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These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language financial statements, and were approved and authorised for issue by the Board of Directors on 11 May 2018.

1. **General information**

Yuasa Battery (Thailand) Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at No. 164, Moo 5, Soi Thedsaban 55, Sukhumvit Road, Tambol Taibanmai, Amphur Muangsamutprakan, Samutprakan.

The Company was listed on the Market for Alternative Investment (MAI) on 21 November 1994.

The Company’s major shareholders during the financial period were GS Yuasa International Ltd. (40.69% shareholding) which was incorporated in Japan and Metropolitan Motor Service Co., Ltd. (19.13% shareholding) which was incorporated in Thailand.

The principal activities of the Company and its subsidiary (“the Group”) are the manufacturing and distributing of batteries for automobiles and motorcycles.

1. **Basis of preparation of the interim financial statements**

***(a) Statement of compliance***

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2017) *Interim Financial Reporting;* guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2017. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiary for the year ended 31 December 2017.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2017 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2018. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group or the Company.

In addition to the above new and revised TFRS, The FAP has issued TFRS 15 *Revenue from Contracts with Customers* which is effective for annual periods beginning on or after 1 January 2019. The Group has not early adopted this standard in preparing these interim financial statements.

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled. It replaces existing revenue recognition standards as follows:

* 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,* and
* TFRIC 18 (revised 2017) *Transfers of Assets from Customers.*

Management is presently considering the potential impact of adopting and initially applying TFRS 15 on the consolidated and separate financial statements.

***(b) Functional and presentation currency***

The interim financial statements are prepared and presented in Thai Baht, which is the Company’s functional currency.

***(c) Use of judgements and estimates***

The preparation of interim financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2017.

Measurement of fair values

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Group’s Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

* *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
* *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
* *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

1. **Related parties**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with the subsidiary are described in note 6. Relationship with key management and other related parties were as follows:

|  | **Country of** |  |
| --- | --- | --- |
|  | **incorporation/** |  |
| **Name of entities** | **nationality** | **Nature of relationships** |
| GS Yuasa International Ltd. | Japan | A major shareholder, 40.69% shareholding |
| Metropolitan Motor Service Co., Ltd. | Thailand | A major shareholder, 19.13% shareholding |
| Manutham Mansion and Development  Co., Ltd. | Thailand | Common director |
| Fuji Merchantiles Co., Ltd. | Thailand | Common director and shareholder |
| GS Yuasa Corporation | Japan | Ultimate parent company |
| Yuasa Battery (Malaysia) Sdn Bhd. | Malaysia | Common ultimate parent company |
| GS Yuasa Battery (Singapore) Pte. Ltd. | Singapore | Common ultimate parent company |
| PT. Yuasa Battery Indonesia | Indonesia | Common ultimate parent company |
| Tata Autocomp GY Battery Private Ltd. | India | Common ultimate parent company |
| GS Yuasa Power Supply Ltd. | Japan | Common ultimate parent company |
| GS Yuasa Siam Industry Co., Ltd. | Thailand | Common ultimate parent company |
| Taiwan Yuasa Battery Co., Ltd. | Taiwan | Common ultimate parent company |
| GS Battery Taiwan Co., Ltd. | Taiwan | Common ultimate parent company |
| GS Battery Vietnam Co., Ltd. | Vietnam | Common ultimate parent company |
| Siam GS Battery Co., Ltd. | Thailand | Common ultimate parent company |
| Siam GS Sales Co., Ltd. | Thailand | Common ultimate parent company |
| Yuasa Battery (Shunde) Co., Ltd. | China | Common ultimate parent company |
| Key management personnel | Thailand, Japan | Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group |

The pricing policies for transactions with related parties are explained further below:

|  |  |  |
| --- | --- | --- |
| **Transactions** |  | **Pricing policies** |
| Revenue from sale of goods |  | Market price |
| Commission income |  | At agreed price |
| Rental and service income |  | Contract price |
| Service income |  | At agreed price |
| Purchase of raw materials and goods |  | Market price |
| Purchase of machinery and equipment |  | At agreed price |
| Royalty fee |  | Contract price |
| Dividends paid |  | As announced |

