 2019 at 14.00 hrs. On July 25, 2019 at Ballroom 1, 12th Floor, Ah Yat Abalone Convention Hall, Parking Building, No.43 Thai CC Tower, South Sathorn Road, Yannawa, Sathorn, Bangkok.** or such other date, time and place as the meeting may be adjourned.

- Appointment of each individual directors

Mr. Prasarn Akarapongpisak

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

Mr. Teera Na Wangkanai

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

Mr. Somnuik Thanasarn

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

5.2 To consider and determine the authorized directors of the Company

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

Agenda 6 Consideration for payment of directors' remuneration for the year 2019.

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

Agenda 7 Consideration for appointment of Company's auditor and approval of auditors' fee for the year 2019.

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

Agenda 8 Consideration on other business (if any)

- (a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects
- (b) To grant my/our proxy to vote at my/our desire as follows:
- Approve Disapprove Abstain

(5) Any of my votes in any agenda performed by the proxy does not act as my voting intention stated in this proxy shall consider as faulty vote and not the vote of shareholder.

(6) In case I/We have not specified my/our voting intention in any agenda or not clearly specified or in case the meeting considers or passes resolutions in any matters other than those specified above, including in case there is any amendment or addition of any fact, the proxy shall have the right to consider and vote on my/our behalf as he/she may deem appropriate in all respects.

Any acts performed by the proxy in this meeting shall be deemed to be the actions performed by myself/ourselves. Exception in case of the proxy has abstained vote as specified in this proxy form.

Signed _____ Grantor
()

Date _____

Signed _____ Proxy
()

Date _____

Signed _____ Proxy
()

Date _____

Signed _____ Proxy
()

Date _____

Remarks

1. The shareholder appointing the proxy must authorize only one proxy to attend and vote at the meeting and may not split the number of shares to many proxies for splitting votes.
2. The proxy may split the votes. In this regard, if the content is too long, it can be specified in the attached supplemental proxy form.

Supplemental Proxy Form

The Proxy is granted by a shareholder of Lohakit Metal Public Company Limited.

For the Annual General Meeting of Shareholders for the year 2019 shall be held at 14.00 hrs. On July 25, 2019 **at Ballroom 1, 12th Floor, Ah Yat Abalone Convention Hall, Parking Building, No.43 Thai CC Tower, South Sathorn Road, Yannawa, Sathorn, Bangkok.** or such other date, time and place as the meeting may be adjourned.

Agenda _____ Re : _____

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects

(b) To grant my/our proxy to vote at my/our desire as follows:

Approve Disapprove Abstain

Agenda _____ Re : _____

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects

(b) To grant my/our proxy to vote at my/our desire as follows:

Approve Disapprove Abstain

Agenda _____ Re : _____

(a) To grant my/our proxy to consider and vote on my/our behalf as appropriate in all respects

(b) To grant my/our proxy to vote at my/our desire as follows:

Approve Disapprove Abstain

I/We certify that the statements in this Supplemental Proxy Form are correct, complete and true in all respects.

Signed _____ Grantor
()

Date _____

Signed _____ Proxy
()

Date _____

Signed _____ Proxy
()

Date _____

Signed _____ Proxy
()

Date _____

Signed _____ Proxy
()

Date _____

Documents or Evidence Showing an Identity of the Shareholder or a Representative of the Shareholder Entitled to Attend the Meeting

The policy of the Board of The Stock Exchange of Thailand, dated 19th February 1999, relating to good practices for holding of a shareholders' meeting, aims to establish guidelines for listed companies to follow. This will create confidence to shareholders, investors and all relevant parties. Accordingly, the Company believes that an inspection of documents or evidence showing an identity of the shareholder or a representative of the shareholder entitled to attend the meeting which should be observed by the shareholders, would cause transparency, fair and benefits to the shareholders. However, the Company reserves the right to waive any of these requirements for some of the shareholders on a case by case basis, at the Company's sole discretion.

1. Natural person

1.1 Thai nationality

- (A) identification card of the shareholder (personal I.D. or identification card of government officer or identification card of state enterprise officer); or
- (B) in case of proxy, identification card of the shareholder and identification card or passport (in case of a foreigner) of the proxy.