Significant transactions for the three-month periods ended 31 March with related parties were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated | | |  | Separate | | |
|  | financial statements | | |  | financial statements | | |
| *Three-month periods ended 31 March* | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(in thousand Baht)* | | | | | | |
| **Subsidiary** |  |  |  |  |  |  |  |
| Revenue from sale of goods | - |  | - |  | 241,051 |  | 229,660 |
| Rental and service income | - |  | - |  | 342 |  | 265 |
| Service income | - |  | - |  | 197 |  | 109 |
|  |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |
| Revenue from sale of goods | 38,653 |  | 35,133 |  | 38,653 |  | 35,133 |
| Purchase of raw materials and goods | 39,574 |  | 13,747 |  | 38,807 |  | 13,092 |
| Commission income | 399 |  | 593 |  | 399 |  | 593 |
| Purchase of machinery and equipment | - |  | 379 |  | - |  | 379 |
| Royalty fee | 10,274 |  | 9,336 |  | 10,274 |  | 9,336 |
|  |  |  |  |  |  |  |  |
| **Key management personnel** |  |  |  |  |  |  |  |
| Key management personnel compensation |  |  |  |  |  |  |  |
| Short-term employee benefits | 9,058 |  | 9,705 |  | 7,956 |  | 8,698 |
| Post-employment benefits | 346 |  | 322 |  | 199 |  | 181 |
| **Total key management personnel** |  |  |  |  |  |  |  |
| **compensation** | **9,404** |  | **10,027** |  | **8,155** |  | **8,879** |

Balances as at 31 March 2018 and 31 December 2017 with related parties were as follows:

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Trade accounts receivable*** | Consolidated | | | |  | Separate | | | |
| *- related parties* | financial statements | | | |  | financial statements | | | |
|  | 31 March |  | | 31 December |  | 31 March | |  | 31 December |
|  | 2018 |  | | 2017 |  | 2018 | |  | 2017 |
|  | *(in thousand Baht)* | | | | | | | | |
| **Subsidiary** |  |  | |  |  |  | |  |  |
| Yuasa Sales and Distribution Co., Ltd. | - |  | | - |  | 244,146 | |  | 229,599 |
| **Other related parties** |  |  | |  |  |  | |  |  |
| Yuasa Battery (Malaysia) Sdn Bhd. | 24,554 |  | | 20,042 |  | 24,554 | |  | 20,042 |
| Siam GS Sales Co., Ltd. | - |  | | 916 |  | - | |  | 916 |
| Yuasa Battery (Shunde) Co., Ltd. | - |  | | 214 |  | - | |  | 214 |
| GS Yuasa International Ltd. | 58 |  | | 73 |  | 58 | |  | 73 |
| **Total** | **24,612** |  | | **21,245** |  | **268,758** | |  | **250,844** |
|  |  |  | |  |  |  | |  |  |
| *Other current receivables* | Consolidated | | | |  | | Separate | | | |
| *- related parties* | financial statements | | | |  | | financial statements | | | |
|  | 31 March |  | 31 December | |  | | 31 March |  | 31 December | |
|  | 2018 |  | 2017 | |  | | 2018 |  | 2017 | |
|  | *(in thousand Baht)* | | | | | | | | | |
| **Subsidiary** |  |  |  | |  | |  |  |  | |
| Yuasa Sales and Distribution Co., Ltd. | - |  | - | |  | | 328 |  | 288 | |
| **Other related party** |  |  |  | |  | |  |  |  | |
| Taiwan Yuasa Battery Co., Ltd. | 397 |  | 410 | |  | | 397 |  | 410 | |
| **Total** | **397** |  | **410** | |  | | **725** |  | **698** | |

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| *Trade accounts payable - related parties* | Consolidated | | | |  | | Separate | | | | | |
|  | financial statements | | | |  | | financial statements | | | | | |
|  | 31 March |  | | 31 December | |  | | 31 March | |  | | 31 December |
|  | 2018 |  | 2017 | |  | | 2018 | |  | | 2017 | |
|  | *(in thousand Baht)* | | | | | | | | | | | |
| **Other related parties** |  |  |  | |  | |  | |  | |  | |
| GS Yuasa International Ltd. | 24,273 |  | 33,517 | |  | | 24,273 | |  | | 33,517 | |
| Siam GS Sales Co., Ltd. | 820 |  | - | |  | | - | |  | | - | |
| **Total** | **25,093** |  | **33,517** | |  | | **24,273** | |  | | **33,517** | |
|  |  |  |  | |  | |  | |  | |  | |
| *Other current payables - related parties* | Consolidated | | | |  | | Separate | | | | | |
|  | financial statements | | | |  | | financial statements | | | | | |
|  | 31 March |  | 31 December | |  | | 31 March | |  | | 31 December | |
|  | 2018 |  | 2017 | |  | | 2018 | |  | | 2017 | |
|  | *(in thousand Baht)* | | | | | | | | | | | |
| ***Accrued royalty fee*** |  |  |  | |  | |  | |  | |  | |
| **Other related party** |  |  |  | |  | |  | |  | |  | |
| GS Yuasa International Ltd. | **10,274** |  | **36,995** | |  | | **10,274** | |  | | **36,995** | |

***Significant agreements with related parties***

*Technical Assistance Agreements*

On 1 January 2009, the Company entered into technical assistance agreements with GS Yuasa International Ltd. whereby the latter agreed to grant the Company the rights to use technical know-how and expertise related to manufacturing of automotive and motorcycle batteries as well as to use trademarks owned by GS Yuasa Corporation. The Company is committed to pay royalty fee at the rates as specified in the agreements. These agreements shall remain effective for 5 years and will be automatically renewed for another one year each unless terminated by either party giving notice in writing at least 90 days before the expiration of the agreements.

*Rental Agreement*

On 25 December 2016, the Company entered into a rental agreement with Yuasa Sales and Distribution Co., Ltd. covering its office premises, warehouse space and related facilities with the rental and service income as specified in the agreement. The agreement is for a period of 2 years and shall be renewed on an annual basis.

1. **Current investment**

On 1 September 2017, the Company had current investment which represents government bond that the Company has the positive intent and ability to hold to maturity. Held-to-maturity investment has interest rate of 1.4% per annum and mature in June 2018.

1. **Trade accounts receivable**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Consolidated** | | | |  | Separate | | |
|  |  | financial statements | | | |  | financial statements | | |
|  |  | 31 March |  | 31 December | |  | 31 March |  | 31 December |
|  | *Note* | 2018 |  | | 2017 |  | 2018 |  | 2017 |
|  |  | *(in thousand Baht)* | | | | | | | |
| Related parties | *3* | 24,612 |  | | 21,245 |  | 268,758 |  | 250,844 |
| Other parties |  | 298,938 |  | | 278,925 |  | 138,939 |  | 122,730 |
| **Total** |  | **323,550** |  | | **300,170** |  | **407,697** |  | **373,574** |
| *Less* allowance for doubtful accounts |  | (669) |  | | (6,218) |  | (146) |  | (146) |
| **Net** |  | **322,881** |  | | **293,952** |  | **407,551** |  | **373,428** |
|  |  |  |  | |  |  |  |  |  |
|  | | 2018 |  | | 2017 |  | 2018 |  | 2017 |
|  | | *(in thousand Baht)* | | | | | | | |
| Reversal of bad and doubtful debts | |  |  | |  |  |  |  |  |
| expense for the three-month period |  |  |  | |  |  |  |  |  |
| ended 31 March |  | (409) |  | | (587) |  | - |  | (50) |