1.2 Non-Thai nationality

- (A) passport of the shareholder; or
- (B) in case of proxy, passport of the shareholder and identification card or passport (in case of a foreigner) of the proxy.

2. Juristic person

2.1 Juristic person registered in Thailand

- (A) corporate affidavit, issued within 30 days by Commercial Registration Department, Ministry of Commerce; and
- (B) Identification card or passport (in case of a foreigner) of the authorized director(s) who sign(s) the proxy form including identification card or passport (in case of a foreigner) of the proxy.

2.2 Juristic person registered outside of Thailand

- (A) corporate affidavit; and
- (B) identification card or passport (in case of a foreigner) of the authorized director(s) who sign(s) the proxy form including identification card or passport (in case of a foreigner) of the proxy.

A copy of the documents must be certified true copy. In case of any documents or evidence produced or executed outside of Thailand, such documents or evidence should be notarized by a notary public.

A shareholder or a proxy may register and submit the required documents or evidence for inspection at the meeting from 12.00 hrs. On July 25, 2019.

Name List and Details of Independent Director

1. Mr. Wanchai Umpungart

Age	:	71 Years
Position	:	Independent Director, Chairman of the Board of Directors, Chairman of the Audit Committee and Member of the Nomination and Compensation Committee
Educational Background	:	MBA, Sasin Graduate Institute of Business Administration of Chulalongkorn University BA Accounting, Chulalongkorn University
Director Training	:	Thai Institute of Directors Association (IOD) Director Accreditation Program DAP 35/2005 Directors Certification Program DCP 102/2008
Work Experience (within 5 years)	:	2005 – Present, Director, Chairman of Executive Committee, Chairman of the Risk Management Committee and Managing Director/ Lohakit Metal Public Company Limited 2002 – Present, Independent Director and Audit Committee/ Muramoto Electron (Thailand) Plc. 2013 – Present, Independent Director and Audit Committee/ OCC Public Company Limited 2007 – 2013 Independent Director and Chairman of the Audit Committee/ Sahapattana Inter Holding Plc. 2006 – 2011 Director/ Marketing Organization of Farmers 2007 – 2013 Independent Director, Audit Committee/ Thanulux Public Company Limited 2008 – 2009 Director, Audit Committee/ Metropolitan Electricity Authority
Years in director position with the Company	:	Independent Director 3 years Board of Directors 3 years
Date of being appointed	:	July 27, 2017
Meetings Attended Record	:	Board of Directors 5/5 (or 100%)
Shareholding in the Company (Including spouse and underage children)	:	None (or 0% of total issued shares)
Address	:	Lohakit Metal Public Company Limited 66/1 Moo 6 Suksawad Rd., Bangjak, Prapradang, Samutprakarn 10130
Interest in any agenda	:	Agenda Item 6 - Consideration for payment of directors' remuneration for the year 2019

2. Mr. Lert Nitheranont

Age	:	57 Years
Position	:	Independent Director, Member of the Audit Committee and Member of the Nomination and Compensation Committee
Educational Background	:	Master of Business Administration (International Business) University of Southern, California, U.S.A
	:	Bachelor of Science Mechanical Engineering and Applied Mechanical University of Pennsylvania, U.S.A
Director Training	:	Thai Institute of Directors Association (IOD) Director Accreditation Program DAP 35/2005
Work Experience (within 5 years)	:	2005 – Present/ Director, Independent Director and Member of Audit Committee/ Lohakit Metal Public Company Limited
	:	1996 – Present/ Director/ Royal Concord Interrade Co., Ltd.
Years in director position with the Company	:	Independent Director 3 years Board of Directors 3 years
Date of being appointed	:	July 27, 2017
Meetings Attended Record	:	Board of Directors 5/5 (or 100%)
Shareholding in the Company (Including spouse and underage children)	:	None (or 0% of total issued shares)
Address	:	Lohakit Metal Public Company Limited 66/1 Moo 6 Suksawad Rd., Bangjak, Prapradang, Samutprakarn 10130
Interest in any agenda	:	Agenda Item 6 - Consideration for payment of directors' remuneration for the year 2019

The Company's article of association with regard to the shareholder's meeting

Chapter 5 : The board of directors

Article 21 At every annual general meeting, one-third of the number of directors shall vacate office. If the number is not a multiple of three, then the number nearest to one-third must retire from office.