Aging analyses for trade accounts receivable were as follows:

|  | Consolidated | | | |  | Separate | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | financial statements | | | |  | financial statements | | |
|  | 31 March |  | 31 December | |  | 31 March |  | 31 December |
|  | 2018 |  | 2017 | |  | 2018 |  | 2017 |
|  | *(in thousand Baht)* | | | | | | | |
| **Related parties** |  | | | | | | | |
| Within credit terms | 24,612 |  | | 21,172 |  | 268,758 |  | 250,771 |
| Overdue: |  |  | |  |  |  |  |  |
| Less than 3 months | - |  | | 73 |  | - |  | 73 |
|  | **24,612** |  | | **21,245** |  | **268,758** |  | **250,844** |
|  |  |  | |  |  |  |  |  |
| **Other parties** |  |  | |  |  |  |  |  |
| Within credit terms | 269,493 |  | | 236,025 |  | 135,117 |  | 114,185 |
| Overdue: |  |  | |  |  |  |  |  |
| Less than 3 months | 25,531 |  | | 33,752 |  | 3,364 |  | 8,399 |
| 3 - 6 months | 312 |  | | - |  | 312 |  | - |
| Over 12 months | 3,602 |  | | 9,148 |  | 146 |  | 146 |
|  | **298,938** |  | | **278,925** |  | **138,939** |  | **122,730** |
| *Less* allowance for doubtful accounts | (669) |  | | (6,218) |  | (146) |  | (146) |
|  | **298,269** |  | | **272,707** |  | **138,793** |  | **122,584** |
| **Net** | **322,881** |  | | **293,952** |  | **407,551** |  | **373,428** |

The normal credit term granted by the Group ranges from 30 days to 90 days.

1. **Investment in subsidiary**

Investment in subsidiary as at 31 March 2018 and 31 December 2017, and dividend income from this investment for the three-month periods ended 31 March 2018 and 2017 were as follows:

|  |  | Separate financial statements | | | | | | | | | | | | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | Ownership interest | | |  | Paid-up capital | | |  | Cost | | |  | Impairment | | |  | At cost - net | | |  | Dividend income | | |
|  |  | 31 |  | 31 |  | 31 |  | 31 |  | 31 |  | 31 |  | 31 |  | 31 |  | 31 |  | 31 |  | 31 |  | 31 |
|  | Type of | March |  | December |  | March |  | December |  | March |  | December |  | March |  | December |  | March |  | December |  | March |  | March |
|  | business | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  |  | *(%)* | | |  | *(in thousand Baht)* | | | | | | | | | | | | | | | | | | |
| ***Subsidiary*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Yuasa Sales and | Distribution |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Distribution Co., Ltd. | of battery | 99.99 |  | 99.99 |  | 1,000 |  | 1,000 |  | 1,000 |  | 1,000 |  | (1,000) |  | (1,000) |  | - |  | - |  | - |  | - |
| **Total** |  |  |  |  |  |  |  |  |  | **1,000** |  | **1,000** |  | **(1,000)** |  | **(1,000)** |  | **-** |  | **-** |  | **-** |  | **-** |

A subsidiary was incorporated in Thailand. The book value of investment in Yuasa Sales and Distribution Co., Ltd. (based on the latest audited financial statements) was less than the cost of investment. The Company set up full allowance for the impairment loss of the investment in the separate financial statements.

1. **Property, plant and equipment**

Acquisitions, disposals and transfers of property, plant and equipment during the three-month periods ended 31 March 2018 and 2017 were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | | |
| ***Three-month periods ended 31 March*** | 2018 | | |  | 2017 | | |
|  |  |  | Disposals |  |  |  | Disposals |
|  | Acquisitions |  | and |  | Acquisitions |  | and |
|  | and |  | transfers out |  | and |  | transfers out |
|  | transfers in |  | - net book |  | transfers in |  | - net book |
|  | - at cost |  | value |  | - at cost |  | value |
|  | *(in thousand Baht)* | | | | | | |
| Building and construction | 6,247 |  | - |  | 4,020 |  | (13) |
| Machinery and equipment | 1,978 |  | - |  | 22,079 |  | - |
| Furniture, fixtures and office equipment | 284 |  | - |  | 1,567 |  | - |
| Assets under construction and |  |  |  |  |  |  |  |
| machinery under installation | 12,971 |  | (7,303) |  | 14,948 |  | (22,065) |
| **Total** | **21,480** |  | **(7,303)** |  | **42,614** |  | **(22,078)** |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | | | | |
| ***Three-month periods ended 31 March*** | 2018 | | | |  | 2017 | | |
|  |  |  | | Disposals |  |  |  | Disposals |
|  | Acquisitions |  | | and |  | Acquisitions |  | and |
|  | and |  | | transfers out |  | and |  | transfers out |
|  | transfers in |  | | - net book |  | transfers in |  | - net book |
|  | - at cost |  | | value |  | - at cost |  | value |
|  | *(in thousand Baht)* | | | | | | | |
| Building and construction | 6,247 |  | - | |  | 4,020 |  | (13) |
| Machinery and equipment | 1,978 |  | - | |  | 22,079 |  | - |
| Furniture, fixtures and office equipment | 284 |  | - | |  | 1,496 |  | - |
| Assets under construction and |  |  |  | |  |  |  |  |
| machinery under installation | 12,747 |  | (7,303) | |  | 14,948 |  | (22,065) |
| **Total** | **21,256** |  | **(7,303)** | |  | **42,543** |  | **(22,078)** |

As at 31 March 2018, the Group’s and the Company’s land and constructions thereon with a mortgage value of Baht 30 million have been mortgaged as collateral for some facilities amounted to Baht 137.5 million obtained from a financial institution. For remaining facilities that the Company obtained from other financial institutions of Baht 615 million are unsecured.

1. **Segment information**

Management considers that the Group operates in a single line of business comprising the manufacturing of batteries for automobiles and motorcycles, and has, therefore, only one reportable segment. The Company is a battery manufacturer and derives revenue from 3 different customer groups i.e. Original Equipment Market (OEM), Replacement Equipment Market (REM) and Export market. Other operations include other products than batteries for automobiles and motorcycles. Information regarding the revenue from each customer group as included in the internal management report that are reviewed by the Group’s chief operating decision maker (CODM) is shown below:

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Original Equipment Market (OEM) | | |  | Replacement Equipment Market (REM) | | |  | Export market | | |  | Others | | |  | Total | | |
| ***Three-month periods ended 31 March*** | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(in thousand Baht)* | | | | | | | | | | | | | | | | | | |
| External revenue | 204,518 |  | 169,411 |  | 253,991 |  | 258,233 |  | 173,836 |  | 162,163 |  | 8,397 |  | 9,019 |  | 640,742 |  | 598,826 |
| Internal revenue | - |  | - |  | 241,037 |  | 229,577 |  | - |  | - |  | 14 |  | 83 |  | 241,051 |  | 229,660 |
| **Total revenue** | **204,518** |  | **169,411** |  | **495,028** |  | **487,810** |  | **173,836** |  | **162,163** |  | **8,411** |  | **9,102** |  | **881,793** |  | **828,486** |
| Elimination of internal revenue | - |  | - |  | (241,037) |  | (229,577) |  | - |  | - |  | (14) |  | (83) |  | (241,051) |  | (229,660) |
| **Consolidated revenue** | **204,518** |  | **169,411** |  | **253,991** |  | **258,233** |  | **173,836** |  | **162,163** |  | **8,397** |  | **9,019** |  | **640,742** |  | **598,826** |
| Cost of sales | (150,210) |  | (133,819) |  | (191,014) |  | (194,138) |  | (144,252) |  | (138,769) |  | (6,736) |  | (5,857) |  | (492,212) |  | (472,583) |
| **Consolidated gross profit** | **54,308** |  | **35,592** |  | **62,977** |  | **64,095** |  | **29,584** |  | **23,394** |  | **1,661** |  | **3,162** |  | **148,530** |  | **126,243** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