The directors to retire during the first and second years following the registration of the Company shall be drawn by lots. In every subsequent year, the director who has been in office for the longest term shall retire. A retiring director is eligible for re-election.

Chapter 6 : Shareholder Meeting

Article 37 The Board of Directors shall convene an annual general meeting of shareholders within four (4) months from the last day of the accounting period of the Company.

Meetings other than those specified above shall be called the extraordinary meetings. The Board of Directors may summon an extraordinary meeting whenever it deems appropriate.

Shareholders holding shares in aggregate not less than one-fifth of the total number of shares sold, or shareholders numbering not less than twenty-five persons holding shares in aggregate not less than one-tenth of the total number of shares sold, may at any time subscribe their names in a letter requesting the Board of Directors to call an extraordinary meeting, provided that they must clearly give the reasons for such request in the letter. In this case, the Board of Directors shall arrange the shareholders' meeting within 1 month from the date of receipt of such a letter from the shareholders.

Article 38 In summoning the shareholders' meeting, the Board of Directors shall prepare a notice of the meeting specifying the place, date, time, agenda and the matters to be submitted to the meeting together with appropriate details stating clearly which issues will be for acknowledgement, for approval or for consideration, including the opinions of the Board of Directors on the said matters and shall send the same to the shareholder and the company registrar for information not less than 7 days prior to the meeting. Publication of a notice of the meeting shall also be made in a newspaper for 3 consecutive days at least 3 days prior to the meeting.

The shareholders' meeting may be held at the head office of the company or locality in which the Company's head office is situated or other place where the Board of Directors deems appropriate.

Article 39 In order to constitute a quorum, there shall be shareholders and proxies (if any) attending at a shareholder meeting amounting to not less than twenty-five (25) persons or not less than one half of the total number of shareholders and in either case such shareholders shall hold shares amounting to not less than one-third (1/3) of the total number of shares sold of the Company.

At any shareholder meeting, if one hour passed since the time specified for the meeting and the number of shareholders attending the meeting is still inadequate for a quorum as defined in the first paragraph, and if such shareholder meeting was called as a result of a request by the shareholders, the meeting shall be cancelled. If such meeting was not called as a result of a request by the shareholders, the meeting shall be called once again and the notice calling such

meeting shall be delivered to shareholders not less than seven (7) days prior to the date of the meeting. In the subsequent meeting a quorum is not required.

Article 40

The chairman of the board shall be the chairman of shareholder meetings. If the chairman of the board is not present at a meeting or cannot perform his duty, the vice-chairman present at the meeting shall be the chairman of the meeting. If there is no vice-chairman or there is a vice-chairman who is not present at the meeting or cannot perform his duty, the shareholders present at the meeting shall elect one shareholder to be the chairman of the meeting.

Article 41

The shareholders may appoint any other person to attend the meeting and cast their votes. The proxy form shall be dated and signed by the shareholders where the form shall be in compliance with the form specified by the Registrar.

The eligible proxy form shall be submitted to the chairman of the meeting or to any person assigned and at the place specified by the chairman before attending the meeting.

Article 42

The resolution of the shareholders' meeting shall comprise the following votes:

(1) In normal case, the majority of votes of shareholders who attend the meeting and cast votes. In case of equality of votes, the Chairman of the Board shall have an additional casting

vote;

(2) In the following cases, a resolution shall be passed by votes of not less than three-fourths of the total number of votes of shareholders attend the meeting and are entitled to vote:

who

- (a) the sale or transfer of the whole or important parts of the business of the Company to other persons;
- (b) the purchase or acceptance of transfer of the business of other companies or private companies by the Company;
- (c) the making, amending or terminating of contracts with respect to the granting of a lease of the whole or important parts of the business of the Company, the assignment of the management of the business of the Company to any other persons or the amalgamation of the business with other persons with purpose of profit and loss sharing;
- (d) any amendments or addition of the Memorandum of Association or the Articles of Association of the Company;
- (e) any increase or decrease of registered capital or any issuance of debentures;
- (f) the issuance of preferred share, debenture, collateral debenture, convertible debenture, warrant to buy share or debenture or other securities which legalize to issue.
- (g) the amalgamation or dissolution of the Company

Ah Yat Abalone Convention Hall Map