1. **Basic earnings per share**

The calculations of basic earnings per share for the three-month periods ended 31 March 2018 and 2017 were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

|  | Consolidated | | |  | Separate | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | financial statements | | |  | financial statements | | |
| ***Three-month periods ended 31 March*** | 2018 |  | 2017 |  | 2018 |  | 2017 |
|  | *(in thousand Baht / thousand shares)* | | | | | | |
| Profit attributable to ordinary shareholders of  the Company (basic) | 37,314 |  | 38,886 |  | 32,285 |  | 32,344 |
| Number of ordinary shares outstanding | 107,625 |  | 107,625 |  | 107,625 |  | 107,625 |
|  |  |  |  |  |  |  |  |
| **Earnings per share (basic) *(in Baht)*** | **0.35** |  | **0.36** |  | **0.30** |  | **0.30** |

1. **Commitments with non-related parties**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated | | | |  | Separate | | |
|  | financial statements | | | |  | financial statements | | |
|  | 31 March |  | 31 December | |  | 31 March |  | 31 December |
|  | 2018 |  | 2017 | |  | 2018 |  | 2017 |
|  | *(in thousand Baht)* | | | | | | | |
| ***Capital commitments*** |  |  | |  |  |  |  |  |
| *Contracted but not provided for* |  |  | |  |  |  |  |  |
| Building and constructions | 7,369 |  | | 3,282 |  | 7,369 |  | 3,282 |
| Machinery and equipment | 7,767 |  | | 2,448 |  | 7,767 |  | 2,448 |
| Office equipment | - |  | | 630 |  | - |  | 630 |
| **Total** | **15,136** |  | | **6,360** |  | **15,136** |  | **6,360** |
|  |  |  | |  |  |  |  |  |
|  |  |  | |  |  |  |  |  |
| ***Future minimum lease payment*** |  |  | |  |  |  |  |  |
| ***under non-cancellable*** |  |  | |  |  |  |  |  |
| ***operating lease*** |  |  | |  |  |  |  |  |
| Within one year | 4,230 |  | | 4,267 |  | 4,052 |  | 4,066 |
| After one year but within five years | 1,717 |  | | 1,626 |  | 1,717 |  | 1,612 |
| **Total** | **5,947** |  | | **5,893** |  | **5,796** |  | **5,678** |
|  |  |  | |  |  |  |  |  |
| ***Other commitments*** |  |  | |  |  |  |  |  |
| Bank guarantees | 7,169 |  | | 7,169 |  | 7,169 |  | 7,169 |

As at 31 March 2018, the Group had;

(a) operating lease agreements covering warehouse, factory equipment, office equipment and vehicles for the Company and covering office equipment and vehicles for a subsidiary for periods of 1 to 7 years, which will expire in various dates in 2018 to 2021.

(b) letter of guarantees issued by financial institutions in favour of the Company for the use of electricity and for performance bonds guarantee.

(c) purchase order accepted by suppliers of the Company for purchase of raw materials for a total quantity of 7,394 MT *(31 December 2017: 9,074 MT)*, at the prices as determined in purchase order that will be delivered during 2018 *(31 December 2017: during 2018)*.

1. **Contingent liabilities**

As at 31 March 2018, the Company had;

(a) guaranteed unutilised bank overdrafts for subsidiary in amount of Baht 5 million *(31 December 2017: Baht 5 million).*

(b) guaranteed rental agreements for subsidiary in amount of Baht 0.06 million *(31 December 2017: Baht 0.97 million)*.

1. **Events after the reporting period**

At the annual general meeting of the shareholders of the Company held on 3 April 2018, the shareholders approved the appropriation of dividend of Baht 0.24 per share, amounting to Baht 25.83 million. The dividend was paid to shareholders on 3 May 2018.